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

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ORIGINAL

Bill Number:HB1972H1Patron:GardnerBill Title:Statewide, unified, universally accessible, public-private system for early childhood care
and education in the Commonwealth.

Bill Summary: Directs that the statewide unified public-private system for early childhood care and education established by the Board of Education shall have a goal of increasing and maintaining capacity systemwide to provide each family with meaningful access to high-quality and affordable choices amount publicly funded, federally funded, mixed delivery, and private providers.

Budget Amendment Necessary:NoItems Impacted:NoneExplanation:This bill creates a goal to increase capacity in the early childhood system, but does not make
any requirements; therefore no budget amendment is needed.None

Fiscal Summary: Any increase in the capacity of state funded early childhood programs would require additional funding for slots as well as increased funding for the Department of Education for staff. Any actual impact would depend on the amount appropriated.

Fiscal Analysis: This bill directs that it shall be a goal to increase and maintain capacity in the statewide unified public-private system for early childhood care and education. An increase in capacity would involve providing additional funding to support additional slots in the Commonwealth's early childhood care and education programs, including the Child Care Subsidy Program (CCSP), Mixed Delivery (MD), and the Virginia Preschool Initiative (VPI), as actual cost would depend on actual demand for slots in each program. Any actual costs would depend on the amount appropriated, as well as the number of additional slots provided and the cost of a slot in each program each year.

The Department of Education (DOE) notes that if state supported early childhood care and education programs were expanded, DOE would require additional staff to oversee increased administrative work and the quality measurement and improvement system. DOE estimates a need for two additional positions for every 5,000 additional slots that are funded. DOE estimates an additional cost of \$230,000 general fund per year for every two positions including salary and benefits.

Other: This fiscal impact statement reflects the fiscal impact of 25105869D-H1 dated January 29, 2025.