

Fiscal Analysis: This legislation requires the establishment of three regional pilot programs to address early childhood mental health from ages three to five beginning on January 1, 2027. This fiscal impact statement is based on a cost analysis done by the University of Virginia as provided to the Virginia Department of Education

Department of Planning and Budget
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State Fiscal Impact Statement

(VDOE) for full statewide implementation of an early childhood mental health program for children from birth to five years of age. Numbers have been adjusted to account for regional implementation as well as limiting the program to ages three to five.

The cost analysis, completed in 2023, indicated that full statewide implementation would cost approximately \$5.9 million to \$7.9 million for statewide implementation in nine VDOE early childhood “ready regions”. This legislation requires three regional pilot programs, reducing the estimated cost by approximately 2/3. Additionally, because the cost analysis included children birth to age five, it is assumed that the cost would be reduced by 40 percent to account for a reduction in the number of children served. The costs include mental health consultants, oversight, travel, outreach, program evaluation, and administration. Costs have been inflated to account for increased salaries since the study was initially completed.

	Low	High
Statewide implementation per VDOE study	\$ 5,900,000	\$ 7,900,000
Limit to ages 3-5 (reduce by 40 percent)	\$ 3,540,000	\$ 4,740,000
Limit to three regions (reduce by 66 percent)	\$ 1,168,200	\$ 1,564,200
Account for inflation	\$ 116,820	\$ 156,420
Total including salary inflation	\$ 1,285,020	\$ 1,720,620

As part of implementing the pilot programs, DBHDS would require administrative support. The required modules are evidence-based curricula and training materials designed to build social, emotional, and behavioral competencies in children from three to five years of age to prepare such children for school entry. Such curricula and materials exist, and the work necessary would involve packaging existing materials rather than creating them. If the expectation is an online module(s) with certificates of completion and data tracking, then DBHDS estimates a one-time cost of \$50,547 for a six-month position.

Additionally, it would cost approximately \$10,000 to host material online utilizing a platform called Train LMS which is already utilized by other programs in DBHDS. This fiscal impact assumes the maximum impact based on the high end of the range in order to account for all possible costs, and assumes that the projects begin January 1, 2027, and expire on July 1, 2029, pursuant to the legislation.

	FY 2027	FY 2028	FY 2029
Program Cost	\$ 860,310	\$ 1,720,620	\$ 860,310
DBHDSadmin	\$ 50,547		
Online host	\$ 10,000	\$ 10,000	\$ 5,000
Total	\$ 920,857	\$ 1,730,620	\$ 865,310