

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 18, 2017

TO: Honorable Dan Huberty, Chair, House Committee on Public Education

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB79 by Guillen (Relating to the use of alternative assessment instruments for students in a special education program of a public school district.), **Committee Report 1st House, Substituted**

The fiscal implications of the bill cannot be determined at this time because it is expected that the bill would result in an undetermined loss of Federal Funds.

The bill would prohibit TEA from limiting the percentage of students in a special education program who are assessed through alternative assessment instruments (AAIs) based on state eligibility criteria. The bill also would direct the commissioner to ensure that any indicator evaluated in the state accountability rating system would not be adversely affected by disproportionately high percentages of students with disabilities assessed through AAIs based on the district's participation in shared services arrangements, operation of a multidistrict classroom, or provision of special services to a disproportionately high percentage of students with significant cognitive disabilities.

By removing the agency's ability to limit the number of special education students assessed through AAIs, the state may violate federal requirements ensuring the appropriate administration of alternative assessments. Further, federal law requires a state to annually measure the achievement of 95 percent of all students and 95 percent of each student subgroup and include a plan to meet this requirement in the state accountability system. The bill's requirement that the results of AAIs be excluded for achievement purposes may violate this provision.

If the federal government determined that the state is out of compliance, penalties could include a reduction of up to \$40 million in annual federal assessment funding.

The bill would take effect September 1, 2017, or immediately if passed with the necessary voting margins, and would apply beginning with school year 2017-18.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 701 Texas Education Agency

LBB Staff: UP, SL, THo, AM, AW