

FISCAL NOTE

HB 1084 - SB 1550

March 21, 2007

SUMMARY OF BILL: Creates a fund in the state treasury to be known as the “reading diagnostic and intervention fund” and requires the Department of Education to administer renewable, two-year grants to elementary schools to support in the implementation of reliable, replicable research-based reading intervention programs to help teachers and library media specialists improve the reading skills of struggling readers.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures – \$139,000/Dept. of Education
Exceeds \$200,000/Each Grant**

Assumptions:

- The provisions of the bill do not address the amount of money this newly created fund would contain or the source of such funding.
- Every elementary school would be required to provide a comprehensive school wide reading program. The model described in this bill is similar to the *Reading First Program*.
- According to the Department of Education, Federal Reading First funds could be used to offset some of the cost of implementing the program; however, an additional expenditure would be required to fully implement the model in all elementary schools.
- Seventy-five (75) schools in 22 LEAs have received Reading First grants. Such grants are funded only for grades K-3 and the LEA must fall within the highest numbers of K-3 students reading below grade level.
- In Tennessee, Reading First grant schools each receive \$200,000 per year in addition to many days of professional development and assistance from many reading specialists.
- 1,126 Tennessee schools serve K-5 students in some combination. Such schools could seek any available additional funding to implement this reading program. If grants of up to \$200,000 were provided, the cost could exceed up to \$225,000,000 in state funds.

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- Two additional staff positions would be required in the Department of Education to administer the grants at an estimated cost of \$139,059. This cost includes salaries, benefits, travel, and office space for the two positions.
- If matching requirements are established local government expenditures could increase. Such increase cannot be determined since it is unknown whether such match requirement would ever be established.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large initial "J" and "W".

James W. White, Executive Director