

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 72 – SB 574

February 13, 2018

SUMMARY OF ORIGINAL BILL: Requires the State Board of Education's (SBE's) Standards Review Committees, Development Committees, and advisory teams, beginning in 2022 and every seven years thereafter, to review standards for the subjects of English Language Arts, Mathematics, Science, and Social Studies and make recommendations to the SBE. Requires the SBE to adopt new standards based on these recommendations.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$640,000/FY21-22 and Every Seven Years
Thereafter

SUMMARY OF AMENDMENT (012805): Deletes and rewrites the bill such that the only substantive changes are to increase the frequency of standards review from every seventh year to at least once every sixth year; changes the start year to 2018; and includes a non-reversion clause for funds appropriated for standards review.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures - \$106,700

The Governor's proposed budget for FY18-19, on page B-85 recognizes a recurring increase in state expenditures of \$106,700 for the standards review process.

Assumptions for the bill as amended:

- The subjects of English Language Arts, Mathematics, Science, and Social Studies will be reviewed non-simultaneously every six years beginning in FY18-19.
- There are three educator advisory teams, one Development Committee, and one Standards Review Committee for each subject area under review. As a result, there will be 12 educator advisory teams across all four subject areas; four Development Committees across all four subject areas; and four Standards Review Committees across all four subject areas.

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- Each of the 12 educator advisory teams consists of seven members who will each receive a stipend of \$2,500 per year in the years that meetings occur; the total increase in state expenditures relative to educator advisory team members receiving stipends is estimated to be \$210,000 (12 x 7 x \$2,500).
- Each of the 4 Development Committees consists of eight members who will each receive a stipend of \$3,000 per year in the years that meetings occur; the total increase in state expenditures relative to Development Committee members receiving stipends is estimated to be \$96,000 (4 x 8 x \$3,000).
- Each of the four Standards Review Committees consists of 10 members who will each receive a stipend of \$200 per meeting for five meetings each year in years that meetings occur; therefore, the increase in state expenditures relative to SRC members receiving stipends is estimated to be \$40,000 (4 x 10 x \$200 x 5).
- The total increase in state expenditures for stipend payments is estimated to be \$346,000 (\$210,000 + \$96,000 + \$40,000).
- Each member of each advisory team, each Standards Review Committee, and each Development Committee, will incur travel costs estimated to be \$200 per trip for meetings.
- Each member of each advisory team will require 9 trips in the years that meetings occur. As a result, the increase in state expenditures is estimated to be \$151,200 (12 x 7 x \$200 x 9 trips).
- Each member of each Development Committee will require 9 trips in the years that meetings occur. As a result the increase in state expenditures is estimated to be \$57,600 (4 x 8 x \$200 x 9 trips).
- Each member of each Standards Review Committee will require 5 trips in the years that meetings occur. As a result, the increase in state expenditures is estimated to be \$40,000 (4 x 10 x \$200 x 5 trips).
- The total increase in state expenditures for member travel is estimated to be \$248,800 (\$151,200 + \$57,600 + \$40,000).
- Each of the four Standards Review Committees will incur additional costs for printing estimated to be \$2,000; supplies estimated to be \$300; and rent and insurance for meeting space estimated to be \$9,000. These expenses will be incurred by each of the four Standards Review Committees. Therefore, the increase in state expenditures is estimated to be \$45,200 [(\$2,000 + \$300 + \$9,000) x 4].
- The total increase in state expenditures as a result of this legislation is estimated to be \$640,000 (\$346,000 for stipends + \$248,800 for travel + \$45,200 for miscellaneous costs).
- The standards review will be done non-simultaneously over each six year period.
- As a result, the recurring increase in state expenditures is estimated to be \$106,667 (\$640,000 / 6) in FY18-19 and subsequent years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

Handwritten signature of Krista M. Lee in cursive script.

Krista M. Lee, Executive Director

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