



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 852** HLS 22RS 1164
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

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| Date: April 8, 2022 | 10:26 AM | Author: SCHLEGEL |
| Dept./Agy.: Education | | |
| Subject: Creates program to provide books and reading materials | | Analyst: Tim Mathis |

STUDENTS OR INCREASE GF EX See Note Page 1 of 1
 Creates a book delivery program for certain public school students

Proposed legislation creates the Reading Enrichment and Academic Deliverables (READ) Program for the purpose of providing books and other reading materials to eligible students. Public students are eligible to participate in the program if: (1) he or she is in Kindergarten, first, second, or third grade and reads below grade level; (2) he or she is in the fourth or fifth grade and scored below mastery in English language arts in the prior year; or (3) eligibility cannot be determined due to the lack of literacy assessment or state assessment results, but he or she is recommended by the English language arts teacher. Requires the Department of Education (LDE) to administer the program. The LDE shall require public school governing authorities to establish a schedule for students to receive books; develop an application process for parents of qualifying students to enroll their children in the program; publish program information on the website; develop online support materials and a list of high-quality books and other reading materials to be mailed to students; provide marketing materials to schools. Provides for reporting requirements. Legislation subject to appropriation of funds.

| EXPENDITURES | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 5 -YEAR TOTAL |
|---------------------|------------|------------|------------|------------|------------|-------------------|
| State Gen. Fd. | INCREASE | INCREASE | INCREASE | INCREASE | INCREASE | |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| Annual Total | | | | | | |
| REVENUES | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 5 -YEAR TOTAL |
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| Annual Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

EXPENDITURE EXPLANATION

There will be increased state costs for the LDE to administer the Reading Enrichment and Academic Deliverables (READ) Program and to purchase books on behalf of participating students. Actual costs will vary according to program eligibility and participation, costs per book and number per student and shipping rates. These expenditures are assumed to be SGF in this fiscal note.

The LDE estimates FY 23 costs to administer the program will be \$135,673 for one position and operating expenses. Personnel costs include: \$104,414 for an Education Program Consultant 3 position (\$72,010 salary and \$32,404 related benefits); \$1,258 for travel and supplies expenses. To the extent the LDE is able to absorb any administrative costs with existing staff, the personnel costs may be less or nonexistent. In addition, the LDE estimates \$30,000 would be needed to support a review process with teacher input to identify a list of appropriate reading materials; costs for meetings would include travel expenses, supplies, and rental costs.

It is unclear what entity, if any, would be responsible for purchasing books and other reading materials for eligible students under the proposed bill. The LDE estimates that 163,838 students would be eligible for participation in the program. Assuming it costs \$50 to purchase four books per student, costs for all eligible students to participate in the program would total \$8.2 M annually (\$50 x 163,838). Costs may be lower to the extent fewer books are purchased per student and at lower unit costs.

REVENUE EXPLANATION

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

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

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 Interim Deputy Fiscal Officer