

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 19, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB1776** by Ashby (Relating to including a civics test in the graduation requirements for public high school students and to eliminating the United States history end-of-course assessment instrument.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1776, Committee Report 1st House, Substituted: a positive impact of \$2,041,358 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	\$1,020,679
2019	\$1,020,679
2020	\$1,020,679
2021	\$1,020,679
2022	\$1,020,679

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund
	1
2018	\$1,020,679
2019	\$1,020,679
2020	\$1,020,679
2021	\$1,020,679
2022	\$1,020,679

Fiscal Analysis

The bill would amend the Education Code to eliminate the requirement that Texas Education Agency (TEA) adopt an end-of-course assessment in United States history. The bill would require,

as a condition of graduation, that school districts administer a civics test that consists of all of the questions on the civics test administered by the United States Citizenship and Immigration Services as part of the naturalization process under federal law and that students correctly answer 70 percent of the questions on the test. The bill would apply to students entering grade 9 in school year 2018-19. The bill would allow a student entering grade 9 prior to school year 2018-19 to take the civics test in lieu of the United States history EOC. The bill would require the civics test to be included as part of public school accountability provisions in Chapter 39, Education Code.

The bill would take effect immediately if passed within the necessary voting margins, or on September 1, 2017, and would apply to students who enter grade 8 in school year 2018-19.

Methodology

The bill would eliminate the U.S. History end-of-course assessment (EOC). Eliminating the assessment would result in savings of approximately \$1.3 million annually beginning in fiscal year 2018. It is assumed that school districts and charters, rather than the state, would be required to pay for new test; however, the state would still need to develop and administer an accommodated version of test for certain students, which would be partially offset savings.

Although the bill would allow for certain committees to waive this requirement or make modifications for students enrolled in a special education program, certain student groups may still require accommodations for the civics test. This analysis assumes the Texas Education Agency (TEA) would have to develop a similar, but alternative civics test for approximately 20,000 students requiring accommodations for language or who have no online access required to take the civics test on a computer.

Based on the current state assessment costs provided by TEA, this analysis assumes it would cost approximately \$250,000 in each fiscal year to develop and maintain the accommodated version of the civics test. The cost associated with the accommodated version of the civics test would offset the savings associated with eliminating the U.S. History EOC, resulting in a savings of approximately \$1.0 million in each fiscal year.

The bill would require the results of the civics test to be included in the public school accountability system. This analysis assumes TEA would use existing full-time equivalent positions to incorporate the results from the civics test with the other assessment results and would amend its current testing contract to cover costs related to the collection and merging of data.

Local Government Impact

The bill would require, as a condition of graduation, students to take the civics test administered by the United States Citizenship and Immigration Services as part of the naturalization process under federal law. The bill would apply to students entering grade 9 in school year 2018-19. The bill would require school districts to annual certify to the Commissioner the results of each student who takes this assessment.

This analysis assumes school districts and charters would be required to pay for the civics test for all eligible students. According to information provided by the agency, approximately 360,000 students take the United States History end-of-course (EOC) assessment every year. Assuming a cost of \$20 per student, the civics test would result in a total local cost of \$7.2 million annually beginning in school year 2020-21. These costs would be distributed across districts and charters based on student enrollment and could vary considerably among districts.

School districts and charters may also incur costs related to providing the civics test prior to school year 2020-21 if students chose to take the test as allowed under the bill.

Source Agencies: 701 Texas Education Agency

LBB Staff: UP, AW, THo, AM