

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB # 2068/2

INTRODUCTION # AB 266

Admin. Rule #

Subject

Relating to requiring certain educational agencies to install filtering software on computers connected to the Internet.

Fiscal Effect

State: No State Fiscal Effect

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

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

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

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

20.275 (1) s; 20.275 (1) t; 20.275 (1) tm

Assumptions Used in Arriving at Fiscal Estimate:

The bill defines "educational agency" to mean a school district, private school, cooperative educational service agency, technical college district, private college or public library board. This bill requires that in order to receive assistance from the TEACH Wisconsin telecommunications access program, certain educational agencies are required to install filtering software on its computers to block Internet access to material that the agency determines is inappropriate for minors. The bill also requires school boards to install filtering software on computers owned by the school board and connected to the Internet to block access to material that the school board determines to be inappropriate for pupils. The bill also includes an appropriation for the awarding of grants to educational agencies to provide assistance for purchasing and installing software.

WiscNet is a statewide Internet Service Provider with a customer based comprised primarily of PK-12 and post-secondary educational institutions. Costs of Internet filtering through WiscNet range from \$30.00 for 1 to 99 workstations to \$500.00 for 1,000 to 2,000 workstations. If the average number of workstations per educational agency is 100 to 199, it would cost \$60.00 per month to be equipped with filtering through WiscNet. Yearly costs (12 x monthly rate) would therefore range from \$360.00 to \$6,000.00 per district, with an average cost per district of \$720 per year. Larger school districts choosing to administer a dedicated filtering service for their organization would pay \$13,000.00 per year through WiscNet.

Public and Private PK-12 Schools

A 1998 DPI survey identified 95 percent of Wisconsin's 426 public school districts as having some type of Internet access. 293 of these districts are served by WiscNet, along with (10) of Wisconsin's estimated 300 private K-12 schools. 121 of these 303 schools purchase filtering as part of their Internet service provision with an estimated 50% (or 91) of the remaining schools providing some form of filtering on their own. Based upon the above (average) pricing information, the cost to install filtering software in the estimated total 726 public and private school districts would be \$522,720.00 (\$720 per year x 726 schools) assuming each district would request a grant.

Cooperative Educational Service Agencies (CESAs)

Each of Wisconsin's (12) CESA's are connected to Internet access for primarily administrative purposes. In agency locations, filtering is not prevalent, though some CESA-operated classrooms may contain computers which could be accessed by pupils. Within each CESA district, an estimated three classrooms of 5-25 students may have such Internet access. At \$30.00 per month for 1-99 workstations, each CESA would pay an estimated \$90.00 monthly or \$1080.00 per year for Internet filtering in classroom locations. Total cost to CESAs statewide: approximately \$12,960.00.

Technical College Districts

Among Wisconsin's (16) technical college districts, each campus is connected to Internet access. At the present time, filtering is not prevalent among technical colleges due to the age (18-plus) of the students served by this system. Projected costs to install filtering software in technical college locations are as follows: per district, it is estimated that between 300 and 499 workstations are provided for student use. At a monthly rate of \$150.00 or \$1,800.00 per year, total cost to install filtering software throughout the technical colleges system would be \$28,800.00.

Private Colleges System

The estimated (30) private colleges in Wisconsin are connected for Internet access with no filtering software currently in place. Based on an estimated 200 to 299 workstations per college designated for student use, the monthly cost for filtering per each would be \$100.00 per month or \$1200.00 per year. This represents a total estimated cost for Internet filtering among private colleges at \$36,000.

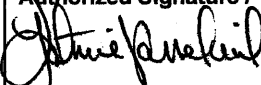
Public Library Boards

There are a total 450 libraries and branch locations within Wisconsin's public libraries system. Among these sites, it is estimated that 200 have connection to the Internet with fewer than 5% of these currently employing Internet filtering. Assuming that workstations for patron use would number between 1 and 99 per library, the cost to install filtering among all 450 locations would be \$13,500.00 per month or \$162,000.00 per year.

TOTAL ESTIMATED COST: \$762,480.00

Long-Range Fiscal Implications:

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Date
May 26, 1999

FISCAL ESTIMATE WORKSHEET

Detailed Estimate of Annual Fiscal Effect

1999 Session

- ORIGINAL
- CORRECTED
- UPDATED
- SUPPLEMENTAL

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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

II. Annualized Costs:	Annualized Fiscal impact on State funds from:	
A. State Costs by Category	Increased Costs	Decreased Costs
State Operations - Salaries and Fringes	\$	\$ -
(FTE Position Changes)	(FTE)	(- FTE)
State Operations - Other Costs		-
Local Assistance	762,480	-
Aids to Individuals or Organizations		-
TOTAL State Costs by Category	\$ 762,480	\$ -
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
GPR	\$	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S	762,480	-
State Revenues	Increased Rev.	Decreased Rev.
<small>Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</small>		
GPR Taxes	\$	\$ -
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
TOTAL State Revenues	\$	\$ -

NET ANNUALIZED FISCAL IMPACT

STATE

LOCAL

NET CHANGE IN COSTS \$ 762,480 \$ _____

NET CHANGE IN REVENUES \$ _____ \$ _____

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