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H.B. 239
(1_133_1243-2)
133rd General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 239's Bill Analysis](#)

Version: In House Primary and Secondary Education

Primary Sponsors: Reps. G. Manning and Crawley

Local Impact Statement Procedure Required: No

Dan Redmond, Budget Analyst

Highlights

- Permitting parents or guardians to opt out their eleventh grade children from the state-funded administration of the ACT and SAT college admissions tests may reduce GRF expenditures for these tests. For every 1% decrease in participation, the state's costs for the tests are projected to decrease by about \$49,000 each fiscal year.
- School districts may incur minimal administrative costs to form testing work groups that will examine testing and report findings and recommendations for testing reductions.

Detailed Analysis

Opt out of state-funded administration of ACT and SAT

Current law generally requires all students in eleventh grade to take a college admissions test as part of the state's College and Work Ready Assessment System. The bill permits a parent or guardian of a student in the Class of 2022 and onward to opt out their child from the test by submitting an opt-out notice to the student's school. The Ohio Department of Education must prescribe procedures to opt out. The state contracts with ACT Inc. and the College Board to administer the ACT and SAT, respectively, to eleventh grade students in the spring of each school year. School districts choose annually which of the two college admissions examinations that their students will take. The state pays \$40 per student for the ACT and \$36.35 per student for the SAT. The ACT is, by far, the most popular option. For FY 2019, the state spent approximately \$4.9 million to administer both tests. A large majority of this amount, \$4.4 million, was for the ACT. That year, about 122,600 eleventh grade students in public and nonpublic schools took either the ACT or SAT.

Not all high school students intend to or will enroll in college. According to data from the Pell Institute, around 60% of Ohio high school graduates go directly to college. However, the percentage that will take the test is likely higher (perhaps substantially so) than 60%. Some

students may plan to defer enrollment in college but still would be interested in taking one of the tests as a junior. In addition, the parental opt-out notice requirement makes it somewhat more difficult for students to forego the test than if it was purely voluntary. Ultimately, for every 1% decrease in participation, the state's costs for the college admissions tests are projected to decrease by about \$49,000 each fiscal year, assuming no change in the state's cost per test. The table below estimates the state's annual costs of administering the ACT and SAT at various hypothetical student participation rates, starting with a baseline of 100% under current policy, and the state savings under reduced participation rate scenarios. Any reduction in state costs for these tests would begin to accrue in FY 2021, when the Class of 2022 is generally required to take one of the college admissions examinations under current law.

Estimated Cost of State-Administered ACT/SAT Under Various Participation Scenarios						
Test	100% of 11 th Graders	95% of 11 th Graders	90% of 11 th Graders	80% of 11 th Graders	70% of 11 th Graders	60% of 11 th Graders
ACT	\$4,394,080	\$4,174,376	\$3,954,672	\$3,515,264	\$3,075,856	\$2,636,448
SAT	\$465,062	\$441,809	\$418,556	\$372,050	\$325,543	\$279,037
Total	\$4,859,142	\$4,616,185	\$4,373,228	\$3,887,314	\$3,401,399	\$2,915,485
Difference from 100% Scenario		-\$242,957	-\$485,914	-\$971,828	-\$1,457,743	-\$1,943,657

Administrative costs

The bill also may minimally increase the administrative costs of school districts due to a requirement that each school district form a work group within 90 days of the bill's effective date to examine the amount of time students spend on required testing and various other aspects of testing and to make recommendations within six months of forming on how to reduce testing amounts. Districts may incur at least one-time costs to start these work groups, which, in general, are to consist of the following individuals: (1) the district superintendent, (2) a district curriculum or testing administrator or designee of the superintendent, (3) three principals, (4) three teachers selected by the local teacher's association, and (5) three parents of students enrolled in the district selected by the local parent teacher organization (or similar organization). If a district does not employ enough of the specified work group members, the bill exempts the district from the requirements it cannot meet. Upon completion of the report, a district's work group may be dissolved, continue to meet, or be reconstituted in the future based on local need. Additionally, the bill requires a district board of education to consider the work group's recommendations and to adopt an annual (instead of a single) resolution if it wishes to exceed statutory limitations on testing time.

The bill will increase ODE's administrative workload by requiring the Department to annually publish a report on the amount of time students spend on required state and district testing, including the following: (1) a disaggregation of testing required by the state and additional testing required by a district, (2) efforts to reduce testing time and increase

instructional time, (3) caps on testing as described in current law and a list of districts that exceeded them, (4) the purpose and use of the required state and district tests, and (5) resources for parents.

Synopsis of Fiscal Effect Changes

- The substitute bill (I_133_1243-2) eliminates the bill's fiscal effects on state end-of-course examination costs by removing provisions in the As Referred (previous) bill that reduced the number of end-of-course examinations required for graduation from seven to three (eliminating the English language arts I, geometry, American history, and American government examinations), beginning with the Class of 2022. H.B. 166 of the 133rd General Assembly reduces the number of end-of-course exams from seven to potentially five, beginning with the Class of 2023, by eliminating the examinations for English language arts I and, if a federal waiver is approved, geometry.
- The substitute bill may reduce the state savings associated with the bill's changes to the state-funded administration of ACT or SAT by requiring a student's parent or guardian to submit an opt-out notice in order for a student to forego taking the test. Otherwise, the test will be administered as under current law. As a result, more students may take the test than under the previous bill, which offered (but did not automatically administer) the test and did not require an opt-out notice.