

LEGISLATIVE FISCAL OFFICE

Fiscal Note



Fiscal Note On: **HB 542** HLS 15RS 387
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.: **w/ PROP HSE COMM AMD**
 Sub. Bill For.:

Date: May 18, 2015	12:50 PM	Author: SCHRODER
Dept./Agy.: Education		Analyst: Jodi Mauroner
Subject: Student Assessments		

STUDENT/ASSESSMENT OR SEE FISC NOTE GF EX Page 1 of 1

Provides relative to required state assessments including prohibiting implementation of Partnership for Assessment of Readiness for College and Careers (PARCC) and similar assessments

Proposed legislation prohibits the Dept. of Education (DOE) from contracting with the Partnership for Assessment of Readiness for College and Careers (PARCC) for assessments administered during the 2015-2016 school year. Requires the DOE to contract with another vendor in accordance with the Louisiana procurement Code for assessments to be used in grades three through ten in English language arts and math for the 2015-2016 school year. Not more than forty-nine and nine-tenths percent of the questions shall be based on the PARCC process or processes conducted by a federally funded consortium of states.

EXPENDITURES	2015-16	2016-17	2017-18	2018-19	2019-20	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	2015-16	2016-17	2017-18	2018-19	2019-20	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 is an indeterminable impact to state general fund expenditures of the DOE due to the contracting restrictions in the proposed legislation. The current testing contracts total \$22M (\$11.4M SGF) and will expire June 30, 2015. The DOE is in the process of issuing an RFP for the purpose of awarding new testing contracts. However, since PARCC is not a vendor and does not administer assessments this restriction will not have any impact on the RFP process. Furthermore, assessment items developed by a contractor are crafted to be aligned with the state's content standards, (i.e. Common Core State Standards in English language arts and math), which are not impacted by this legislation.

To the extent a vendor offering a PARCC based assessment submits a lower cost bid, the DOE could potentially be required to award the contract to a vendor submitting a higher cost bid due to the restrictions. Furthermore, depending on the structure of the RFP, the DOE may or may not allow the acquisition of assessment items developed by a third party source. Under such parameters, the restriction that not more than 49.9% of the questions be based on the PARCC blueprint would not likely have a significant impact on the 2015-2016 assessments.

The proposed legislation does not restrict the contract period to one year, so it is likely DOE will award a contract for a period up to 12 years, as allowed by law. Future assessment questions will continue to be developed and/or acquired to align with state content standards that are approved and adopted by BESE. In any event, it is not possible to project whether future contract costs would be more or less than current expenditures.

REVENUE EXPLANATION

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

Senate	<u>Dual Referral Rules</u>	House	<input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}	<i>Evan Brasseaux</i> Evan Brasseaux Staff Director
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F)(2) >= \$500,000 Rev. Red. to State {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}		