



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 792** HLS 22RS 494
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 9, 2022	10:10 AM	Author: PHELPS
Dept./Agy.: Education		
Subject: Literacy Instruction		Analyst: Tim Mathis

STUDENTS OR INCREASE GF EX See Note Page 1 of 2
 Provides relative to literacy instruction and reading support services for certain students in grades six through 12

Proposed legislation establishes a school literacy initiative for eligible students in grades 6-12 that are above average age for their grade and are reading below grade level. Provides that each public school governing authority shall identify students eligible to receive literacy instruction and reading support services and to notify the parent or guardian, and establish a process for the parent or guardian to enter into a memorandum of understanding that the student is receiving additional assistance. Requires the Department of Education (LDE) to evaluate district expenditure plans, establish minimal criteria for literacy instruction providers, and conduct evaluations for effectiveness. Defines literacy instruction and reading support services as any of the following: instructional materials and curriculum aligned with state academic content standards; tutoring services by certified staff; summer education programs; and after-school education programs. Requires districts to include literacy initiative in their Education Excellence Fund (EEF) expenditure plans. Provides for reporting requirements. Effective upon governor's signature.

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	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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 costs to the Department of Education (LDE) to evaluate instructional materials designed to improve reading or literacy skills. The LDE reports that the Instructional Materials Review (IMR) process will cost \$134,415 per year. There may be additional costs if assessments are needed to identify eligible students. There will also be costs to local districts to provide literacy instruction and reading support services to eligible students. To the extent these services are provided through the Education Excellence Fund (EEF), they may displace services currently provided by school districts through EEF.

The LDE reports it will require \$104,415 per year to create one (1) Education Program Consultant 3 position (\$72,000 salary and \$32,400 related benefits). This employee will coordinate additional IMR required by the proposed legislation. The LDE reports it will also require \$30,000 in annual operating expenses, including \$1,108 in travel expenses, \$150 for supplies, and \$28,742 for operating expenses in support of the IMR process. The proposed legislation requires the LDE to evaluate providers of literacy instruction and reading support services to determine their initial and continued eligibility; however, the LDE reports that this will be done with existing staff.

To be eligible for literacy instruction and reading support services, a student must meet all of the following criteria: (1) be enrolled in the sixth through the twelfth grade; (2) be over-age for their grade level; and (3) be determined to read below grade level. The LDE has identified 10,144 eligible students who are over-age for their grade level and scored in the bottom two achievement levels on their most recent English Language Arts LEAP assessment or LEAP Connect assessment.

The extent to which this legislation will prompt districts to offer literacy instruction and reading support services above-and-beyond service levels currently being provided is indeterminable. Local costs could be significant but will vary based on the type of services and the number of eligible students. Potential services may include instructional materials and curriculum, tutoring services, summer education programs, and after-school education programs. For illustrative purposes, materials and instructional supplies are estimated to cost \$1,200 per classroom, while hiring an Instructional Coach may cost \$84,000 (\$60,000 salary and \$24,000 related benefits). **EXPENDITURE EXPLANATION CONTINUED ON PAGE TWO**

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



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CONTINUED EXPLANATION from page one:

EXPENDITURE EXPLANATION CONTINUED FROM PAGE ONE

The proposed legislation requires school districts to include the purposes of the literacy initiative in their EEF expenditure plans. The LFO interprets this to mean that literacy instruction and reading support services must be provided for in districts' EEF budget applications. Some school districts typically budget less than their annual EEF allocation, resulting in an accrued balance that can be used to fund the supports required by the legislation. However, other districts budget the full amount of their EEF allocation each year. These districts will need to remove other items from their EEF budgets in order to use EEF funds to provide the required services to eligible students. FY 22 appropriations from the EEF total \$14.7 M statewide.

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

House
[X] 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}

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