

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 1, 2017

TO: Honorable Larry Taylor, Chair, Senate Committee on Education

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB2049 by Taylor, Larry (Relating to the adoption and administration of certain assessment instruments in primary and secondary education.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB2049, As Introduced: a negative impact of (\$20,040,000) 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	(\$10,040,000)
2019	(\$10,000,000)
2020	\$0
2021	\$0
2022	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund
	1
2018	(\$10,040,000)
2019	(\$10,000,000)
2020	\$0
2021	\$0
2022	\$0

Fiscal Analysis

The bill would amend the Education Code to require school districts to administer one or more Texas State Initiative (TSI) assessment instruments in reading, writing, and mathematics to 11th grade students each school year or, if allowed by the Commissioner of Education, the school district could administer the Scholastic Assessment Test (SAT) or the American College Test

(ACT) as an alternative to the TSI assessment instrument(s). The bill would require the Commissioner of Education to consult with the Commissioner of Higher Education and the Chairperson of the Texas Workforce Commission in determining the level of student performance that is considered satisfactory for the TSI assessment or the alternative assessment instruments.

The bill would eliminate the requirement that TEA adopt an English II end-of-course assessment instrument and would add English II as an optional postsecondary readiness assessment instrument.

This bill would require the TEA, in coordination with the Texas Higher Education Coordinating Board and any contracted entity for purposes of implementing the alternative assessments, to establish a computer adaptive testing pilot program for students in grades three to eight in school years 2018-19 and 2019-2020. The bill would require the agency to designate certain school districts to participate in the program and to prepare a report on program implementation and recommendations for continuation or expansion by September 1, 2020.

The bill would take effect immediately if passed with necessary voting margins, or September 1, 2017, and would apply beginning in school year 2018-19.

Methodology

The bill would require the Texas Education Agency (TEA), in coordination with the Texas Higher Education Coordinating Board, to establish a pilot program to implement in designated school districts a system of computer adaptive testing for the assessment of students in grades three to eight during school years 2018-2019 and 2019-2020. Based on information provided by the agency, TEA would contract with an external provider to conduct the computer adaptive testing pilot for \$10.0 million in fiscal years 2018 and 2019. The cost of the pilot is based on the number of tests and multiple grade levels required. This analysis assumes the agency would use existing full-time equivalent (FTE) positions to manage the pilot program.

In addition, the bill would eliminate the requirement that TEA adopt an English II end-of-course assessment instrument and instead add English II as an optional postsecondary readiness assessment instrument. According to TEA, modifying the current English II assessment to measure postsecondary readiness would cost \$40,000 in fiscal year 2018.

Local Government Impact

The bill would amend the Education Code to require school districts to administer one or more TSI assessment instruments in reading, writing, and mathematics to 11th grade students each school year or, if allowed by the commissioner, the school district could administer the Scholastic Assessment Test (SAT) or the American College Test (ACT) as an alternative to the TSI assessment instrument(s).

TEA assumes the school districts would bear the costs for these exams. The costs could range from \$8 - \$60 per student. Based on approximately 400,000 students in the 11th grade, total statewide costs would be \$3.2 million to \$24 million each year. Costs to individual districts would vary depending on the size of the district and exams offered.

Source Agencies: 320 Texas Workforce Commission, 701 Texas Education Agency, 781 Higher Education Coordinating Board

LBB Staff: UP, THo, AM, AW

