Department of Planning and Budget 2025 General Assembly Session State Fiscal Impact Statement

PUBLISHED: 1/24/2025 2:34 PM ORIGINAL

Bill Number: HB2286 Patron: Coyner

Bill Title: Department of Education; paid parental and family leave program for certain school board

employees.

Bill Summary: Requires the Department of Education to establish and administer a paid parental and family leave program in which school boards may opt to participate and by which any individual employed full time for at least the immediately preceding three months by such a participating school board shall, after submitting to the school board an application form approved by the Department and with such supporting documentation as may be required by the Department, receive six weeks of paid leave at 50 percent of the employee's regular salary to care for a family member facing a serious health condition or emergency or six weeks of paid leave at 100 percent of the employee's regular salary following the birth, adoption, or foster placement of such employee's child, with certain terms and conditions set forth in the bill. The bill provides that the program shall be funded with such funds as may be provided pursuant to the general appropriation act and that the Department shall reimburse participating school boards for paid parental leave and paid family leave provided pursuant to the program.

Budget Amendment Necessary: Yes **Items Impacted:** 123, 125

Explanation: This bill establishes a paid parental and family leave program funded with such funds as may

be provided in the appropriation act, therefore any funding for the program is dependent on appropriation. The Department of Education would require an additional position and

funding to create and administer the program.

Fiscal Summary: The Department of Education would require an additional position and an estimated \$172,069 general fund per year beginning in FY26 to administer the program. Any funding for the program itself is indeterminate.

General Fund Expenditure Impact:

<u>Agency</u>	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
2 01 (DOE)	\$0	\$172,069	\$172,069	\$172,069	\$172,069	\$172,069
197(Direct Aid)	\$0	indeterminate	indeterminate	indeterminate	indeterminate	indeterminate
TOTAL	\$0	indeterminate	indeterminate	indeterminate	indeterminate	indeterminate

Position Impact:

<u>Agency</u>	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
201 (DOE)	0	1	1	1	1	1
TOTAL	0	1	1	1	1	1

Department of Planning and Budget 2025 General Assembly Session State Fiscal Impact Statement

Fiscal Analysis: This bill directs the Department of Education to establish and administer a paid parental and family leave program. DOE anticipates the need for an additional position for a program coordinator to research, create and administer the program. DOE estimates a total cost of \$172,069 general fund per year beginning in FY26 including salary, benefits, and technology. This assumes \$110,000 for salary, \$52,069 for benefits, and \$10,000 for technology and travel allowances. DOE anticipates that if every school division were to participate in this program additional funding for administration may be required.

This bill provides that the program shall be funded with such funds as may be provided pursuant to the appropriation act, therefore any additional funding is dependent on the amount provided. At this time it is not possible to estimate the cost to fully fund paid parental and family leave for potentially eligible employees.

Per the Virginia Retirement System, the paid leave program created under this bill would be an offset from the Virginia Local Disability Program (VLDP). Because the employer pays the Short Term Disability benefit, there would be added complexities for the employers from an administrative and payroll perspective. Any actual impact to local school divisions is indeterminate.

Other: None.