

Department of Planning and Budget 2024 Session Fiscal Impact Statement

1. Bill Number: HB1089

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☒ Substitute ☐ Enrolled

2. Patron: Coyner

3. Committee: Finance and Appropriations

4. Title: Special education and related services; definitions; records retention; duties of Department.

5. Summary: Makes several changes relating to special education and related services for children with disabilities in public elementary and secondary schools in the Commonwealth, including (i) requiring, after a child with a disability graduates from, ages out of, or otherwise leaves any public elementary or secondary school in the Commonwealth, such school to retain the special education records of such child for at least seven years; (ii) requiring each local school board to (a) provide high-quality professional development in instructional practices to support specially designed instruction in inclusive settings, as that term is defined in the bill, for certain teachers and administrators employed in the local school division and (b) designate a faculty member to serve as a special education parent/family liaison to serve as a resource to parents to understand and engage in the referral, evaluation, and eligibility process if they suspect that their child has a disability and to understand and engage in the individualized education program (IEP) process; (iii) requiring the Department of Education, among other things, to; (a) elevate the position of State Parent Ombudsman for Special Education to perform certain functions, including systematically tracking and reporting questions and concerns raised by parents to the Superintendent of Public Instruction and coordinating with the Parent Training and Information Center on the activities of the special education family support centers; and (b) develop, establish, review and update as necessary at least once every five years and make available to each local school board an IEP writing, facilitation, tracking, and transfer system to be referred to as the Virginia IEP; and (iv) requiring each education preparation program offered by a public institution of higher education or private institution of higher education or alternative certification program that provides training for any student seeking initial licensure by the Board of Education with certain endorsements to include a program of coursework and require all such students to demonstrate mastery in instructional practices to support specially designed instruction in inclusive settings. Certain provisions of the bill have a delayed enactment date of July 1, 2027.

6. Budget Amendment Necessary: Yes, Item 118

7. Fiscal Impact Estimates: Preliminary, see item 8.

- 8. Fiscal Implications:** Based on the estimates provided below, the anticipated additional state cost to support the requirements of this bill is \$2,930,880 general fund in FY25 and \$2,680,880 general fund in FY26 and ongoing.

Department of Education

The bill requires the Department of Education (DOE) to update all forms and guidelines for referral, eligibility, evaluation, and re-evaluation to provide consistency. DOE estimates an additional cost of \$250,000 general fund one-time in FY25 for external contracting support to meet these requirements.

The bill requires elevation of the existing parent ombudsman to a State Parent Ombudsman. This role reports to the State Superintendent, tracks and reports questions and concerns, and coordinates with special education family support centers. This will create a change in positional pay, which will require an increase of \$13,700 general fund in FY25 and ongoing to support the additional salary and benefits of the position.

The bill requires DOE to implement the new Virginia individualized education program (IEP) form and a data system component. Per the 4th and 5th enactments of the bill, this shall become effective July 1, 2027, and DOE shall report by November 1, 2024, on the estimated costs, requirements, and timeline to implement the system. The Governor's Introduced Budget, HB/SB 30, 2024 General Assembly Session, includes \$150.0 million general fund in FY25 under Item 471 to support the upgrade, replacement, and modernization of critical technology systems across state agencies. If funds are available from this appropriation for DOE to upgrade the Virginia Statewide Student Information System (SIS), then DOE can support the initial and ongoing work required for the new IEP data system with the upgraded SIS. If DOE cannot upgrade the SIS, then the agency anticipates the need for an additional \$467,180 general fund each year to support the IEP data system. This estimate includes one Virginia IEP Data Specialist position to support the initial and ongoing work required at a cost of \$178,180 general fund per year including salary, benefits, and support costs beginning in FY26 and \$289,000 general fund annually to implement and support the minimum requirements of the new data system component. There could be additional costs if additional modules for the IEP applications that some school divisions already purchase are funded at the state level.

The bill requires DOE to develop and provide to local school divisions high quality professional development and resources for certain teachers and other school division employees related to special education so that school divisions can provide this professional development to those individuals free of charge. Per the 4th and 5th enactments of the bill, schools boards shall not be required to provide this professional development until the 2027-2028 school year and DOE shall report by November 1, 2024, on the estimated costs and timelines to develop and support this professional development. DOE proposes a multi-year approach beginning in FY25 to implement these professional development requirements. DOE estimates a cost of \$950,000 general fund in FY25 to develop all professional development and support initial delivery to leaders of schools, \$1.1 million in FY26 to support professional development training of special education teachers and principals, \$1.1 million in FY27 to support professional development training for most teachers, and \$1.1 million ongoing to provide continued professional development support for these positions. Additionally, DOE estimates a cost of \$1.1 million

REVISED: This FIS was revised on 3/4/24 to reflect additional feedback from the Department of Education.

general fund in FY25 and ongoing to support eight coaches at each of the eight regional training and technical assistance centers.

The bill requires the Parent Training and Information Center in the Commonwealth to establish eight regional special education family support centers to be staffed by a regional special education family liaison. This entity is a nonprofit organization, therefore there would be no anticipated state costs.

The bill requires local school boards to award standard diplomas to students who complete credit accommodations specified in their IEPs and for DOE to develop guidance informing parents of this path. DOE can absorb any impact from developing this guidance.

The bill requires DOE to establish an advisory committee on the implementation of this act with two legislative members and 24 non-legislative members. DOE may experience costs associated with meetings of this committee if members are reimbursed for travel, food, and lodging, with a cost of up to \$8,300 per meeting. It is anticipated that DOE would absorb any costs associated with the committee.

Institutions of Higher Education

The bill requires institutions of higher education with teacher preparation programs to include a program of coursework in instructional practices to support specially designed instruction in inclusive settings, and to ensure coursework and field practice opportunities that build knowledge of these practices. It is anticipated that higher education institutions would absorb any costs associated with implementing these requirements.

Library of Virginia

The Library of Virginia can absorb any cost related to amending their record retention policy.

Virginia Commission on Youth

The bill requires the Virginia Commission on Youth to study and make recommendations on Virginia's special education dispute resolution system and to report its findings to the General Assembly no later than November 1, 2025. An additional one-time appropriation of \$150,000 general fund in FY25 is required to manage an external study of dispute resolution through a third party.

9. Specific Agency or Political Subdivisions Affected: Department of Education, local school divisions, institutions of higher education, The Library of Virginia, Virginia Commission on Youth

10. Technical Amendment Necessary: No

11. Other Comments: This bill is identical to SB220H2.