

Department of Planning and Budget 2021 Fiscal Impact Statement

1. Bill Number: HB2027

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Coyner

3. Committee: Appropriations

4. Title: Standards of Learning assessments; reading and mathematics; grades three through eight.

5. Summary: Requires, no later than the 2024-2025 school year, each reading and mathematics Standards of Learning assessment for students in grades three through eight to: (i) be administered three times per school year, at the beginning, in the middle, and at the end of each school year, for the purpose of providing measures of individual student growth over the course of the school year; and (ii) provide accurate measurement of a student's performance outside of his grade level through the incorporation, through computer adaptive technology, of test items at grade levels below and above the tested level. The bill requires any student growth data to include such measurement of outside-of-grade-level performance. The bill requires the Department of Education to ensure adequate training for teachers and principals on how to interpret and use student growth data from such assessments to improve reading and mathematics instruction in grades three through eight throughout the school year. The bill prohibits the total time spent taking each such assessment over each of the three annual administrations from exceeding 150 percent of the time spent taking a single end-of-year proficiency assessment.

6. Budget Amendment Necessary: Yes, Item 139.

7. Fiscal Impact Estimates: Preliminary, see Items 8 and 11.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2022	\$7,000,000	General Fund
2023	\$0	General Fund
2024	\$0	General Fund
2025	\$3,000,000	General Fund
2026	\$3,000,000	General Fund
2027	\$3,000,000	General Fund

8. Fiscal Implications: The testing requirements of this bill have a 2024-2025 school year effective date, which corresponds with fiscal year 2025. To meet these testing requirements, the Virginia Department of Education (VDOE) will require additional state support beginning in fiscal year 2022.

VDOE, in consultation with Pearson, the state assessment contractor, estimates a one-time state cost of \$7.0 million in fiscal year 2022 and an ongoing state cost of \$3.0 million in fiscal year 2025 and outgoing years to meet the requirements of this bill as introduced.

The existing computer adaptive testing (CAT) format does not allow for testing a student's performance outside of his grade level. VDOE estimates an additional one-time state cost of \$3.0 million in fiscal year 2022 for development and programming to support a CAT format that tests items at grade levels below and above the tested level. In order to test outside-of-grade-level performance for students in grade three, VDOE estimates an additional one-time state cost of \$4.0 million in fiscal year 2022 to create question banks for grades one and two, as these question banks do not exist currently.

To administer the reading and mathematics Standards of Learning (SOL) assessment for students in grades three through eight three times per school year, VDOE estimates an additional ongoing state cost of \$3.0 million beginning in fiscal year 2025 when the testing requirement becomes effective.

For the introduced version of this bill, the total estimated cost in fiscal year 2022 is \$7.0 million, all of which is a one-time cost for programming and development. Beginning in fiscal year 2025, there is an additional cost of \$3.0 million, which is an ongoing annual cost to administer the reading and mathematics SOL assessments three times per year.

VDOE anticipates that the agency can absorb any cost to provide professional development to school divisions addressing the interpretation and use of test scores.

Any fiscal impact to local school divisions is indeterminate.

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

10. Technical Amendment Necessary: No

11. Other Comments: The House amendments to the introduced version of this bill require the Board of Education to establish, for the purpose of providing measures of individual student growth over the course of the school year, a through-year growth assessment system, aligned with the Standards of Learning, for the administration of reading and mathematics assessments in grades three through eight. The system must provide accurate measurement of a student's performance, through computer adaptive technology, using test items at, below, and above the student's grade level as necessary. Such through-year growth assessment system must include at least one fall and one spring assessment, but the total time scheduled for taking all such assessments cannot exceed 150 percent of the time scheduled for taking a single end-of-year proficiency assessment.

The House amendments reduce the number of annual assessments from three to two, which reduces the ongoing state cost from \$3.0 million to \$1.75 million annually beginning in fiscal year 2025. The one-time state cost of \$7.0 million in fiscal year 2022 still applies for

programming and development to support a CAT format that tests items at grade levels below and above the tested level and to create question banks for grades one and two.

The House amendments to HB 2027 are similar to the Senate substitute of SB 1357; however, the Senate substitute of SB 1357 requires three assessments per year, requires testing of all grade levels, and requires the through-year growth assessment system to be active beginning in fiscal year 2022 (school year 2021-2022).