

FISCAL NOTE

Requested by Legislative Council
01/17/2001

Bill/Resolution No.: HB 1293

Amendment to:

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$318,417	\$0	\$318,417	\$0
Appropriations	\$0	\$0	\$318,417	\$0	\$318,417	\$0

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

HB 1293 proposes the administration of standards-based assessments, the compilation and reporting of student performance in terms of these assessments, the offering of technical assistance to school districts, the submission of professional development plans, and the distribution of district standards-based curriculum. This fiscal note offers estimations on each of these components. Each section within HB 1293 is analyzed independently and compiled as a whole.

I. Administration of statewide, standards-based achievement assessments and aptitude assessments.

Section 1 of HB 1293 proposes a statewide standards-based assessment in mathematics and reading be conducted in grades 4, 8, and 12. In Section 2 this testing is identified to report both achievement and aptitude student results. Achievement and aptitude tests are separate, independent assessments and must be priced separately.

The Department of Public Instruction has received estimates from McGraw-Hill, the state's current assessment vendor, regarding both the achievement test and aptitude test costs.

The cost to administer a standards-based student achievement test in mathematics and reading at grades 4, 8, and 12 has been estimated by

McGraw-Hill to cost \$1,432,010 million for the 2001-03 biennium.

The cost to administer a student aptitude test in general reasoning, analogies, memory and related skills at grades 4, 8, and 12 has been estimated by McGraw-Hill to cost \$151,050 for the 2001-03 biennium.

The combined estimate to administer statewide assessments to achieve the aims of HB 1293 amounts to \$1,583,060 million. The Department of Public Instruction's submitted budget and the Executive Recommendation for statewide assessments amounted to \$1,289,643. Therefore, in order to achieve the aims of HB 1293 above the Executive Recommendation will require a supplemental appropriation of \$293,417. It should be noted, however, that the Department has already submitted a separate supplemental budget request to the House Appropriations Committee (submitted January 8, 2001) to cover the cost of an updated standards-based assessment estimate. The supplemental request to HB 1013 totaled \$142,367. If this supplemental request were to remain within HB 1013, then the total supplemental request required to cover HB 1293 would be reduced to \$151,050. However, given the uncertainty of HB 1013, the supplemental request for HB 1293 is assumed to remain at \$293,417.

Budget Assumption Summary:

Original DPI Budget Request for Assessments:	\$1,289,643
Executive Recommendation	\$1,289,643
Revised DPI Budget Request to HB 1013 (1/8/01)	\$1,432,010
Budget Impact of HB 1293	
Achievement Test:	\$1,432,010
Aptitude Test:	\$ 151,050
Total	\$1,583,060
HB 1293 difference with Executive Recommendation:	\$ 293,417
HB 1293 difference with DPI revised HB 1013	\$ 151,050

II. Compilation and Reporting of Student Performance Results.

Section 2 of HB 1293 proposes that all test results resulting from the assessments in Section 1 be reported at the student-level, classroom-level, school-level, district-level, and state-level for both achievement and aptitude. Furthermore, all results are to be disaggregated by gender, ethnicity, economic status, service status, and assessment status.

The Department of Public Instruction has received confirmation from McGraw-Hill, the state's current testing vendor, that the cost of all student reports generated by the assessments identified within Section 1 are included within the overall estimate of test administration.

Therefore, the cost of conducting the aims of Section 2 of HB 1293 amounts to \$0.

III. Report of Statewide Assessment Results to Legislative Council.
Section 3 of HB 1293 proposes that following the compilation of all student results representative of the testing company and the Department of Public Instruction offer a report to the Legislative Council on all elements of the assessment's methodology, the results, and the interpretation of the results.

It is anticipated that the cost of conducting this report to the Legislative Council is limited to the cost of securing an analyst from the testing company to aid in the presentation. It is estimated that the cost of professional stipend and travel expenses to achieve the aims of Section 3 of HB 1293 amounts to \$5,000 for the 2001-03 biennium.

IV. Technical Assistance to School Districts on Interpretation of Results.

Section 4 of HB 1293 proposes that the Department of Public Instruction offer technical assistance to school districts regarding the interpretation of the test results. It is the experience of the Department of Public Instruction that test interpretation results be conducted statewide or regionally.

It is estimated that the cost of conducting regional interpretation workshops for districts will amount to \$20,000 for the 2001-03 biennium.

V. Submission of District Professional Development Plans.

Section 5 of HB 1293 proposes that districts submit annual professional development plans that identify the resources available to districts, the actual expenditures incurred by districts, the number of teachers impacted by district activities, the source of funding, and the nature and scope of professional development activities.

Districts are currently responsible for submitting professional development plans, according to federal ESEA law, that cover most elements identified within Section 5. Therefore, there is no additional anticipated costs associated with Section 5 of HB 1293.

It is estimated that the cost of managing professional development plans from districts will amount to \$0.

VI. Distribution of District Standards and Curriculum.

Section 6 of HB 1293 proposes that districts make available copies of

their standards, simplified standards, and curricula in mathematics and reading to the public on demand. Since each district will already have adopted or developed its standards and curricula, the cost of providing copies to the public on a request basis is anticipated to be nominal, restricted largely to the cost of making individual copies periodically. The cost of simplifying standards for individuals unfamiliar with standards formatting can be minimized to the cost of paraphrasing the district's standards. This is a relatively minor activity, restricted to simple editing of benchmarks and specific knowledge. Therefore, the cost of administering the aims of Section 6 of HB 1293 is anticipated to be minimal for most or all districts. These costs can be absorbed into the district's operating budget.

It is estimated that the cost of administering the aims of Section 6 will amount to \$0.

Fiscal Note Summary.

The combined effect of all sections of HB 1293 will amount to \$318,417 in state expenditures and a corresponding appropriation. If the assumptions within Section 1 regarding HB 1013 are actualized, then the combined effect of HB 1293 would be reduced to \$176,050. Given the uncertainty of HB 1013, this fiscal note assumes the higher amount.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

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Agency: Public Instruction
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Prepared: