

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 22, 2015

TO: Honorable Larry Taylor, Chair, Senate Committee on Education

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1164 by VanDeaver (relating to requiring the Texas Education Agency to conduct a study to develop a writing assessment method for public school students and establish a pilot program to administer the assessment method developed.), **Committee Report 2nd House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1164, Committee Report 2nd House, Substituted: a negative impact of (\$943,601) through the biennium ending August 31, 2017.

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
2016	(\$199,632)
2017	(\$743,969)
2018	(\$743,969)
2019	\$0
2020	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund
	1
2016	(\$199,632)
2017	(\$743,969)
2018	(\$743,969)
2019	\$0
2020	\$0

Fiscal Analysis

The bill would require the Texas Education Agency (TEA), in coordination with the

entity contracted with to develop or implement assessment instruments, to conduct a study to develop a writing assessment method as an alternative to currently required writing assessment instruments during school year 2015-16.

The bill would require TEA to establish a pilot program to implement the writing assessment method developed in designated districts during school years 2016-17 and 2017-18. The bill would require the pilot program include at least one large urban district, one medium-sized district, and one rural district with diverse demographics and socioeconomic backgrounds. The bill would require TEA to designate the number of school districts that were appropriate to achieve cost savings.

The bill would exempt participating school districts from the state required writing assessment and apply the savings to offset the accrued costs.

The bill would require TEA to establish a process for submitting pilot program results for scoring, including the submission of a student portfolio. The bill would require certain individuals responsible for scoring student writing in the pilot program.

The bill would require TEA to deliver a report of the study of the development of the writing assessment method to the Governor, Lieutenant Governor, the Speaker of the House, and the presiding officer of each committee with primary and secondary education jurisdiction by September 1, 2016. The bill would require TEA to deliver additional reports evaluating the implementation and progress of the pilot program and recommendations by September 1 of 2017 and 2018.

The bill would take effect September 1, 2015, or immediately if passed with the necessary voting margins, and would expire September 1, 2019.

Methodology

Developing a methodology for an alternative writing assessment and establishing a pilot program to implement the assessment would result in a cost of \$199,632 in fiscal year 2016, increasing to \$743,969 in both fiscal years 2017 and 2018.

Based on information provided by TEA, the estimated cost to develop the methodology for the assessment of writing program participants is \$100,000 in fiscal year 2016.

This estimate assumes the Texas Education Agency (TEA) would create a limited writing pilot program that would be representative of the state's diverse demographics and socioeconomic backgrounds. Based on information provided by TEA, the pilot program would consist of 300 students per eligible assessment (grade 4 and 7 writing), and include the following student composition: 50 students from a rural district; 100 students from a medium district; and 150 students from a large urban district.

This analysis assumes savings based on the per assessment costs of the current state assessment contract, which is estimated at \$13.71 per assessment. Under these assumptions, TEA estimates a saving of \$4,113 per assessment in fiscal year 2017 and 2018 for the 300 students in grades 4 and 7 writing.

Based on information provided by TEA, the total estimated cost to develop materials (i.e. testing booklets and other content) and process student portfolios is \$20,000 in fiscal years 2017 and 2018.

Based on information provided by TEA, the costs associated with the 50 individuals responsible for scoring the student writing in the pilot program total \$336,250 in both fiscal years 2017 and 2018. Of the total, TEA indicates an annual cost of \$36,250 related to training in fiscal years 2017 and 2018. TEA estimates a total cost of \$300,000 for reimbursement to score the writing. This estimate assumes a rate of \$75 per hour and 80 hours of work per individual.

Based on information provided by TEA, the total estimated cost to process the pilot program writing assessments at the contractor's scoring center, including room rental, would be \$300,200 in both fiscal year 2017 and 2018.

Based on information provided by TEA, one FTE would be required to manage and coordinate the pilot program. The estimated cost of the FTE, including salary, benefits, and other operating expenses, would be \$99,632 in fiscal year 2016 and \$91,632 in subsequent years.

Local Government Impact

School districts may experience varying savings from administering a reduced number of assessments.

Source Agencies: 701 Central Education Agency

LBB Staff: UP, JBi, AM, AW