

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

May 18, 2005

TO: Honorable Florence Shapiro, Chair, Senate Committee on Education

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

IN RE: HB31 by Eissler (Relating to state assessment of public school students in social studies in the fifth grade.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

Costs to develop and administer an assessment are currently paid with an amount set aside from the compensatory education allotment of the Foundation School Program. Therefore, costs noted in this fiscal note would not have a fiscal impact to the state, but state aid payments to school districts would be reduced proportionately.

The Texas Education Agency estimates that the set-aside cost of adding a 5th grade social studies assessment by the 2008-09 school year, including development, field testing, implementation, scoring, test item release, and continual updating, would be approximately \$1.5 million annually, starting in fiscal year 2006. The agency also estimates a set-aside cost for developing and distributing study guides for the exam of approximately \$1.25 million in each of 2008 and 2009, with only distribution costs in future years.

Local Government Impact

School district revenue received under the compensatory education allotment would be reduced by the amounts required to develop and implement the required assessments and study guides. Reductions are expected to be from \$1.5 million in 2006, \$2.75 million in each of 2007 and 2008, and \$1.5 million each year thereafter.

Source Agencies: 701 Central Education Agency

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