

Department of Planning and Budget 2024 Session Fiscal Impact Statement

1. Bill Number: SB228

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

2. Patron: Hashmi

3. Committee: Finance and Appropriations

4. Title: Public school funding; English language learner students and children with disabilities.

5. Summary: Requires, in addition to the positions supported by basic aid, state funding, pursuant to the general appropriation act, to be provided to cover (i) the actual average school division cost to educate children with disabilities and (ii) a per-pupil Standards of Quality funding add-on for English language learner and special education students.

6. Budget Amendment Necessary: Yes, Item 125.

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

8. Fiscal Implications: This bill requires that a per-pupil add-on funding amount be provided to school divisions, based on a percentage of the basic aid per-pupil funding that a school division receives, for each English language learner and special education student. The bill also eliminates the existing staffing standards for instructional positions for English language learners and special education students. The Governor's Introduced Budget, HB/SB 30, 2024 General Assembly Session, 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 and \$527.6 million general fund in FY25 and \$526.3 million general fund in FY26 for the existing special education staffing standard.

At this time DOE is not able to provide an estimate for the impact of switching from a staffing standard to a weighted per-pupil add-on based on data for the 2024-2026 biennium because additional direction is required for methodology and data sources. DOE states that additional direction would be required on what count of students should be used, how the use of proficiency level data for English language learners should be incorporated, and how additional data points collected from school divisions regarding special education students served, such as percent of day in special education services, should be incorporated. The methodology intended to be used for calculating the weights and per-pupil funding is unclear. DOE does not currently collect data from local school divisions about expenditures for English Language Learners. The earliest that this could be added to the Annual School Report data collection and that school divisions could begin reporting it is FY25, which

means that the earliest this data could be included in calculations during rebenchmarking is the 2028-2030 biennium. Any actual impact is indeterminate.

The bill requires that state funding be provided to cover the actual average school division cost to educate children with disabilities. DOE states that additional direction would be needed on how the funding for the requirement shall be calculated. At this time, it is not possible to estimate the impact of this provision.

Budget language amendments would be needed in Item 125 to direct DOE to complete the calculations as described in this bill for the current biennium or for future biennia, describe the methodology and amounts that DOE shall use, and to remove any conflicts that are currently in budget language. Multiple of the calculations that are described in this bill are currently directed in budget language.

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