



DOAA

Georgia Department
of Audits & Accounts

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March 24, 2026

Honorable Chris Erwin
Chairman, House Education Committee
220-B State Capitol
Atlanta, Georgia 30334

SUBJECT: Revised Fiscal Note
House Bill 1193 (LC 49 2653S)

Dear Chairman Erwin:

This fiscal note replaces one issued on March 19, 2026. The previous version estimated the high end of costs for literacy coaches based on current funding and actual salaries of Regional Education Service Agency (RESA)-based coaches. Upon further clarification of legislative intent of changes to O.C.G.A. 20-2-186, the bill anchors the cost for literacy coaches to base teacher pay. Therefore, the current version presents low/mid/high-cost estimates that vary based on the range of training and experience (T&E) earnings for these positions. (By contrast, the prior fiscal note's high-cost estimate was based on the salary market for RESA-based coaches.) The updates to Table 4 provide better clarity around the total state/local split of expected formula costs based on the current teacher pay scale.

This bill would provide for mandatory kindergarten for all children prior to entering first grade (with exceptions), and encourage attendance in school (public, private, or home-based) beginning at age five. Current statute requires attendance from the student's sixth birthday until their sixteenth birthday (or completion of high school diploma requirements). The bill also expands eligibility for the Georgia Pre-K Program to allow five-year olds to be enrolled (currently limited to four-year olds). Students newly entering first grade would be required to be assessed by school systems for their readiness of entering first grade.

This bill would also provide for additional literacy coaches, as well as the creation of new literacy-related endorsement programs and at least one professional learning program that emphasizes the science of reading. Finally, it would create a Georgia Literacy Coordinating Committee and a Georgia Literacy Task Force that would coordinate efforts of statewide literacy programs, develop a statewide literacy plan, and provide recommendations to various entities related to literacy.

Based on data provided by the Georgia Department of Education (GaDOE), Georgia Department of Early Care and Learning (DECAL), Governor's Office of Student Achievement (GOSA), and Georgia Professional Standards Commission (GaPSC), the bill would result in an estimated \$128.6 to \$168.0 million in annual costs and \$15.5 to \$25.7 million in one-time costs (see **Table 1**). The cost categories are discussed in detail below.

Table 1: Summary of Costs of LC 49 2653S

	One-time Costs	Annual Costs
GaDOE ¹	\$15,165,000 - \$25,320,000	\$128,017,995-\$167,443,600
GOSA ²	\$370,000 - \$380,000	\$32,000 - \$36,667
GaPSC	\$9,044	\$518,920
Total³	\$15,544,044 - \$25,709,044	\$128,568,915-\$167,999,187

¹ The GaDOE ranges reflect the capital cost scenarios and the low- and high-cost estimates for literacy coach positions.
² The GOSA annual cost range (\$32,000 - \$36,667) amounts to \$96,000 - \$110,000 every three years.
³ The total excludes \$12 million in one-time costs and \$4.5 million in annual costs that DECAL estimates would be required to implement an evidence-based curriculum for Pre-K if recommended as a result of this bill.

Kindergarten - Annual Costs

As shown in **Table 2**, the additional students attending public schools would increase annual QBE costs by an estimated \$48 million. Census data suggests that there were approximately 9,742 five-year-old children not enrolled in a public or private school or being home schooled in 2023. The estimate assumes that approximately 86% would enroll in a public school (the current enrollment percentage for these schools). The analysis also accounts for the difference in funding amounts for traditional kindergarten students versus those on Early Intervention Program (EIP) plans which are funded at a higher amount. The percentage of kindergarten students currently enrolled in EIP plans was applied to the new population that would be required to enter school. It should be noted that the percentage of EIP students has increased in recent years, and costs in future years would exceed the estimates presented in Table 1 if that trend continues. In addition, although the bill would recommend rather than require kindergarten enrollment at age five, the estimate assumes unenrolled five-year olds would begin attending kindergarten.

Table 2: Annual State Costs

Grade Level	Additional Students	Per FTE Amount	Total Estimated Cost
Kindergarten	7,052	\$5,489	\$38,708,428
Kindergarten EIP	<u>1,372</u>	\$6,806	<u>\$9,337,832</u>
Total	8,424		\$48,046,260

Note: Changes in QBE earnings are borne by the state and local school systems, with the ratio dependent on Local Five Mill Share calculations made each year. Currently, the state share is 80% but could increase in future years based on changes in local property tax digests. Annual rates would fluctuate with FTE enrollment counts.

Kindergarten – Capital Costs

An increase in students will also result in capital costs for additional classrooms. As shown in **Table 3**, assuming no current classroom space would be available to accommodate additional kindergarten students, additional classrooms of 20 students would cost a maximum of \$25.3 million and additional classrooms of 25 students would cost \$20.2 million. This cost calculation includes enough classrooms for the populations discussed in Table 2 (as discussed below, an additional scenario is presented in Table 3 to demonstrate the potential costs if existing classrooms could absorb a portion of additional students). According to the Georgia Department of Education, the average state-funded capital reimbursement rate for a 750 square foot classroom was \$60,000 (or \$80/per square foot).

Costs would be lower if kindergarten enrollment declines (.5% to 2.6% annually since fiscal year 2023) have created additional capacity to absorb increased demand for classroom space. For example, if classroom space was needed to accommodate 75% of additional kindergarteners,

additional classrooms of 20 students would cost a maximum of \$19 million and additional classrooms of 25 students would cost \$15.2 million (see Table 3).

Table 3: Capital Costs

Capital Cost Scenarios ¹	Number of Students	Classes of 20 ²	Classes of 25 ²	Cost per Classroom	Total Cost for 20-student classes	Total Cost for 25-student classes
Cost at 100%	8,424	422	337	60,000	\$25,320,000	\$20,220,000
Cost at 75%	6,319	316	253	60,000	\$18,956,250	\$15,165,000

¹ Kindergarten enrollment decreased by approximately 600 to 3,000 students a year since fiscal year 2023. Estimates are based on scenarios that demonstrate how capital costs would decrease if existing classrooms become available due to declining enrollment. Capital costs at 100% assume no current classroom space would be available to accommodate additional kindergarten students. Capital costs at 75% assume a portion of the 8,424 students would go into classrooms freed up due to enrollment declines.

² The analysis is on a statewide basis and does not anticipate whether the increase in kindergarten students resulting from the bill would occur in those schools or districts experiencing enrollment declines. In addition, depending on the classroom size thresholds in place for a particular district, small changes in enrollment can trigger the need for an additional classroom. Due to these factors, the number of classrooms needed may be higher or lower than those shown in the scenarios above.

Current state law caps kindergarten class sizes at 18 (or 20 with a full-time paraprofessional in the classroom). If class size caps were increased to 25 students per classroom, the state would save approximately \$5.1 million in initial capital costs (based on the 100% cost scenario). Annual costs for QBE per student allotments would remain the same. Additionally, DOE reports actual cost for elementary school classrooms at \$239/per square foot. Any costs above the \$80/per square foot state-funded reimbursement rate that districts require to accommodate additional kindergarten classrooms would vary based on local discretion and require local funds.

Literacy Coaches

As shown in **Table 4**, funding literacy positions would increase state QBE costs between \$79.7 million (low estimate) to \$119.1 million (high estimate) annually based on Fall 2025 school and enrollment data provided by GaDOE. The range of estimates presented is based on varying levels of training and experience of coaches that are ultimately hired. The estimate assumes that larger K-3 schools (over 200 FTEs) would need a full-time literacy coach and smaller schools (under 200 FTEs) would have a half-time literacy coach. The estimate assumes all schools would hire literacy coaches and, depending on salary and fringe rates used for formula calculations, the cost per position would range from approximately \$76,574 to \$114,468 for larger schools and \$38,287 to \$57,234 for smaller schools.

The state currently appropriates \$18,480,000 in state funds to support Regional Education Service Agency (RESA)-based literacy coaches across the state. This bill would require at least one regional literacy coach and one regional leadership literacy coach at each RESA. Existing appropriations should be sufficient to support these requirements.

Table 4: Annual Literacy Coach QBE Costs

	Schools/ RESAs	Total Cost (Low)¹	Total Cost (Mid)²	Total Cost (High)³
K-3 School-Based Positions				
Schools Over 200 FTEs funded @ 100%	1,285	\$98,397,357	\$122,737,519	\$147,091,996
Schools Under 200 FTEs funded @ 50%	31	<u>\$1,186,894</u>	<u>\$1,480,491</u>	<u>\$1,774,261</u>
Total QBE Cost for Literacy Coaches		\$99,584,251	\$124,218,010	\$148,866,257
Less Local Share (Based on 80/20 Split)⁴		<u>(\$19,916,850)</u>	<u>(\$24,843,602)</u>	<u>(\$29,773,251)</u>
Literacy Coaches State QBE Cost		\$79,667,401	\$99,374,408	\$119,093,006

¹ The low estimate is calculated using the state salary schedule for a teacher with a T-4 certification and 1 year of creditable service, along with standard fringe benefit rates (\$76,574 for school >200 FTEs; \$38,287 for school <200 FTEs).

² The mid estimate is calculated using the state salary schedule for a teacher with a T-5 certification and 10 years of creditable service, along with standard fringe benefit rates (\$95,516 for school >200 FTEs; \$47,758 for school <200 FTEs).

³ The high estimate is calculated using the state salary schedule for a teacher with a T-6 certification and 20 years of creditable service, along with standard fringe benefit rates (\$114,468 for school >200 FTEs; \$57,234 for school <200 FTEs).

⁴ Changes in QBE earnings are borne by the state and local school systems, with the ratio dependent on Local Five Mill Share calculations made each year. Currently, the state share is 80% but could increase in future years based on changes in local property tax digests.

Additional School-Based Costs

Based on data provided by GaDOE, it would need an additional \$304,334 annually to fund positions to develop guidelines for assessments, screeners, and other tools used to assess first grade readiness, and to develop intervention plans for at risk students to help them attain grade level proficiency. GaDOE acknowledged that additional requirements of the bill—assess first grade readiness with assessments, screeners or other tools; develop an annual report; review and approve instructional materials—are already covered under existing contracts. In addition, philanthropic funding supports the Georgia Literacy Academy, a series of online professional learning courses in structured literacy and the science of reading, which is available to all public school districts and teachers at no cost.

It should be noted that GaDOE also expects there to be an increase in the number of students retained in kindergarten and first grade due to students not meeting readiness requirements, which would increase QBE costs. Costs would vary each year according to the rate of retention but could be significant. The QBE cost (FY 2026) for kindergarten students is \$5,489/year and kindergarten early intervention students is \$6,806/year as noted in **Table 2**.

Other Agency Costs

- **Department of Early Care and Learning (DECAL)** – The bill requires recommendations on professional learning and instructional materials for pre-kindergarten literacy instruction, with no cost to DECAL. As noted above, there are free training resources for teachers of K-3 students currently available for public schools. If the intent is for pre-kindergarten teachers to receive training on new literacy standards, the extent to which these trainings are sufficient for younger children or whether they can access the free training (especially private pre-kindergarten teachers) is unknown. DECAL estimated \$12.0 million in one-time cost and \$4.5 million in annual costs to support implementation of an evidence-based curriculum across Georgia Pre-K classrooms if recommended by the State Board of Education and GOSA as a result of requirements in this bill. This expense would

ultimately be dependent upon specific needs to meet recommendations for pre-kindergarten students and availability of state funds.

According to DECAL, allowing five-year olds to enroll in Georgia's Pre-K program is not expected to incur any additional costs because of existing slot caps. If slots were expanded to allow for more pre-k enrollment, each additional slot would cost approximately \$6,884 per year based on final FY 2026 funding levels. This amount is expected to grow through FY 2028 as the class size is reduced in the Pre-K formula.

- **Governor's Office of Student Achievement (GOSA)** – To develop professional learning programs and recommend universal reading screeners and instructional materials, costs would increase between \$96,000 and \$110,000 per universal screener being developed, as well as result in one-time costs of between \$370,000 and \$380,000 to review and make recommendations for developing a new professional learning program on literacy instruction for teachers. This estimate is based on contracting with five external subject-matter experts to evaluate between 10 and 16 newly required screeners for an ongoing cost (every three years) between \$96,000 and \$110,000. It also includes between \$370,000 and \$380,000 in one-time costs for at least one (as specified in the bill) professional learning program based on the development and publication of new materials and resources aligned with the science of reading.
- **Georgia Professional Standards Commission (GaPSC)** – To conduct reviews of each state-approved educator preparation program to ensure compliance with new literacy requirements every four years, this bill would increase costs by an estimated \$518,920 annually, with one-time costs of \$9,044. This estimate includes \$504,152 for four new positions costing \$126,038 each for the Georgia Professional Standards Commission to assist with reviewing 951 educator preparation programs, where the maximum number of reviews per staff member is around six per year. Because the current requirement is to review educator preparation programs every seven years, staff workload would likely double. The estimate also includes \$14,768 in operating expenses.

Respectfully,



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Richard Dunn, Director
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