

## Department of Planning and Budget

### 2023 Fiscal Impact Statement

**1. Bill Number:** SB1215

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

**2. Patron:** Lucas

**3. Committee:** Passed both houses

**4. Title:** Compensation of public school teachers and other Standards of Quality-funded positions.

**5. Summary:** Requires the Department of Education to convene a work group no later than August 15, 2023, consisting of school board representatives, division superintendents, public elementary and secondary school teachers, parents of public elementary and secondary school students, representatives of major associations representing public elementary and secondary school staff, and such other stakeholders as the Department deems appropriate to consider and make recommendations in the form of a publicly available report posted on the Department website and addressed and sent to the Chairmen of the House Committee on Education and the Senate Committee on Education and Health no later than November 1, 2023, on the appropriateness, feasibility, potential fiscal impact, and potential unintended consequences of (i) preserving the definition of the term "competitive" contained in § 22.1-289.1 of the Code of Virginia, as applied to the compensation of public elementary and secondary school teachers; (ii) amending such definition to incorporate an alternative metric, including the median annual salary of a Virginia worker who is 25 years of age or older and has a bachelor's degree; and (iii) requiring the Department or another entity to conduct an annual calculation to determine public school teacher compensation and the commensurate flat percentage increase to the state share of salary funding for Standards of Quality-supported positions that is necessary to make such compensation competitive under any such definition.

**6. Budget Amendment Necessary:** Yes, Item 135.

**7. Fiscal Impact Estimates:** Final, see item 8.

**8. Fiscal Implications:** This bill would require the Department of Education (DOE) to convene a work group. If the DOE is required to support travel and meal costs of work group members, DOE estimates a need for \$10,000 in one-time additional general fund state funding to support the meetings and work of this work group in FY24. These costs would be less if meetings are virtual. Additionally, the bill requires the work group to submit a report containing its findings and any recommendations to the Board of Education and the General

Assembly by November 1, 2023. DOE notes that several bills have been introduced by the 2023 General Assembly that require DOE to issue a report to the Board of Education or the General Assembly by November 1, 2023. If several of these proposals are adopted, DOE may require additional state support above what is estimated in fiscal impact statements in order to meet all deadlines.

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

**10. Technical Amendment Necessary:** No

**11. Other Comments:** None

.