

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 1, 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.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB866, As Introduced: a negative impact of (\$22,320,000) 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	(\$9,700,000)
2015	(\$12,620,000)
2016	(\$10,080,000)
2017	(\$10,080,000)
2018	(\$10,080,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from Foundation School Fund 193	Probable Savings/(Cost) from Fed Health Ed Welf Fd 148
2014	(\$9,700,000)	(\$12,596,880)
2015	(\$12,620,000)	(\$12,596,880)
2016	(\$10,080,000)	(\$12,596,880)
2017	(\$10,080,000)	(\$12,596,880)
2018	(\$10,080,000)	(\$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 move required writing assessments from grades 4 and 7 to grades 5 and 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 require development of two new writing assessments for grades 5 and 8 to replace current assessments for grades 4 and 7. Because students who fail to achieve a score equal to or greater than the minimum satisfactory adjusted scale score would be required to be tested in writing in grade 6, the bill would necessitate development of a grade 6 writing assessment. Although the bill would eliminate primary administration of the grade 7 writing assessment, that assessment would be required for students who have failed to meet the standards of the bill on the grade 5 and grade 6 writing assessment (contingent administration) and may be administered to any student at school district discretion (discretionary administration). Therefore, changes to the writing assessments requirements would require the development and administration of three new writing assessments for grades 5, 6 and 8, with the grade 5 and 8 assessments beginning in fiscal year 2014 and the grade 6 assessment beginning in fiscal year 2015.

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.

The cost of developing and administering the grade 5 writing assessment is estimated at \$6.5 million in fiscal year 2014 and \$4.3 million in subsequent years. The cost of developing and administering the grade 6 writing assessment is estimated at \$5.7 million in fiscal year 2015 and \$3.8 million in subsequent years. The cost of developing and administering the grade 8 writing assessment is estimated at \$5.7 million in fiscal year 2014 and \$3.8 million in subsequent years.

The estimated savings of eliminating the grade 4 writing assessment is \$4.4 million per fiscal year.

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