



**Colorado  
Legislative  
Council  
Staff**

**HB16-1234**

**FINAL  
FISCAL NOTE**

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

**Drafting Number:** LLS 16-0874 **Date:** August 3, 2016  
**Prime Sponsor(s):** Rep. Klingenschmitt; **Bill Status:** Signed into Law  
 Singer **Fiscal Analyst:** Josh Abram (303-866-3561)  
 Sen. Merrifield; Marble

**BILL TOPIC:** STATE ASSESS SELECTION & LOCAL FLEXIBILITY

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
<b>State Revenue</b>		
<b>State Expenditures</b>	<b><u>\$39,600</u></b>	
General Fund	39,600	
<b>Appropriation Required:</b> \$39,600 - Colorado Department of Education (FY 2016-17).		
<b>Future Year Impacts:</b> None.		

**Summary of Legislation**

The bill requires that the Colorado Department of Education (CDE) investigate methods for and costs of creating or selecting new state assessments in mathematics, English language arts, science, and social studies. The investigation must also examine the methods and cost of allowing local education providers (LEPs, i.e., schools, school districts, Boards of Cooperative Educational Services (BOCES)) to create or select assessments for use in the state's accountability system.

The CDE must report the results of its investigation to the State Board of Education and to the education committees of the General Assembly. Finally, this bill requires that the CDE apply to the federal Department of Education (DOE) for Innovative Assessment and Accountability Demonstration Authority under the federal Every Child Succeeds Act (ESSA).

**Background**

The Innovative Assessment and Accountability Demonstration Authority is a federal pilot program under ESSA that allows state education departments to explore and select new academic assessments, including competency-based, interim, and cumulative year-round assessments, or performance-based assessments. The variety of assessments must combine into an annual summative determination of performance, and be administered through computer adaptive testing.

State education departments or a consortium of state departments can apply to exercise this authority for a period not to exceed five years. Initially, the DOE will provide no more than seven participating state agencies (including those in a consortium) with this authority. States may use the authority to allow LEPs to innovate with local assessments, with the intent that those assessments might be scaled for statewide administration.

## **State Expenditures**

For FY 2016-17 only, the bill increases state expenditures in the CDE to hire an outside consultant to prepare a report on the methods and costs for selecting or creating new state assessments, including locally selected or developed assessments. This effort is anticipated to take approximately 1-2 months. Based on similar contracted research prepared for the CDE in the past, the anticipated expense for this outside contractor totals \$39,600.

There is no cost to the CDE to seek demonstration authority from the federal DOE under the ESSA.

## **Effective Date**

The bill was signed into law by the Governor and it took effect on June 10, 2016.

## **State Appropriations**

Consistent with this final fiscal note, for FY 2016-17, the bill appropriates \$39,600 General Fund to the Colorado Department of Education.

## **State and Local Government Contacts**

Education