

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 1, 2017

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

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

**IN RE:** **SB1839** by Hughes (Relating to the preparation, certification, and classification of public school educators.), **Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB1839, Committee Report 1st House, Substituted: a negative impact of (\$1,695,828) through the biennium ending August 31, 2019. 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 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	(\$847,914)
2019	(\$847,914)
2020	\$0
2021	\$0
2022	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Probable Revenue (Loss) from General Revenue Fund 1
2018	(\$847,914)	\$0
2019	(\$847,914)	\$0
2020	\$0	\$0
2021	\$0	\$0
2022	\$0	\$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) through PEIMS. 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 take effect September 1, 2017.

## **Methodology**

This analysis assumes that the Legislature will provide funding specifically for the purposes of the legislation. EPPs currently submit information to the TEA through the Accountability System for Educator Preparation Programs. The agency's analysis estimates a cost of \$550,000 in fiscal year 2018 and \$550,000 in fiscal year 2019 to develop and implement the systems needed to instead collect data and create reports for EPPs through the Texas Student Data System (TSDS)/PEIMS Platform.

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.

The bill could result in some 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 governments that are approved EPPs currently include school districts, charter schools, county districts, education service centers, community colleges, and public universities. If EPP data is collected through TSDS/PEIMS, EPPs may need to develop or purchase technology systems that will be able to interface with the system. TEA estimates each EPP may need to spend \$10,000 to get the proper interfacing technology system.

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