

# Commission on Local Government

## Estimate of Local Fiscal Impact

2026 General Assembly Session | 01/28/26

In accordance with the provisions of 30-19.03 of the Code of Virginia, the staff of the Commission on Local Government offers the following analysis of legislation impacting local governments.

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**HB279:** Average teacher salary in the Commonwealth; national average. (Patron: Clark)

**Bill Summary:** Requires the Governor's introduced budget bills for the 2027 and 2028 Regular Sessions of the General Assembly to propose funding for, and state funding to be provided pursuant to the general appropriation act enacted during any regular or special session of the General Assembly during 2027 or 2028 to fund, the Commonwealth's share of compensation supplement incentives for Standards of Quality-funded instructional and support positions sufficient to increase the average teacher salary in the Commonwealth to at least the national average teacher salary by the end of fiscal year 2029 and establishes a detailed timeline and process for satisfying such requirement.

**Local Fiscal Impact:**    **Net Additional Expenditure:**   X          **Net Reduction of Revenues:**           

### Summary Analysis:

**Number of Localities Responding:** 3 Cities, 7 Counties, 1 Town, Other

Localities estimated a negative fiscal impact of \$450,000 to \$78,286,325 in increased expenditure over the biennium.

Localities identified the bill's fiscal impact as significant and recurring expenses related to personnel. Due to the assumption of localities matching their spend due to the Local Composite Index (LCI) and the number of standard quality positions (SOQ), localities estimate a significant increase in expenditure. Many localities based their estimates on their respective LCIs and the number of SOQ positions. Localities estimate an additional increase in payroll expenses and fringe benefits due to higher average salaries, which is not reflected in the current estimates. Many localities also employ more positions than the SOQ requires to operate a school division successfully. Many localities did not include salary increases in those positions in their estimates.

**Net Increase in Expenditures: Itemized Estimates by Responding Localities**

Locality	Juris	Recurring Expense- Personnel		Recurring Expense - Operating		Recurring Expense - Capital		Recurring Expense - Other	
		FY27	FY28	FY27	FY28	FY27	FY28	FY27	FY28
Albemarle County	County	0	3000000						
Chesterfield County	County	26098775	52187550						
City of Alexandria	City								
City of Manassas	City							200000	250000
City of Winchester	City								
County of Roanoke	County								
Fauquier County	County	1777944	1777944						
Prince George County	County								
Pulaski County	County								
Rappahannock County	County	225000	450000						
Town of Chincoteague	Town								
Town of Rocky Mount									
York County			2700000						

**Net Increase in Expenditures: Itemized Estimates by Responding Localities**

Locality	Nonrecurring Expense - Operating		Nonrecurring Expense - Capital		Nonrecurring Expense - Other		Total Increase in Expenses (Biennium Total)	Response Totals
	FY27	FY28	FY27	FY28	FY27	FY28		
Albemarle County							3,000,000	Cities: 3
Chesterfield County							78,286,325	Counties: 7
City of Alexandria							0	Towns: 1
City of Manassas							450,000	Other: 0
City of Winchester							0	Total: 11
County of Roanoke							0	
Fauquier County							3,555,888	
Prince George County							0	
Pulaski County							0	
Rappahannock County							675,000	
Town of Chincoteague							0	
Town of Rocky Mount							0	
York County						0	2,700,000	

Locality	Expenditure Narrative by Responding Localities
Albemarle County	This bill would require Albemarle County to increase local education spending to fund its share of the first phase of SOQ teacher and support staff salary increases, with the County responsible for roughly two-thirds of the cost. The FY28 impact alone is likely on the order of \$2.5-\$3.0 million in new local expenditures, including fringe benefits, even after additional state aid. There is no material expenditure impact in FY27 beyond planning and budget development, since the first required salary increase takes effect in FY28.
Chesterfield County	<p>This calculation is an estimate to provide scale of impact. Actual cost likely to vary based on assumptions used.</p> <p>Average current salary was taken from VDOE Superintendents Annual report 2023-2024 Table 19 "All Instructional Positions Average Salary" (65,912) and a national average teacher salary from BLS (74,410). Additionally, number of SOQ positions taken from table 17A-B (6,249) and total instructional positions of 6,772. The total salary increase for the county was calculated using an LCI of .3564 for SOQ positions and then multiplying the difference in total and SOQ instructional positions (523) by the difference in national and local salaries (8,498). The following benefit rates were used: FICA 7.65%, VRS 14.21%, and VRS Group Life 1.18%. Additionally, a comparable adjustment was made for non-instructional positions (2,242).</p>
City of Alexandria	This bill would provide ACPS state funding for pay enhancements should we meet the requirement. With ACPS now negotiating a CBA, receiving the funding is dependent on reaching an agreement that meets or exceeds the requirement.
City of Manassas	Salary supplement funding does not include localities required VRS retirement funding that is based upon salary. Legislation should evaluate additional locality funding increased by required salary increase.
City of Winchester	
County of Roanoke	This legislation would not have a direct fiscal impact on County general fund dollars, as teacher compensation is funded and paid by Roanoke County Public Schools. Any fiscal impact would be limited to potential changes increased state funding provided to Roanoke County Public Schools.
Fauquier County	Bringing 532 teachers up to the national average of \$72,030. Fauquier County's average is 68,688.00.
Prince George County	<p>There will be significant costs if this legislation is implemented for both the Commonwealth and every locality. We are unable to estimate the dollar impact for this proposed legislation due to insufficient information / details. Most localities employ more than the positions funded through the SOQ (those standards do not sufficiently address necessary staff to successfully operate school divisions).</p> <p>The cost will vary depending on the complement of employees in place just prior to FY2029, and the bill does not lay out the incremental year-over-year progress, or if such progress is required.</p>
Pulaski County	

Locality	Expenditure Narrative by Responding Localities
Rappahannock County	Estimate assumes: + Rappahannock County LCI of 0.8000 + the split of SOQ and non-SOQ positions + accepting as accurate that it will take approximately 9% increase over two years (or about \$6,000 per teacher/year). + this is a net number recognizing the limited offsetting revenue from the commonwealth.
Town of Chincoteague	
Town of Rocky Mount	The Town of Rocky Mount does not have a school system and does not financially contribute to the Franklin County Public Schools
York County	Estimates were made using the national average today for approximately 950 positions of which 875 are SOQ positions leaving the remaining positions to be fully funded locally. LCI was applied to the 875 positions. All positions included 21.15% for benefits.