

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

March 27, 2025

**TO:** Honorable Brad Buckley, Chair, House Committee on Public Education

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB2689** by Guillen (Relating to the establishment of an intensive workforce readiness adult education pilot program.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2689, As Introduced: a negative impact of (\$162,531,450) through the biennium ending August 31, 2027.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to <i>General Revenue Related Funds</i>
2026	(\$52,429,500)
2027	(\$110,101,950)
2028	(\$173,410,571)
2029	(\$242,774,800)
2030	(\$318,641,925)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from <i>Foundation School Fund</i> 193
2026	(\$52,429,500)
2027	(\$110,101,950)
2028	(\$173,410,571)
2029	(\$242,774,800)
2030	(\$318,641,925)

Fiscal Analysis

The bill would require the Texas Education Agency (TEA) to establish an intensive workforce readiness adult education pilot program.

The program would allow individuals eligible for an adult education program under Education Code, Section 12.258, to complete programs that lead to a high school diploma or a high school equivalency certificate, and career and technology courses that lead to certain certifications and licenses.

**Methodology**

TEA assumes three additional charter schools would participate in the intensive workforce readiness pilot program in fiscal year 2026, and participation would increase by three charter schools each subsequent fiscal year. TEA also assumes an initial enrollment-based average daily attendance (ADA) of 1,500 for each charter school in the program in fiscal year 2026.

TEA assumes an annual growth rate of 5 percent in ADA. TEA anticipates total ADA for the pilot program would increase from 4,500 in fiscal year 2026 to approximately 27,300 in fiscal year 2030. TEA estimates funding per ADA to be \$11,651 based on fiscal year 2024 charter school data.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 320 Texas Workforce Commission, 701 Texas Education Agency

**LBB Staff:** JMc, JPE, ASA, ANa