

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 21, 2015

TO: Honorable Larry Taylor, Chair, Senate Committee on Education

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2804 by Aycock (Relating to evaluation of public school performance and to student physical fitness assessment.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2804, As Engrossed: a positive impact of \$4,866,400 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	\$2,366,400
2017	\$2,500,000
2018	\$2,500,000
2019	\$2,500,000
2020	\$2,500,000

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1
2016	\$2,366,400
2017	\$2,500,000
2018	\$2,500,000
2019	\$2,500,000
2020	\$2,500,000

Fiscal Analysis

The bill would require the Commissioner of Education to adopt a set of performance indicators of the quality of learning and achievement. The bill would amend the accountability indicators in Education Code §39.053 and would require the Commissioner to assign a separate rating for the five domains. Beginning September 1, 2016, the bill would require the Commissioner to assign

performance ratings of A, B, C, D, or F to districts, campuses, and each domain.

The bill would require the Commissioner to convene a performance rating workgroup to assist in determining the criteria for performance ratings and submit a report to the legislature regarding the preliminary evaluations of districts and campuses by January 1, 2017.

The bill would repeal the requirements that school districts annually assess the physical fitness for students enrolled in grade three or higher and report the results to the Texas Education Agency (TEA), the Commissioner adopt an assessment instrument to be used by school districts for this purpose, and the agency analyze the physical fitness results reported by school districts.

Methodology

Based on information provided by TEA, the estimated cost to collect school district local community and student engagement information is \$107,505 in fiscal year 2016. TEA indicates there would not be a cost associated with convening the performance rating workgroups.

Repealing the requirement that the Commissioner adopt an assessment instrument to be used by school districts to assess the physical fitness of certain students is expected to result in an annual savings of \$2.5 million based on current appropriations. This estimate assumes that repealing the requirement that the Commissioner provide an assessment instrument to school districts would also eliminate the funding directed to that purpose. The savings in fiscal year 2016 would be partially offset by the costs related to collecting information from school districts.

Technology

The bill would require the TEA to collect certain information as part of the newly adopted performance indicators. Based on information provided by TEA, the estimated cost to collect new data elements in the Public Education Information Management System (PEIMS) would be \$26,095 in fiscal year 2016.

Local Government Impact

The bill would require districts to submit relevant data to TEA in order to assess the campuses and district in community and student engagement. Districts could incur costs associated with implementing the provisions of the bill. These costs would vary by school district.

School districts would experience some administrative savings from no longer having to perform physical fitness assessments and report assessment results to the TEA. These savings would vary depending on the size of the district and the number of students assessed for physical fitness.

Source Agencies: 701 Central Education Agency

LBB Staff: UP, AW, JBi, AM