

DPB note: This is a revised FIS for this bill to account for the recalculation of the estimated costs by the Department of Education.

Department of Planning and Budget 2022 Fiscal Impact Statement

1. **Bill Number:** HB1135

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:** Bourne

3. **Committee:** Appropriations

4. **Title:** Standards of Quality; work-based learning; teacher leaders and mentors; principal mentors.

5. **Summary:** Makes several changes to the Standards of Quality, including requiring the establishment of units in the Department of Education to oversee work-based learning and principal mentorship statewide and requiring the Board of Education to establish and oversee the local implementation of teacher leader and teacher mentor programs in Standard 5. The bill also makes several changes relating to school personnel in Standard 2, including (i) establishing school wide ratios of students to teachers in certain schools with high concentrations of poverty and granting flexibility to provide compensation adjustments to teachers in such schools; (ii) requiring each school board to assign licensed personnel in a manner that provides an equitable distribution of experienced, effective teachers and other personnel among all schools in the local school division; (iii) requiring each school board to employ teacher leaders and teacher mentors at specified student-to-position ratios; (iv) requiring state funding in addition to basic aid to support at-risk students and granting flexibility in the use of such funds by school boards; (v) lowering the ratio of English language learner students to teachers; (vi) requiring each school board to employ reading specialists and establishing a student-to-position ratio for such specialists; (vii) requiring school boards to employ one full-time principal in each elementary school; (viii) lowering the ratio of students to assistant principals and school counselors in elementary, middle, and high schools; and (ix) increasing from at least three to at least four the required number of specialized student support positions, including school social workers, school psychologists, school nurses, licensed behavior analysts, licensed assistant behavior analysts, and other licensed health and behavioral positions, per 1,000 students.

6. **Budget Amendment Necessary:** Yes, Items 129 and 137, HB/SB 30.

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

8. **Fiscal Implications:** This bill is based on the Board of Education's 2021 Standards of Quality recommendations, as reported in the Board's 2021 Annual Report on the Condition and Needs of Public Schools in Virginia. Based on HB/SB30 as introduced for the 2022 General Assembly Session, the Department of Education estimates an additional state cost of \$197.3 million in fiscal year 2023 and \$327.8 million in fiscal year 2024 to implement the

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provisions of this bill, as summarized in the table below. Any additional state cost in outgoing years is indeterminate at this time and would be based on the Direct Aid to Public Education budget as rebenchmarked for future biennia.

	FY 2023 (millions of dollars)	FY 2024 (millions of dollars)
Assistant Principals at 1:400 students	\$ 82.6	\$ 85.0
New Teacher Leaders Program	\$ 103.9	\$ 109.1
New Enhanced At-Risk Add-on	\$ (131.3)	\$ (11.3)
English as a Second Language positions	\$ 17.1	\$ 16.9
Reading Specialists	\$ -	\$ -
Elementary Principals	\$ 10.4	\$ 10.5
School Counselors 1:250 students	\$ 57.0	\$ 58.6
Specialized Student Support Positions at 4:1000 students	\$ 55.2	\$ 56.6
Work-based learning unit at DOE	\$ 1.2	\$ 1.2
Principal Mentorship unit at DOE	\$ 1.2	\$ 1.2
	\$ 197.3	\$ 327.8

This estimate assumes that the Reading Specialist program implemented as required by this bill would replace the existing Early Reading Initiative program. If the intent is to add the specialists in addition to the early reading initiative, there would be an additional state cost of \$82.8 million in fiscal year 2023 and \$83.0 million in fiscal year 2024. Additionally, the bill moves the K-3 Primary Class Size Reduction program into the Standards of Quality (SOQ), which creates no additional state fiscal impact.

This bill implements tiered staffing ratios based on English proficiency data. English language proficiency for English language learner (ELL) students is assessed using the WIDA Consortium’s ACCESS for ELLs test. This data is different from the traditional data used to support the ELL ratios in HB/SB 30, which is based on historical English as a Second Language (ESL) enrollment trends. DOE does not have a WIDA proficiency level classification for approximately 25 percent of the students identified as English language learners in the traditional data used to calculate HB/SB30.

All students that are enrolled in ESL are likely not being assessed every year. These students are classified as all other English language learners for the purpose of calculating staffing standards per the provisions of this bill. In four school divisions, this created a negative count of students in the all other English language learners category. In these four divisions, DOE zeroed out the all other English language learners category for the purpose of this fiscal impact estimate. Additionally, because WIDA data is reported by serving school divisions, contractual divisions (James City County, Fairfax City, Emporia), are identified in the fiscal agent school division (Williamsburg, Fairfax County, Greensville); however to accurately allocate state funds, DOE needs to assign the data to these students’ division of residence.

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For the purpose of this estimate, English language learners from the WIDA data set were assigned to these contractual divisions based on the percentage of students enrolled in the combined division.

In order to allocate state funds to divisions pursuant to the provisions of the bill without these assumptions, DOE will need to determine what changes must be made to the WIDA data collected by divisions and reported to DOE. Any cost associated with such changes is indeterminate at this time.

This bill includes a number of new programs and staffing standards in the SOQs and moves some existing programs to the SOQs, which makes these standards and programs the minimum requirements that every school division must meet. Eligible school divisions would be required to meet the required local effort for funding these positions, programs and any related requirements and would no longer be able to opt out of the programs or request reduced funding as allowed today. In fiscal year 2022, four schools opted out or requested reduced funding from the K-3 Primary Class Size Reduction Program, which would be required to be implemented under this bill. The bill eliminates the existing At-Risk program, an optional incentive program, and the existing Prevention, Intervention & Remediation program, an SOQ program, and replaces both with a new mandatory At-Risk program under the SOQs.

Local school divisions would have to provide the local share required to match any additional state funds based on each division's local composite index. The actual fiscal impact to local school divisions is indeterminate at this time.

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

10. Technical Amendment Necessary: No

11. Other Comments: This bill is identical to SB490.