

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

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ORIGINAL

Bill Number: HB428

Patron: LeVere Bolling

Bill Title: High school graduation requirements; alternative pathway to standard diploma established; report.

Bill Summary: Requires the Board of Education to (i) establish pursuant to regulation an alternative pathway to the standard diploma for any student with a disability whose individualized education program indicates that the student demonstrates the knowledge and skills necessary to achieve the standard diploma but requires significant instructional, course sequencing, or assessment accommodations or modifications in order to do so and (ii) take all steps necessary to ensure that such pathway and the Applied Studies diploma are, to the maximum extent practicable, treated as a standard diploma for the purpose of eligibility for enrollment at an institution of higher education in the Commonwealth, eligibility for the Free Application for Federal Student Aid (FAFSA) and federal financial aid programs, consideration for military service enlistment opportunities, and consideration for state employment opportunities that require a standard diploma. The bill requires the Department of Education to report annually to the Governor and the General Assembly on the implementation of such alternative pathway to the standard diploma, including the number of students utilizing such alternative pathway and the postsecondary outcomes of such students.

Budget Amendment Necessary: Yes

Items Impacted: 118

Explanation: The Department of Education will require additional one-time funding to support the development of the alternative pathway required by the bill. Any impact to local school divisions is indeterminate.

Fiscal Summary: The Department of Education estimates one-time costs of \$38,269 in FY27 to engage a committee and support wage staff to develop the alternative pathway.

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	\$38,269	\$0	\$0	\$0	\$0
TOTAL	\$0	\$38,269	\$0	\$0	\$0	\$0

Fiscal Analysis: This bill requires the Board of Education to establish an alternative pathway to the standard diploma for students whose IEP indicates that the student demonstrates the knowledge and skills necessary to achieve the standard diploma but requires significant instructional, course sequencing, or assessment accommodations or modifications in order to do so. The Department of Education (DOE) anticipates the need for one-time funding of \$38,269 general fund in FY27 to support a committee and to support wage staff to

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explore alternative pathways for Students with Disability and develop eligibility requirements and support planning, development, implementation, and maintenance of this initiative. Any impact to local school divisions is indeterminate.

Other: None