

**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: HB1993** by Anderson, Rodney (Relating to the authorization of alternative assessment instruments for use under the public school accountability system.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1993, As Introduced: a negative impact of (\$3,236,750) through the biennium ending August 31, 2019.

**General Revenue-Related Funds, Five-Year Impact:**

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2018	(\$1,622,375)
2019	(\$1,614,375)
2020	(\$1,614,375)
2021	(\$1,614,375)
2022	(\$1,614,375)

**All Funds, Five-Year Impact:**

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Change in Number of State Employees from FY 2017
2018	(\$1,622,375)	1.0
2019	(\$1,614,375)	1.0
2020	(\$1,614,375)	1.0
2021	(\$1,614,375)	1.0
2022	(\$1,614,375)	1.0

**Fiscal Analysis**

The bill would amend Education Code to allow the Commissioner to adopt procedures to identify nationally recognized, norm-referenced assessment instruments as additional alternative assessments to evaluate student achievement to comply with accountability requirements. The bill would allow for use of the alternative assessment instruments in grades three to eight and in secondary-level courses if the Commissioner obtains the necessary waiver from federal law and if consistent with required federal procedures under the Every Student Succeeds Act. The bill would require the Commissioner to adopt rules and obtain the necessary waivers by September 1, 2018.

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

### **Methodology**

Evaluating nationally recognized, norm-referenced assessment instruments for purposes of serving as alternative assessments to evaluate student achievement would cost approximately \$1.6 million in each fiscal year.

The bill would allow certain nationally recognized alternative assessment instruments to serve as replacements for existing state-developed assessment instruments. The Texas Education Agency (TEA) estimates there would be a cost associated with determining which nationally recognized assessments would serve as alternative assessments. Based on information provided by the Texas Education Agency (TEA), the cost associated with test comparability, longitudinal analyses, and incorporation in the accountability system would be \$300,000 per identified assessment instrument. TEA estimates the agency would identify at least 5 nationally recognized assessment instruments to serve as alternative assessments resulting in costs of \$1,500,000 (5 assessments x \$300,000 per assessment) in each fiscal year.

This analysis assumes the agency would need one full-time equivalent (FTE) position related to this work. The estimated cost of the FTE, including salary, benefits, and other operating expenses, would be \$122,375 in fiscal year 2018 and \$114,375 in subsequent years.

This analysis assumes TEA would still be required to administer all existing State of Texas Assessment of Academic Readiness (STAAR) assessments since the bill allows for alternative assessments, but does not require the use of those assessments in lieu of state-developed assessment instruments. There would be a reduction in state costs associated with state-developed assessments if a majority of students began taking the alternative assessments; however, these savings cannot be determined at this time.

### **Local Government Impact**

School districts and charters schools may incur costs associated with procurement of alternative assessments. This analysis assumes these costs would be a responsibility of school districts and charters; however, the bill does not specify how the assessments would be provided. Costs would vary significantly based on school district student population and the cost related to the alternative assessment. According to information provided by the Texas Education, an average cost per assessment instrument would be \$57 per test.

**Source Agencies:** 701 Texas Education Agency

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