

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 30, 2009

TO: Honorable Rob Eissler, Chair, House Committee on Public Education

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB3614 by Rodriguez (Relating to transition and employment services for public school students enrolled in special education programs.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3614, As Introduced: a negative impact of (\$2,000,000) through the biennium ending August 31, 2011.

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
2010	(\$1,000,000)
2011	(\$1,000,000)
2012	(\$100,000)
2013	(\$100,000)
2014	(\$100,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from <i>General Revenue Fund</i> 1
2010	(\$1,000,000)
2011	(\$1,000,000)
2012	(\$100,000)
2013	(\$100,000)
2014	(\$100,000)

Fiscal Analysis

The bill would require that commissioner rules related to transition services' planning for public school students receiving special education services begin when the student reaches 14 years of age.

The bill would require the Texas Education Agency (TEA) to develop a performance-based monitoring system indicator regarding how successful students enrolled in special education programs transition to life outside the public school system, including secondary transitions and post-school outcomes. The bill also would require the Texas Education Agency to develop a comprehensive transition and employment manual for students and parents with updates every two years.

Methodology

TEA's current performance-based monitoring system does not have the capacity to track special education students to post-school outcomes. To fulfill the bill's requirements in new Section 29.0111, TEA assumes it would contract with an education research center (ERC) that had access to TEA data, Texas Higher Education Coordinating Board data, and Texas Workforce Commission data to develop a performance monitoring system and to perform the required analysis. TEA estimates a General Revenue cost of \$1 million each year in fiscal year 2010 and 2011 for system development costs and an additional \$100,000 each year for system maintenance costs in fiscal years 2012 through 2014.

TEA estimates costs a cost of \$150,000 in 2010 to develop and produce a comprehensive transition and employment manual and \$75,000 in 2011 and \$75,000 in every other year for manual updates. The agency expects that these costs could be absorbed by federal funds.

Local Government Impact

School districts would incur additional transition planning costs due to expansion of the requirement to initiate transition planning for an increased number of students receiving special education. The Texas Education Agency indicates that approximately 80,000 students ages 14 and 15 currently receive special education services.

Administrative rules that were in place until November 2007 required transition planning to begin at age 14. As a result, it is possible that some transition planning has already occurred for a portion of current 15-year-old special education students. In addition, federal regulations permit transition planning to begin earlier than age 16 when appropriate. Based on these circumstances and anecdotal information, it is reasonable to assume that the practice of transition planning for students younger than age 16 is not uncommon among districts. However, additional local costs would be anticipated for districts that are not currently conducting transition planning at age 14 for all or a portion of students. Additional costs associated with plan development, including interaction with local representatives of state agencies providing adult services and processes to obtain and document parental consent would be expected.

TEA estimates that a statewide cost for an initial distribution of 350,000 manuals could cost school districts \$875,000 assuming the manual would cost \$2.50 per manual. Additional copies for each of approximately 8,000 campuses could cost an additional \$20,000 statewide.

Source Agencies: 701 Central Education Agency

LBB Staff: JOB, JSp, JGM, JW