

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: April 7, 2008
POSITION: Oppose

BILL NUMBER: SB 1650
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BILL SUMMARY: Standardized Testing and Reporting Program: Evaluation

This bill would require the State Department of Education (SDE) to contract with an independent evaluator to complete an intensive evaluation of the Standardized Testing and Reporting (STAR) program and provide recommendations on a variety of assessment issues by October 1, 2009. Also, the bill would create a panel to advise the SDE on the evaluation.

FISCAL SUMMARY

This bill would create costs from \$700,000 to \$1,400,000 non-Proposition 98 General Fund to contract with an independent evaluator. The evaluation created by this bill would require a research team with specialized knowledge in assessment psychometrics and statistics and the evaluation would take nearly two years to complete. The cost of a standard evaluation for an SDE program is approximately \$700,000 for a year-long study based on information provided by the SDE. An independent evaluation of the California High School Exit Exam currently costs \$350,000 annually and looks at only a fraction of the information proposed in the STAR evaluation. As specified in the bill, the creation of a panel would result in minor travel-related costs for those serving on the panel.

To the extent that the recommendations of the independent evaluator result in major assessment changes or alternative assessments, this bill could create cost pressures in the tens of millions of Proposition 98 General Fund dollars.

COMMENTS

The Department of Finance is opposed to this bill for the following reasons:

- The bill would create significant non-Proposition 98 General Fund costs that are not included in the Governor's Budget. In light of the state's current budget gap, it would be imprudent to create new expenditures at this time.
The required evaluation would duplicate work done by a variety of sources. The U.S. Department of Education uses a peer review process to ensure that federal standards and assessment requirements are met by the state. The SDE uses a process that includes the review of multiple panels of experts to develop content standards and ensure that assessments align to these standards. Outside studies also review assessments and standards alignment over time. All state assessment contractors are required to meet industry standards in creating fair and reliable assessments. The SDE already reports assessment results over time for a variety of subgroups as required by state and federal law.
The recommendations required by the evaluation would potentially expand the scope of the STAR beyond its current intended purpose. The STAR is currently used to assess the knowledge of students on the state content standards for each grade. The bill would require recommendations for expanding the use of the STAR at a local level for diagnostic purposes and the possibility of

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Governor's Office: By: Date: Position Approved
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alternative assessments. Local educational agencies (LEAs) already may use their own diagnostic assessments that meet local requirements for placing and monitoring students.

The STAR program is used to assess students in grades two through eleven. STAR includes the following assessments: (1) California Standards Tests, (2) California Achievement Tests, (3) California Alternate Performance Assessments, (4) California Modified Assessments, (5) Standards Based Tests in Spanish, and (6) Aprenda. This collection of assessments allows California to accurately test students on knowledge of statewide content standards and includes assessments addressing the needs of special education students and Spanish-speaking students. The results of the STAR program are used for calculating an Academic Performance Index (API) score for schools and LEAs for state accountability purposes and as a component in calculating an Adequate Yearly Progress (AYP) score for the federal accountability system.

Specifically the bill would require the independent evaluator to report on: (1) alignment of assessments used for the AYP and the API, not previously evaluated, with content standards, (2) whether the assessment measures student knowledge in the same manner and level as the content standards and would require this every five years, (3) pupil performance by assessment, grade level, gender, race, ethnicity, and identification of any trends, (4) whether the STAR program meets professional assessment standards and meets state and federal grade-level assessment requirements, (5) the usefulness of STAR for state and local program evaluations and pupil-level information, (6) the usefulness of STAR as a classroom-level diagnostic assessment, and (7) the feasibility and cost of the development and administration of a diagnostic alternative assessment for grades that are not required to be tested under federal law. In addition, the bill would require the evaluator to gather assessment information on a variety of subgroups, and provide recommendations regarding: (1) improvements in quality, fairness, and accuracy of assessments, (2) revisions in design, scoring, processing, or use of assessments to meet federal and state requirements, (3) improvements in usefulness of the assessments at state, local, and student levels, (4) provision of student diagnostic information, and (5) alternative assessments for diagnostic purposes. The evaluation would be due to the SDE in October 2009 and presented to the Legislature by January 2010.

The bill would also convene a panel of experts to advise the SDE on the evaluation and selection of the independent evaluator. The bill specifies that panel members shall only receive travel compensation.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							Fund Code
	LA	(Dollars in Thousands)							
	CO	PROP	2007-2008		2008-2009		2009-2010		
	RV	98	FC	FC	FC	FC			
6110/Dept of Educ	LA	No		--	C	\$700 - 1,400		--	0001