

Department of Planning and Budget

2015 Fiscal Impact Statement

1. Bill Number: SB1369

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

2. Patron: Norment

3. Committee: Education and Health

4. Title: Establishment of the Virginia Science Technology Engineering and Applied Mathematics Academy.

5. Summary: The proposed legislation would establish the Virginia Science Technology Engineering and Applied Mathematics (STEAM) Academy, Inc., as a private, nonprofit organization and a statewide, publicly accessible, residential high school of science, technology, engineering, and applied mathematics. The academy would be governed by a board of directors of up to 21 appointed, elected, and ex officio members. The bill requires the board of directors to establish a curriculum and to set the criteria for student admissions so that the student makeup reflects the demographics of the state. The bill requires the Virginia STEAM Academy to receive the proportionate share of state and federal funds allocated to each enrolled student by the school division in which the student's parents reside and the agreed-upon share of local funds allocated to each enrolled student by the school division.

6. Budget Amendment Necessary: Yes. A new agency would need to be created.

7. Fiscal Impact Estimates: Preliminary. See Item 8.

8. Fiscal Implications: The proposed legislation would create the Virginia STEAM Academy and provide a revenue source for it once it opened and students began attending. However, the bill does not provide any funding for startup costs or capital expenditures.

The funding for enrolled students would come from existing state and federal education funding allocated to the applicable school division, as well as an agreed-upon amount of local funding from the division. There may be a fiscal impact to the state and localities if students who enroll in the Academy were previously homeschooled or attending private school and were not included in the respective locality's average daily membership (ADM) count. Any such fiscal impact cannot be determined at this time.

It also cannot be determined at this time if the transferred funding would be sufficient to operate the school or if supplemental funding would need to be provided. The residential Academy will likely have costs that school divisions do not experience, such as 24-hour staffing, dormitory utility costs, and three meal services.

It may be difficult to determine a proportionate per pupil share of federal funds to transfer to the Academy, since the enrolled students may not be eligible for some federal funds and it may not be possible to transfer the total amount to the Academy. There may also be issues with transferring federal grant funding to a private school, depending on the specific grant's provisions.

9. Specific Agency or Political Subdivisions Affected: Department of Education, Secretary of Education, Secretary of Commerce and Trade, local school divisions

10. Technical Amendment Necessary: None.

11. Other Comments: None.

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