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FISCAL IMPACT REPORT

ORIGINAL DATE 02/04/14

SPONSOR Morales **LAST UPDATED** _____ **HB** _____

SHORT TITLE Early Childhood Reading Literacy Program **SB** 255

ANALYST Armstrong

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY14	FY15		
	\$200.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)

SUMMARY

Synopsis of Bill

Senate Bill 255 appropriates \$200 thousand from the General Fund to the State Equalization Guarantee distribution of the Public School Fund to fund an early childhood literacy program.

FISCAL IMPLICATIONS

The bill's appropriation of \$200 thousand is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY15 shall revert.

SIGNIFICANT ISSUES

In FY14, the SEG included \$4 million for early reading intervention. The LFC recommendation for FY15 includes \$5 million for the same purpose. Additionally, the FY14 budget included \$11.5 million for the governor's early reading initiative and LFC recommended \$13.5 million for FY15. PED states that with approximately 106,000 students in grades K-3 and 4,230 children in PED PreK programs, the \$200 thousand appropriation in SB 255 will provide minimal impact.

JA/jl