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

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Bill Number: HB258ER **Patron:** Simonds
Bill Title: Early childhood care and education; terminology.

Bill Summary: Updates throughout the Code of Virginia the term ''family day home'' to ''home-based child care'' and the term ''family day system'' to ''home-based child care system.'' The bill allows the Department of Education to phase in the terminology changes over a period of time to ensure that any necessary changes to its information technology systems can be integrated into future systems upgrades in order to minimize costs.

Budget Amendment Necessary: Yes **Items Impacted:** 123
Explanation: The Department of Education anticipates one-time costs to implement this legislation**.**

Fiscal Summary: The Department of Education estimates a one-time cost of $104,530 general fund to support consultants and staff work as described below.

General Fund Expenditure Impact:

Agency	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031
201 (DOE)	$0	$104,530	$0	$0	$0	$0
TOTAL	**$0**	**$104,530**	**$0**	**$0**	**$0**	**$0**

Fiscal Analysis: This bill amends two different terms used throughout the Code of Virginia: the term ''family day home'' to ''home-based child care'' and the term ''family day system'' to ''home-based child care system.''

The Department of Education estimates that there are more than 1,900 family day homes that are licensed, registered, or subsidy approved that this legislation would affect. The term family day home is used in many places that would require to be updated by DOE staff. This includes: regulations, the Virginia State Plan, guidance and training documents for staff and child care providers, model forms, vendor agreements, service agreements, subsidy applications, the subsidy manual, forms and resources, as well as any other communications or resources issued by the DOE Early Childhood Office that currently uses the existing term. DOE would need to use consultants to update the licensing system as well as the DOE Phase I and Phase II trainings for family day homes and the phase training for voluntarily registered family day homes. DOE estimates that the cost to complete this work with consultants and staff time is approximately $104,530 general fund. If DOE phases in changes pursuant to the second enactment, the total costs will still apply, but may be spread over multiple years.

Other: None