

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 1609 – SB 2575**

February 15, 2018

**SUMMARY OF BILL:** Prohibits end of course testing for students in grades nine through twelve. Makes the ACT exam the only exam required for high school graduation beginning in the 2018-2019 school year.

**ESTIMATED FISCAL IMPACT:**

**Decrease State Expenditures – \$449,800**

**Other Fiscal Impact – Recurring federal funds for K-12 education may be jeopardized as a result of this legislation. The precise amount, if any, cannot be reasonably determined. However, the Governor’s recommended budget document, on page B-81, identifies \$1,137,319,100 in federal funding for K-12 education.**

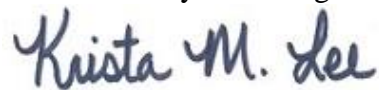
Assumptions:

- According to the Department of Education (DOE), the combined variable cost associated with administering end-of-course (EOC) testing is approximately \$0.84 per student.
- State government is responsible for paying EOC test costs under current law; however these expenditures would no longer be required under the provisions of this legislation.
- In FY16-17, 535,495 students took EOC tests. This number is assumed to remain constant in subsequent years.
- The recurring decrease in state government expenditures estimated to be \$449,816 (\$0.84 x 535,495).
- Title 1 of the Every Student Succeeds Act (ESSA) requires that students in grades nine through twelve be administered assessments.
- Based on information from the DOE, passage of this legislation may jeopardize federal funding for K-12 schools.
- The amount of federal funding that could be in jeopardy is unknown and dependent upon action of the U.S. Department of Education; however, the Governor’s recommended budget document, on page B-81, identifies \$1,137,319,100 in federal

funding for K-12 schools. All, or any portion thereof, could be jeopardized if Tennessee becomes non-compliant with the ESSA assessment requirements.

**CERTIFICATION:**

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

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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