

## Department of Planning and Budget 2013 Fiscal Impact Statement

**1. Bill Number:** HB2144-H1

<b>House of Origin</b>	<input type="checkbox"/> Introduced	<input checked="" type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

**2. Patron:** Landes

**3. Committee:** Appropriations

**4. Title:** Waivers from third grade Standards of Learning assessments.

**5. Summary:** Allows a public elementary school that had an adjusted pass rate of less than 75 percent on the third grade Standards of Learning reading assessment administered during the previous school year to apply to the Board of Education for a two-year waiver from the third grade Standards of Learning (SOL) assessment requirement in science or history and social science, or both. Elementary schools that apply for a two-year waiver must satisfy certain conditions to be granted the waiver. The bill will expire on July 1, 2015.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** Preliminary. See item 8.

**8. Fiscal Implications:** This legislation would permit the Board of Education to grant a two-year waiver from the third grade Standards of Learning (SOL) assessment requirement in science or history and social science, or both, for schools that apply and meet the criteria stipulated in the legislation.

One such criterion requires any school seeking the waiver to hire a full-time reading specialist to work with third grade students and teachers in the school; however, the legislation does not obligate the state to provide any funding in support of this requirement. Additionally, any school seeking the waiver must also agree to administer an alternative summative assessment or other division-wide assessment to third grade students in the subject area(s) for which the SOL waiver would be granted. If such an alternative assessment is not already available to the school division, this requirement could result in an additional cost related to the development or procurement of an assessment sufficient to use for this purpose. The legislation also does not obligate any state funds to support any costs related to the use of an alternative assessment for the subject areas in which an SOL waiver is granted.

Therefore, it is anticipated that passage of this legislation will not result in a state fiscal impact; however, the Governor's amended budget (HB1500/SB800) includes \$1.4 million in incentive funding to provide the state share of cost for reading specialists hired by school

divisions. If this funding is removed from the budget, this legislation could still be passed but the related costs would then be borne entirely by school divisions that receive a waiver.

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

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** There is also a related executive amendment that would add language to the budget stating the requirements to receive the incentive funding for reading specialists. In order to receive this funding, a school must (1) have an average pass rate of less than 75 percent on the third grade SOL reading assessment and (2) apply and receive a waiver from the Board of Education for the administration of third grade SOL assessments in science and history and social science. While similar, this language does not fully conform to the language proposed in this bill. Therefore, either the bill or the budget language in the executive amendment will need to be modified to ensure conformity should they both be approved. Otherwise, the language included in the executive amendment will supersede this legislation, if passed.

**Date:** 1/18/13

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