



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 201** HLS 25RS 773
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 8, 2025	8:02 PM	Author: ST. BLANC
Dept./Agy.: Education		
Subject: Expands eligibility for the R.E.A.D. Program		Analyst: Julie Silva

STUDENTS OR +\$1,400,000 GF EX See Note Page 1 of 1
 Expands student eligibility for participation in the R.E.A.D. (Reading Enrichment and Academic Deliverables) Program

Proposed legislation expands eligibility for the Reading Enrichment and Academic Deliverables (R.E.A.D.) Program to include all students in prekindergarten through fifth grade who attends a school that received a "D" or "F" grade in the previous school year. The legislation additionally requires the Louisiana Department of Education (LDOE) to ensure quarterly shipments of books for these students, along with family literacy resources developed by the department, are sent directly to the schools they attend.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$7,000,000
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW					
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						
REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Expansion of eligibility for the Reading Enrichment and Academic Deliverables (R.E.A.D.) Program may result in increased program enrollment and therefore increased program costs, anticipated to total between \$1.4 M to a maximum of \$3.3 M per year. Implementation of the R.E.A.D. program is dependent on an appropriation by the legislature.

Proposed legislation expands eligibility for the program to include students enrolled in a public elementary school that received a "D" or "F" performance grade in the most recent school year. Based on the 2024 School Performance Scores this would include an estimated 36,605 prekindergarten through fifth grade students. LDOE contracts with Scholastic to provide books to enrolled students at a cost of \$7.50 per book. Assuming the maximum of 12 books (3 books per quarter) are sent to these students, proposed legislation would result in an increase of \$3.3 M in program costs (12 books x 36,605 students x \$7.50 cost per book). However, historically the program has provided five books per student based on the availability of funds. Assuming continuation at the current book count, the expected increase in program costs would lower to \$1.4 M (5 books x 36,605 students x \$7.50 cost per book). It is unknown how many of the estimated affected students are currently program participants, but to the extent they are, the estimated cost of books provided will be lower.

The legislation additionally requires the Louisiana Department of Education (LDOE) to ensure quarterly shipments of books for these students are sent directly to their schools ensuring the books, along with supplemental family literacy resources developed by the department, are distributed to each student in prekindergarten through fifth grade. LDOE contracts with Scholastic for the purchase and distribution of program books and does not anticipate any increase in administrative costs associated with direct to school shipments.

Act 447 of the 2023 RS created the the R.E.A.D. Fund as a special fund in the state treasury and directed LDOE to use monies, as appropriated from the fund by the legislature, for administration and implementation of the R.E.A.D. Program. In FY 25, the total balance of the fund, \$1.6 M, was appropriated to the program. LDOE reports they expect to expend the full amount prior to the end of the FY. However, if the total appropriation is not expended by the end of FY 25, those monies will remain in the fund and be available for future appropriation to the program. An additional appropriation of SGF to the statutorily dedicated R.E.A.D. Fund, with a corresponding legislative appropriation from the fund to the R.E.A.D. Program will be required for program continuance.

Note: The FY 26 executive budget does not contain an appropriation for the R.E.A.D Fund or R.E.A.D. Program.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}


Patrice Thomas
Deputy Fiscal Officer