

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 22, 2013

TO: Honorable Jimmie Don Aycock, Chair, House Committee on Public Education

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB866 by Huberty (Relating to the administration to public school students in certain grades of state-administered assessment instruments.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB866, Committee Report 1st House, Substituted: a positive impact of \$13,380,000 through the biennium ending August 31, 2015.

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
2014	\$7,330,000
2015	\$6,050,000
2016	\$6,690,000
2017	\$6,690,000
2018	\$6,690,000

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>Foundation School Fund</i> 193	Probable Savings/(Cost) from <i>Fed Health Ed Welf Fd</i> 148
2014	\$7,330,000	(\$12,596,880)
2015	\$6,050,000	(\$12,596,880)
2016	\$6,690,000	(\$12,596,880)
2017	\$6,690,000	(\$12,596,880)
2018	\$6,690,000	(\$12,596,880)

Fiscal Analysis

The bill would make state assessments optional for students in grades 4, 6, and 7 who achieve a

score equal to or greater than the minimum satisfactory adjusted scale score for that assessment in grades 3, 5, and 6. The bill would require that students who do not meet the minimum satisfactory adjusted scale score requirement on any assessments in grades 3 through 7 and who are promoted to the next grade be assessed in those subjects in the following grade.

The bill would eliminate required writing assessments in grade 4 and 7 and the social studies assessment in grade 8.

The bill would allow school districts and charter schools to assess students who meet the exemption requirements for assessments in grades 4, 6, and 7 at their discretion and would require the Texas Education Agency to provide all the support provided for mandatory assessments.

The bill would require the Commissioner of Education to seek federal waivers in any case in which the provisions of the bill violate requirements of federal law.

The bill would apply beginning with the 2013-14 school year.

Methodology

The bill would eliminate the grade 4 and 7 writing assessments at a savings of \$8.0 million per fiscal year.

The bill would eliminate the grade 8 social studies assessment at a savings of \$1.3 million per fiscal year.

Because students who fail to achieve a score equal to or greater than the minimum satisfactory adjusted scale score on science assessments required in grade 5 and who were promoted to grade 6 would be required to be tested in science in grade 6, the bill would necessitate development and administration of a grade 6 science assessment, beginning in fiscal year 2014. School districts would be required to assess students required to take the grade 6 science assessment who continued to fail to achieve a score equal to or greater than the minimum satisfactory adjusted scale score in science in grade 7, necessitating the development and administration of a grade 7 science assessment, beginning in fiscal year 2015.

The cost of developing and administering the grade 6 science assessment is estimated at \$1.9 million in fiscal year 2014 and \$1.3 million in subsequent years. The cost of developing and administering the grade 7 science assessment is estimated at \$1.9 million in fiscal year 2015 and \$1.3 million in subsequent years.

To the extent that school districts opt not to administer discretionary assessments to students meeting the performance thresholds set by the provisions of the bill, the state cost of operating the assessments program could decrease. However, that savings cannot be estimated.

The provisions of the bill could violate requirements in federal law that the state assess students on an annual basis. The bill requires that the Commissioner of Education seek a waiver of these requirements. For purposes of this estimate, it is assumed that no waiver is granted, and it is estimated that TEA would lose \$12.6 million annually in federal Title I administrative funds beginning in fiscal year 2014. If a waiver were granted, no such loss of federal funds would occur.

There could be a further loss to school districts and open-enrollment charter schools in Title I federal funds if a waiver is not received and if the district or open-enrollment charter school chooses to not administer the discretionary assessments.

Local Government Impact

School districts could experience savings associated with reduced assessments. Savings would vary depending on the number of students scoring at levels required for exemption and the degree to which school districts opt not to assess students on a discretionary basis.

Source Agencies: 701 Central Education Agency

LBB Staff: UP, JBi, JSc, AH