



**Colorado
Legislative
Council
Staff**

SB17-101

FISCAL NOTE

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

Drafting Number: LLS 17-0455
Prime Sponsor(s): Sen. Todd
Rep. Carver

Date: February 14, 2017
Bill Status: Senate Education
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BILL TOPIC: 9TH & 10TH-GRADE ASSESSMENTS IN PUBLIC SCHOOLS

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019
State Revenue		
State Expenditures	(\$122,754)	(\$658,440)
General Fund	(125,011)	(658,440)
Centrally Appropriated Costs	2,257	
FTE Position Change	0.4 FTE	
Appropriation Required: (\$125,011)-Colorado Department of Education (FY2017-18)		
Future Year Impacts: None.		

Summary of Legislation

The bill repeals the requirement that Colorado participate in a consortium of states that develops assessments for K12 public education, and the requirement that the state use those assessments in the Colorado Measures of Student Progress (CMAS) annual testing.

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 requires that the Colorado Department of Education (CDE) select two sets of integrated college entrance exams, each set to consist of a tenth grade pre-test and an eleventh grade curriculum based college entrance exam. These assessments must be nationally available, used by institutions of higher education for admission decisions, and aligned to the state's academic standards. Every five years, the CDE must request competitive bids and contract with vendors for the two required sets of integrated assessments.

Beginning with the 2017-18 school year, local education providers (LEPs) may choose one of the following testing options:

- LEPs may choose to continue to assess ninth grade students in English and math and may choose one of the two sets of college entrance exams selected by the CDE to administer to students in tenth and eleventh grade.

- Alternatively, LEPs may choose not to administer ninth grade assessments in English and math, and instead administer the tenth grade pre-college entrance exam to students in ninth grade.
- If the LEP chooses to administer the tenth grade pre-college entrance exam to ninth grade students, the LEP will then administer the same assessment again in tenth grade, followed by the appropriately aligned college entrance exam in eleventh grade.

Under current law, each LEP is required to adopt policies that ensure that appropriate personnel share with and explain assessment results to parents, legal guardians, and students. This bill also requires that each LEP discuss the results of ninth, tenth, and eleventh grade assessments, and the effect the results may have on a student's individual career and academic plan (ICAP).

State Expenditures

The bill both reduces and increases state expenditures. ***For FY 2017-18, the bill results in a net reduction in state expenditures of (\$122,754). For FY 2018-19, the bill results in a net reduction of (\$658,440).*** New costs are detailed in Table 1 and described below.

Table 1. Expenditures Under SB17-101		
Cost Components	FY 2017-18	FY 2018-19
Personal Services*	\$22,476	
FTE	0.4 FTE	
Operating Expenses and Capital Outlay Costs	4,703	
Update Information Management Systems	31,250	
Accountability system upgrades	475,000	
Reduced Testing Ninth Grade English & Math	(943,640)	(943,640)
Include Writing Assessment	285,200	285,200
Centrally Appropriated Costs**	2,257	
TOTAL	(\$122,754)	(\$658,440)

* Prorated to account for the General Fund pay date shift and for the bill's August effective date.

** Centrally appropriated costs are not included in the bill's appropriation.

Curriculum-based college entrance exams. For FY 2017-18, the CDE will require a onetime increase in FTE to manage the RFP process in order to make a second college entrance assessment and pre-test available for 9th, 10th, and 11th grade students by the spring 2018 assessment window.

Accountability system upgrades. In addition to personnel costs, CDE will have increased costs to incorporate the new assessments into the state's accountability system, including the evaluation of new assessments for technical adequacy and comparability, updating New Student Biographical Data collection, and the upgrade of information management systems to track assessment results across multiple testing options available to LEPs.

Assessment administration. The bill creates a net increase in state expenditures for test administration of about \$650,000. This is a result of eliminating some ninth grade English and math tests, and adding pre college achievement tests.

The bill allows LEPs to choose between three testing scenarios for students in grades nine through eleven. This fiscal note assumes that 50 percent of LEPs will choose to continue to administer the English language arts and mathematics assessment to ninth grade students. 50 percent of LEPs will choose to administer the suite of pre-college entrance exams. Of these LEPs, one half will continue to administer the existing pre-college exam, and one half will choose to administer the new suite of assessments. State expenditures are reduced by decreasing the number of ninth grade English and math assessments; expenditures increase to add a writing portion to the pre college entrance suite in order to fulfill federal requirements to include a writing assessment in high school. The current assumption is that, once operational, the alternative college entrance tests will have similar administration costs to the existing single option.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. The centrally appropriated costs subject to this policy are estimated in the fiscal note for informational purposes and summarized in Table 2.

Cost Components	FY 2017-18
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$84
Supplemental Employee Retirement Payments	2,215
TOTAL	\$2,257

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 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 capabilities. Though not a perfect correlation, APA found that smaller districts tend to have higher per-student cost than larger districts.

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>

This bill changes the number and kind of statewide tests administered by the state in school districts. Therefore, schedule, workload and administrative costs related to statewide testing are also changed at the school and district level.

Effective Date

The bill takes effect August 9, 2017, if the General Assembly adjourns on May 10, 2017, as scheduled, and no referendum petition is filed.

State Appropriations

For FY 2017-18, the bill reduces General Fund appropriations to the Colorado Department of Education by \$125,011.

State and Local Government Contacts

Education

School Districts