



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

**Position Impact:**

<u>Agency</u>	<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>
201 (DOE)	0	8	8	8	8	8
<b>TOTAL</b>	<b>0</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>

**Fiscal Analysis:** The bill directs that any public school in the Commonwealth that was identified as “off track” or “needs intensive support” in the preceding school year shall receive an award in an amount equal to no less than \$500 per enrolled student for any school identified as “needs intensive support” and \$100 per enrolled student for any school identified as “off track”. DOE notes that schools that are federally identified as “needs intensive support” receive additional federal funding to support their school improvement efforts. Therefore, this fiscal impact estimate includes only the state identified “needs intensive support” schools that are not also federally identified. If the intent is to include all state identified and federally identified “needs intensive support” schools, the state cost of the program would be greater.

Based on preliminary predictive data from fall 2024, DOE estimates about 7 schools will be identified as “needs intensive support” (state identified but not federally identified) and 317 schools will be identified as “off track”. Awards will be based on actual enrollment in the school year the award is received. DOE estimates that if the average enrollment of all schools is used as a proxy for enrollment in all schools eligible for awards, 611 students, then about \$21.5 million additional state general fund would be required per year beginning in FY26. If the median enrollment of all schools is used as a proxy, 512 students, then about \$18.0 million additional state general fund would be required. The actual amount needed to provide grant awards will depend on the actual number of schools identified as “off track” and “needs intensive support”, the actual enrollment at each school, and the amount provided in the appropriation act for such awards. Any actual impact is indeterminate.

The bill directs that funds be awarded to local school divisions for three years. If funds are first provided for grant awards in FY26, the ability to fund the second and third years of the grants would depend on any funding for these grants being included in the budget for the 2026-2028 biennium. Additionally, if schools are newly identified as “off track” and “needs intensive support” in future years and become eligible for grants, or if student enrollment increases at already identified schools, additional funding would be required and may be required ongoing to support additional three-year grant award periods. Any impact in future years is indeterminate.

The bill directs that the DOE shall be responsible for the administration of the Program if funded and that the Office of School Quality shall be responsible for the implementation and oversight of the Program. DOE would need additional positions to manage grant applications, manage school improvement plans, support school divisions in implementing school improvement plans, and manage data collection and reporting. DOE anticipates that 8 additional positions would be required at an estimated total cost of \$1,326,768 per year including salary, benefits, and technology costs. This assumes \$105,000 for salary, \$50,846 for benefits, and \$10,000 for technology and travel support for each position.

**Other:** None.