

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

March 20, 2017

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

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

**IN RE: HB989** by González, Mary (Relating to establishing a pilot program under which public schools may develop a portfolio method to assess secondary-level student performance for purposes of accountability and qualification for graduation.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB989, As Introduced: a negative impact of (\$503,206) 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:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2018	(\$259,603)
2019	(\$243,603)
2020	(\$243,603)
2021	(\$243,603)
2022	(\$243,603)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Change in Number of State Employees from FY 2017
2018	(\$259,603)	2.0
2019	(\$243,603)	2.0
2020	(\$243,603)	2.0
2021	(\$243,603)	2.0
2022	(\$243,603)	2.0

Fiscal Analysis

The bill would amend the Education Code to require the Commissioner to establish a pilot program to allow participating districts to implement a portfolio method to assess students enrolled in secondary-level courses and use the student performance under the pilot program as a

percentage of the student's overall performance on assessment instruments for accountability purposes. The bill would allow participating districts to use portfolio assessments, as allowed by the Family Educational Rights and Privacy Act, to evaluate teacher performance, to assist with certain required campus improvement initiatives, to communicate with parents regarding the student's academic development, and to provide information in certain student-related committee meetings.

The bill would require the Commissioner to adopt certain rules to implement the pilot program. The bill would require the Commissioner to review district applications and determine program participation by August 1, 2018 for program implementation in school year 2018-19. The bill would require the Texas Education Agency (TEA) to periodically review the performance data submitted by participating districts as required by Commissioner rule.

The bill would require the TEA to prepare and deliver a report to certain legislative and executive bodies that evaluates the implementation and performance results of the pilot program and makes recommendations related to statewide application of the program by September 1, 2022.

The bill would take effect immediately if passed with the necessary voting margins, or on September 1, 2017. The bill would require the pilot program expire on September 1, 2023.

### **Methodology**

Developing, implementing, and evaluating the pilot portfolio program for students enrolled in secondary-level courses would result in costs associated with the operation of the Texas Education Agency totaling \$259,603 in fiscal year 2018 and \$243,603 in subsequent years.

The bill would require the Texas Education Agency (TEA) to review district plans related to participation in the portfolio assessment pilot program and make final determination of program participation by August 1, 2018. The bill would require the agency to periodically review data submitted by participating districts and prepare an evaluation related to the portfolio program. This analysis assumes it would require a full-time equivalent (FTE) position to review the portfolio plans submitted for approval, the associated data, and prepare the related evaluation report. The estimated cost of the FTE, including salary, benefits, and other operating expenses, would be \$129,802 in fiscal year 2018 and \$121,802 in subsequent years.

The bill would require the TEA to develop a system to consider participating districts separately for the purposes of assigning district and campus performance ratings in the accountability system. This estimate assumes it would require an FTE position to create new programs to review data and new programming to include student performance under the pilot program. The estimated cost of the FTE, including salary, benefits, and other operating expenses, would be \$129,802 in fiscal year 2018 and \$121,802 in subsequent years.

### **Local Government Impact**

School district participation in the portfolio pilot program would be voluntary. Costs related to the program would vary depending on the district size and number of exams chosen for portfolio assessment by the committee. Participating school districts would likely incur costs associated with providing supplemental pay for teachers and administrators participating on the committee developing the portfolio assessment plan.

**Source Agencies:** 701 Texas Education Agency

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