

## **Department of Planning and Budget**

### **2023 Fiscal Impact Statement**

**1. Bill Number:** HB1443

**House of Origin**    ☒ Introduced    ☐ Substitute    ☐ Engrossed

**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron:**    Webert

**3. Committee:** Appropriations

**4. Title:**    Public school funds; state share for basic aid; basic aid and supplemental basic aid payment limit.

**5. Summary:** Removes the limitation on any school division qualifying for adjustment of state share of aid that capped the sum of the basic aid payment and any supplemental basic aid payment to the basic aid payment appropriated to such locality by the 2007 Session of the General Assembly.

**6. Budget Amendment Necessary:** Yes, Item 137.

**7. Fiscal Impact Estimates:** Preliminary, see Item 8.

**8. Fiscal Implications:** This bill removes the cap on supplemental basic aid payments based on the value of fiscal year 2007 payments. Based on the existing eligibility in Code related to supplemental basic aid payments upon entering into a cost-savings agreement with a continuous school division, only Rappahannock county would be affected by the provisions of this bill. The Department of Education estimates that approximately \$1,000,000 in additional general fund appropriation would be needed in FY24 to support the removal of the cap in payments. Any additional state cost in outgoing years is indeterminate at this time and would be based on the Direct Aid to Public Education budget as rebenchmarked for future biennia.

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

**10. Technical Amendment Necessary:** No

**11. Other Comments:** None