

## Department of Planning and Budget 2016 Fiscal Impact Statement

**1. Bill Number:** HB47

<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:** Greason

**3. Committee:** Education

**4. Title:** Mixed-Delivery Preschool Services Fund and Grant Program; established, report.

**5. Summary:** Establishes the Mixed-Delivery Preschool Services Fund and Grant Program for the purpose of awarding grants on a competitive basis to urban, suburban, and rural community applicants to field-test innovative strategies and evidence-based practices that support a robust system of mixed-delivery preschool services in the Commonwealth. The bill requires the Virginia Early Childhood Foundation to administer a request for proposals process to invite community applicants to respond with localized innovations and approaches to a mixed-delivery preschool services system and a review and selection committee consisting of representatives of the Department of Education, the Virginia Early Childhood Foundation, and the House Appropriations Committee to award two-year grants to six applicants in each year of the 2016-2018 biennium, giving priority to applicants who (i) commit to pursuing models of local governance that promote the successful mixed delivery of preschool services, (ii) compare classroom and child outcomes among teachers with different credentials and qualifications, (iii) utilize incentives to encourage participation, and (iv) utilize strategic assessment to discern outcomes. The bill has an expiration date of July 1, 2019.

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

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

**8. Fiscal Implications:** HB 30, 2016 General Assembly Session, includes proposed funding of \$1.5 million in FY17 and \$1.5 million in FY18 to support a mixed delivery grant program through the Virginia Early Childhood Foundation (VECF) to promote public-private delivery of pre-kindergarten services to high-risk children and communities. It is not clear how this funding might fit with this legislative proposal.

This bill establishes a Mixed-Delivery Preschool Services Fund and Grant Program. The bill requires representatives from the Department of Education (DOE) and the House Appropriations Committee (HAC) to serve on a review and selection committee that awards grants under the program. DOE and HAC will incur costs related to these representatives'

service on the committee, and DOE will incur costs related to processing payments from the grant fund. Such state administrative costs cannot be determined at this time, but it is anticipated that these costs can be absorbed within existing resources.

The bill does not designate an entity to perform program administration. If DOE is required to administer this program, any costs can be absorbed within existing resources. The bill also does not specify a dollar amount to support the grants awarded under this program.

- 9. Specific Agency or Political Subdivisions Affected:** Department of Education, House Appropriations Committee
- 10. Technical Amendment Necessary:** The legislation does not identify the number of representatives from the Department of Education, Virginia Early Childhood Foundation, and House Appropriations Committee that will serve on the selection committee.
- 11. Other Comments:** It is uncommon to include representatives of only one house of the General Assembly to serve on a committee. Additionally, there could be concerns on separation of powers by having legislative representatives both authorize state support for this program and implement the program by helping to determine the final recipients of the program awards.