Department of Planning and Budget
2005 Fiscal Impact Statement

1. **Bill Number** HB1532

   House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

   Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. **Patron** Frederick

3. **Committee** Education

4. **Title** Education Improvement Act of 2005; created.

5. **Summary/Purpose:** This bill creates the Phonics Instruction Incentive Program and Fund to award grants on a competitive basis to public schools that have failed to achieve full accreditation due to poor student performance in reading to purchase materials using systematic and explicit phonics for kindergarten through grade two, and for related instructional training programs. In addition, the measure amends the Standards of Quality to provide that remediation programs addressing reading skills shall utilize research-based reading initiatives and to require all remediation programs to incorporate research-based curricula that have demonstrated success in improving student performance. Finally, the measure requires, on and after July 1, 2006, that persons seeking licensure renewal with endorsements as teachers in elementary grades, reading, or special education demonstrate skills in reading instruction.

6. **Minimal State Fiscal Impact**

7. **Budget amendment necessary:** No, funding for the Phonics Instruction Incentive Program is contingent on an appropriation.

8. **Fiscal implications:** The funding for the Phonics Instruction Incentive Program is contingent on an appropriation.

   There, however, would be administrative costs incurred by Board of Education related to guideline development, criteria establishment for award of grants, and procedures for determining the amounts of the grants. These costs would be minimal.

9. **Specific agency or political subdivisions affected:** School divisions, Department of Education, Board of Education

10. **Technical amendment necessary:** No.

11. **Other comments:** None.

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cc: Secretary of Education