

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 380** HLS 14RS 551
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.: **REVISED**

Date: April 25, 2014 2:09 PM	Author: GEYMANN
Dept./Agy.: Education	Analyst: Jodi Mauroner
Subject: Use of state funds	

FUNDS/FUNDING OR SEE FISC NOTE GF EX See Note Page 1 of 2
 Prohibits the use of state funds for certain assessments without legislative authority

The proposed legislation prohibits the use of state funds for the implementation or administration of any standards based assessments proposed or developed by Partnership for Assessment of Readiness for College and Careers (PARCC) and Smarter Balanced Assessment Consortium, or any other equivalent national group or consortium unless specifically authorized by law.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						
REVENUES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There would be an indeterminable impact to state general fund expenditures if the Department of Education (DOE) were unable to implement or administer a contract with PARCC for assessments of elementary and secondary students. Currently there are contracts with two vendors for assessments. According to information contained in the department's budget request, one contract is funded 100% with federal funds. The other is funded with a mix of federal and state funds. It is not clear what funding source would be used to fund the PARCC assessment. If the contract could be funded entirely with federal funds, it is possible there would be no fiscal impact. However, the DOE did not respond to the LFO request for the most recent information on existing contracts, the funding sources or alternative assessments that could be used instead of PARCC.

There may be a state general fund cost as low as \$3M in FY 14-15 to continue using the 2013-2014 assessment and as high as \$7.5M annually for FY 15-16 through FY 18-19 to develop alternative assessments and for a new contract to administer the assessment program. However, it may not represent an increase to the extent those funds are already available in the budget. The Legislative Fiscal Office has been unable to determine whether the projected costs represent an actual increase or whether some level of funding is already included in the operating budget.

Continuing the 13-14 Assessment (FY 14-15 \$3.0 M, FY 15-16 and thereafter \$4.4 M annually)

The ELA/math assessments currently being utilized for the 2013-2014 school year are not fully aligned with the Common Core State Standards (CCSS) and were intended to be used for one year only. Full alignment of the assessment with the new standards will require additional item development and test forms. Based on historical expenditures, a total of \$3 M is projected including the development of new items (\$1.3M), printing and shipping field test materials (\$365K), scoring and validating responses (\$533K), review and modifications (\$288K), and additional forms (\$500k). An additional \$1.4 M item development cost for the high school End of Course (EOC) assessments is projected for FY 15-16 and thereafter. The EOC are still in the normal item development cycle and the tests are substantially aligned with CCSS. These costs will be incurred until new standards and aligned assessments are adopted. It is not clear whether these costs represent actual increased costs for the DOE as the department is already engaged in these activities. **CONTINUED ON PAGE 2**

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

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|-----------------------------------------------------------------------------|----------------------------|--------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Senate | <u>Dual Referral Rules</u> | House | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S} | |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} | |

Evan Brasseaux
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Staff Director

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CONTINUED EXPLANATION from page one:

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Contract Costs

(FY 15-16 and thereafter \$3.1M annually)

Based on earlier projections, the department indicated a \$3.1M increase for a new contract to administer ELA/math for FY 15-16 through FY 18-19. For FY 14-15 the ELA/math assessment can be administered along with science and social studies under the existing contract. However, that contract expires at the end of FY 15. There are two contracts anticipated for FY 15-16 and thereafter. PARCC will provide the English/math assessment. Pacific Metrics will provide the science/social studies and high school end of course testing. The Pacific Metrics contract cannot be amended to administer ELA/math assessment as those activities are outside the scope of the original RFP. The projected increase is based on current LEAP, iLEAP and EOC contracts, however contract amounts will depend upon the scope of work and the proposals received. The actual amount of the increase is indeterminable at this time.

Senate

Dual Referral Rules

House

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}

6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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