

## Department of Planning and Budget 2005 Fiscal Impact Statement

**1. Bill Number** HB1592

<b>House of Origin</b>	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

**2. Patron** Reese

**3. Committee** Rules

**4. Title** No Child Left Behind Act; Board of Education to seek waiver.

**5. Summary/Purpose:** This bill directs the Board of Education to seek a waiver from compliance with those provisions of the federal No Child Left Behind Act that are duplicative of the Commonwealth's prior educational accountability system as set forth in the Standards of Quality, Standards of Learning, and Standards of Accreditation, or lacking in cost effectiveness, and that already comply with the spirit and intent of the federal act.

The bill would also require the Board to seek a waiver from compliance with those provisions of No Child Left Behind (NCLB) that are lacking in cost effectiveness, including, but not necessarily limited to, those addressing (i) testing of students with disabilities or who have limited English proficiency; (ii) annual testing; (iii) exclusion of passing scores on expedited retakes of Standards of Learning assessments from calculations of adequate yearly progress (AYP); (iv) measurement of adequate yearly progress based on, among other things, individual grade levels rather than longitudinal data and individual subgroup failures; (v) the over-inclusion of certain students in several subgroups; (vi) the employment of highly qualified instructional personnel in certain hard-to-staff rural or urban school settings or certain subject matter areas; and (vii) such other provisions with which the Commonwealth's educational accountability system, in the discretion of the board, already complies with the spirit and intent of the federal act.

**6. Fiscal Impact (See #8.)**

**7. Budget amendment necessary: No.**

**8. Fiscal implications:** If a waiver of certain requirements pursuant to § 9401 of No Child Left Behind (NCLB) is not sought or is not granted by the U.S. Department of Education, the Commonwealth has the option to continue to participate in receiving federal funds pursuant to NCLB while implementing all provisions of the act, or to withdraw from receiving NCLB funds. Should the Commonwealth withdraw from participating in NCLB a significant fiscal impact on the state and local school divisions would result. Virginia receives approximately \$334 million per year in NCLB federal funds, with \$313 million going to school divisions in 2004-2005 and \$21 million to the Department of Education.

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

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

**11. Other comments:** None.

**Date:** 01/18/05 / acd

**Document:** H\ bos\k12 legislation\2005 session\completed bills\HB1592.doc.

cc: Secretary of Education