

Department of Planning and Budget 2018 Fiscal Impact Statement

1. **Bill Number:** HB319

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. **Patron:** Bourne

3. **Committee:** Rules

4. **Title:** Virginia Preschool Initiative; enrollment.

5. **Summary:** Permits any local school board to offer any slots in its Virginia Preschool Initiative program that remain unfilled by at-risk students after initial enrollment to students who reside in the school division and meet the age requirements but do not qualify as at-risk and to charge a fee for such enrollment.

6. **Budget Amendment Necessary:** Yes, Item 136 language amendment.

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

8. **Fiscal Implications:** Item 136.C.14.g. of HB30, 2018 General Assembly Session, gives the Department of Education the authority to reassign unused Virginia Preschool Initiative (VPI) slots to school divisions that have utilized 100 percent of their calculated slots in the previous school year and have a waiting list for additional, unserved eligible children. Current budget language defines eligible children as “at-risk four-year-olds who are residents of Virginia and unserved by Head Start program funding” and “at-risk five-year-olds who are not eligible to attend kindergarten”. The language in HB319 conflicts with existing eligibility criteria and reallocation guidance in the appropriation act. Furthermore, HB319 gives local school divisions the authority to reassign unused VPI slots, whereas current budget language gives this authority to the Department of Education. A budget amendment would be required to allow localities to fill unused VPI slots in accordance with the provisions of this bill.

As written, it is not clear if the intent of this bill is to provide state support for the slots filled by non-at-risk children, or if the cost of such slots would be borne entirely by the locality and/or any fees charged by divisions. Assuming that these additional slots will be supported entirely by local funds and/or any fees charged for such slots, there is no anticipated state fiscal impact. Localities may incur costs to support these slots, such as additional teachers or classroom space. The bill does not provide any restrictions on the amount of fees that divisions may charge for these slots, so such fees could potentially cover any local costs resulting from the provisions of this bill.

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

10. Technical Amendment Necessary: No

11. Other Comments: None