



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873
Email: fiscal.bureau@legis.wisconsin.gov • Website: <http://legis.wisconsin.gov/lfb>

February 12, 2020

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Assembly Bill 662/Senate Bill 595: Online Early Learning Pilot Program

Assembly Bill 662 and its Senate companion bill, Senate Bill 595, would establish a three-year pilot program for online early learning for low-income children.

AB 662 was introduced on December 5, 2019, and referred to the Assembly Committee on Education. The Committee held a public hearing on December 19, 2019, and took executive action on January 23, 2020. The Committee adopted Amendment 1 by a vote of 16-0, and recommended the bill for passage by a vote of 16-0.

SB 595 was introduced on November 27, 2019, and referred to the Senate Committee on Education. The Committee held a public hearing on the bill on January 28, 2020.

BACKGROUND

Public testimony by the bill's sponsors indicate that the early learning program used for the pilot program would be UPSTART, an online kindergarten readiness program started in 2009 by Waterford, a Utah-based non-profit organization. The program is currently used in approximately 20 states by 300,000 children annually.

UPSTART provides software with activities intended to teach children beginning reading, math, and science skills. The software includes skills such as recognizing letters and letter sounds, counting, recognizing shapes, and understanding basic science concepts such as seasons and weather. Children are required to use the program for at least 15 minutes per day, five days per week. The program is intended for use in the year before a child starts kindergarten.

Waterford indicates that the average cost per child for UPSTART is \$1,800. The cost includes providing laptops and Internet access to families, early learning software, and support and coaching provided by Waterford. The program was initially funded by the Utah Legislature when it was first

launched in Utah, and also receives funding from private donations and grants. In 2019, Waterford Institute was awarded a \$14.2 million Education Innovation and Research Expansion grant by the U.S. Department of Education to launch pilot programs in Wyoming, North Dakota, South Dakota, Idaho, and Montana.

SUMMARY

The bill would provide annual funding of \$500,000 GPR beginning in 2020-21 for a pilot online early learning program. The appropriation would be repealed effective July 1, 2023.

The Department of Public Instruction (DPI) would be required to award a contract to a service provider to administer an online early learning program to eligible children from July 1, 2020, to June 30, 2023, following a competitive request for proposal process. The bill defines a service provider as a nonstock, non-profit organization (as defined by section 501 (c)(3) of the Internal Revenue Code) that has successfully conducted an online early learning program, and can demonstrate past success using independent and reliable evaluations. Eligible children would be defined as children who are eligible for a free or reduced-price lunch, and who reside in a school district selected for the pilot program. DPI would be required to select three urban school districts and three rural school districts in which to administer the pilot program.

The online early learning program would be required to satisfy the following criteria: (a) provides computer-based instruction to children on a home-based computer connected by the Internet to a centralized file storage facility; (b) is designed to improve a child's transition to five-year-old kindergarten; (c) contains content in reading, math, and science; (d) is aligned with nationally recognized early learning standards; (e) provides access to a computer or Internet service at home, or both, at no cost to low-income families participating in the program who do not have a computer or Internet service at home; (f) includes a parental engagement and involvement component that includes interaction with a learning coach provided by the program; and (g) includes an evaluation component that measures the child's growth over the course of the program.

For each year of the contract, DPI would be required to pay to the service provider the amount appropriated for the program (\$500,000 GPR annually). The service provider would be required to provide a total of \$500,000 in matching funds over the three years of the contract.

The service provider would be required to submit an annual report to DPI including all of the following for each participating school district: (a) the number of eligible children who applied to participate in the program; (b) the number of eligible children selected to participate; (c) the number of low-income families who requested a computer or home Internet service; (d) the number of low-income families who were provided a computer or home Internet service; (e) the frequency with which children participating in the online early learning program use the program's instructional software; (f) how participating children performed on prekindergarten and kindergarten readiness assessments; and (g) parental feedback on the program. DPI would be required to compile and submit the information from the annual reports to the Joint Committee on Finance and the appropriate standing committees of the Legislature by October 15, 2023.

SUMMARY OF ASSEMBLY AMENDMENT 1

The amendment would modify the school districts required to be included in the pilot program to include a first class city school district [Milwaukee Public Schools (MPS)]; the two urban school districts that have the largest reading achievement gaps, as defined by DPI; and three rural school districts, selected by DPI, that have reading achievement gaps. The amendment defines a rural school district as one with a membership of no more than 745 pupils in the previous school year, and an urban school district as one with a membership of at least 18,000 pupils in the previous school year, excluding MPS. [In the 2018-19 school year, 171 districts had fewer than 745 pupils. Excluding MPS, four districts (Green Bay, Kenosha, Madison, and Racine) had at least 18,000 pupils].

The amendment would also require that the service provider report to DPI the name of each child participating in the online early learning program, whether the child completed the program, and any other information necessary to identify the child in the student information system, as requested by DPI. To the extent possible, DPI would be required to ensure that the following information is included in the student information system for each child participating in the online early learning program: (a) the fact that the child participated in the program; and (b) whether or not the child completed the program.

The amendment would also specify that the provider selected for the contract must be administering the program in at least two other states, and would specify that the assessments of prekindergarten and kindergarten readiness included in the annual report would be selected and administered by the service provider.

FISCAL EFFECT

As described above, the bill would provide \$500,000 GPR for the pilot program in 2020-21. Base level funding for the program would be \$500,000 GPR annually in the 2021-23 biennium. The appropriation would be repealed beginning in 2023-24.

Prepared by: Christa Pugh