

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

March 20, 2017

TO: Honorable Dan Huberty, Chair, House Committee on Public Education

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1255 by VanDeaver (Relating to the maximum amount of certain awards made to public school teachers under the Texas Advanced Placement Incentive Program.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1255, As Introduced: a negative impact of (\$2,264,000) 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	(\$1,132,000)
2019	(\$1,132,000)
2020	(\$1,132,000)
2021	(\$1,132,000)
2022	(\$1,132,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund
2018	(\$1,132,000)
2019	(\$1,132,000)
2020	(\$1,132,000)
2021	(\$1,132,000)
2022	(\$1,132,000)

Fiscal Analysis

The bill would amend Education Code Section 28.053(d) to remove the \$450 limit on the teacher training subsidy for a teacher participating in a college advanced placement or and International Baccalaureate course authorized under the Texas Advanced Placement (AP) Incentive Program.

The bill would take effect September 1, 2017.

Methodology

The Texas AP Incentive Program provides certain student exam expenses as provided under Education Code, in addition to the teacher training subsidy for a teacher participating in a college advanced placement or an International Baccalaureate training course.

According to the Texas Education Agency (TEA), the agency currently reimburses student exam expenses entirely prior to providing a subsidy related to teacher training. TEA estimates that under the provisions of the bill, and in accordance with amounts appropriated, the agency may redistribute teacher training subsidies based on removal of the subsidy limit.

Based on information provided by TEA, the agency reimbursed 4,528 teachers in fiscal year 2015 for a total teacher training subsidy cost of \$2,037,600 based on the \$450 limit for the training subsidy. However, according to TEA, the actual cost associated with teacher trainings covered by the AP Incentive Program ranges from \$500 to \$1,100 per training, with an average cost of \$700 per training.

This estimate assumes the agency would provide teacher training subsidies at the average cost of the teacher training (\$700 per training) based on the provisions of the bill, resulting in an increase of \$250 per subsidy. Assuming the agency provided the same number of teacher training subsidies in fiscal year 2018 (4,528 subsidies) as provided in fiscal year 2015, teacher training subsidy costs under the AP Incentive Program would total \$3,169,6000 (4,528 subsidies x \$700/ subsidy) in fiscal year 2018. Providing teacher training subsidies at the \$700 average would result in increased costs of \$1,132,000 in fiscal year 2018 for the AP Incentive Program.

This estimate assumes the agency would provide a similar number of teacher training subsidies at the average cost (\$700 per training) in subsequent years, resulting in continued costs of \$1,132,000 in fiscal years 2019 and beyond.

Local Government Impact

The bill would allow the Texas Education Agency (TEA) to provide additional reimbursement for teacher training associated with the Texas Advanced Placement (AP) Incentive program. As a result, schools and districts that reimburse teachers for costs not covered by the AP Incentive program subsidy would experience a decrease in their training costs associated with teachers participating in a college advanced placement or an International Baccalaureate course.

Source Agencies: 701 Texas Education Agency

LBB Staff: UP, THo, AM, AW, AG