

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6687

BILL NUMBER: HB 1240

NOTE PREPARED: Feb 23, 2006

BILL AMENDED: Feb 16, 2006

SUBJECT: Study of Student Assessments.

FIRST AUTHOR: Rep. Behning

FIRST SPONSOR: Sen. Lubbers

BILL STATUS: 2nd Reading - 2nd House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: (Amended) The bill requires the Department of Education, subject to the approval of the State Board of Education, to develop a long term plan for student assessments before October 1, 2006.

The bill repeals a provision requiring the grading of certain portions of the ISTEP assessment to take place in Indiana.

Effective Date: (Amended) Upon passage.

Explanation of State Expenditures: (Revised) *Department of Education-* Under the bill, the Department of Education would review the current ISTEP testing program and develop a long term plan on future student assessments. The Department would be required to report the findings to the State Board, the Legislative Council (by electronic format), and the Office of Management and Budget. The impact of this provision to state expenditures would depend on the resources needed to develop the plan.

The funds and resources required above could be supplied through a variety of sources, including the following: (1) existing staff and resources not currently being used to capacity; (2) existing staff and resources currently being used in another program; (3) authorized, but vacant, staff positions, including those positions that would need to be reclassified; (4) funds that, otherwise, would be reverted; or (5) new appropriations. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

Background: As of February 6, 2006, the Department of Education had 84 vacancies with salaries

valued at approximately \$2.6 M. The Department reverted \$0.9 M in FY 2005 back to the state General Fund.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Education; State Board of Education, Office of Management and Budget; Legislative Council.

Local Agencies Affected:

Information Sources:

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