

# SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACT (803)734-0640 • RFA.SC.GOV/IMPACTS

<b>Bill Number:</b>	H. 4760 Introduced on January 14, 2020
Author:	Lucas
Subject:	Statewide Assessments
Requestor:	House Education and Public Works
RFA Analyst(s):	Wren
Impact Date:	January 21, 2020

### **Fiscal Impact Summary**

Although the overall expenditure impact on the State Department of Education (SDE) is undetermined, this bill is expected to reduce General Fund expenses of the agency by \$1,212,244 in FY 2020-21 and each year thereafter for the elimination of specific assessments in social studies and science and the elimination of the end-of-course examination in United States history.

The bill will increase SDE's expenditures by an undetermined amount for the requirement to embed assessment items on current SC Ready assessments that address social studies standards. SDE expresses a concern with the potential increase of expenses and the timeline to implement the changes. The agency indicates that a test would have to be designed, a contract would need to be procured, and anticipates a five-year timeline to determine if this part of the bill is feasible.

This bill will have an undetermined expenditure impact on local school districts because there could be some reduction in expenses associated with professional development, training, and supplies, but the amount is unknown. Further, expenses associated with notifying parents and guardians regarding assessments could increase expenses of local school districts. These expenses will vary by district and will depend upon the size of the district.

## **Explanation of Fiscal Impact**

#### Introduced on January 14, 2020 State Expenditure

This bill removes social studies from the statewide assessment program for grades three through eight and end-of-course tests for courses selected by the State Board of Education and approved by the Education Oversight Committee for federal accountability. Also, the bill removes the standards-based assessment in science for the eighth grade and removes the standards-based assessment in social studies for students in grades five and seven. Additionally, the bill removes the requirement that students must pass a high school credit course in United States history in order to receive a high school diploma. The bill also requires formative assessments to include Lexile or Quantile scores as appropriate.

Additionally, students in fourth through twelfth grade may not be administered more than one state or locally procured formative assessment without prior approval of the State Board of Education. The board must promulgate regulations establishing the requirements of and process

for seeking an additional formative assessment. The provisions of the bill do not apply to screening tools required by Article 5, Chapter 33, Title 59.

SDE indicates that during FY 2019-20, a proviso suspended the inclusion of specific assessments for social studies and science, which reduced agency expenditures by \$812,244. This bill would codify these changes. In future years, the agency expects similar savings resulting from this part of the bill. Further, eliminating the administration of the end-of-course examination in United States history will reduce expenses by \$400,000. Therefore, SDE indicates that these provisions will reduce General Fund expenses of the agency by \$1,212,244 in FY 2020-21 and each year thereafter.

The bill also requires SDE to work with its assessment vendor to embed assessment items on the SC Ready reading and writing assessments that address the appropriate grade-level social studies standards, beginning with the 2021-22 school year. SDE indicates that no other state has embedded social studies items on current assessments and then scored the social studies content. Further, SDE reports that the United States Department of Education has given Louisiana a five-year testing waiver to see if this is possible. National experts are assisting, and it is estimated that it could take years to create a design. Although the expenditure impact associated with this portion of the bill is undetermined, SDE expresses a concern with the potential increase of expenses and the timeline to implement the changes. The agency indicates that a test would have to be designed, a contract would need to be procured, and anticipates a five-year timeline to determine if this part of the bill is feasible.

In summary, the overall expenditure impact to SDE is undetermined. However, the bill is expected to reduce General Fund expenses of SDE by \$1,212,244 in FY 2021-211 and each year thereafter for the elimination of specific assessments in social studies and science and the elimination of the end-of-course examination in United States history.

#### **State Revenue**

N/A

### Local Expenditure

This bill removes social studies from the statewide assessment program for grades three through eight and end-of-course tests for courses selected by the State Board of Education and approved by the Education Oversight Committee for federal accountability. Also, the bill removes the standards-based assessment in science for the eighth grade and removes the standards-based assessment in social studies for students in grades five and seven. Additionally, the bill removes the requirement that students must pass a high school credit course in United States history in order to receive a high school diploma.

The bill also requires formative assessments to include Lexile or Quantile scores as appropriate. Further, this bill requires schools to notify parents and guardians of students who are being administered a formative assessment. At least one week prior to the assessment, schools must notify parents and guardians regarding the date of the assessment, the name of the assessment, the purpose of the assessment, and the data that will be gathered regarding the student. Schools must then provide the results of the assessment to parents and guardians no more than one week after the administration of the assessment. Students in kindergarten through third grade may not be administered more than one state or locally procured formative assessment unless the additional assessment is administered to meet the requirements of Chapter 155 of Title 59. Additionally, students in fourth through twelfth grade may not be administered more than one state or locally procured formative assessment without prior approval of the State Board of Education. The board must promulgate regulations establishing the requirements of and process for seeking an additional formative assessment. The provisions of the bill do not apply to screening tools required by Article 5, Chapter 33, Title 59.

Additionally, the bill requires SDE to work with its assessment vendor to embed assessment items on the SC Ready reading and writing assessments that address the appropriate grade-level social studies standards, beginning with the 2021-22 school year.

SDE indicates that this bill will have an undetermined expenditure impact on local school districts. While some districts indicate that removing the current assessments would have no impact, other districts indicate that there could be some reduction in expenses associated with professional development, training, and supplies. Additionally, the timeline and content of reports that must be provided to parents and guardians regarding assessments could increase expenses of local school districts. Expenses would vary by district and will depend upon the size of the district.

**Local Revenue** N/A

Frank A. Rainwater, Executive Director