

Department of Planning and Budget

2018 Fiscal Impact Statement

1. Bill Number: HB255

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

2. Patron: Guzman

3. Committee: Rules

4. Title: Public Preschool Fund and Grant Program.

5. Summary: Establishes the Public Preschool Fund and Grant Program for the purpose of funding and providing on a competitive basis grants to local school boards to establish and maintain public preschool programs for children who reside in the local school division and who will have reached their fourth birthday on or before September 30 of the relevant school year. The bill requires the Department of Education to administer the Public Preschool Grant Program and establish (i) guidelines and procedures for grant applications, awards, and renewals; (ii) standards for preschool programs established and maintained by grant recipients, including standards for curriculum, student achievement, attendance, instruction, personnel, and length of school day and school year; and (iii) data collection and reporting requirements for grant recipients. The bill requires the Department of Education to give priority to grant applicants who propose a plan for the innovative use of facilities in the local school division to house the proposed public preschool program, including community centers and recreation centers.

6. Budget Amendment Necessary: Yes, Item 128 and Item 135.

7. Fiscal Impact Estimates: Indeterminate. See Item 8.

8. Fiscal Implications: The additional state cost for the Public Preschool Grant Program cannot be determined, as any cost is dependent on the amount of funding appropriated by the General Assembly.

The Public Preschool Grant Program would serve children who reach their fourth birthday on or before September 30 of the relevant school year. The bill does not establish any additional eligibility criteria, so it is assumed that every child who meets the established age requirement is eligible to attend a Public Preschool Grant Program within his or her local school division. The actual population served by the Public Preschool Grant Program would be contingent on funding.

The Department of Education (DOE) currently administers the Virginia Preschool Initiative (VPI), which provides state funding for preschool programs to serve at-risk four-year-olds

who are unserved by the federal Head Start program and at-risk five-year-olds who are not eligible to attend kindergarten. It is unclear if the intent of this bill is to serve all four-year-olds who are unserved by VPI and Head Start.

DOE anticipates that the agency can establish the guidelines, procedures, standards, and reporting requirements outlined in § 22.1-199.7.C using existing agency staff and resources; however, if the program is funded, DOE will need an additional full-time-equivalent program manager position to appropriately administer the Public Preschool Grant Program. DOE estimates a state cost of \$127,200 per year to support salary, benefits, and related expenses for this position.

Local school divisions will incur additional costs to establish and operate Public Preschool Grant Programs. It is not clear if localities also will be required to provide a local match for any additional state funds. Any actual fiscal impact to localities is indeterminate.

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

10. Technical Amendment Necessary: No

11. Other Comments: None