

Department of Planning and Budget
2025 General Assembly Session
State Fiscal Impact Statement

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ORIGINAL

Bill Number: HB1957S1

Patron: Helmer

Bill Title: Board of Education; Standards of Learning assessments and related student assessment methods; assessment development, implementation, and administration reform.

Bill Summary: Modifies provisions relating to assessment methods for determining the level of achievement of the Standards of Learning objectives by all students, including (i) requirements relating to assessment administration aimed at maximizing instructional time and optimizing time used for assessment administration; (ii) criteria and guidelines for the structure and content of Standards of Learning assessments and alternative assessments developed by local school boards, including criteria for the types of assessment items that shall be included; (iii) provisions relating to eligibility and timelines for students to retake assessments; and (iv) the scoring of Standards of Learning assessments and related assessments, including a requirement that all such assessments be scored on a 100-point scale. The bill requires the Board of Education to provide any teacher who participates in the scoring of Standards of Learning assessments professional development points toward renewal of his license for the time spent scoring such assessments. The bill also requires the Board of Education to develop and make available to each school board certain templates and guidelines relating to assessment content and structure and assessment scoring. The bill has a delayed effective date and reenactment clause for several provisions of the bill and directs that the Board of Education shall prioritize the incorporation of the requirements of the bill into its statewide assessment system and any contract that it enters into with a third party related to this system.

Budget Amendment Necessary: Yes

Items Impacted: 119

Explanation: This bill would require the Department of Education to develop new assessments and make several changes to the assessment contract, which would require additional state funding above what is appropriated for a new assessment contract in HB1600/SB800. Portions of the bill have a delayed effective date of July 1, 2026, and many of the provisions of the bill are subject to reenactment by the 2026 General Assembly. These changes would need to be included in a request for proposals (RFP) and negotiated as part of a new assessment contract. Funding is required to support the RFP and negotiated contract when established. Any impact to local school divisions is indeterminate.

Fiscal Summary: The Governor's Introduced Budget, HB1600/SB800, includes additional general fund to support the one-time and ongoing costs of implementing a new statewide assessment contract. It's anticipated that the funding provided in HB1600/SB800 may support most of the assessment changes required by the bill with the exception of releasing all answer keys or grading rubrics and replacing all test items annually. DOE estimates a minimum annual cost of \$21.2 million to release all answer keys or grading rubrics and replace all test items each year. Approximately 10% of this cost is assumed in HB1600/SB800, so

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the additional state cost to support this requirement is approximately \$19.1 million general fund each year. DOE is in the process of procuring a new assessment contract. If these provisions are reenacted by the 2026 General Assembly, the requirements would become effective July 1, 2026, unless 2026 legislation proposes an alternate date. These changes would need to be included in a request for proposals (RFP) and negotiated as part of a new assessment contract. Funding is required to support the RFP and negotiated contract when established. For DOE to include this change in its current RFP and the assessments beginning school year 2026-2027, additional general fund support would be required starting FY26.

General Fund Expenditure Impact:

<u>Agency</u>	<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>
201 (DOE)	\$0	\$19.1 million	\$19.1 million	\$19.1 million	\$19.1 million	\$19.1 million
TOTAL	\$0	\$19.1 million	\$19.1 million	\$19.1 million	\$19.1 million	\$19.1 million

Fiscal Analysis: In order to implement changes to the Standard of Learning (SOL) assessments, the Department of Education (DOE) would have to include these changes in a contract with a statewide assessment vendor. DOE is in the beginning of a process to procure a new contract for the entire statewide assessment system. The Governor’s introduced budget, HB1600/SB800, provides \$61,000,000 general fund in FY25 and \$5,000,000 general fund in FY26 and ongoing for DOE to enter into a new statewide assessment contract and develop new assessments with assumptions for certain contract enhancements. It’s anticipated that the majority of the requirements of this bill could be absorbed within that additional appropriation with the exception of releasing all answer keys or grading rubrics and replacing all test items annually. Portions of the bill have a delayed effective date of July 1, 2026, and some provisions of the bill must be reenacted by the 2026 Session of the General Assembly. The expiration date of the existing assessment contract, assuming the one-year extension authorized in Chapter 2, 2024 Acts of Assembly, Special Session I, is December 2026. Based on this, DOE has created a timeline to ensure the new assessments can be in place by the 2026-2027 school year (summer 2026). Under the current timeline proposed by DOE for the procurement of the new system, DOE would release a request for proposals (RFP) in April 2025; evaluate proposals and negotiate terms in summer 2025; select a new system vendor in late calendar year 2025; and test development, transition and implementation would occur in late calendar year 2025 through mid calendar year 2026, with the new system in place for the 2026-2027 school year. Any assessment changes that need to be in place for the 2026-2027 school year would need to be included in an RFP and negotiated as part of a new assessment contract. Funding is required to support the RFP and negotiated contract when established.

The bill requires that DOE make each SOL assessment that was taken in the previous year, and an answer key or grading rubric, available to each teacher. Per the fourth enactment of the bill, this provision shall not become effective unless reenacted by the 2026 Session of the General Assembly. If this provision is reenacted by the 2026 General Assembly, the requirements would become effective July 1, 2026, unless 2026 legislation proposes an alternate date. If this provision is not intended to be effective until a later date, funding may not be required until after FY26; however, for DOE to include this change in its current RFP and the assessments

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beginning school year 2026-2027, additional general fund support would be required starting FY26. In order to release all test questions and answers and ensure test security, all test items will have to be replaced each year. Based on responses received from potential vendors from a request for information conducted in 2024, DOE estimates a minimum annual cost of \$21.2 million to include the release and replacement of all test items each year in the assessment contract. The appropriation included in Item 119 of HB1600/SB800 for a new assessment contract assumes that the new assessment contract will include the release and replacement of a representative sample, approximately 10%, of test items and replenish with new items annually, along with the necessary teacher training to support the release of this information. Therefore, the additional general fund cost to support the release of answer keys or grading rubrics for all assessments and replacing all test items annually is approximately \$19.1 million above what is provided in HB1600/SB800.

The actual impact will be dependent on the actual assessment vendor chosen and the contract that is negotiated. Any impact to local school division is indeterminate.

Other: None.