

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

February 18, 2015

**TO:** Honorable Larry Taylor, Chair, Senate Committee on Education

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: SB149** by Seliger (Relating to the creation of individual graduation committees for certain high school students.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB149, As Introduced: a positive impact of \$2,710,208 through the biennium ending August 31, 2017.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five-Year Impact:**

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2016	\$1,343,683
2017	\$1,366,525
2018	\$1,389,756
2019	\$1,413,382
2020	\$1,437,410

**All Funds, Five-Year Impact:**

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund
	1
2016	\$1,343,683
2017	\$1,366,525
2018	\$1,389,756
2019	\$1,413,382
2020	\$1,437,410

**Fiscal Analysis**

The bill would amend the Education Code to provide alternative options for graduation to students who fail to perform satisfactorily on end-of-course (EOC) assessment instruments a second time by requiring school districts and open-enrollment charter schools to establish an individual

graduation committee (IGC) for such students. The bill would authorize IGCs to establish a variety of graduation criteria other than an EOC assessment for qualifying students. Since the bill would reduce the number of students retested on EOC assessments, savings on the cost of retesting would result.

The bill would take effect on September 1, 2015, or immediately if passed with the necessary voting margins and would take effect beginning with school year 2015-16.

## **Methodology**

Allowing a student to avoid a retest after failing an end-of-course (EOC) assessment a second time would result in annual savings due to the smaller number of retest administrations. This estimate assumes 50 percent of students failing a second time would opt for individual graduation committee options established in the bill instead of taking a retest.

According to information provided by the Texas Education Agency, the fiscal year 2015 average cost per test is \$3.38 to administer the Algebra I, Biology, or U.S. History EOC assessments and \$16.90 to administer the English I or English II EOC assessments fiscal year for 2015.

Using agency estimates for fiscal year 2015 retests multiplied by an anticipated student enrollment growth rate of 1.7 percent, it is anticipated that the fiscal year 2016 retests for the EOC assessments would be 24,175 in Algebra I; 9,979 in Biology I; 9,276 in U.S. History; 37,933 in English I; and 32,889 in English II. Under these assumptions, the savings related to administering retests is \$81,712 for Algebra I, \$33,728 for Biology I, \$31,353 for U.S. History, \$641,069 for English I, and \$555,820 for English II totaling \$1,343,683 in fiscal year 2016. For this analysis, it is assumed the number of and savings associated with EOC assessments would continue to mirror anticipated enrollment growth of 1.7 percent annually.

Estimates above may vary based on a number of factors, including the number of students opting to retest and the cost of retesting. This analysis assumes no change in the rate of students eligible and opting for the IGC alternatives. For this analysis, the cost of retesting is based on the agency's current state assessment contract, which expires on August 31, 2015.

## **Local Government Impact**

There would be costs to districts and charters to establish the IGCs and communicate with parents regarding the committee. These costs would vary from district to district depending on the number of students that elected to use the IGC as an alternative to retesting on EOCs.

**Source Agencies:** 701 Central Education Agency

**LBB Staff:** UP, JBi, AM, AW