

Commission on Local Government

REVISED Estimate of Local Fiscal Impact
2012 General Assembly Session

Bill: HB 469 **Patron:** Albo **Date:** January 20, 2012

In accordance with the provisions of §30-19.03 of the Code of Virginia, the staff of the Commission on Local Government offers the following analysis of the above-referenced legislation:

I. Bill Summary

Requires the Board of Education to develop or approve a model assessment of algebra readiness for students to take prior to enrolling in non-remedial algebra. Beginning with the 2014-2015 academic year, every student shall be required to take an algebra readiness test.

II. Fiscal Impact Analysis

The Commission on Local Government (CLG) received fiscal impact statements from 10 localities – the Counties of Campbell, Carroll, Rappahannock, and Spotsylvania; the Cities of Danville, Radford, Richmond, and Winchester; and the Towns of Christiansburg and Hillsville. In addition, the Virginia Association of School Superintendents assisted the Commission in obtaining information from local school divisions, including Orange County Public Schools (OCSS) and Chesapeake Public Schools.

Four of the respondents – the Cities of Richmond and Winchester and the Towns of Christiansburg and Hillsville – indicated that they would not experience an increase in costs as a result of HB 469. The two towns indicated that the provisions of the bill do not apply to them because they do not operate school divisions. The City of Winchester stated that they are already in compliance with the bill.

Three of the respondents – the County of Rappahannock and the Cities of Danville and Radford – stated that they anticipate an increase in costs of less than \$5,000.

The remaining three localities – the Counties of Campbell, Carroll, and Spotsylvania – reported that they will experience an annual increase in costs of over \$5,000. The estimates ranged from \$20,000 in Carroll County to \$100,000 in Spotsylvania County. Listed below are the cost estimates:

Campbell County:	unknown
Carroll County:	\$20,000

City of Chesapeake (Public Schools)	45,000
Orange County (Public Schools)	37,894+
Spotsylvania County:	50,000-100,000

Carroll County estimates that about 300 students would be required to take the test annually and that it would require additional time for administration by teachers.

Spotsylvania County indicated that if the bill were to pass, they would likely need to purchase a diagnostic software tool. Their estimate includes the cost of such software in the first year.

Orange County Public Schools acknowledged that the state currently provides an Algebra Readiness diagnostic assessment. For the purpose of their fiscal impact analysis, OCSS assumed that the current readiness assessment would become the mandated assessment for all students. OCSS indicated that the state currently provides only 200 Algebra readiness assessments to the County and that, if they administer more than 200, they must pay \$4.00 for each assessment. OCSS stated that requiring all students to take the assessment will add about 200 more participants; therefore, the process associated with the new mandate will increase their direct costs by \$800 per year, unless the state provides the school division with a number of assessments that is equal to the number of students who will be required to take it. OCSS indicated that a bigger fiscal impact may not relate to the new process as much as it may relate to the result of the new mandate. OCSS indicated that a 0.5 FTE remedial Algebra teacher will be needed for each 30-45 students who are identified for services as a result of the assessment. By expanding the assessment from 50% of their students to 100%, OCSS would expect at least a 50% increase in students who receive services. They indicated that could result in the need of a 0.5 FTE teacher at each of their two middle schools, or 1.0 FTE at about \$37,094 in base salary. Finally, OCSS points out that participating students will be removed from their elective courses to participate in the remediation classes, which will impact student enrollment in physical education, the arts and career and technical education.

Chesapeake Public Schools stated that HB 469 will require time, training, and resources. They estimate an annual cost (including substitute hours) of \$45,000.

III. Conclusion

HB 469 requires that the Board of Education develop an assessment of algebra readiness. Students will be required to take the assessment beginning with the 2014-2015 scholastic year, and teachers will be required to administer it, which will present an opportunity cost to local public school divisions. In addition, school divisions will incur increased costs to provide remedial services to students who are identified for services as a result of the assessment. The local fiscal impact of HB 469 will vary among school divisions, depending on such variables as the size of the student population and the number of students who are identified for remedial services.