

Commission on Local Government

Estimate of Local Fiscal Impact

2020 General Assembly Session: Special Session I

Bill: HB5009

Patron: Cole, Mark L.

Date: 8/18/2020

In accordance with the provisions of §30-19.03 of the Code of Virginia, the staff of the Commission on Local Government offers the following analysis of the above-referenced legislation:

Bill Summary:

School boards; in-person instruction; student home internet access; emergency. Requires each school board to provide in-person instruction to any student whose primary residence is not capable of receiving Internet access at speeds greater than 10 MBps download speed and one MBps upload speed. The bill contains an emergency clause. The bill sunsets upon the expiration of the state of emergency declared by the Governor in response to the COVID-19 pandemic in the Commonwealth.

~~~~~

### Executive Summary:

Localities have evaluated a negative fiscal impact ranging from \$0.00 - \$18,000,000.00. A majority of localities responded with no cost and noted that they are already in compliance with the provisions of the bill or they are towns and not responsible for schools. However, it is worth noting that these localities indicated they are compliant because they provide wi-fi hotspots and other internet access points, but the bill sets the internet access standards based on the students' primary residence and not the availability of other internet access points outside of the primary residence that would meet this standard. Only one locality that responded with a cost noted that the cost would be related to instructors' salary and other associated cost for in-person classes for the students without internet/Wi-Fi access in their primary residence.

\*\*\*\*\*

### Local Analysis:

**Locality:** City of Harrisonburg

**Estimated Fiscal Impact:** \$0.00

Minimal fiscal impact as the Harrisonburg City Public Schools are already providing hotspot wifi connections throughout the city and have provided access to school facilities for students that need internet access.

~~~~~

Locality: City of Newport News

Estimated Fiscal Impact:
\$18,000,000.00

NNPS presentation to School Board May 2020 showed 24% elementary students, 6% middle, 2% high school students with no or unknown Internet access at primary residence. Base on March 31 ADM for FY 2019. this equates to 3,673 or 14% of enrollment. This number does assumes across the board equality in needs - does not take into account special requirements - ESOL, special education, etc. A minimum teaching requirement would be at 20 students per instructor, 184 instructors. That does not take into account administration, medical, transportation, meals, security, facilities. At base entry level salary at \$45,000 per 192 day contract (standard contract) = \$8.3 million. All other costs estimated at \$10 million.

~~~~~

Locality: City of Norfolk

Estimated Fiscal Impact: \$0.00

No fiscal impact anticipated. Norfolk Public Schools already provides students with mobile hotspot devices that meet the minimum requirements stated in the bill.

Locality: City of Virginia Beach

Estimated Fiscal Impact: \$0.00

The provisions of this proposed legislation are not clear in terms of whose responsibility it is to prove that the Internet access is not possible at the prevailing household. Is this the responsibility of the School Board or of the parent? What metrics must be submitted? If it is the School Board, this could become costly in terms of investigative work and public available data is limited. Furthermore, the bill does not say if School Divisions may offset the mandatory in-person requirements through other means. For example, even if the primary residence can not access the specified speeds, if the school system provides hot-spots or other connectivity embedded in laptops, would that enable in-person instruction to be forgone? In spite of the difficulties involved with cost estimates for this bill, it should be noted that most households in Virginia Beach likely do have access to these speeds. According to maps included in the Michael J.R. Martin of the U.S. Census Bureau's "Deconstructing the Digital Divide: Identifying the Supply and Demand Factors That Drive Internet Subscription Rates" (2019), the average download speed in Virginia Beach in 2015 was 75-99.9 MBps and 95-100% of households had high capacity internet available and 70-100% had subscriptions. Moreover, in the FCC's most recent "Residential Fixed Internet Access Service Connections per 1000 Households by Census Tract" report (published in 2019, for year-end 2017 data), the vast majority of the City had 800-1000 households per 1000 that had subscribership of at least 10 MBps downstream/1 MBps upstream, while the few that didn't generally had 600-800 per 1000. Further, the Virginia Broadband Availability Map shows that only the predominant area without such service in the City is in the Back Bay National Wildlife Refuge or in military installations, which I presume ran into data collection issues. This wide-spread access is confirmed by SCHEV's new "A Closer Look at Virginia's Digital Divide in Education," which showed that only 6-8% of Virginia students in Virginia Beach lack broadband service, although some of these may be capable of receiving access, thereby meeting the requirements of this bill.

Locality: Town of Ashland

Estimated Fiscal Impact: \$0.00

n/a (town)

Locality: Town of Marion.

Estimated Fiscal Impact: \$0.00

Schools are Smyth County, not Town of Marion, so no direct fiscal impact

Professional and Other Organization Analysis:

Organization: Northern Neck PDC

No impact.

