

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 30, 2015

TO: Honorable Dan Patrick, Lieutenant Governor, Senate
Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB18 by Aycock (Relating to measures to support public school student academic achievement and high school, college, and career preparation.), **Conference Committee Report**

Estimated Two-year Net Impact to General Revenue Related Funds for HB18, Conference Committee Report: a negative impact of (\$18,259,500) through the biennium ending August 31, 2017.

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:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2016	(\$12,656,000)
2017	(\$5,603,500)
2018	(\$5,603,500)
2019	(\$5,603,500)
2020	(\$5,603,500)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund	Change in Number of State Employees from FY 2015
	1	
2016	(\$12,656,000)	9.0
2017	(\$5,603,500)	9.0
2018	(\$5,603,500)	9.0
2019	(\$5,603,500)	9.0
2020	(\$5,603,500)	9.0

Fiscal Analysis

The bill would prohibit any limitation of the number of dual credit courses or dual credit course

semester credit hours in which a high school student could enroll each semester or academic year.

The bill would require the Texas Education Agency (TEA) to develop uniform public outreach materials in English, Spanish, and Vietnamese to explain curriculum changes.

The bill would require each school district to provide instruction to each 7th and 8th grade student on how to prepare for high school, college, and a career.

The bill would require The University of Texas at Austin's Center for Teaching and Learning to develop, implement, and evaluate an online, self-paced, modular professional development program for Texas public school counselors as well as educators with counseling responsibilities. Additionally, the bill would provide stipends paid to counselors and other educators that counsel secondary students.

The bill would require dual credit courses to be taught by qualified instructors approved or selected by the public junior college.

The bill would require public institutions of higher education to provide certain information to students and school districts regarding student performance on Texas Success Initiative assessment instruments.

The bill would add the State Board of Education (SBOE) to the group of those informed by the Texas High Performance Schools Consortium and would require an open-enrollment charter school to have been awarded a distinction designation during the preceding school year to participate in the consortium. The bill would increase the maximum number of students enrolled in consortium participants from 5 to 10 percent of the total number of students enrolled in public schools. The bill would require Consortium participants to submit performance and progress reports not later than December 1 of each even-numbered year. The bill would eliminate the need for the report to include commissioner recommendations, the inclusion of an accountability system for consortium participants, and the requirement that the commissioner seek a federal waiver if needed.

Methodology

Based on information provided by the Texas Education Agency, any costs associated with the bill could be absorbed within the agency's existing budget.

Based on information provided by the Texas Higher Education Coordinating Board, the bill could result in an increase in dual credit students at institutions of higher education. This increase could result in an additional cost to General Revenue due to increased formula costs for higher education beginning in fiscal year 2018; however, these costs are not considered significant.

Based on information provided by The University of Texas at Austin (UT Austin), implementing the provisions of the bill would require an additional 9.0 FTEs beginning in fiscal year 2016. Salary and benefit costs would total \$1,658,500 per fiscal year. The institution estimates first-year equipment and other operating expense costs of \$10,997,500 to develop content modules along with purchase of equipment. Ongoing other operating expenses including counselor stipends are estimated to be \$3,945,000 per fiscal year.

Local Government Impact

School districts that currently pay the tuition and fees for students to attend dual credit courses

would see increases in their costs if they selected to continue to pay for these costs. These costs could vary widely depending on participation. Districts that did not cover the cost of tuition and fees may see some administrative costs savings for students that attended additional dual credit course that were taught by the college and not by district staff.

It is anticipated that school districts would incur costs for materials, staffing, and developing new courses relating to the bill's provision requiring instruction to students in grade seven or eight in preparing for high school, college, and a career.

School districts participating in the Texas High Performance Schools Consortium would be required to submit performance and progress reports of the consortium to governor, the legislature, SBOE, and the commissioner not later than December 1 of each even-numbered year. School districts participating in the consortium could face costs related to submitting the required report.

Source Agencies: 701 Central Education Agency, 720 The University of Texas System Administration

LBB Staff: UP, JBi, DEH, AW, AM, JP