

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 7, 2025

TO: Honorable Brandon Creighton, Chair, Senate Committee on Education K-16

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB111 by Hall (relating to reporting by school districts regarding special education legal proceedings in which a certain amount of legal fees has been incurred by the district.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for SB111, Committee Report 1st House, Substituted: a negative impact of (\$1,015,090) 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	(\$323,102)
2027	(\$691,988)
2028	(\$119,632)
2029	(\$119,632)
2030	(\$119,632)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1
2026	(\$323,102)
2027	(\$691,988)
2028	(\$119,632)
2029	(\$119,632)
2030	(\$119,632)

Fiscal Analysis

The bill would require a school district each month to post on the district's Internet website and to submit to the Texas Education Agency (TEA) a report regarding each ongoing legal proceeding relating to complaints against a school district alleging a violation of federal or state special education laws for which the district's legal fees exceed \$10,000. The report would be required to include certain information on the legal proceeding and legal fees and to meet certain confidentiality requirements.

The bill would require TEA each month to compile and post on TEA's Internet website the information reported

to the agency relating to district legal fees exceeding the limit for the preceding month.

Methodology

TEA estimates IT costs to implement the provisions of the bill would be \$0.3 million in fiscal year 2026, \$0.7 million in fiscal year 2027, and \$0.1 million in subsequent years.

Local Government Impact

Districts would incur costs relating to the requirement to report certain legal fees and related information to TEA, and to post the information on the district's Internet website.

Source Agencies: 701 Texas Education Agency

LBB Staff: JMc, NC, ASA, ANa