

**Fiscal Estimate — 2001 Session**

- Original       Updated  
 Corrected       Supplemental

LRB Number 01-1873/1	Amendment Number if Applicable
Bill Number AB 50	Administrative Rule Number

**Subject**

Internet management software or services on school district 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 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 Chapter 20 Appropriations**

**Assumptions Used in Arriving at Fiscal Estimate**

According to survey results of public school districts conducted during the spring of 2000, it is estimated that 90% of public school districts now have Internet access and nearly 70% of public school districts employ filtering on some or all personal computers.

In addition, the federal Children's Internet Protection Act will take effect in April 2001. The Act mandates libraries and schools to use a "technology protection measure" which is a specific technology that blocks or filters Internet access to material or content harmful to minors. It applies to all schools and libraries receiving funds from several federal programs. It is estimated that 90% of Wisconsin schools receive federal funds that are subject to the requirements of the Act. It is unclear at this time if school districts will be provided financial assistance to comply with the requirements of the Act.

WiscNet is a major provider of Internet filtering service to school districts. Costs for the WiscNet service range from \$540 annually for one to 99 computers to \$4,500 annually for 500-999 computers. School districts with more than 999 computers pay about five dollars per computer for the service. The bill allows school districts to use the TEACH Educational Technology Block Grant to pay for the Internet filtering service costs.

There appears to be no direct fiscal impact on TEACH as a state agency, although there may be some minimal costs to monitor school district compliance which could be absorbed by the agency. If school districts choose not to comply, there may be contract penalty costs to remove existing TEACH-subsidized data lines and video links, although these costs cannot be determined at this time.

**Long-Range Fiscal Implications**

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