

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 23, 2017

TO: Honorable Dan Patrick, Lieutenant Governor, Senate

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1005 by Campbell (Relating to the use of the SAT or the ACT as a secondary exit-level assessment instrument to allow certain public school students to receive a high school diploma.), **As Passed 2nd House**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1005, As Passed 2nd House: a positive impact of \$4,000,000 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	\$2,000,000
2019	\$2,000,000
2020	\$2,000,000
2021	\$2,000,000
2022	\$2,000,000

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from Foundation School Fund 193
2018	\$2,000,000
2019	\$2,000,000
2020	\$2,000,000
2021	\$2,000,000
2022	\$2,000,000

Fiscal Analysis

The bill would amend the Education Code to specify that students who repeated the ninth grade in school year 2011-12 must be administered the exit-level Texas Assessment of Knowledge and Skills (TAKS) assessment and would allow the same students to satisfy the exit-level

TAKS assessment requirements by performing satisfactorily on the SAT, the ACT, the Texas Success Initiative (TSI) diagnostic assessment, and the current assessment instrument or instruments administered for graduation purposes. The bill would eliminate the requirement that the Texas Education Agency (TEA) maintain and administer the exit-level TAKS assessment after September 1, 2017.

The bill would require the Commissioner to establish satisfactory performance levels for the exit-level assessments and allow school districts to determine which assessment or assessments qualifies for student receipt of a high school diploma.

The bill would take effect immediately if passed with the necessary voting margins, or September 1, 2017.

Methodology

The Texas Education Agency (TEA) estimates eliminating the Texas Assessment of Knowledge and Skills (TAKS) assessment would result in a savings of \$2.0 million each fiscal year. The bill also allows for a student's performance on the SAT, ACT, the Texas Success Initiative (TSI) diagnostic assessment, and the current assessment instruments administered for graduation purposes to permanently substitute for the TAKS assessment. TEA estimates the cost related to taking the SAT, ACT, and TSI would be paid by the test taker and would not result in additional cost to the state.

Local Government Impact

TEA estimates the cost related to taking the SAT, ACT, and TSI would be paid by the test taker and would not result in additional cost to school districts or open-enrollment charter schools.

Source Agencies: 701 Texas Education Agency

LBB Staff: UP, AW, THo, AM