

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**May 23, 2013**

**TO:** Honorable Joe Straus, Speaker of the House, House of Representatives

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB2836** by Ratliff (Relating to the administration of certain state assessment instruments to public school students and to a study of the essential knowledge and skills of the required public school curriculum and of certain state assessment instruments.), **As Passed 2nd House**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2836, As Passed 2nd House: a negative impact of (\$1,100,000) 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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2014	(\$1,100,000)
2015	\$0
2016	\$0
2017	\$0
2018	\$0

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from Foundation School Fund 193</b>
2014	(\$1,100,000)
2015	\$0
2016	\$0
2017	\$0
2018	\$0

**Fiscal Analysis**

The bill would require each assessment instrument to be determined to be valid and reliable on the

basis of empirical evidence by an entity that is independent of the test developer and the Texas Education Agency (TEA).

The bill would require an assessment instrument to be designed so that a majority of students will be able to complete the assessment within 180 minutes; and the maximum time allowed for an assessment is eight hours, to be completed in one calendar day.

The bill would create an advisory committee to conduct a study regarding the essential knowledge and skills of the required curriculum and assessment instruments administered to students in grades three through eight.

The bill would require the Commissioner of Education to ensure that procedures are designed to minimize disruptions to school operations and the classroom environment.

The bill would require the Texas Education Agency (TEA) to redevelop assessment instruments for significantly cognitively disabled students. These assessment instruments could not require a teacher to prepare tasks or materials for a student who would be administered the assessment instrument. The bill would require the redeveloped assessment instruments to be administered beginning with the 2014-2015 school year.

The bill would create the Texas Achievement School District (TASD) to manage and operate campuses identified as unacceptable in the state accountability system for two consecutive school years that are removed from their home district at the discretion of the commissioner of education, pursuant to the provisions of the bill.

The bill would require TEA to develop a comprehensive methodology for auditing and monitoring performance for contracts to provide services to develop or administer assessment instruments. The bill would require TEA to ensure that all such new and renewed contracts for services related to assessment instruments include provisions for compliance reviews to monitor vendor performance. The TEA reports that these provisions would have no significant fiscal impact on the agency, as TEA currently has a comprehensive auditing and monitoring methodology in place for vendors providing assessment instrument services. The TEA would be required to adopt this methodology in commissioner rule.

The bill would exclude students being served in a residential facility for accountability purposes for a campus, district, or open-enrollment charter school. These students would not be counted as dropouts if they left the residential facility after receiving treatment for fewer than 85 days and failed to enroll after treatment unless the campus or district that was serving the facility was the one to which the student was regularly assigned.

## **Methodology**

Based on information provided by the Texas Education Agency, provisions of the bill would require a redevelopment of the alternative assessment instruments for significantly cognitively disabled students at an estimated cost of \$1.1 million in fiscal year 2014.

The bill would create the Texas Achievement School District (TASD). For funding purposes, the bill stipulates that the TASD would be entitled to Foundation School Program funding as if it were a district without a Tier 1 local share. The bill further stipulates that the FSP entitlement for the school district or charter holder from which the campus is removed is reduced by the amount received by the Texas Achievement School District, including the Tier 1 local share. As such, TEA estimates the fiscal impact of these provisions to the FSP to be neutral under the provisions of the

bill.

**Local Government Impact**

School districts and open-enrollment charter schools with campuses in the Texas Achievement School District would be required to collaborate with the TASD and would experience a loss of revenue associated with students served on campuses removed to the TASD.

**Source Agencies:** 701 Central Education Agency

**LBB Staff:** UP, JBi, JSc, AH