



**Colorado
Legislative
Council
Staff**

HB17-1181

**REVISED
FISCAL NOTE**

(replaces fiscal note dated February 13, 2017)

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

Drafting Number: LLS 17-0881 **Date:** March 15, 2017
Prime Sponsor(s): Rep. Pettersen; Lundeen **Bill Status:** Senate 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>
State Education 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 **reengrossed** 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. Each local education provider is required to administer the ninth-grade assessment during the spring semester, on a schedule set annually by the Colorado Department of Education (CDE).

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. State expenditures are 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
TOTAL	(\$642,786)	(\$642,786)

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.

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. 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 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 from the State Education Fund.

State and Local Government Contacts

Education School Districts