

Commission on Local Government

Estimate of Local Fiscal Impact

2020 General Assembly Session: Special Session I

Bill: SB5021

Patron: Chase

Date: 8/20/2020

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:

Provides that if a school board requires students to engage in virtual learning for any reason, whether full time or part time, and a computer and Internet service to connect to the curriculum is required, then the school board must provide appropriate technology devices to every student enrolled in the school system so they may access the learning platform. Additionally, the bill requires school boards to provide adequate Internet service to a student's household at no cost if a student's family income is below 125 percent of the federal poverty guidelines. The bill contains an emergency clause.

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### Executive Summary:

Localities have evaluated a negative fiscal impact ranging from \$0.00 - \$15,000,000.00. Localities that responded with a cost, noted that the cost would be related to purchasing computer and providing internet access to the eligible students based on the student's family income below 125% of federal poverty level. They also noted that the cost would increase as a result of long term COVID-19 impact as more and more people are falling in to this category. One locality that responded with a cost noted that they are already providing computer to their students and their estimated cost is only for providing internet access to the qualified students through internet hotspots, but the bill requires them to provide internet access to the student's household. Another locality that provided the highest estimated cost noted that their median household income is below the federal poverty guide line. Of those localities that responded with no fiscal impact, noted that they are already in compliance with the provisions of the bill or they are towns and not responsible for schools.

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### Local Analysis:

**Locality:** City of Norfolk

**Estimated Fiscal Impact:** \$0.00

Norfolk Public Schools already provides students with mifi cards that meet the minimum requirements stated in the bill.

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Locality: City of Virginia Beach

Estimated Fiscal Impact: \$287,900.00

The Virginia Beach City Public Schools (VBCPS) currently provides its students with Chromebooks on a 1:1 basis. Therefore, institution of a requirement that the school board must provide devices would not have a new fiscal impact upon VBCPS.

As part of its "Fall 2020 Plan," VBCPS committed to "continue to identify and supply internet access through hotspots to families and communities in need." We interpret that these hotspots would fulfill "adequate Internet service" as envisioned in this bill. Thus far, VBCPS has acquired over 800 hotspots for its students and received another 150 at no cost from the Virginia Beach Public Libraries. The total cost of the 800 hotspots, inclusive of an annual data subscription, is \$287,900. It is possible that total costs will continue to increase as more students in need of access are identified or, if this bill is passed, qualify under the 125% of poverty provision beyond those who have already received such devices.

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**Locality:** County of Fauquier

**Estimated Fiscal Impact:**  
\$10,210,000.00

This analysis includes the provision of devices for all students, as well as internet service for those that may qualify based on the 125% requirement. Given COVID, high unemployment levels, more and more individuals are falling within this category. As localities are already strained due to the taxes losses as a result of COVID, lack of additional federal stimulus funding, and constraints of CARES not allowing use towards revenue losses; this would be an extremely impactful bill without State funding. In addition, this does not address the longer term requirement of replacement of devices, etc.

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Locality: Town of Ashland

Estimated Fiscal Impact: \$0.00

n/a (town)

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**Locality:** Town of Marion.

**Estimated Fiscal Impact:** \$0.00

Schools are county, not town function

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Locality: Wise County

Estimated Fiscal Impact:
\$15,000,000.00

In rural Virginia, the cost of running the last mile of is extremely high. Because of the Mountainous terrain, Cell service is just as expensive if not more so than wired connections. The estimated fiscal impact of \$15,000,000 may not be sufficient as the median income in Wise County is below the poverty guidelines.

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**Professional and Other Organization  
Analysis:**

**Organization:** Northern Neck PDC

No impact.

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