

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 13, 2015

TO: Honorable Jimmie Don Aycock, Chair, House Committee on Public Education

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB18 by Aycock (Relating to college and career readiness training for certain public school counselors.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB18, As Introduced: a negative impact of (\$2,666,616) 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	(\$1,830,267)
2017	(\$836,349)
2018	(\$850,698)
2019	(\$865,320)
2020	(\$880,219)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund
	1
2016	(\$1,830,267)
2017	(\$836,349)
2018	(\$850,698)
2019	(\$865,320)
2020	(\$880,219)

Fiscal Analysis

The bill would require the Commissioner of Education to develop postsecondary education and career counseling academies for school counselors employed in a middle school, junior high school, or high school.

The bill would require the Commissioner to solicit input from school counselors, the Texas Workforce Commission (TWC), institutions of higher education (IHEs), and business and community leaders when developing the academies. The bill would require the academies to include information about endorsements, alternative methods for earning credits not offered at school, academic performance requirements for admission to an IHE, regional workforce needs, and how to engage students and parents in postsecondary and career planning.

The bill would provide counselors attending the academies with a stipend. The bill would require the amount of the stipend, as determined by the Commissioner, to not be considered in determining the minimum salary for a teacher.

The bill would take effect September 1, 2015, or immediately if passed with the necessary voting margins.

Methodology

Providing postsecondary education and career counseling academies in the grades specified in the bill would result in a cost of \$1.8 million in fiscal year 2016 due to initial development costs, \$836,349 in fiscal year 2017, and would increase to \$880,219 in fiscal year 2020.

The Texas Education Agency (TEA) estimates the postsecondary education and career counseling academies would be two days long and would provide a \$125 stipend per day for each counselor that attended an academy. Based on information provided by TEA, the 2014-15 Public Education Information Management System (PEIMS) data indicated 11,637 full-time equivalent (FTE) counselors statewide. This estimate assumes that 2,965 counselors (25 percent of the counselors statewide) would attend the academies in fiscal year 2016, increasing to 3,196 counselors in fiscal year 2020. Beginning in 2017, this estimate assumes the population of counselors would grow annually at approximately 1.9 percent based on a comparison of PEIMS FTE data. The estimated annual cost of stipends would be \$741,250 (2,965 counselors x \$125/day x 2 days) in fiscal year 2016, and would increase to \$799,000 in fiscal year 2020 (3,196 counselors x \$125/day x 2 days).

Based on information provided by TEA, postsecondary education and career counseling academy content development would cost \$1.0 million in fiscal year 2016.

This analysis estimates that one FTE would be required to assist with the development and implementation of the postsecondary education and career academies. The estimated cost of the FTE, including salary, benefits, and other operating expenses, would be \$89,136 in fiscal year 2016 and \$81,136 in subsequent years.

Local Government Impact

School districts could incur additional costs in the form of contributions to the Teacher Retirement System (TRS) Trust Account for counselors attending the academies since the stipend authorized by the bill would be considered creditable compensation. School districts may incur costs for substitutes while counselors attend the academies. Costs could vary widely among districts.

Source Agencies: 320 Texas Workforce Commission, 701 Central Education Agency, 781 Higher Education Coordinating Board, 323 Teacher Retirement System

LBB Staff: UP, JBi, AM, AW, PFe