

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1193 - HB 1348

March 24, 2015

**SUMMARY OF BILL:** Prohibits the Department of Education (DOE) from withholding state funds from local education agencies (LEAs) that fail to adopt or use state academic curriculum standards or statewide assessments adopted by the State Board of Education and the DOE. Prohibits the SBE and DOE from adopting or implementing certain academic standards as the state standards in all subjects. Prohibits the adoption of Common Core State Standards, use of the Partnership for Assessment of Readiness for College and Careers (PARRC); and other similar assessments. Requires the State Board of Education to replace the current state standards in the subjects of English language arts, mathematics, science, and social studies with new state academic standards that are consistent with the 2009 Tennessee Diploma Project. Such standards shall be adopted by June 30, 2016, using the state academic standards that were in place prior to 2010-2011 in English language arts and using a template from other states for English language arts and other subjects. Sets forth specific items that the new content standards shall include. Requires the DOE to issue a request for proposals (RFP) no later than 90 days after the effective date of the bill to contract to provide testing for the new standards in the subjects of English language arts, mathematics, science, and social studies. These tests shall be implemented in the FY15-16 academic year. The DOE shall issue separate contracts for assessments for the FY16-17 academic year. These assessments shall be aligned with the Tennessee Diploma Project (TDP) academic standards.

Creates an academic standards steering committee. The committee shall include the Governor or Governor's designee as a voting member; six voting members appointed by the Speaker of the House of Representatives; and six voting members appointed by the Speaker of the Senate. The Speaker of the House of Representatives and the Speaker of the Senate shall also appoint parents and legal guardians of public school students; primary and secondary teachers; and provosts, chairs, and deans of state institutions of higher education. The chairmen of the Education Committees of the General Assembly or their designees shall be ex-officio, nonvoting members of the committee. Members of the committee shall not be paid, but may be reimbursed for travel expenses. The academic standards steering committee's role shall be advisory. Creates four subcommittees of the academic standards steering committee; one for each of the four following subject areas: English language arts; mathematics; science; and social studies. Each subcommittee shall have five members. Sets forth the membership of each subcommittee. Sets forth the duties and responsibilities of the sub-committees. The academic standards steering committee, in consultation with the SBE, shall compare the new state academic content standards with the standards that are in place pursuant to the Tennessee Race to the Top Act (RTT) and submit a report to the Education Committees of the General Assembly and Governor. Requires the DOE to compare the new elementary and secondary assessments to be adopted no later than June 30, 2017, with the Tennessee Comprehensive

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Assessment Program (TCAP), end-of-course exams, and assessments used in the 2015-2016 and 2016-2017 academic years and post the results of the comparison on the DOE website. Requires the SBE policy on student data to include certain items, including but not limited to, the requirement for a contract between a local education agency (LEA) and a data processing entity to include a prohibition on sharing student data with additional parties and prohibiting federal grant recipients from releasing certain data without the written consent of the student and teacher.

## **ESTIMATED FISCAL IMPACT:**

### **Increase State Expenditures –**

**Exceeds \$1,916,800/FY15-16**

**Exceeds \$1,935,000/FY16-17**

**Exceeds \$820,000/FY17-18 and Subsequent Years**

**Other Fiscal Impact – No state standardized testing will take place in FY15-16 and FY16-17. This will place federal funding in jeopardy. Any withholding of federal funding will be at the discretion of the U.S. Department of Education. The state received over one billion dollars in federal funding in FY14-15.**

### Assumptions:

- Based on information from the Department of Education and the State Board of Education, the curriculum standards review will require multiple meetings of the academic standards review committee and subcommittee.
- Based on information received from the DOE, stipends for committee members are estimated to be \$460,000 in FY15-16, consisting of a \$5,000 stipend for each of the 92 individuals on the respective committees.
- Based on information from the Department of Education, the recurring increase in state expenditures in FY16-17 and subsequent years for stipends for academic standards steering committee and subcommittee members are estimated to be \$115,000.
- Based on information from the DOE, travel expenditures for academic standards committee members is estimated to be \$80,000 in FY15-16, consisting of \$10,400 for academic standards steering committee members, \$12,000 for the subcommittee members, and \$57,600 for four meetings for all 72 members.
- A recurring travel expenditure in FY16-17 and subsequent years of \$27,800 for stipends for academic standards steering committee and subcommittee members.
- Lodging and meeting space for academic steering standards steering committee and subcommittee members is estimated to be \$142,480 in FY15-16 with \$41,800 recurring in FY16-17 and subsequent years. This includes travel for 105 individuals at \$120 a night.
- Material costs are estimated to be \$12,000 in FY15-16, with \$3,000 being recurring.
- The SBE will require six additional staff members in FY15-16, with one recurring. The increase in state expenditures in FY15-16 for personnel is estimated to be \$562,296,

with \$187,432 recurring. The FY15-16 cost includes six staff members at \$93,716 per person. Two of those individuals will be recurring.

- In FY15-16 and subsequent years, the DOE will contract with outside vendors to review revised LEA curriculum standards for those LEAS that choose not to adopt the state's adopted standards. Costs for these vendors is estimated to increase state expenditures estimated to exceed \$300,000 in FY15-16 and exceed \$200,000 in FY16-17 and subsequent years.
- Based on information from DOE, the DOE will hire at least five new staff members in FY16-17 and subsequent years to review transcripts and issue diplomas for LEAs that do not adopt the state curriculum standards. The recurring increase in state expenditures for personnel is estimated to be \$360,000.
- Based on expenditures for other teacher training on state curriculum standards, the increase in state expenditures for professional development on new curriculum standards are estimated exceed \$1,000,000 in FY16-17.
- The one-time increase in state expenditures in FY15-16 is estimated to exceed \$1,916,776 (\$460,000 + \$80,000 + \$142,480 + \$12,000 + \$562,296 + \$300,000 + \$360,000).
- The increase in state expenditures in FY16-17 and subsequent years is estimated to exceed \$1,935,032 (\$115,000 + \$27,800 + \$41,800 + \$3,000 + \$187,432 + \$200,000 + \$360,000 + 1,000,000).
- The recurring increase in state expenditures in FY17-18 and subsequent fiscal years is estimated to be \$820,032 (\$27,800 + \$41,800 + \$3,000 + \$187,432 + \$200,000 + \$360,000)
- Due to the timeline set forth in the bill, state assessments could not be field tested and written in time for the FY15-16 and FY16-17 academic years. State testing is a central tenant of receiving federal funding for a wide variety of federal programs. In addition, testing is a central component of the state's No Child Left Behind waiver. Non-testing of students in two fiscal years will place federal funding in jeopardy.
- The DOE and SBE have provided detailed support forms of the impact on their agencies which are available upon request.

## **CERTIFICATION:**

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



Jeffrey L. Spalding, Executive Director

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