

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 1, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3813 by Martinez, "Mando" (Relating to the creation of a pilot program to allow high schools in certain counties to connect to high-speed fiber-optic networks.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3813, As Introduced: a negative impact of (\$12,180,000) 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	(\$6,090,000)
2019	(\$6,090,000)
2020	\$0
2021	\$0
2022	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund
2018	(\$6,090,000)
2019	(\$6,090,000)
2020	\$0
2021	\$0
2022	\$0

Fiscal Analysis

The bill would direct the Commissioner of Education to create a Pilot Program for High School Fiber-Optic Connections. The program would enable at least 14 high schools in counties that border the Gulf of Mexico or that are located on an international border to build infrastructure to

connect to existing high-speed fiber optic networks.

The bill would take effect September 1, 2017.

Methodology

TEA estimates that the cost of 14 high school fiber projects would be \$6,090,000 in Fiscal Year 2018 and \$6,090,000 in Fiscal Year 2019. This cost is based on Education Superhighway's projections to implement fiber projects across the state.

This analysis assumes the costs to TEA to implement a pilot program and monitor contracts for network installation could be absorbed by existing staff and resources.

Local Government Impact

TEA estimates that there would be total annual maintenance costs of \$2.4 million for the 14 high schools in the pilot program.

Source Agencies: 701 Texas Education Agency

LBB Staff: UP, THo, AM, SL