

## Department of Planning and Budget 2024 Session Fiscal Impact Statement

**1. Bill Number:** HB624H2

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

**2. Patron:** Rasoul

**3. Committee:** Education and Health

**4. Title:** Public school funding; student need; English language learner and at-risk students.

**5. Summary:** Amends Standard of Quality 2 by (i) requiring state funding to be provided to support ratios of instructional positions to English language learner students, based on each such student's English proficiency level, as established in the general appropriation act and (ii) (a) establishing the At-Risk Program for the purpose of supporting programs and services for students who are educationally at risk, including prevention, intervention, or remediation activities required pursuant to Standard 1 (§ 22.1-253.13:1); teacher recruitment programs and incentives; Dropout Prevention; community and school-based truancy officer programs; Advancement Via Individual Determination (AVID); Project Discovery; programs for English language learners; the hiring of additional school counselors, testing coordinators, and licensed behavior analysts; and programs relating to increasing the success of disadvantaged students in completing a high school degree and providing opportunities to encourage further education and training and (b) requiring a portion of the state funding provided for such At-Risk Program to be allocated to school divisions on a flat per-student percentage rate set out in the general appropriation act and a portion of such funding to be allocated to school divisions on a variable rate set out in the general appropriation act based on the concentration of poverty in the school division.

**6. Budget Amendment Necessary:** Yes, Item 125.

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

**8. Fiscal Implications:** The bill removes the existing At-Risk Add-on and Prevention, Intervention, and Remediation programs and replaces them with a new At-Risk program and formula. The Governor's Introduced Budget, HB/SB 30, 2024 General Assembly Session, includes \$150.0 million general fund in FY25 and \$149.4 million general fund in FY26 for Prevention, Intervention, and Remediation. The introduced budget also includes \$237.8 million general fund and \$202.1 million lottery fund in FY25 and \$243.1 million general fund and \$195.0 million lottery fund in FY26 for the At-Risk Add-on. At this time DOE is not able to estimate the impact of replacing the existing programs with the new At-Risk Program for the 2024-2026 biennium. The bill directs how funding for the At-Risk Program shall be distributed but does not require a specific funding amount, so an additional impact above the current amounts provided in HB/SB30 is unknown. DOE would require additional

direction on funding levels and methodology from the appropriation act, including the flat per-student percentage rate and the variable rate to be used to distribute funding. Any significant changes to methodology or the creation of a new program require time to be programed into the SOQ model and for data and calculation verification. Any actual impact is indeterminate.

The bill directs that the Board of Education may withhold At-Risk funding from local school divisions that are not meeting obligations to the Board. It is not possible to estimate any impact that may result from this provision, as any savings would depend on the actions of local school boards and the Board.

This bill directs that the staffing standard for English language learners shall be based on proficiency levels at ratios set out in the appropriation act. HB/SB 30 provides \$128.1 million general fund in FY25 and \$136.7 million general fund in FY26 to fund the existing English language learner staffing standard, which does not utilize proficiency levels. 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/SB30, which is based on historical English as a Second Language (ESL) enrollment trends. DOE does not have a WIDA proficiency level classification for all students enrolled in ESL as all students that are enrolled in ESL are likely not being assessed every year. At this time DOE is not able to estimate the impact of replacing the existing staffing standard with a proficiency-based standard, as any impact would be dependent on the ratios set out in the appropriation act.

Budget language amendments would be needed in Item 125 to remove the existing programs and staffing standards that this bill removes and to describe the methodology, rates, and ratios that DOE shall use for the new programs.

Local school divisions would be required to meet the required local effort for any additional state funds received based on local composite index. The actual fiscal impact to local school divisions is indeterminate at this time.

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

**10. Technical Amendment Necessary:** No

**11. Other Comments:** None