

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 446** HLS 19RS 582  
 Bill Text Version: **ENGROSSED**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

|   |         |                               |
|---|---------|-------------------------------|
| <b>Date:</b> May 8, 2019                    | 8:01 AM | <b>Author:</b> CARTER, S.     |
| <b>Dept./Agy.:</b> Education                |         | <b>Analyst:</b> Jodi Mauroner |
| <b>Subject:</b> Reading Scholarship Program |         |                               |

STUDENT/LOANS-SCHOLARSHIP EG +\$46,617,900 GF EX See Note Page 1 of 1  
 Provides for a voucher program for certain public school students

Proposed law establishes the Reading Scholarship Program for eligible students. Defines eligible student as one enrolled in third, fourth, or fifth grade who scored below mastery in English language arts on the state assessment in the prior year. Gives a preference to students classified as English Language Learners. Provides for a \$500 scholarship which can be used for instructional materials, curriculum, including on-line instruction, tutoring services, summer programs, and after school programs designed to improve reading or literacy skills. Requires the Department of Education to administer such program and to submit a report to House and Senate Education Committees by April 30 each year. Provides that implementation of the program is subject to the appropriation of funds for such purpose.

| <b>EXPENDITURES</b> | <b>2019-20</b>      | <b>2020-21</b> | <b>2021-22</b> | <b>2022-23</b> | <b>2023-24</b> | <b>5 -YEAR TOTAL</b> |
|---------------------|---------------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd.      | \$46,617,900        | INCREASE       | INCREASE       | INCREASE       | INCREASE       | <b>\$46,617,900</b>  |
| Agy. Self-Gen.      | \$0                 | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Ded./Other          | \$0                 | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Federal Funds       | \$0                 | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Local Funds         | <u>\$0</u>          | <u>\$0</u>     | <u>\$0</u>     | <u>\$0</u>     | <u>\$0</u>     | <b><u>\$0</u></b>    |
| <b>Annual Total</b> | <b>\$46,617,900</b> |                |                |                |                | <b>\$46,617,900</b>  |

  

| <b>REVENUES</b>     | <b>2019-20</b> | <b>2020-21</b> | <b>2021-22</b> | <b>2022-23</b> | <b>2023-24</b> | <b>5 -YEAR TOTAL</b> |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd.      | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Agy. Self-Gen.      | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Ded./Other          | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Federal Funds       | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Local Funds         | <u>\$0</u>     | <u>\$0</u>     | <u>\$0</u>     | <u>\$0</u>     | <u>\$0</u>     | <b><u>\$0</u></b>    |
| <b>Annual Total</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>           |

**EXPENDITURE EXPLANATION**

There will be an increase in expenditures to award proposed reading scholarships. An estimated \$46.6 M is required to fully fund the program based on the current number of eligible students beginning in FY 20. Future scholarship funding needs may be higher or lower depending upon student performance.

Per data obtained from the Department of Education (02/1/2018 student count and *Percent of Students at Each Achievement Level for Spring 2018 Tests*):

| <u>Grade Level</u> | <u>Enrollment</u> | <u>% Scoring Below Mastery</u> | <u># Eligible Students</u> | <u>Scholarship Need</u> |
|--------------------|-------------------|--------------------------------|----------------------------|-------------------------|
| 3rd                | 55,317            | 54%                            | 29,871                     | \$ 14,935,590           |
| 4th                | 55,779            | 57%                            | 31,794                     | \$ 15,897,015           |
| 5th                | <u>55,387</u>     | 57%                            | <u>31,571</u>              | <u>\$ 15,785,295</u>    |
| Total              | 166,483           |                                | 93,236                     | \$ 46,617,900           |

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure.

|  |                            |  |
|--|----------------------------|--|
| <u>Senate</u>  | <u>Dual Referral Rules</u> | <u>House</u>   |
| <input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H} |                            | <input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}         |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}      |                            | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

*Evan Brasseaux*  
**Evan Brasseaux**  
**Staff Director**