

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

March 4, 2019

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

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB525 by Tinderholt (Relating to the limitation on administration and use of certain assessment instruments in public schools.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB525, As Introduced: a positive impact of \$20,000,000 through the biennium ending August 31, 2021.

The bill would be likely to result in an undetermined reduction in Federal Funds.

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
2020	\$10,000,000
2021	\$10,000,000
2022	\$10,000,000
2023	\$10,000,000
2024	\$10,000,000

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1
2020	\$10,000,000
2021	\$10,000,000
2022	\$10,000,000
2023	\$10,000,000
2024	\$10,000,000

Fiscal Analysis

The bill would eliminate the requirement that students be assessed in writing in grades four and seven and in social studies in grade eight. The bill would also eliminate the end-of-course assessment requirement for English II and United States History. These changes would apply beginning with the 2019-20 school year. The bill would take immediate effect if it receives a two-thirds vote of both houses of the Legislature. Otherwise, the bill would take effect September 1, 2019.

Methodology

The Texas Education Agency (TEA) estimates that cost savings associated with the development, administration, scoring, and reporting of the eliminated assessments would total approximately \$10.0 million per fiscal year. Savings associated with the elimination of the writing assessments and English II assessment would total approximately \$8.6 million per year. Savings associated with the elimination of the social studies assessment would be approximately \$0.4 million per year. Savings associated with the elimination of the United States History assessment would be approximately \$1.1 million per fiscal year.

Under federal law, state writing assessments are a required component of the state's English Language Arts assessments. Consequently, elimination of writing assessments could result in a loss of federal funding. Although the amount of Federal Funds that may be lost as a result of noncompliance with this requirement is unknown, according to TEA the loss could potentially be as much as \$18 million annually.

Local Government Impact

No significant fiscal implication to school districts and charter schools anticipated.

Source Agencies: 701 Texas Education Agency

LBB Staff: WP, HL, AM, THo