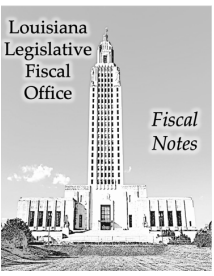


LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 614** HLS 25RS 785
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 18, 2025	5:57 PM	Author: CHASSION
Dept./Agy.: Education		Analyst: Julie Silva
Subject: High school graduation requirements and high school assessments		

STUDENT/ASSESSMENT OR -\$4,300,000 GF EX See Note Page 1 of 1
 Requires students to attain a minimum ACT score set by the State Board of Elementary and Secondary Education as a prerequisite to high school graduation and prohibits state-administered end-of-course assessments for high school students. Proposed legislation prohibits state-administered end-of-course assessments and instead requires all students to attain a minimum score on the ACT, a nationally norm-referenced test, in order to graduate high school. The score is to be determined by the State Board of Elementary and Secondary Education (BESE) to ensure it does not impact high school graduation rates.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	(\$4,300,000)	(\$4,700,000)	(\$4,700,000)	(\$4,700,000)	(\$4,700,000)	(\$23,100,000)
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						
REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed legislation is anticipated to result in a net decrease of \$4.3 M in SGF expenditures in FY 26 and \$4.7 M beginning in FY 27. This is primarily driven by a \$6.5 M decrease due to the elimination of LEAP, end-of-course tests, and the graduation exit exam for all high school students. This decrease will be partially offset by a one-time expenditure of \$363,047 to develop educator committees to ensure alignment between Louisiana’s social studies standards and the ACT in order to pass federal peer review and streamline testing in future years. In addition to this, the cost of providing additional ACT testing, or retakes beyond first time assessments the department currently pays for, will also offset the decrease resulting from the elimination of certain assessments, as detailed below.

LDOE contracts with American College Testing (ACT) to provide ACT assessments to students. The ACT costs \$39 per assessment and providing the ACT for an estimated 58,000 first-time test takers costs \$2.3 M (58,000 students x \$39 per assessment) annually. This student count is based on the average number of students in both the 11th and 12th grades who take the ACT for the first time each year. LDOE estimates that in addition to these 58,000 first-time test takers, 45,129 ACT assessments may be provided as “retakes” in order to allow students to meet graduation requirements. This will cost an estimated \$1.8 M annually and is contemplated in the net decrease above. However, any expenditures associated with retakes will be dependent on the minimum ACT score set by the Board of Elementary and Secondary Education (BESE) as a prerequisite for high school graduation.

Note: Currently, public and charter local education agencies are responsible for payment of any ACT testing beyond the initial assessment, which is paid by the state. Proposed legislation does not indicate whether LDOE or local school systems will be responsible for the cost of additional ACT assessments under the new requirements; however, this fiscal note assumes LDOE will be responsible as they currently cover the cost of LEAP retakes. If this is the case, there may be a decrease in local fund expenditures as local school systems will no longer be responsible for any additional ACT assessment retakes. This potential decrease will vary by school system and be dependent on the average annual number of additional ACT assessments a given system pays for.

For informational purposes, Act 635 of the 2024 RS exempts certain students from required ACT testing. While Act 635 is current law, it is not effective until the 2025-2026 academic year. LDOE provides they interpret the proposed legislation will require all students to take the ACT, regardless of the provisions of Act 635. Therefore, this fiscal note contemplates the maximum impact that may be realized for all students to take the ACT.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. The Every Student Succeeds Act (ESSA) allows states to use the ACT as a substitute for state-mandated standardized tests to demonstrate student achievement for the purposes of eligibility for certain federal funding.

Senate
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Patrice Thomas
 Deputy Fiscal Officer