

## Department of Planning and Budget 2013 Fiscal Impact Statement

**1. Bill Number:** SB1153

<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:** Barker

**3. Committee:** Education and Health

**4. Title:** Kindergarten instructional time.

**5. Summary:** Directs the Board of Education to promulgate regulations, by July 1, 2015, establishing standards for accreditation that include a requirement that the standard school day for students in kindergarten must average at least 5.5 instructional hours (full-day) in order to qualify for full accreditation. The adjustment of Average Daily Membership to account for half-day kindergarten programs is also removed since all kindergarten programs must now be full-day. The bill has a delayed effective date of July 1, 2015.

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

**7. Fiscal Impact Estimates:** Preliminary. See item 8.

**8. Fiscal Implications:** There is no anticipated immediate state fiscal impact in the 2012-2014 biennium as a result of this legislation since the kindergarten accreditation requirement would not become effective until July 1, 2015 (fiscal year 2016). However, once the requirement for full-day kindergarten is implemented, there would be a significant fiscal impact for both state and local governments. For this estimate, projected fiscal year 2014 calculations will serve as a proxy for fiscal year 2016 since the data that will be used to calculate public education costs for the 2014-2016 biennium are not yet available.

In the current fiscal year, six school divisions have half-day kindergarten classes: Accomack County, Chesapeake City, Fairfax County, and Frederick County, Loudoun County, and Virginia Beach City. Of these divisions, Loudoun County is currently the only one that is funded using Average Daily Membership adjusted for half-day kindergarten since the majority of kindergarten classes in the other five school divisions are full-day. Since Loudoun County is the only division funded for half-day Average Daily Membership, this bill would require Loudoun County to offer and be funded based on full-day kindergarten Average Daily Membership.

For this estimate, projected fiscal year 2014 calculations will serve as a proxy for fiscal year 2016 since the data that will be used to calculate public education costs for the 2014-2016 biennium are not yet available. Using projected fiscal year 2014 data, the estimated state

fiscal impact is \$2.0 million per year to fund full-day kindergarten in Loudoun County. It is estimated that the required local effort for Loudoun County would also increase by approximately \$2.6 million each year, based on full-day kindergarten Average Daily Membership. Moreover, Loudoun County could incur additional local operational and capital costs associated with offering full-day kindergarten that exceed the increase in required local effort; however, it is not possible to determine such costs at this time.

The other divisions with half-day kindergarten are currently funded using full-day kindergarten Average Daily Membership so this legislation will not have any impact on the required local effort for each division. However, these divisions would still incur additional local operational and capital costs in order to provide full-day kindergarten for all students to meet the accreditation requirement proposed in this legislation. However, the methods used by each division to satisfy the requirement will vary and are unknown at this time; therefore, it is not possible to quantify the local impact in the other divisions at this time.

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

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

**11. Other Comments:** None.

**Date:** 1/23/13

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