

## Department of Planning and Budget

### 2023 Fiscal Impact Statement

**1. Bill Number:** SB1493

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

**2. Patron:** Bell

**3. Committee:** Education

**4. Title:** Virginia School for the Deaf and the Blind; Board of Visitors to report to the Governor.

**5. Summary:** Moves the Board of Visitors of the Virginia School for the Deaf and the Blind (the Board of Visitors) from under the responsibility of the Secretary of Education to under the direction and supervision of the Governor. The bill exempts the Board of Visitors from the definition of "executive branch agency" with respect to the responsibilities of the Virginia Information Technologies Agency. The provisions of the bill are contingent on funding in a general appropriation act.

**6. Budget Amendment Necessary:** Yes, Item 141.

Additionally, by making the Board of Visitors of the Virginia School for the Deaf and the Blind responsible to the Governor instead of the Secretary of Education, the budget for the Virginia School for the Deaf and the Blind should be moved under the Executive Offices instead of the Office of Education.

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

**8. Fiscal Implications:** Chapter 389, 2022 Session, required the Virginia School for the Deaf and the Blind (VSDB) to develop a plan to independently provide information technology (IT) support for the school and to submit that plan to the VSDB Board of Visitors. VSDB's September 30, 2022, IT transition report indicates that VSDB has operated two separate IT entities since 2012: the "school IT infrastructure" and the "agency IT infrastructure". VSDB's report indicates that its school IT infrastructure has been in-house on non-Commonwealth of Virginia (COVA) IT equipment since 2012; however, the agency IT infrastructure remains under the Virginia Information Technologies Agency (VITA). VSDB's report identifies costs to address critical needs of the school IT infrastructure only. VSDB's report does not identify any additional fiscal impact to support the agency IT infrastructure independent from VITA.

To address the critical needs of the school IT infrastructure, VSDB's report indicates a requirement for two additional IT personnel (\$230,000 annual cost), contracted network and cybersecurity managed services (\$700,000 annual cost), and one-time transformation efforts

(\$150,000-\$175,000 one-time cost). In total, VSDB estimates an additional state general fund cost of \$1.1 million in fiscal year 2024 and \$930,000 annually in subsequent years to support its school IT infrastructure. The additional cost for VSDB to independently provide IT support for the agency IT infrastructure is indeterminate at this time.

Chapter 2, 2022 Acts of Assembly, Special Session I, includes one-time general fund appropriation of \$545,000 in fiscal year 2023 for VSDB to upgrade its IT network, and \$100,000 general fund for increased IT support costs annually beginning in fiscal year 2024. VSDB may be able to support some of the one-time and ongoing costs identified in its report with these funds.

VSDB indicates that only its agency IT infrastructure is supported by VITA at this time. VITA has estimated VSDB's fiscal year 2024 IT charges at \$170,000. If VSDB does not use VITA to support its agency IT infrastructure in fiscal year 2024, these VSDB funds could be redirected to support any additional cost to independently provide IT support for the school and agency IT infrastructures. Additionally, if VSDB does not use VITA to support its agency IT infrastructure in fiscal year 2024, VITA would increase charges to other agencies in the VITA environment, as the fixed fees that VITA plans to charge VSDB would be shared by the other agencies.

By making the Governor responsible for the direction and supervision of VSDB, the Governor's Office would be responsible for the day-to-day administrative affairs of VSDB. Such administrative affairs include, but are not limited to, addressing personnel issues that come to the cabinet level, covering budget exercise involving the cabinet, coordinating the state response to any emergency situations at the school, and addressing any cross-secretarial concerns coming from other agencies relating to accounting, procurement, or responding to audits. The Governor's Office may need additional staff to perform these administrative duties beginning in fiscal year 2024. Any actual impact is indeterminate at this time.

The is no anticipated fiscal impact to the Office of the Secretary of Education

- 9. Specific Agency or Political Subdivisions Affected:** Virginia School for the Deaf and the Blind, Virginia Information Technologies Agency, Secretary of Education, Office of the Governor

- 10. Technical Amendment Necessary:** No

- 11. Other Comments:** None