



Ohio Legislative Service Commission

Revised

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Fiscal Note & Local Impact Statement

Bill: S.B. 3 of the 131st G.A.

Date: March 5, 2015

Status: As Introduced

Sponsor: Sens. Hite and Faber

Local Impact Statement Procedure Required: No

Contents: Changes to the duration and administration of various assessments, exemptions for high-performing school districts from state requirements

State Fiscal Highlights

- The bill requires the School Facilities Commission (SFC) to submit a report to the General Assembly with regard to high-performing school districts and funding under the Classroom Facilities Assistance Program (CFAP). This provision will increase SFC's administrative costs.

Local Fiscal Highlights

- The bill limits the cumulative amount of time spent on preparing for and administering state assessments to 1% and 2% of the school year, respectively, though a district or school may exceed the limitations if its governing authority adopts a resolution. A district or school currently exceeding these limitations may experience an increase in costs to come into compliance or to adopt a resolution.
- The bill eliminates the fall administration of the third grade English language arts (ELA) achievement assessment and makes optional several math and writing diagnostic assessments for elementary students. Districts that choose not to administer the optional assessments will experience a decrease in costs and may find it easier to comply with the practice or diagnostic testing limitations.
- The bill exempts "high-performing" school districts from several requirements of current law, including provisions related to teacher qualifications under the third grade reading guarantee, teacher licensing, mentoring under the Ohio Teacher Residency Program, and class size restrictions. Qualifying districts may realize cost savings due to reduced administrative burden. Based on report card data, 20.5% of school districts would have qualified as high-performing during the 2013-2014 school year.
- The bill permits a school district board of education to contract with a hospital, an appropriately licensed health care professional, or an educational service center (ESC) for the services of a school physician, dentist, or nurse. Districts that elect to

contract with such entities to provide student health services may realize administrative costs savings.

- The bill increases the competitive bidding threshold from \$25,000 to \$50,000 that applies to public improvement contracts, including contracts to build, repair, enlarge, improve, or demolish any school building. Raising this threshold may reduce administrative and advertising costs for local school boards of education.
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Detailed Fiscal Analysis

Overview

This bill makes several changes regarding the duration and administration of assessments. Specifically, it limits the cumulative amount of time spent on preparing for and administering state assessments to 1% and 2% of the school year, respectively, though a district or school may exceed the limitations if its governing authority adopts a resolution. If a district or school exceeds the limitations based on its current testing schedule, it may experience an increase in costs in order to come into compliance or adopt a resolution. The bill also eliminates the fall administration of the third grade ELA assessment and makes optional several math and writing diagnostic assessments for elementary students, potentially decreasing local costs.

The bill, among other provisions, exempts "high-performing" school districts from various provisions in current law, which may result in administrative cost savings for qualifying districts. The following provides additional details concerning these and other topics.

Changes to assessments

Beginning in the 2015-2016 school year, the bill imposes new limitations in regards to the duration of assessments, specifically the achievement assessments administered to students in grade 3 through grade 8, high school end-of-course examinations, and any assessments administered district- or school-wide at the local level. First, the bill requires all school districts, community schools, STEM schools, and college preparatory boarding schools to limit the cumulative time spent on the administration of state assessments to 2% of the school year. Additionally, it limits the cumulative amount of time used for taking practice or diagnostic assessments used to prepare for the aforementioned state assessments to 1% of the school year. However, a school district or school may exceed these limitations if the district board or school governing authority adopts a resolution following at least one public hearing on the proposed resolution. The testing limitations do not apply to the administration of assessments to students with disabilities, diagnostic assessments related to the third grade English language arts (ELA) assessment, or substitute examinations for end-of-course examinations in American history, American government, and science, such as Advanced Placement or International Baccalaureate examinations.

Depending on the testing schedule currently in place, districts or schools may find it necessary to shorten or eliminate various local diagnostic- or achievement-based tests in order to comply with these limitations, or to pass a resolution to maintain the current schedule. In a recent report submitted to the General Assembly and the Governor in January 2015,¹ the Superintendent of Public Instruction finds that the average student spends approximately 1% to 3% of the school year completing assessments, though the percent varies by grade level. For example, the report finds that kindergarteners and first graders usually spend only about 1% of the year taking assessments, but testing time for third and tenth graders typically exceeds 2.5% of the year. The Superintendent also reports that students spend an average of 1.4% of the school year preparing for assessments, though the report does not include grade-level figures. A district or school that determines it needs to shorten or eliminate assessments to comply with the mandate or decides that its governing body should hold a hearing and adopt a resolution to exceed the imposed limitations will experience an increase in costs, though these costs are not expected to exceed minimal.

Beginning in the 2015-2016 school year, the bill also eliminates the requirement for public schools to administer certain assessments. Specifically, it makes optional the administration of diagnostic assessments in math and writing for first and second graders. The bill also makes changes to the administration of two third grade assessments. First, it makes the administration of the writing diagnostic optional. Second, the bill eliminates the fall administration of the third grade ELA achievement assessment and only requires it to be administered in the spring. Districts that choose not to administer the optional diagnostic assessments will experience a decrease in costs and may find it easier to comply with the practice or diagnostic testing limitations previously outlined.

High-performing school districts

The bill exempts "high-performing" school districts from several requirements of current law, including provisions related to teacher qualifications under the third grade reading guarantee, teacher licensing, mentoring under the Ohio Teacher Residency Program, and class size restrictions. Specifically, a high-performing school district would no longer be required to do the following:

- Provide an experienced teacher with specific qualifications to each student retained under the third grade reading guarantee;
- Require teachers to be licensed in the subject areas or grade levels in which they are teaching;
- Require an instructor to hold a valid educator license issued by the State Board, so long as the instructor is qualified based on experience;

¹ Dr. Richard A. Ross, "Testing Report and Recommendations," Ohio Department of Education, January 15, 2015, <https://education.ohio.gov/getattachment/Topics/Testing/Ohio-s-State-Tests/Testing-Report-and-Recommendations-2015.pdf.aspx>.

- Adhere to the mentoring component of the Ohio Teacher Residency Program, so long as the district utilizes a local approach to train and support new teachers;
- Adhere to any minimum or maximum class size provision in statutory law or in the State Board's rules or standards.

The bill defines a "high-performing" school district as one that received all of the following on the district's most recent state report card: (1) at least 85% of the total possible points for the performance index score, (2) a grade of an "A" for performance indicators met, (3) a four-year adjusted cohort graduation rate of at least 93%, and (4) a five-year adjusted cohort graduation rate of at least 95%. Based on report card data, 125 out of 610 school districts (20.5%) would have qualified as "high-performing" during the 2013-2014 school year. Accordingly, these districts may experience a decrease in costs due to reduced administrative burden.

The bill requires the School Facilities Commission (SFC) to submit a report to the General Assembly with regard to high-performing school districts and funding under the Classroom Facilities Assistance Program (CFAP). Specifically, the proposal must contain legislative provisions under which high-performing school districts that have not received assistance under CFAP may, upon becoming eligible for assistance under the program, apply for and receive a portion of the state funds for which they are eligible. The funds must be used for technology, building expansion, and physical alterations to improve school safety or security. This provision will increase SFC's administrative costs.

Other provisions

The bill permits a school district board of education to contract with a hospital, an appropriately licensed health care professional, or an educational service center (ESC) for the services of a school physician, dentist, or nurse. This provision may result in administrative cost savings, presuming it is less expensive to contract for these health services than it is to hire staff to fill the positions of physician, dentist, or nurse.

The bill increases the competitive bidding threshold from \$25,000 to \$50,000 that applies to public improvement contracts, including contracts to build, repair, enlarge, improve, or demolish any school building. Overall, raising the bidding threshold may reduce the administrative and advertising costs that school boards of education incur for overseeing these contracts.