



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 377** HLS 24RS 740
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: March 22, 2024 10:50 AM	Author: ST. BLANC
Dept./Agy.: EDUCATION	
Subject: Remote testing for virtual charter school students	Analyst: Julie Silva

STUDENT/ASSESSMENT OR INCREASE GF EX See Note Page 1 of 2
 Authorizes virtual charter school students to take state tests remotely

Proposed legislation permits students enrolled in virtual charter schools to take mandatory state assessments remotely.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
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					
Annual Total						
REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	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 will lead to an increase in state and local fund expenditures. According to information provided by the Louisiana Department of Education (LDOE), the most significant increase in expenditures will result from the preparation of emergency forms for all statewide assessments by the assessment vendors. In the event that a form is compromised during the assessment administration timeframe, LDOE will need to have an emergency form prepared for each grade and each subject to replace the compromised form for the rest of the assessment administration period. Total anticipated costs include those for the development of assessment items and the test selection process. LDOE estimates this will result in an additional **\$7.9 M per year**, and anticipates 7% annual increases to this cost, based on the current 5-10% annual increases included in vendor contracts. Total FY 25 estimated costs for emergency forms, by grade, are included in the table below:

	<u>Math</u>	<u>ELA</u>	<u>Science</u>	<u>Social Studies</u>	<u>Total</u>
Grade 3	\$360,456	\$244,469	\$223,000	\$216,325	\$1,044,250
Grade 4	\$360,456	\$244,469	\$211,500	\$124,133	\$940,558
Grade 5	\$360,456	\$244,469	\$223,050	\$124,133	\$952,108
Grade 6	\$360,456	\$244,469	\$223,050	\$124,133	\$952,108
Grade 7	\$276,402	\$244,469	\$211,500	\$124,133	\$856,504
Grade 8	\$276,402	\$244,469	\$223,050	\$124,133	\$868,053
Grades 9-12	\$276,401 (2)	\$649,519 (2)	\$321,485	\$125,237	\$868,053
Total	\$2,547,430	\$2,765,852	\$1,636,635	\$962,227	\$7,912,144

Additional emergency forms for high school LEAP assessments will also be needed. These include six subject tests from four subject areas: English I and II, Algebra I and Geometry, Biology, and Civics. These costs are what the department expects will be incurred to increase overall assessment development and ensure enough additional items and forms are available for emergency use each year.

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REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

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



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CONTINUED EXPLANATION from page one:

Additional expenditures are anticipated in order for assessment vendors to purchase necessary remote proctoring software. This will allow the vendors to manage and support users in implementing virtual testing. LDOE estimates that an online platform for proctoring would result in an additional increase of **\$400,000** to annual contract costs. This option is expected to be the most economical, expedient, and secure method to comply with the provisions of proposed legislation, and would ensure remote administration of assessments could begin as early as Spring 2025.

There were 3,193 students enrolled in six virtual charter schools during the 2023-24 school year, and of those 2,776 were in the third through twelfth grades and represent the population of students who would be impacted by proposed legislation. The total cost for the six affected schools and school systems is indeterminable. In the event that items are compromised, LDOE reports **there will be a liability associated with the cost of the shared test item. LDOE calculates the cost per item to be approximately \$30,000. Depending on the number of items on a compromised form, this could cost approximately \$1.2 M to \$1.8 M**, as most test forms contain between 40 and 60 items. In the event that a student shares secure test materials, LDOE reports a school or school system may be responsible for compensating the department and/or the assessment vendor for the cost of the lost assessment item or items, form or forms, or entire assessment.

The LFO is unable to corroborate the costs as provided by LDOE, specifically in regards to the development of emergency forms and reimbursements for compromised assessments. LEAP assessments are currently offered within the span of a single month, statewide; however, testing for the same assessment may occur on different days. Emergency forms are not currently created for LEAP exams, but LDOE reports these will be necessary under proposed legislation as there is a more significant risk assumed with virtual testing as opposed to in-person classroom testing.

There may be additional costs incurred by schools and school systems to procure the equipment necessary for implementation. For example, they may need to buy additional laptops and/or cameras for students to use during virtual assessments. The cost would depend on the number of students at a school, the school's assessment schedule, and the operational plan each school develops for virtual assessment administration.

Senate Dual Referral Rules
 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}


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Deputy Fiscal Officer