

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2011

Legislative Fiscal Note

BILL NUMBER: House Bill 48 (First Edition)

SHORT TITLE: No Standardized Testing Unless Req'd by Feds.

SPONSOR(S): Representatives Holloway, Blackwell, Hilton, and Cotham

FISCAL IMPACT					
	Yes (x)	No ()	No Estimate Available ()		
	<u>FY 2011-12</u>	<u>FY 2012-13</u>	<u>FY 2013-14</u>	<u>FY 2014-15</u>	<u>FY 2015-16</u>
REVENUES:					
EXPENDITURES:	(2,666,831)	(2,666,831)	(2,666,831)	(2,666,831)	(2,666,831)
POSITIONS (cumulative):	Unknown				
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: NC Department of Public Instruction and Local School Administrative Units.					
EFFECTIVE DATE: July 1, 2011					

BILL SUMMARY: This bill modifies the Annual Testing Program to restrict the implementation of standardized tests in grades 3-12 to only those subjects and grades required by federal law or as a condition of a federal grant. It also eliminates a requirement that the State Board of Education implement high school end of course tests. Under this bill, such tests would be administered only if needed to comply with federal law or grant requirements. Section 2 of the bill explicitly eliminates four tests: United States History, Civics and Economics, Algebra II, and Physical Science. These tests are not required as a condition of a federal grant or law.

ASSUMPTIONS AND METHODOLOGY: In North Carolina, the State is responsible for the development, dissemination and administration of all standardized tests in its public schools. These costs are supported by a combination of State General Fund support and federal grants.

The FY 2010-11 Budget included State funding for all four tests eliminated by this bill. The budgeted amounts for those tests are as follows:

Subject Tested	FY 2010-11 State Testing Budget
Algebra II	\$541,737
Civics and Economics	\$769,298
Physical Science	\$631,807
United States History	\$723,989
Total, State Funding	\$2,666,831

Local school administrative units (LEAs) are not additionally compensated for proctoring standardized tests. The tests are given during the course of the normal school day, throughout the mandatory school calendar. As such, this bill does not impact any other State or local costs.

SOURCES OF DATA: Department of Public Instruction

TECHNICAL CONSIDERATIONS: Certain standardized tests are continued under this bill. They are:

- **End of Grade Reading and Math** – grades 3-8
- **English I and Writing (10th Grade assessment)**
- **Algebra I**
- **Biology I**
- **Limited English Proficiency Assessments**
- **Alternative Assessments for the above tests**

The elimination of the four tests in this bill will likely require the Department of Public Instruction (DPI) to amend its Race to the Top (RTTT) application with the U.S. Department of Education (USED). The RTTT grant provided North Carolina with nearly \$400 million in federal support for school reform efforts. To receive its funding, North Carolina had to submit and gain USED approval of a detailed Scope of Work that outlined DPI’s implementation plans. Changes to the items in the Scope of Work must also receive USED approval. Components of DPI’s Scope of Work reference these four tests. Upon passage of the bill DPI will have to petition USED for conforming amendments to the Scope of Work. It is very unlikely, but theoretically possible, that USED would reduce the budget for certain Race to the Top activities in response to such a request.

This analysis identifies the budgeted amounts related to the four tests eliminated by this bill. The overall budget for testing at DPI includes support for the development and implementation of every State standardized test. As such, it is difficult to differentiate costs that are specific to a single test from activities that may have a bearing on the entire testing program. The fiscal impact estimated above reflects the analyst’s best estimate of the costs associated with the four tests. Final Fiscal Year 2010-11 expenditures for these purposes may differ from the budgeted amount.

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