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December 28, 2000

Hon. Bill Lockyer Attorney General 1300 I Street, 17th Floor Sacramento, California 95814

Attention: Ms. Tricia Knight

Initiative Coordinator

Dear Attorney General Lockyer:

Pursuant to Elections Code Section 9005, we have reviewed the proposed statutory initiative involving student eye examinations (File No. SA2000RF0026).

PROPOSAL

If enacted by the voters, this measure would require local education agencies (LEAs)—that is, county offices of education and school districts—to exclude students who lack certification of having undergone an eye examination from enrolling in public schools. Specifically, the measure would:

• Require Public School Students to Have Eye Examinations. The measure requires public school students to have an eye examination performed by an optometrist or an ophthalmologist before January 1 of their first year of enrollment and every second year thereafter. The measure requires LEAs to exclude any pupil who does not supply evidence of having undergone the required examination.

- Facilitate Examinations for Pupils With Financial Hardship. The measure directs the State Board of Education (SBE) to issue rules and regulations addressing the issue of "facilitating eye examinations for pupils for whose families it would be a financial hardship to comply" with this measure.
- *Create Administrative Responsibilities.* This measure requires LEAs to notify parents of any decision to exclude a pupil and prescribes a process for parents to contest the evidence supporting these decisions.

FISCAL EFFECT

If enacted by the voters, this measure would have the following major fiscal effects.

Providing Eye Examinations. The measure's primary cost is attributable to assuring that all students have access to eye examinations. We estimate that approximately half of public school students have private insurance. Depending on future state actions and/or court interpretations of the measure, the state and LEAs could be responsible for facilitating access to free eye examinations to the remaining students through Medi-Cal, Healthy Families, or new programs. Initially, the measure would apply only to students enrolling in public school for the first time. We assume this would mean students entering kindergarten or students transferring into a district from another district, state, or a private school. Gradually, over a period of 12 years, the measure's requirements would extend to all students in California's public schools.

Based on the above considerations, we make the following estimates.

- State and local costs to provide examinations of at least \$9 million in the first fiscal year (2002-03) growing to at least \$60 million annually at full implementation.
- Unknown potential state and local costs to correct vision problems diagnosed in examinations. These costs could be partially offset by savings generated from early detection of vision problems.
- Unknown, probably minor, savings from elimination of vision screenings now conducted by LEAs and the state that no longer would be necessary.

Administrative Costs. We estimate that LEAs also would incur annual administrative costs, potentially several million dollars on a statewide basis at full implementation.

The state Department of Education would also incur some costs—probably minor—to administer the provisions of the measure.

Summary of Fiscal Effects

This measure would have the following major fiscal effect:

• Annual cost of at least \$9 million in the first year growing to at least \$60 million when full implementation is reached after 12 years to provide eye examinations.

Elizabeth G. Hill
Legislative Analyst

B. Timothy Gage
Director of Finance