

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 15, 2011

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

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

IN RE: HB500 by Eissler (Relating to end-of-course assessment instruments administered to public high school students.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB500, As Introduced: a positive impact of \$3,690,000 through the biennium ending August 31, 2013.

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
2012	\$1,290,000
2013	\$2,400,000
2014	(\$3,900,000)
2015	(\$3,900,000)
2016	\$900,000

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>Foundation School Fund</i> 193
2012	\$1,290,000
2013	\$2,400,000
2014	(\$3,900,000)
2015	(\$3,900,000)
2016	\$900,000

Fiscal Analysis

The bill would amend the requirement that student performance on end of course (EOC) assessments be a factor in a student's grade in the relevant course to allow school districts to determine whether and how EOC performance factors into course grades.

The bill would amend graduation requirements for the recommended high school program to allow students to achieve the passing standard on EOC assessments for English III; Algebra II; biology, chemistry, or physics; and world geography, world history, or United States history in lieu of the requirement that students achieve a cumulative score above a standard set by the Commissioner.

The bill would amend graduation requirements for the minimum high school program to allow students to achieve the passing standard on EOC assessments for English III; Algebra I; biology,

chemistry, or physics; and world geography, world history, or United States history in lieu of the requirement that students achieve a cumulative score above a standard set by the Commissioner.

The bill would make permissive the requirement that students who fail to achieve a minimum score on an EOC assessment retake that assessment and would remove the provision allowing any other student to retake an EOC assessment for any reason.

The bill would amend high school graduation requirements for students entering grade 9 in the 2011-12 or 2012-13 school year to allow them to meet either requirements for student performance on EOC assessments as amended by the bill or to perform satisfactorily on assessments required prior to enactment of Senate Bill 1031, Eightieth Legislature, Regular Session, 2007, which establishes the EOC assessments system.

The bill would require students entering grade 9 in the 2013-14 school year or later to meet requirements for student performance on EOC assessments as amended by the bill.

Methodology

The provision of the bill making permissive the requirement that students failing to make a minimum score on an EOC assessment and disallowing unlimited retests for any other reason would result in an estimated savings of \$1.3 million in FY2012 and \$2.4 million annually in fiscal years 2013 through 2015 due to reduced cost of administering EOC assessments. The reduction in cost is projected to decrease to \$1.2 million in fiscal year 2016 when the proportion of students who would be required to meet EOC assessment performance standards as a condition for graduation increases relative to the population of students who could meet performance standards for either EOC assessments or the Texas Assessment of Knowledge and Skills for grade 11 (exit-level TAKS). For purposes of this estimate, it is assumed that 50,000 fewer students per year per subject would be retested, declining to a lower number once student performance on EOC assessments is required for graduation.

The provision of the bill allowing students entering grade 9 in the 2011-12 or 2012-13 to satisfy graduation requirements by either meeting requirements related to EOC assessments or to meet requirements for performance on state assessments as those requirements existed prior to enactment of Senate Bill 1031, Eightieth Legislature, Regular Session, 2007 would require that the exit-level TAKS be maintained until at least FY2016. For purposes of this estimate and based on past experience during the transition from the Texas Assessment of Academic Skills (TAAS) to the TAKS and the relative increase in rigor of EOC assessments compared with TAKS, it is assumed that most students would take the exit-level TAKS in order to be eligible to use the exit-level TAKS to meet graduation requirements. Maintaining the exit-level TAKS is estimated to cost \$6.3 million annually in fiscal years 2014 and 2015, decreasing to \$300,000 in fiscal year 2016 when the majority of the students in the cohorts affected will have graduated or entered grade 12 by that time.

Local Government Impact

Under the provisions of the bill, the use of student performance on EOC assessments as a factor in students' course grades would be optional and would be determined by local policy. A school district would no longer be required to allow any student to retake an EOC assessment instrument for any reason, and retesting a student who had failed to achieve a minimum score would be optional.

Students who enter grade 9 in 2011–12 or 2012–2013 would have the option of taking the exit-level TAKS as a graduation requirement. As a result, administration of this assessment would need to continue along with the administration of the EOC assessments for the affected cohort. This cohort of students would not have the option to take the grade 9 or grade 10 TAKS in preparation for taking the grade 11 TAKS like prior student cohorts.

Source Agencies: 701 Central Education Agency

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