

Department of Planning and Budget 2008 Fiscal Impact Statement

1. Bill Number: HB107

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|-----------------|-----------|--------------|-----------|------------|-----------|-----------|
| House of Origin | <u>X</u> | Introduced | <u> </u> | Substitute | <u> </u> | Engrossed |
| Second House | <u> </u> | In Committee | <u> </u> | Substitute | <u> </u> | Enrolled |

2. Patron: Cole

3. Committee: Education

4. Title: Public schools; grade placement test.

5. Summary: Requires the Board of Education to develop or approve a standardized test to be used to determine the appropriate grade placement for a student transferring from a private school to a public school.

6. Fiscal Impact Estimates: Preliminary

6a. Expenditure Impact:

| <i>Fiscal Year</i> | <i>Dollars</i> | <i>Positions</i> | <i>Fund</i> |
|--------------------|----------------|------------------|-------------|
| 2009 | \$6,000,000 | | GF |
| 2010-2014 | Undetermined | | |

7. Budget Amendment Necessary: Yes, item 134.

8. Fiscal Implications: The Department of Education (DOE) does not have staff to develop such tests and would have to contract with a vendor for development. Development costs for a single test including costs for item development, test development, and the determination of what score on the test would represent “grade level” performance, would average \$300,000 per test.

This estimate assumes that such tests would be required in reading and mathematics for grades 3-8 and high school (20 tests), resulting in one-time development costs of approximately \$6,000,000. These development costs do not include the costs to print the tests, score them, and report the scores.

The on-going administrative costs would average approximately \$7.00 per student. However, DOE does not collect any data regarding the number of pupils transferring from private to public schools so it cannot estimate what the on-going administrative costs would be in the out years. If DOE were to be responsible for the development of these tests, two additional staff members would be needed at a cost of approximately \$195,000 each year.

9. Specific Agency or Political Subdivisions Affected: Board of Education, local school divisions.

10. Technical Amendment Necessary: No.

11. Other Comments: No.

Date: 1/21/2008 dpb

Document: G:\Dape-197\2008session\Fis\Hb107 .Doc Mike Barton

c: Secretary of Education