



**Colorado
Legislative
Council
Staff**

HB17-1181

FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 17-0881 **Date:** February 13, 2017
Prime Sponsor(s): Rep. Pettersen; Lundeen **Bill Status:** House Education
 Sen. Priola; Todd **Fiscal Analyst:** Josh Abram (303-866-3561)

BILL TOPIC: REQUIRED STATE ASSESSMENT FOR NINTH-GRADE STUDENTS

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019
State Revenue		
State Expenditures	<u>at least (\$642,786)</u>	<u>at least (\$642,786)</u>
General Fund	(642,786)	(642,786)
Appropriation Required: (\$642,786) - Colorado Department of Education (FY 2017-18)		
Future Year Impacts: None.		

Parentheses indicates a reduction in state expenditures.

Summary of Legislation

Under current law, public school students are required to take state assessments in math and English language arts in ninth grade, a pre-college entrance exam in tenth grade, and a curriculum-based achievement college entrance exam in eleventh grade. This bill repeals the requirement to administer the state English language arts and math assessment to ninth-grade students. Instead, local education providers must administer a ninth grade assessment aligned with the pre-exam and college entrance exams administered to tenth and eleventh grade students. The Colorado Department of Education (CDE) must ensure that, under the testing schedule, ninth-grade students take the state-selected assessment in the spring semester.

State Expenditures

This bill both increases and decreases state expenditures, with a net savings of at least \$642,786 for both FY 2017-18 and FY 2018-19. In addition to the state expenditures described below, the bill may increase state costs for the CDE to update accountability systems and information management services. This fiscal note will be revised as additional information becomes available. The current estimate of expenditures is displayed in Table 1 and described below.

Table 1. Expenditures Under House Bill 17-1181		
Cost Components	FY 2017-18	FY 2018-19
Eliminate English and Math Assessment 9th Grade	(\$1,910,780)	(\$1,910,780)
Adding/Scoring High School Writing	577,502	577,502
New Ninth Grade Pre College Assessment	690,492	690,492
Updating Accountability Systems (Not Estimated)*		
TOTAL	(\$642,786)	(\$642,786)

* These estimates will be included as additional cost information becomes available. Total state expenditures in Table 1 are preliminary.

Reduced State Expenditures

Reduced testing 9th grade. Based on 2017 enrollment data, there are 62,772 9th grade students. Eliminating two tests for these students will result in a cost savings to the state. Currently, the state pays about \$30.44 per student to administer these tests. Therefore, state savings are about \$1.9 million.

Increased State Expenditures

Writing test scoring. In order to continue to meet federal requirements, a written assessment must be added to one of the high school assessments, in order to replace the portion of the 9th grade assessment in English language arts that the bill removes. Assuming the writing portion is assessed in high school to the same number of students, scoring costs increase by \$9.20 per student, with a total state cost increase of \$577,502 in both fiscal years.

Curriculum based college entrance exam. Beginning with FY 2017-18, the CDE will have increased costs to add a ninth grade pre-college entrance assessment aligned with the existing pre-college and college entrance exams for tenth and eleventh grade students. This cost is estimated at \$11 per student, and a total state cost of \$690,492 in both fiscal years.

Accountability and information management. The CDE will have additional costs to incorporate these assessment changes into the state's accountability system. These include evaluating new ninth grade tests for technical adequacy and comparability, and upgrading information management systems to track and report new assessment results. These costs have not yet been estimated and will be included in a revised fiscal note.

School District Impact

Statewide testing at the local level creates both direct and indirect costs for school districts. As part of the House Bill 14-1202 Standards and Assessment Task Force, the consulting firm of Augenblick, Palich, and Associates (APA) prepared a study of test use in Colorado and identified three categories of costs for school districts.¹ These costs include one-time expenses to ensure

1. Study of Assessment Use in Colorado Districts and Schools. November 2014. Augenblick, Paliach and Associates. Retrieved from <http://www.cde.state.co.us/cdedepcom/finalapareport>

a school district has the capacity to administer tests, such as the cost to purchase needed technology if it is not already owned by the school district; ongoing opportunity costs as a result of student and staff time spent administering and taking tests that could have otherwise been spent on instruction or other functions; and ongoing direct costs incurred to prepare for and administer tests, including the direct cost to purchase testing materials, the cost of hiring additional test proctors and classroom substitutes during test days, and any material management costs. In conducting their study, APA discovered that direct costs range dramatically between districts and represent different resource starting points and capacity. Though not a perfect correlation, APA found that smaller districts tend to have higher per-student cost than larger districts.

This bill changes the total number and types of testing conducted during high school grades. The cost of this change in expenditures or workload for school districts has not been estimated for this fiscal note.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2017-18, the bill requires a reduction in appropriations to the Colorado Department of Education of \$642,786 General Fund. This state appropriations section will be revised as additional information becomes available.

State and Local Government Contacts

Education School Districts