

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

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ORIGINAL

Bill Number: HB299H1

Patron: Helmer

Bill Title: Board of Education; Standards of Learning assessments and related assessment methods; development, administration, scoring, and release.

Bill Summary: Makes several clarifying revisions to applicable law relating to the development, administration, and scoring of Standards of Learning assessments and related assessment methods for determining the level of achievement of Standards of Learning objectives by all students, including (i) clarifying that students who are children with disabilities, as that term is defined by applicable law, who participate in alternative methods of Standards of Learning assessment administration or in alternate assessments through the Virginia Alternate Assessment Program are exempt from several requirements set forth in applicable law relating to the administration and grading of Standards of Learning assessments and related assessments and (ii) repealing the provisions requiring the Board of Education to establish a through-year growth assessment system in lieu of a one-time end-of-year assessment. The provisions of the bill limiting the number of end-of-course assessments that may be administered to students in grades seven through 12 and requiring the score received by each student in grades seven through 12 on an end-of-course assessment to account for at least 10 percent of the student's final grade in such course are subject to a contingent delayed effective date. The provisions of the bill related to (1) the requirements that the Board make available to each school division each Standards of Learning assessment administered the previous school year and perform an annual audit of a certain percentage of mandatory local alternative assessments implemented by a school board and (2) the requirements for any assessment administered to students in grades three through 12, except for those students with disabilities, are not effective unless reenacted by the 2027 Session of the General Assembly.

Budget Amendment Necessary: No

Items Impacted: None

Explanation: There is no anticipated state fiscal impact in FY27. There may be state savings one-time in FY27 related to the elimination of through-year growth assessments. Portions of the bill are subject to reenactment and may increase state costs in future fiscal years. Any impact to local school divisions is indeterminate.

Fiscal Summary: The Department of Education (DOE) can absorb any costs related to implementing the bill in FY27. DOE anticipates potential one-time savings of \$1.2 million to \$4.0 million in FY27 related to removing through-year growth assessments from the current statewide assessment contract, which expires December 31, 2027. DOE anticipates provisions of the bill that are subject to reenactment will lead to increased costs in future years for staff at DOE and may increase costs for the statewide assessment contract. Any actual impact in future years is indeterminate at this time.

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Fiscal Analysis: This bill makes changes related to the administration of assessments. The Department of Education (DOE) is currently undergoing a process to procure a new assessment contract. The current assessment contract expires December 31, 2027. Therefore, this fiscal impact statement does not reflect cost estimates for potential new contract requirements, which are subject to reenactment of certain provisions and the impending procurement.

DOE can absorb any impact to implement the provisions of this bill that would be effective in FY27. Other changes are subject to reenactment by the General Assembly in 2027, therefore there is no anticipated state fiscal impact related to those provisions in FY27 and no budget amendment is required at this time. However, if reenacted, DOE anticipates there would be additional costs for DOE staffing and could be additional costs for the assessment contract in future years.

This bill removes the requirement for through-year growth assessments. This provision is not subject to reenactment. Currently, costs related to these assessments are included in the statewide assessment contract, and the current contract includes work to revise the item bank development for school year 2026-2027 with an assumption that the testing window will open in early August 2026. Based on DOE's consultation with the existing assessment vendor, there could be one-time savings under the current contract of \$1.2 million to \$4.0 million if DOE modifies the planned extent of updates to the existing test items and forms for these assessments as a result of eliminating the requirement for such assessments.

The bill adds new requirements related to local alternative assessments. The bill expands requirements for localities and additionally, if reenacted, the bill would require DOE to perform an annual audit of a certain percentage, as determined by the Board of Education, of mandatory local alternative assessments. DOE currently does not have staff available to support training for Board guidelines on content, scoring rubrics, data collection, auditing, and support for local alternative assessments. DOE anticipates that in order to effectively implement the audit requirement, eight additional positions would be required at an estimated cost of \$1.3 million general fund per year if this provision of the bill is reenacted.

The bill, if reenacted, would also require DOE to make available to each school division the answer key for each SOL assessment from the previous school year, provided that the bank of assessment questions remaining after the release of the answer key covers at least 70 percent of the standards. DOE anticipates the release of an increased number of questions and answer keys may increase the cost of the assessment contract. Any actual impact will depend on the future statewide assessment contract as negotiated and if the bill is reenacted.

Finally, the bill requires, subject to reenactment and with such funds as may be appropriated, assessments to include items that require students to apply knowledge, critical thinking, and logic, including open ended questions and long form writing. DOE anticipates the use of open-ended questions over multiple choice questions may increase the cost of the statewide assessment contract. Any actual impact will depend on the future statewide assessment contract as negotiated and if the bill is reenacted.

Other: This bill is similar to SB200.