

## Department of Planning and Budget 2012 Fiscal Impact Statement

**1. Bill Number:** SB489-ER

|                        |                                       |                                     |  |
|------------------------|---------------------------------------|-------------------------------------|--|
| <b>House of Origin</b> | <input 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 checked="" type="checkbox"/> Enrolled |

**2. Patron:** Ruff

**3. Committee:** Passed both houses

**4. Title:** Secondary school graduation requirements; diplomas.

**5. Summary:** Directs the Board of Education to modify the credits necessary for a student to earn a standard or an advanced studies diploma. The advanced studies diploma shall be the recommended diploma for students pursuing baccalaureate study. Both the standard and the advanced studies diploma shall prepare students for post-secondary education and the career readiness required by the Commonwealth's economy. The standard diploma shall include a requirement to earn a career and technical education credential. Standard or advanced studies diplomas will require the successful completion of one virtual course. The modified standard diploma is eliminated, but the Board shall make provisions in regulation for students with disabilities to earn a standard diploma. The Board shall eliminate technical diplomas that have not been implemented and promulgate regulations to implement the provisions of this act to be effective within 280 days of its enactment.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** Indeterminate. Final. See item 8.

**8. Fiscal Implications:** This legislation modifies the number of Board of Education-approved diplomas offered by the state for high school graduation. It is anticipated that any administrative costs related to these changes would be nominal and absorbed within current resources.

This legislation also modifies the requirements for the standard diploma to include a requirement to earn a career and technical education credential that has been approved by the Board of Education, such as the successful completion of an industry certification, a state licensure examination, or the Virginia workplace readiness skills assessment. Additionally, both the standard and advanced studies diplomas will require the successful completion of one virtual course. The virtual course may be a non-credit bearing course.

To the extent that school divisions must provide additional services to meet these new requirements, there could be a local fiscal impact. However, any impact would depend on the current services offered in each division and no information is immediately available to

determine which school divisions, if any, would need to expand services in order to accommodate the provisions of this legislation. Therefore, no reliable estimate of local fiscal impact can be provided at this time.

Further, any additional local spending resulting from this legislation could be included in the Direct Aid to Public Education rebenchmarking calculations in future biennia, which could result in a state fiscal impact. However, it is not possible to estimate the potential fiscal impact to the state in future biennia at this time since it is not yet known how this legislation will affect expenditures in each local school division.

**9. Specific Agency or Political Subdivisions Affected:** Board of Education and local school divisions.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** Identical to HB1061-ER.

**Date:** 2/29/2012

**Document:** H:\EDUCATION\K-12\General Assembly\2012\FIS\SB489ER.doc

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