

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2007-08		FY 2008-09	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$1,795,000 to \$2,645,000		\$1,720,000 to \$2,570,000	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$1,795,000 to \$2,645,000		\$1,720,000 to \$2,570,000	

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 615 requires the State Department of Education (NDE) to implement a statewide system to track individual student achievement. The department is to use the student identifier system to track student progress, by demographic characteristics identified in the bill, on national and state assessments and other similar measures. Student data shall be aggregated by educational input characteristics including class size, teacher education, teacher experience, special education, early childhood and federal programs, and other targeted education programs. The department is to annually analyze and report student achievement for the state, school districts and learning communities. The analysis is to include data that indicates differences in achievement due to educational input characteristics.

NDE has recently assigned a student identifier number to all students. The identifier will be used to track student progress by the demographic characteristics identified in the bill. If the intent of the bill is to link student achievement of individual students to individual teachers, then the fiscal impact of the bill will be significant. This would entail a reporting system that includes data on courses taught by individual teachers and classes taken by students. It is estimated the cost to implement such a data system will range from \$10 to \$15 per student, based upon the experience of other states. Using these estimates the total fiscal impact will range from \$3.3 million to \$5 million of general funds over a two-year period. In addition to these funds, NDE projects the need for a feasibility study to determine the exact cost of such a system. The feasibility study is estimated to cost \$75,000 of general funds in 2007-08.

NDE also projects a \$70,000 increase in general fund expenditures in 2007-08 and a \$70,000 increase in 2008-09 to report the results of individual students on national assessments. NDE is proposing to acquire data on assessment results directly from the vendors of six national standardized tests rather than have school districts report the data. The estimated expenditures will be incurred to work with vendors regarding the inclusion of all records and to prepare the information for publication in the State of the Schools Report or a separate report card.