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

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Bill Number: SB147S1 **Patron:** Pekarsky
Bill Title: Board of Education; development of alternative graduation pathways to earn a Standard Diploma; report.

Bill Summary: Directs the Board of Education to develop alternative graduation pathways to earn the Standard Diploma that expand opportunities to complete the verified credit requirements for the Standard Diploma that do not require achieving a passing score on applicable Standards of Learning assessments, including pathways responsive to the needs of English language learners and Students with Limited or Interrupted Formal Education. In developing such alternative graduation pathways, the bill directs the Board to (i) consult with and integrate the perspectives of a broad range of relevant stakeholders; (ii) consider alignment with the competencies articulated in the Profile of the Virginia Graduation; (iii) consider certain elements for incorporation into such alternative pathways, including nonassessment demonstrations of competence, alternative assessments that could be used in lieu of or alongside Standards of Learning assessments, and pathway structures or elements designed to encourage hands-on learning and civic engagement; (iv) ensure that no alternative graduation pathway would impact or replace the current requirements for earning a Standard Diploma or an Advanced Studies Diploma; (v) ensure at least one alternative pathway is developed that includes a nonassessment demonstration of competence; and (vi) consider next steps for approval and implementation of alternative graduation pathways developed. Finally, the bill directs the Board to submit to the Governor and Chairs of the House Committee on Education and the Senate Committee on Education and Health by January 1, 2027, a report detailing the Board's progress in developing the alternative graduation pathways to earn a Standard Diploma, summarizing the stakeholder engagement process and outlining next steps and potential timeline for approval and implementation.

Budget Amendment Necessary: No **Items Impacted:** None
Explanation: There is no anticipated state fiscal impact resulting from the provisions of this bill. Any impact to local school divisions is indeterminate.

Fiscal Analysis: This bill requires the Department of Education (DOE) to develop alternative pathways for graduation and provide a potential timeline for approval and implementation of the alternative pathways. DOE can absorb any work to meet this requirement with existing staff, therefore no additional funding is required.

Other: This bill is similar to HB1171.