



LEGISLATIVE FISCAL OFFICE
Fiscal Note

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

Date: April 22, 2022	3:54 PM	Author: SCHLEGEL
Dept./Agy.: Education		
Subject: Creates program to provide books and reading materials		Analyst: Tim Mathis

STUDENTS EG 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 Pre-Kindergarten and does not score satisfactorily on the literacy section of the LDE Early Childhood Assessment; (2) he or she is in Kindergarten, first, second, or third grade and reads below grade level; (3) he or she is in the fourth or fifth grade and scored below mastery in English language arts in the prior year; or (4) 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; the schedule may distribute three books per quarter. LDE shall develop online support materials and a list of high-quality, age-appropriate books and other reading materials to be mailed to students. 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.	\$0	INCREASE	INCREASE	INCREASE	INCREASE	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	INCREASE	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
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	\$0	\$0	\$0	\$0	\$0	\$0
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. Note: HB 1 Reengrossed provides \$5 M for the READ Program from Louisiana Rescue Plan Funds (source is federal funds). The bill does not appear to contemplate a recurring source of funding for the READ Program, therefore any funding for FY 24 and beyond is assumed to be SGF for both book purchases and program administration.

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.

The LDE estimates that 178,453 students in grades PK-3 would be eligible for participation in the program. Assuming it costs \$150 to purchase three books per student, per quarter (\$12.50 per book x 3 books x 4 quarters), costs for all eligible students to participate in the program would total \$26.8 M annually. Costs may be lower to the extent fewer books are purchased per student and at lower unit costs. Further, the proposed legislation provides that the LDE may make adjustments to the program as necessary due to the availability of funds. Based on the \$5 M appropriation, the LDE plans to coordinate with a variety of stakeholders to identify the best approach to prioritize spending and to collaborate with state procurement to identify a vendor.

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