

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 25, 2017

**TO:** Honorable Dan Patrick, Lieutenant Governor, Senate

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** SB1839 by Hughes (Relating to the preparation, certification, and classification of public school educators.), As Passed 2nd House

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB1839, As Passed 2nd House: a negative impact of (\$927,916) through the biennium ending August 31, 2019.

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
2018	(\$471,958)
2019	(\$455,958)
2020	(\$158,044)
2021	(\$158,044)
2022	(\$158,044)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Probable Revenue (Loss) from General Revenue Fund 1	Change in Number of State Employees from FY 2017
2018	(\$471,958)	\$0	2.0
2019	(\$455,958)	\$0	2.0
2020	(\$158,044)	\$0	2.0
2021	(\$158,044)	\$0	2.0
2022	(\$158,044)	\$0	2.0

Fiscal Analysis

The bill would require TEA to collect and provide data relating to improving the design and effectiveness of educator preparation programs (EPPs). The bill provides the commissioner with the authority to exempt examination requirements for individuals certified in other states working

to gain a Texas educator certification. The bill creates an early childhood certification. The bill would also repeal references to highly qualified teachers under the No Child Left Behind Act.

The bill would require the Commissioner of Education to implement Educator Preparation Program effectiveness provisions only if the Legislature appropriates funds specifically for that purpose. If the Legislature does not appropriate funds specifically for that purpose, the Commissioner may, but would not be required to, implement those provisions using other appropriations available for that purpose.

The bill would require educator preparation programs to include strategies for teaching students with disabilities and digital learning. Teacher candidates could obtain 5 days of field experience as a substitute teacher or aide.

SBEC would be required to allow video based observations of teacher candidates.

The bill would take effect September 1, 2017.

## **Methodology**

TEA estimates that the initial development and implementation effort to support automating acceptable comparable tests from other states would result in a cost of \$290,134 in fiscal year 2018 and \$290,134 in fiscal year 2019.

The bill would allow the commissioner to establish exceptions to the examination requirements for out of state/out of country candidates to receive a Texas certification by taking the Texas educator certification exams. Approximately \$154,000 (\$11 x 14,000 tests) of revenue is generated annually from all out of state teachers taking Texas exams, and any change in rule that results in fewer examinations would decrease SBEC revenue. However, the decrease in revenue resulting from commissioner exemptions by rule are not expected to have a significant fiscal impact.

The Texas Education Agency estimates the cost associated with the modification of the Educator Certification Online System for the new early childhood certification to be \$7,780 in fiscal year 2018 and \$7,780 in fiscal year 2019.

This analysis estimates the costs of implementing the provisions of the bill assuming that the State Board for Educator Certification (SBEC) adopts rules to require the changes allowed by the bill. To the extent SBEC rules are not adopted, costs would be lower. This analysis assumes the Texas Education Agency (TEA) would require two full-time equivalent (FTE) positions to implement the provisions of the bill. The estimated costs of the FTEs, including, salary, benefits, and other operating expenses, would be \$174,044 in fiscal year 2018 and \$158,044 in subsequent years.

According to TEA, the FTEs would work with the State Board for Educator Certification (SBEC) and SBEC-appointed advisory committees to revise the 60 sets of educator standards and to assist SBEC in adopting new standards into administrative rule and into the various certification examinations. The bill would allow SBEC to make changes to the minimum academic requirements for a certificate and field-based experiences and the requirements for approval and renewal of educator preparation programs (EPPS). If SBEC rules are adopted, this analysis assumes TEA would be required to ensure that all EPPs adopt any new rules adopted by SBEC resulting from changes to educator standards and requirements. The two FTEs would assist with all SBEC-related activities associated with the provisions of the bill.

The bill could result in some additional ongoing costs to TEA to maintain the systems developed and implemented by the bill, but it is anticipated that these ongoing responsibilities can be absorbed by existing staff and resources.

### **Technology**

The bill would require TEA to develop new applications to support the Educator Certification Online Systems used by EPPs.

### **Local Government Impact**

Local government EPPs that want to offer the new EC-3 certificate may need to hire additional staff, prepare an application to offer the new certificate, modify curriculum and teach additional courses to meet the new requirements. The cost to local government EPPs to apply for approval to offer an EC-3 certificate is \$500.

**Source Agencies:** 701 Texas Education Agency

**LBB Staff:** UP, SL, THo, AM, RC, AW