

Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

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ORIGINAL

Bill Number: HB568 **Patron:** Anthony
Bill Title: Student literacy programs and plans; certain adjustments.

Bill Summary: Prohibits any Department of Education-approved student literacy screener that is administered to identify deficiencies that warrant reading intervention services for students in grades kindergarten through eight from commencing earlier than the tenth full instructional day of the academic year, and requires the testing window established by the Department to extend no fewer than 15 full instructional days to ensure adequate instructional readiness and equitable access. The bill requires (i) the Department's template for student reading plans to (a) auto-populate all available student data from the results on the literacy screener provided by the Department; (b) minimize duplicative manual data entry; (c) authorize the use of standardized instructional profiles for students presenting substantially similar literacy needs, where appropriate; and (d) permit the batch creation of plans when it is appropriate to the instructional context; (ii) the Department to annually compile, in a de-identified format, themes and trends reported through division-level educator feedback mechanisms related to the implementation of the literacy screeners provided by the Department and the development of reading plans; and (iii) prior to the statewide implementation of any substantial modification to the literacy screeners provided by the Department or associated data systems, the Department to conduct an implementation feasibility analysis that assesses system readiness, teacher workload impact, and anticipated training needs. The bill also establishes several new requirements for divisionwide literacy plans.

Budget Amendment Necessary: Yes

Items Impacted: 117,123

Explanation: The Department of Education would require additional funding for staff to implement the provisions of this bill. Additionally funding may also be needed for technology upgrades.

Fiscal Summary: The Department of Education (DOE) estimates staff costs of \$405,600 general fund one-time in FY27. At this time DOE does not have an estimate of costs for technology updates that may be needed.

General Fund Expenditure Impact:

<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
201 (DOE)	\$0	\$405,600	\$0	\$0	\$0	\$0
TOTAL	\$0	\$405,600	\$0	\$0	\$0	\$0

Fiscal Analysis: This bill would require DOE to update the template for student reading plans to auto-populate with all available student data and allow batch creation of plans. Additionally, the bill would require DOE to annually compile themes and trends reported through division-level educator feedback mechanisms related to the implementation of the literacy screeners and reading plans. The bill also requires that prior to the

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statewide implementation of any substantial modification to the literacy screeners or associated data systems, DOE must conduct an implementation feasibility. Finally, the bill would also require divisions, in coordination with DOE, to ensure interoperability of local student information systems and state-maintained literacy assessment platforms.

DOE does not currently have staff available to meet the requirements of this bill. DOE estimates that additional staff would be needed to meet the data and security requirements of the work at an estimated cost of \$405,600 general fund one-time in FY27.

DOE also anticipates that there would be one-time technology costs to upgrade the data system to ensure data interoperability. The current platform used to track literacy screener data is VAConnects, which is administered by the Virginia Literacy Partnerships team at UVA in partnership with DOE. Since DOE doesn't administer VAConnects, they do not have an exact estimate of the additional cost to make upgrades pursuant to this bill, however they roughly estimate a one-time cost of \$1.0 million dollars.

Enactment 2 of this bill states that it is the intention that DOE implement the requirements of this bill using existing staff and existing resources. If DOE is required to use existing resources, then that funding will have to be directed away from other functions at DOE.

Other: None.