

FISCAL ESTIMATE FORM

1999 Session

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB # 1999-3599/1

Introduction # 1999 AB 660

Admin. Rule #

Subject

Measuring a pupil's awareness of individual words in sounds and school district revenue limits

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

- Increase Existing Appropriation Increase Existing Revenues
 Decrease Existing Appropriation Decrease Existing Revenues
 Create New Appropriation

Increase Costs - May be possible to Absorb
 Within Agency's Budget Yes No

Decrease Costs

Local: No local government costs

1. Increase Costs
 Permissive Mandatory
 2. Decrease Costs
 Permissive Mandatory

3. Increase Revenues
 Permissive Mandatory
 4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:

- Towns Villages Cities
 Counties Others _____
 School Districts WTCS Districts

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

20.255 (2) (ac)

Assumptions Used in Arriving at Fiscal Estimate:

This bill requires school boards to administer to each 5 year old kindergarten pupil a standardized test that measures the pupil's awareness of individual sounds in words (phonological awareness tests) and to report to the DPI the results on the third grade reading exam and the reading portion of the fourth grade assessment for those pupils whose score on the phonological awareness test shows that they are at risk for developing reading problems.

The bill would also increase a school district's revenue limit by an amount equal to the administrative and reporting costs of the phonological awareness test.

Local Fiscal Effect

The department estimates that the local cost to administer the proposed standardized test would range from \$7 to \$10 per pupil. Assuming the exam is administered to all 5 year old kindergarten pupils, the statewide cost to school districts would range from \$411,000 to \$587,100 annually, based on the September 1999 pupil head count of 58,713.

These new costs would be added to the statewide partial school revenues which are shared by the state at 2/3 and local school districts at 1/3. Thus, local property taxpayers would pay from \$137,000 to \$195,700 annually to support the standardized tests.

The department is unable to estimate other costs that would be incurred by school districts related to reporting the third grade reading scores and the scores on the reading portion of the fourth grade knowledge and concepts test to the department for those students performing poorly on the phonological awareness test.

Long-Range Fiscal Implications:

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2/17/00

State Fiscal Effect

As explained above, the new costs would be added to the statewide partial school revenues which are shared by the state at 2/3. Thus, new state costs related to the bill would range from \$274,000 to \$391,400 annually to support the standardized testing.

The DPI would incur additional administrative costs to develop a statewide report of results of the phonological awareness tests and associated results of the 3rd grade reading tests and the reading portion of the 4th grade knowledge and concepts test. Assuming the development could be accomplished by a limited term employee and assuming that database maintenance would not require significant new workload, the department could absorb this new responsibility using existing resources.