

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: HB3104 by VanDeaver (Relating to the assessment of public school students in writing and English language arts.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3104, As Introduced: a positive impact of \$15,000,000 through the biennium ending August 31, 2019.

The bill would also 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
2018	\$7,500,000
2019	\$7,500,000
2020	\$7,500,000
2021	\$7,500,000
2022	\$7,500,000

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund
	1
2018	\$7,500,000
2019	\$7,500,000
2020	\$7,500,000
2021	\$7,500,000
2022	\$7,500,000

Fiscal Analysis

The bill would amend Education Code to allow school districts, charter schools, and other educational entities subject to assessment requirements under Section 39.0264 to use any method

the district determines appropriate for assessing writing to students in grades four and seven and at the end of English I and II. The bill establishes certain requirements related to the local assessments and requires districts to report certain information related to the performance of students.

The bill would amend Education Code to require the Texas Education agency to adopt or develop appropriate criterion-referenced assessment instruments in English Language Arts (ELA) for grades 4 and 7 and at the end of English I and II, instead of writing.

The bill would take effect immediately if passed with the necessary voting margins, or September 1, 2017, and would apply beginning school year 2017-18.

Methodology

Eliminating the required writing assessments to allow school districts and charters to assess writing locally would result in a savings of \$19.9 million in each fiscal year; however, this savings would be offset by the cost of modifying reading assessment instruments to assess English Language Arts, resulting in an annual savings of \$7.5 million each fiscal year.

This analysis assumes current reading assessment instruments in grades 4 and 7 would need modification in fiscal year 2018 to assess ELA as required by the bill. Based on information provided by TEA, the estimated cost of modifying the assessments, setting the new performance standards, and ensuring the new tests are within time and length requirements is \$12.4 million in each fiscal year.

This analysis assumes student writing would be assessed at the local level by school districts and open-enrollment charter schools, thus eliminating the writing assessments in grades four and seven in addition to the writing component of the English I and II end-of-course (EOC) assessment, generating an anticipated state savings of \$19.9 million in each fiscal year.

However, according to TEA, recent interpretation of federal regulations indicate that state writing assessments are now a required component of the state's English Language Arts standards. Accordingly, elimination of the writing assessments may result in the loss of federal funding and other federal penalties. Although the amount of Federal Funds that may be lost as a result of noncompliance with this requirement is unknown, the loss could potentially be as much as \$18 million annually

Local Government Impact

School districts and charter school would incur costs associated with reporting requirements related to the locally administered writing assessments; however, these costs are not expected to be significant.

Source Agencies: 701 Texas Education Agency

LBB Staff: UP, THo, AM, AW