

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

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**April 26, 2017**

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

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

**IN RE: HB515** by VanDeaver (Relating to assessment of public school students and providing accelerated instruction and eliminating performance requirements based on performance on certain assessment instruments.), **Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB515, Committee Report 1st House, Substituted: a positive impact of \$1,591,906 through the biennium ending August 31, 2019.

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>
2018	\$1,869,127
2019	(\$277,221)
2020	\$3,222,779
2021	(\$1,977,221)
2022	(\$1,977,221)

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

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from Foundation School Fund 193</b>
2018	\$1,869,127
2019	(\$277,221)
2020	\$3,222,779
2021	(\$1,977,221)
2022	(\$1,977,221)

**Fiscal Analysis**

The bill would amend Section 28.0211, Education Code to revise the provisions related to accelerated instruction by establishing an accelerated learning committee for each student who

does not perform satisfactorily on the mathematics or reading assessment in grades 3, 5, and 8. The bill would eliminate the retest and promotion requirements for grades 5 and 8 in math and reading; allow the Commissioner to provide certain available resources for districts to use in developing an accelerated instruction program; remove certain provisions related to accelerated instruction; require an accelerated learning committee to be established for certain students; and define the composition and responsibilities of an accelerated learning committee.

The bill would amend Section 39.023, Education Code to eliminate the requirement for the Texas Education Agency (TEA) to develop appropriate assessment instruments in social studies for grade eight and the requirement to adopt and administer end-of-course assessment instruments in United States History. The bill would amend language to require the TEA to administer the assessment instruments, instead of the State Board of Education (SBOE), and require the Commissioner, instead of the SBOE, to adopt a schedule for administration of the assessments with input from school districts.

The bill would amend Education Code, Section 39.02301 to make permanent the Writing Assessment Study program; require the TEA to prepare a report with recommendations on the implementation of the program by September 1 of each even-numbered year; and require TEA to modify the method for assessing students in grades four and seven in writing based on the writing assessment developed through the Writing Assessment Study by September 1, 2021.

The bill would eliminate the requirement that the Texas Education Agency (TEA) maintain and administer the exit-level TAKS assessment after September 1, 2017 and would instead require satisfactory performance on the SAT, ACT, or the Texas Success Initiative (TSI) assessment for high school graduation. In addition, the bill would eliminate the requirement that the agency adopt optional college readiness assessments in Algebra II and English II.

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

## **Methodology**

Eliminating certain assessments and retesting requirements would result in a savings of approximately \$7.5 million in each fiscal year. However, this savings would be offset by the cost of modifying writing assessments and developing certain resources related to the provision of accelerated instruction, resulting in an overall savings of \$1.8 million in fiscal year 2018. Fiscal year 2019 savings are offset by a cost of \$277,211 related to initial development costs. Following the 2018-19 biennium, savings would total \$3.2 million in fiscal year 2020 with costs of \$1.9 million in subsequent years related to the development of the writing assessment.

### *Savings Related to the Elimination of Assessments and Certain Requirements*

Eliminating the assessments as required by the bill would result in an estimated savings of approximately \$3.5 million each fiscal year. Based on information provided by TEA, the estimated savings of eliminating tests would be \$370,000 per fiscal year for the grade eight social studies assessment; \$1.1 million per fiscal year for the United States History end-of-course assessment; and \$2.0 million per year for the Texas Assessment of Knowledge and Skills (TAKS) assessment. This analysis assumes savings based on the per assessment costs of the current state assessment contract.

In addition, the bill would eliminate certain retest provisions and optional college readiness assessments. Based on information provided by TEA, eliminating the retest requirements for

certain students in grades 5 and 8 in reading and mathematics would result in an estimated savings of approximately \$2.5 million in each fiscal year. Additionally, TEA estimates a savings of approximately \$280,000 in each fiscal year associated with eliminating the Algebra II optional assessment and a savings of approximately \$1.3 million in each fiscal year associated with eliminating the English II optional assessment.

*Costs Related to the Development of Certain Resources and the Modification of Writing Assessments*

The bill would allow the Commissioner to provide districts with resources that they may use in developing accelerated instructional programs. To provide these resources, TEA estimates \$5.0 million in fiscal years 2018 and 2019 to develop resources that will be freely accessible to districts. These resources would include interim and formative assessment items that align to the Texas Essential Knowledge and Skills (TEKS) and State of Texas Assessment of Academic Readiness (STAAR) assessment, are research-based to help students and teachers prepare individualized students plans, and equip teachers with significant tools to bring students to grade level by required timelines. TEA estimates an ongoing cost of \$3 million per biennium, or \$1.5 million cost in each fiscal year, to maintain the resources after the initial development.

In addition, the bill would expand the Writing Assessment Study Program and require TEA to modify the method for assessing students in grades four and seven in writing based on the writing assessment developed through the Writing Assessment Study Program by September 1, 2021. Based on information provided by TEA, the agency would expand the scope of the writing pilot to beginning in fiscal year 2018 with estimated costs of \$650,000 for test development and implementation. In fiscal years 2019 and 2020, the agency anticipates the costs would increase to \$2.8 million in each year due additional costs associated with modifications to assessment blueprints to allow for statewide roll-out by September 1, 2021. Beginning in fiscal year 2021, the agency estimates the cost of implementing the writing assessment program statewide to be \$8 million per fiscal year.

**Local Government Impact**

School districts and charter schools would experience varying savings from administering a reduced number of assessments and testing days. Districts and charters may incur some costs associated with calendar changes that would be required if testing days need to be removed from district calendars; however, these costs are not expected to be significant.

**Source Agencies:** 701 Texas Education Agency

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