

Department of Planning and Budget 2010 Fiscal Impact Statement

1. Bill Number: SB673

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

2. Patron: Newman

3. Committee: Education

4. Title: School boards; salary in Amherst County

5. Summary: Ratifies any salary increase voted on and approved by the Amherst County School Board prior to January 1, 2010, but provides that hereafter the members shall be paid a salary not to exceed \$2,200.

6. No Fiscal Impact: Preliminary. See item 8.

7. Budget Amendment Necessary: No.

8. Fiscal Implications: This legislation lowers the maximum annual salary permitted for school board members in Amherst County, pursuant to § 22.1-32 of the Code of Virginia. The salary cap would be reduced from \$2,400 per year to \$2,200 per year.

This bill is not expected to have an immediate state fiscal impact. However, the lower salary cap could result in a decrease in the prevailing average calculation used to fund school board salaries in the Standards of Quality model in future biennia. As a result, there may be a savings for the Commonwealth. Since the value of such savings will not be known until actual data becomes available in the future biennia, a fiscal impact cannot be determined at this time.

It is assumed the provisions of this bill will not become effective until July 1, 2010 (fiscal year 2011). Given this, the change will not impact fiscal year 2010, which serves as the base year for rebenchmarking for the 2012-2014 biennium. Therefore, any state impact will not be realized until the 2014-2016 biennium, which uses fiscal year 2012 expenditure data.

9. Specific Agency or Political Subdivisions Affected: Board of Education, Amherst County, and local school divisions.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 2/18/2010 dpbsbj

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