

Department of Planning and Budget 2013 Fiscal Impact Statement

1. Bill Number: HB2068-ER

House of Origin	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Enrolled

2. Patron: LeMunyon

3. Committee: Passed Both Houses

4. Title: Require early intervention services for reading and mathematics.

5. Summary: Adds kindergarten and grades one and two to the requirement that local school divisions provide early intervention reading services to students who demonstrate deficiencies based on their individual performance on any reading diagnostic tests. Any student who receives such intervention reading services must be assessed again at the end of that school year and local school divisions must report the results of the diagnostic tests to the Department of Education on an annual basis.

Additionally, school divisions are required to provide algebra readiness intervention services to students in grades six through nine who are at risk of failing the Algebra I end-of-course test, as demonstrated by their individual performance on diagnostic tests. Any student who receives algebra readiness intervention services must be assessed again at the end of that school year and local school divisions must report the results of the diagnostic tests to the Department of Education on an annual basis.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Final. See item 8.

8. Fiscal Implications: The state budget includes an appropriation of approximately \$18 million each year to provide the state share of cost to fund early intervention reading services to students in kindergarten through grade three. Currently, participation in this program is optional and school divisions that elect to participate must provide a local match in order to receive state funding. This legislation would make it mandatory for school divisions to offer early intervention reading services for grades kindergarten through three; however, in the past two fiscal years, all school divisions have participated in the program and fulfilled the local match requirements. Also, existing budget language already requires school divisions to report the results of the reading diagnostic tests to the Department of Education on an annual basis. Therefore, it is anticipated that the provisions of the bill related to early intervention reading services will not have any additional state or local fiscal impact.

In regards to algebra readiness intervention services prescribed in the bill, the state currently provides approximately \$11 million each year for the state share of cost to fund these services. The funding is based on student eligibility in grades seven and eight only; however, existing budget language states that the purpose of such funding is “providing math intervention services to students in grades six, seven, eight, and nine who are at-risk of failing the Algebra I end-of-course test.” Participation in this program is currently optional; however, in order to receive the state funding, school divisions must certify that they will offer such services and provide a local match of funds. This legislation would make it mandatory for school divisions to offer algebra readiness intervention services for grades six through nine. In fiscal year 2012, four school divisions did not participate in the program; this number dropped to two divisions not participating in fiscal year 2013. As a result of this legislation making it mandatory to offer algebra readiness services, if the two divisions that did not participate in fiscal year 2013 would have otherwise elected not to participate in fiscal year 2014, it will result in an additional local fiscal impact for those divisions. This legislation will not, however, result in a state fiscal impact because the budgeted appropriation for the algebra readiness program in fiscal year 2014 already assumes 100 percent participation by school divisions. Also, existing budget language already requires school divisions to report the results of the algebra readiness diagnostic tests to the Department of Education on an annual basis.

9. Specific Agency or Political Subdivisions Affected: Board of Education and local school divisions.

10. Technical Amendment Necessary: No.

11. Other Comments: This bill is identical to SB1171-ER.

Date: 2/15/13

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