



## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# Final Fiscal Note

<b>Drafting Number:</b>	LLS 21-0838	<b>Date:</b>	August 4, 2021
<b>Prime Sponsors:</b>	Rep. Sirota; McLachlan Sen. Zenzinger; Coram	<b>Bill Status:</b>	Signed into Law
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**Bill Topic:**                   **SUSPEND STATEWIDE ASSESSMENTS FOR SELECT GRADES**

<b>Summary of Fiscal Impact:</b>	<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
	<input checked="" type="checkbox"/> State Expenditure <i>(conditional)</i>	<input type="checkbox"/> Local Government
	<input type="checkbox"/> State Transfer	<input checked="" type="checkbox"/> School District

The bill pauses certain K-12 state assessments and accountability measures for the 2020-21 school year. Conditional upon federal approval, the bill reduces state and local expenditures in the current FY 2020-21.

**Appropriation Summary:**           In the current FY 2020-21, the bill requires a decrease in appropriations to CDE of at least \$750,000.

**Fiscal Note Status:**               The fiscal note reflects the enacted bill.

**Table 1**  
**State Fiscal Impacts Under HB 21-1161**

		Current Year FY 2020-21	Budget Year FY 2021-22	Out Year FY 2022-23
<b>Revenue</b>		-	-	-
<b>Expenditures</b>	State Education Fund	(at least \$750,000)	-	-
<b>Transfers</b>		-	-	-
<b>TABOR Refund</b>		-	-	-

## Summary of Legislation

For the current 2020-21 school year only, and subject to an approved waiver of federal law, this bill requires that the Colorado Department of Education (CDE) suspend the administration of state assessments in English language arts in grades four, six, and eight, and the assessments in mathematics in grades three, five, and seven. A parent of a student in grades three through eight may request that their local education provider administer the suspended test to their student. The bill also suspends the state assessments in science and social studies in all grades.

For the 2020-21 school year, educator evaluations must not include the use of student academic growth measures or other student performance measures. The bill suspends the assignment of accreditation ratings to schools and districts for the 2020-21 and 2021-22 school years. The department must count the school or district rating for 2022-23 as if it were consecutive with the 2019-20 school year. This also applies to the amount of time schools and districts may remain on performance watch, and to the accreditation ratings of alternative education campuses.

Schools and districts with the two lowest accreditation ratings for 2019-20 may request that CDE assign a plan type for 2021-22 that reflects attainment based on an alternative body of evidence. The State Board of Education must adopt rules for this alternative accreditation evaluation.

## State Expenditures

The bill decreases costs for the CDE in the current FY 2020-21 from suspending state assessments, and changes workload in the upcoming FY 2021-22 to modify the accreditation rating process.

**Suspended assessments.** The bill reduces state expenditures by at least \$750,000 in the current FY 2020-21, conditional upon federal approval. Based on payment schedule of the existing assessment contract, the suspension of select tests by March 31 is estimated to reduce costs in the current fiscal year by at least this amount; however, the actual cost savings will not be known until the timing is finalized and the department has negotiated the final change with the vendor, Pearson. This fiscal note will be revised as additional information becomes available.

The minimum \$750,000 in cost savings are primarily from the elimination of the social studies test in all grades. Assuming the federal waiver is approved and the select state tests are suspended, work stoppage and adjustment orders will be provided to the assessment vendor. The main contract with Pearson will require reconciliation based on the deliverables and services provided up to the time of cancellation for the social studies, science, mathematics, and English language arts assessments.

**Accreditation rating process.** The bill increases state workload in FY 2021-22 for the CDE to modify the process to reconsider an accreditation rating, and allow schools and districts in the bottom two rating categories to demonstrate attainment based on an alternative body of evidence. This requires creating necessary protocols, conducting site visits, convening the State Review Panel, and working with affected districts and schools to conduct improvement planning. This workload does not require new appropriations.

## **School District**

The direct costs incurred by schools to administer state assessments are paid for by the state. Schools and districts incur costs to administer assessments, including the logistics of administration, proctors, test security, and data tracking. This workload and cost is reduced for the 2020-21 school year; local education providers will likely shift available resources into instructional time.

## **Effective Date**

The bill was signed into law by the Governor and it took effect on March 16, 2021.

## **State Appropriations**

In the current FY 2020-21, the bill reduces appropriation to CDE by \$750,000.

## **State and Local Government Contacts**

Education      School Districts