

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 804 - HB 1263

April 15, 2015

SUMMARY OF BILL: Discontinues the use of the Common Core state curriculum standards. Requires the state to use the standards for English language arts, science, social studies, science, and mathematics that were in use prior to the adoption of the Common Core state curriculum standards until the State Board develops new Tennessee-specific curriculum standards for English language arts, science, social studies, and mathematics.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – \$492,600/FY15-16
\$3,093,700/FY16-17
\$293,700/FY17-18
\$93,700/FY18-19 and Subsequent Years

An amount of \$420,400 in one-time state expenditures is included in the Governor’s FY14-15 budget for the current standards review process. This funding will be carried forward into FY15-16.

Recurring state expenditures of \$65,000 for one position at the State Board of Education is included in the Governor’s proposed budget for FY15-16 (page A-29)

Assumptions:

- Common Core curriculum standards are applicable only to the subjects of English language arts and mathematics.
- The SBE will require one additional employee to oversee the development process, coordinate public hearings in conjunction with other SBE staff, and other administrative work as necessary. This will be a recurring expense as this employee will be utilized for updating these standards in the future and for standards review for subjects outside of English language arts and mathematics.
- The recurring increase in state expenditures for personnel is estimated to be \$93,716 (\$75,000 salary + \$18,716 benefits).
- The bill requires that there will be two standards review and development committees and at least six advisory teams.
- Based on costs for other development processes that have been performed in the past, the SBE has provided a detailed cost assessment to perform this work.

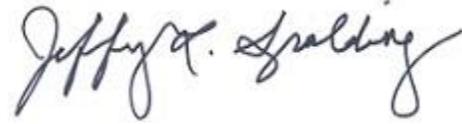
- Based on information provided by the SBE, stipends are traditionally paid for these types of committees and teams in order to incentivize, attract, and retain the necessary level of expertise.
- The state will pay stipends and travel costs for eligible members of the development committees and advisory teams.
- The stipends will be tiered depending on whether a member is a chairman of a development committee or advisory team, development committee member, or a member of the advisory team for each committee.
- The chairmen of the development committees and advisory teams will be paid a total stipend of approximately \$10,000 each; for a total increase in state expenditures of \$60,000 ($\$10,000 \times 6$) in FY15-16.
- Members of the development committees, excluding the chairmen, will be paid a stipend of \$3,000 each; for a total increase in state expenditures of \$42,000 ($\$3,000 \times 10$) in FY15-16.
- Members of the advisory teams, excluding the chairmen, will be paid a stipend of \$5,000 each; for a total increase in state expenditures of \$180,000 ($\$5,000 \times 36$ members) in FY15-16.
- The total increase in state expenditures in FY15-16 for stipend payments is estimated to be \$282,000 ($\$60,000 + \$42,000 + \$180,000$).
- Travel for mileage and parking is estimated to be approximately \$200 per trip per member; therefore, a total increase in state expenditures of \$44,400 ($\200×222 cumulative trip meetings) in FY15-16, which includes travel for: eight meetings for each of the six committee or team chairmen; three meetings for each of the 10 committee members; and four meetings for each of the 36 advisory panel members.
- Lodging is estimated for 36 members at \$120 a night for 11 nights; for a total increase in state expenditures of \$47,520 ($\$120 \times 11 \times 36$) in FY15-16.
- Costs for rental of meeting space, technology, and materials for development committee and advisory teams meetings are estimated to be \$25,000 in FY15-16.
- The SBE will hold 18 public hearings in FY15-16, six in each Grand Division, at a cost of approximately \$3,573 per hearing; for a total increase in state expenditures of \$64,314 ($\$3,573 \times 18$). This includes travel for SBE staff for two-thirds of the hearings; hearing materials; and facility rental as necessary.
- The total increase in state expenditures for FY15-16 is estimated to exceed \$492,636 ($\$93,716 + \$282,000 + \$44,400 + \$47,520 + \$25,000$).
- Training will be performed by the state in FY16-17 for an estimated 15,000 educators. Based on information from the Department of Education (DOE) and information on costs for other statewide training programs where the “train the trainer” model has been utilized, the increase in state expenditures in FY16-17 for new standards development training is estimated to be \$3,000,000.
- The increase in state expenditures for FY16-17 is estimated to be \$3,093,716 ($\$3,000,000 + \$93,716$).
- The DOE will amend their current testing contract to align the state standardized tests with the new curriculum standards. Based on information provided by DOE, the one-time increase in state expenditures in FY17-18 is estimated to be \$200,000 to develop new test items and cut scores for grading.

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- The increase in state expenditures beginning in FY17-18 is estimated to be \$293,716 (\$200,000 + \$93,716).
- The recurring increase in state expenditures beginning in FY18-19 is estimated to be \$93,716.
- The state will provide necessary training materials for individuals attending the state-run training to train other personnel at their school.
- It is assumed that all training performed at the local level will be done during the normal course of in-service or planning days, for which teachers are already being paid. -

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Jeffrey L. Spalding, Executive Director

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