

Department of Planning and Budget 2024 Session Fiscal Impact Statement

1. Bill Number: SB105

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: Lucas

3. Committee: Education

4. Title: Public school staffing and funding; National Teacher Certification Incentive Reward Program and Fund; eligibility; at-risk program.

5. Summary: Renames the National Teacher Certification Incentive Reward Program and Fund as the National Board Certification Incentive Reward Program and Fund, expands eligibility for incentive grant awards from such Fund pursuant to such Program from solely teachers who have obtained national certification from the National Board for Professional Teaching Standards to public school staff who have obtained national certification or who are candidates for initial certification or maintenance of certification. The bill also establishes 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 relevant law, teacher recruitment programs and initiatives, programs for English language learners, the hiring of additional school counselors and other support staff, and other programs relating to increasing the success of disadvantaged students in completing a high school degree and providing opportunities to encourage further education and training. The bill also contains provisions relating to certain funding requirements for the At-Risk Program. Finally, the bill directs the Department of Education to (a) develop and implement a data collection process related to English language learner expenditures and student English proficiency levels to begin to address the recommendations of the Joint Legislative Audit and Review Commission's 2023 review of Virginia's K-12 Funding Formula and (b) develop, in coordination with the Department of Behavioral Health and Developmental Services or any other relevant stakeholders, a plan for revised special education staffing requirements that addresses the staffing needs of each special education program in each school division. The bill provides for the inclusion of the provisions of the first enactment in the general appropriation act beginning July 1, 2026.

6. Budget Amendment Necessary: Yes, Item 118.

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

8. Fiscal Implications: This bill would expand and rename the existing National Teacher Certification Incentive Program. The bill expands eligibility for grants to staff who have obtained national certification or who are candidates for initial or maintenance of certification

(MOC). For candidates who are working in a Title 1 school or a school eligible for participation in the Community Eligibility Provision (CEP) and who are candidates for initial national certification, the bill authorizes award amounts to include half of the certification fee and the registration fee upon initial registration and the balance of the certification fee upon successful achievement of the certification. For candidates who are working in a Title 1 school or a school eligible for participation in CEP and who are pursuing MOC, the bill authorizes award amounts to include the total MOC fee, equal to the sum of the cost of MOC and the registration fee, to be paid upon successful completion of the MOC process. The current cost of initial certification is \$1,900 plus a \$75 registration fee. The current cost to maintain the certification is \$495 plus a \$75 registration fee. At this time, it is not possible to determine the additional number of individuals that would be eligible to receive a grant based on the expanded eligibility and allowance for initial certification, or the MOC schedule for existing or future certified staff. Therefore, the annual cost to support these fees is indeterminate at this time; however, there would be an additional state cost each year to support these additional grants. DOE does not currently have the staff available to support the administration of the expanded program and would require an additional position at an estimated cost of \$140,045 per year including salary, benefits, and technology.

The bill removes the existing At-Risk Add-on program and replaces it with a new At-Risk program and formula. At this time DOE is not able to estimate the impact of replacing the existing programs with the new At-Risk Program. 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 amount that would be provided pursuant to the existing program 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 fourth enactment directs that the expanded National Board Certification Program and new At-Risk program shall be included in the general appropriation act beginning July 1, 2026, which is the beginning of FY27 and would be included in the 2026-2028 biennium budget.

The second enactment requires DOE to collect data from local school divisions related to English language learner expenditures and English proficiency levels and provide an update to the Joint Subcommittee on Elementary and Secondary Funding by September 1, 2024. DOE does not anticipate a cost to collect this data but indicates that the earliest this data could be collected would be FY25 and therefore data would likely not be available before the reporting deadline. Any cost to local school divisions to track English language learner expenses is indeterminate.

The third Enactment of this bill requires DOE to develop a plan for revised special education staffing requirements. DOE estimates that \$27,500 would be required in one-time general fund support in FY25 in order to complete the work to develop this plan. The Department of

Behavioral Health and Developmental Services can absorb any costs to work with DOE on the report and plan.

9. Specific Agency or Political Subdivisions Affected: Department of Education, Department of Behavioral Health and Developmental Services

10. Technical Amendment Necessary: No

11. Other Comments: DOE anticipates that, for the requirement to develop a plan for revised special education staffing requirements, in order to ensure an accurate and comprehensive data collection, a report due date of November 1, 2024, may not be able to be met.