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FISCAL IMPACT STATEMENT

LS 7119

BILL NUMBER: SB 414

NOTE PREPARED: Apr 22, 2021

BILL AMENDED: Apr 22, 2021

SUBJECT: Various Education Matters.

FIRST AUTHOR: Sen. Raatz

FIRST SPONSOR: Rep. Behning

BILL STATUS: Enrolled

**FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL**

IMPACT: State & Local

Summary of Legislation: *Early Warning System:* This bill provides that the Department of Education (DOE) may adopt and provide to schools an early warning system that provides actionable data on students as early as elementary school. It provides that, not later than August 1, 2021, the DOE may contract with one or more vendors to provide an early warning system.

Internet Use Policy: The bill provides that, not later than January 1, 2022, each school corporation and charter school shall: (1) adopt and implement an Internet use policy; and (2) use hardware or install software on computers and other technology related devices owned by the school corporation or charter school to filter or block Internet access to materials that are harmful to minors. It requires each school corporation and charter school to post the Internet use policy on the school corporation's or charter school's Internet web site.

CTE Count: The bill requires pupil enrollment for the Career and Technical Education (CTE) enrollment grant to, for informational purposes only, be determined at the same time that a school corporation's spring count of ADM is determined.

Effective Date: Upon passage; July 1, 2021.

Explanation of State Expenditures: *Early Warning System:* The provisions of this bill regarding an early warning system (EWS) are optional. Should an EWS be pursued, the Legislative Services Agency's Office of Technology Services estimates the cost of the development of such a project at \$850,000, assuming the indicators for the EWS do not require any data that the Department of Education (DOE) could not access and that no formal training for schools would be necessary. Legislative and administrative decisions regarding the EWS could increase the cost of the project. There may be ongoing costs in administering and maintaining

the EWS over time.

This bill allows, but does not requires, the DOE to procure one or more vendors to provide an EWS as outlined in this bill. The cost for contracting with one or more vendors could vary substantially based on a number of factors including, but not limited to:

1. The vendor(s) contracted to do the projects;
2. What indicators (and their associated data) are ultimately chosen;
3. The level of detail of the intervention plans for students identified as not on track; and
4. How much, if any, training schools would require for properly supplying the required data.

Should an EWS be pursued, it will cause an increase in workload [and/or expenditures] on the DOE. The additional resources required could be supplied through existing staff and resources currently being used in other program areas or with new appropriations.

Explanation of State Revenues:

Explanation of Local Expenditures: *Early Warning System:* Should an EWS be pursued, schools may be required to provide data based on the contract with the EWS vendor(s). Schools may also need to implement student intervention plans for students found by the EWS to not be on track to graduate on time. These duties could result in an increase in workload, but fall under the typical administrative duties of schools and may be satisfied using existing staff and resources.

Internet Use Policy: School corporations and charter schools (schools) with an existing Internet use policy will need to verify that their policy meets the requirements of this bill and make updates to their policy accordingly. Schools without an existing Internet use policy will need to adopt a policy meeting the requirements of this bill. All such policies will need to be in place by January 1, 2022. Schools will also need to post the policy on their website, as well as identify and install appropriate hardware or software technology on Internet-enabled devices to provide Internet filtering as required in this bill.

These administrative duties will result in an increase in workload for schools; however, these requirements may be fulfilled using existing staff and resources. Additionally, schools will incur costs related to the hardware or software filtering technology required under this bill. These costs will vary based on the number of devices protected and the type of technology chosen by the school.

CTE Count: Currently, schools are required to submit CTE count data to the Governor's Workforce Cabinet in the Fall for CTE funding purposes and schools have the option to submit information only count data in the Spring. This bill requires an information only CTE count to occur in the Spring of each school year, which will result in a small workload increase for any schools not already submitting Spring CTE data. This increase is within a school's routine administrative functions and may be satisfied using existing staff and resources.

Explanation of Local Revenues: *Early Warning System:* If an EWS is pursued, and the EWS results in an increase in on-time graduation rates and a decrease in dropouts, then schools may experience higher graduation rates and ADM counts. Increased ADM and graduation rates will result in a school receiving additional funds based on the state's tuition support formula.

Additional information: In the past decade, multiple states and school districts have implemented an EWS to identify at-risk students and improve educational measures, including on-time graduation. Currently, 27

states have Internet filtering laws that apply to publicly funded schools or libraries. The majority of these states simply require schools or public libraries to adopt Internet use policies to prevent minors from gaining access to inappropriate materials; however, some states also require publicly funded institutions to install filtering software on devices.

State Agencies Affected: Department of Education; Governor’s Workforce Cabinet.

Local Agencies Affected: School corporations; Charter schools.

Information Sources: Legislative Services Agency's Office of Technology Services; Governor’s Workforce Cabinet, National Conference of State Legislators: Laws Relating to Filtering, Blocking, and Usage Policies in Schools and Libraries, July 2020; The American Institute for Research; The Institute of Education Science.

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