FISCAL IMPACT REPORT

		ORIGINAL DATE	1/28/19		
SPONSOR	Sapien	**LAST UPDATED**	2/01/19	**HB**	

SHORT TITLE	No PARCC Testing Requirement	**SB**	110/aSEC

		ANALYST	Lobaugh

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		See Fiscal Implications				

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION
LFC Files

Responses Received From
Public Education Department (PED)

SUMMARY

Synopsis of SEC Amendment

The Senate Education Committee amendment to Senate Bill 110 (SB110) strikes a reference to the "2020-2021" school year on page one and replaces it with a reference to the "2019-2020" school year.

Synopsis of Original Bill

Senate Bill 110 (SB110) prohibits the Public Education Department (PED) from requiring school districts and charter schools to use the assessment called the Partnership for Assessment of Readiness for College and Careers (PARCC) beginning no later than the 2020-2021 school year (SY21). PED would be required to develop a new assessment to replace the PARCC assessment and school districts and charter schools would be required to use the new assessment.

FISCAL IMPLICATIONS

SB110 does not contain an appropriation. The LFC budget recommendation for FY20 includes a $6.6 million appropriation to PED to use for expenditure on standards-based assessments in K-12

English Language Arts and math. The Executive budget recommendation includes $6 million for standards-based assessments in English Language Arts and math and a $2 million non-recurring appropriation to PED for the development and research of changes to the standards-based assessments.

Requiring PED to transition away from the PARCC assessment to a new standards-based assessment may result in additional PED operating budget expenditure. PED reports that the department has an existing contract with one vendor, to develop statewide assessments and to manage the assessment question bank, and a contract with another vendor to manage the administration, scoring, and reporting of assessment results. PED indicates the existing contracts could be amended to develop a new test for implementation but costs could increase depending on the type of new assessment developed. PED also reports that costs could increase if new contracts had to be awarded and that Request for Proposals would be necessary to determine the cost of any new contracts.

SIGNIFICANT ISSUES

Under the federal *No Child Left Behind Act* of 2001, every state was required to test students in English language arts and mathematics in third through eighth grade and 11th grade. This testing requirement remains a part of the federal *Every Student Succeeds Act* (ESSA) of 2015, which replaced the *No Child Left Behind Act*. New Mexico began testing all students from third through 11th grade on the PARCC standardized test in 2015. Prior to 2015, New Mexico used a state standards-based assessment for reading and mathematics. States need to comply with federal student testing requirements in order to receive federal education funding.

Since 2015, New Mexico's statewide PARCC scores have remained the lowest of all states still participating in the assessment. Notably, New Mexico's average performance of economically disadvantaged students is on par with other PARCC states, suggesting that few, if any states, are effectively addressing achievement gaps of students from low-income backgrounds. While scores for all states have shown steady improvement in PARCC test scores, fewer states intend to participate in the future. In 2018, Maryland announced plans to move away from the PARCC assessment, and New Jersey has been committed to rolling back the test since 2017.

Executive Order 2019-001 directed PED to begin immediately taking steps necessary to transition away from using the PARCC assessment for measuring student achievement and academic proficiency. On January 10, 2019, PED issued a memorandum to school districts and charter schools indicating that a transition assessment, called the *New Mexico Standards Based Assessment of Mathematics and English Language Arts* (SBA), would be administered in the spring of 2019. The memorandum stated that the transition SBA would be:

- aligned to the adopted New Mexico Common Core State Standards,
- 1 to 1.5 hours shorter per subject area, reducing overall testing time,
- comparable to prior years' results, with five reporting categories, and
- delivered on the same testing platform and administered during the April 22 – May 10, 2019 scheduled testing window.

PED reports that it is already in the process of transitioning from the PARCC to a new assessment for school year 2019-2020 (SY20). PED indicates that the new assessment for SY20 would still need to be comparable to previous assessments to support longitudinal data analysis

and the assessment of student academic growth across school years.

ADMINISTRATIVE IMPLICATIONS

PED staff would need to work with a contractor, or contractors, to develop a new assessment, and to provide training to school district and charter school test coordinators to support the administration of the new assessment. Teachers would also need to be trained on new assessment system and be provided with new resources and tools.

School district and charter school staff would have to understand and employ new administration policies. School district and charter school staff may need to reconfigure new technology in order to administer the assessment online, depending on the assessment vendor.

CSL/gb/sb