# Summary of Budget Amendments Adopted by the General Assembly at the 2020 Reconvened Session to the FY 2020 Budget (HB 29) and the 2020-2022 Biennial Budget (HB 30) Affecting the Direct Aid to Public Education and Department of Education Central Office Budgets

This document provides a summary of amendments to the FY 2020 Budget (House Bill (HB) 29) and the 2020-2022 biennial budget (House Bill (HB) 30) that were adopted by the General Assembly at the Reconvened Session on April 22, 2020. The amendments adopted by the General Assembly at the Reconvened Session change the budgets adopted by the General Assembly at the 2020 Regular Session. The adopted changes affect fiscal years 2020, 2021, and 2022. FY 2020 began on July 1, 2019 and will end on June 30, 2020. FY 2021 will begin on July 1, 2020, and end on June 30, 2021. FY 2022 will begin on July 1, 2021, and end on June 30, 2022.

As a reminder, the budget actions proposed by Governor Northam in HB 29 were communicated in Attachment A, of [Superintendent’s Memo 286-19](http://www.doetest.virginia.gov/administrators/superintendents_memos/2019/286-19.docx), dated December 17, 2019. The budget actions proposed by Governor Northam in HB 30 were communicated in Attachment A, of [Superintendent’s Memo 287-19](http://www.doetest.virginia.gov/administrators/superintendents_memos/2019/287-19.docx), dated December 17, 2019. The budget amendments adopted separately by the House of Delegates and by the Senate were communicated in the attachments of [Superintendent’s Memo 050-20](http://www.doe.virginia.gov/administrators/superintendents_memos/2020/050-20.docx) on February 21, 2020. The budget amendments adopted by the full General Assembly at the Regular Session were communicated in the attachments of [Superintendent’s Memo 069-20](http://www.doe.virginia.gov/administrators/superintendents_memos/2020/069-20.docx) on March 13, 2020.

Information related to the General Assembly’s adopted amendments at the Reconvened Session are organized into the following sections:

[**Section A: Amendments to the Fiscal Year 2020 Budget (HB 29)**](#_AMENDMENTS_TO_THE)

[**Section B: Amendments to the 2020-2022 Biennial Budget (HB 30)**](#_AMENDMENTS_TO_THE_1)

[Reductions to the 2020-2022 Biennial Budget](#_Reductions_to_the)

[Unallotments from the 2020-2022 Biennial Budget](#_Unallotments_from_the)

[Policy Amendments in the 2020-2022 Biennial Budget](#_Policy_Amendments_in)

Unless amended by actions at the Reconvened Session, the amendments to HB 29 and HB 30 adopted at the Regular Session remain in effect for the final budget versions to be signed by the Governor. Among the items that were not amended at the Reconvened Session were the FY 2020 estimates of sales tax and Lottery proceeds. School divisions should monitor their sales tax distributions for the remainder of the fiscal year and make adjustments in the event of a shortfall due to the economic impact of the COVID-19 pandemic. Similarly, if actual Lottery proceeds for FY 2020 are less than the projected proceeds in HB 29, VDOE is authorized to prorate the Supplemental Lottery Per Pupil Amount, as referenced later in this document. School divisions will be notified in the event such a proration may be necessary for FY 2020.

Estimates for the majority of state payments to school divisions are based on projections of March 31 Average Daily Membership (ADM). Final state payments to school divisions in FY 2020 will be based on actual March 31, 2020, ADM. Final state distributions will be communicated to school divisions later in the fiscal year after the collection of ADM is finalized.

## AMENDMENTS TO THE FISCAL YEAR 2020 BUDGET (HB 29)

#### Provide Authority for Superintendent of Public Instruction to Grant Temporary Flexibility or Issue Waivers Due to COVID-19

This amendment allows the Superintendent of Public Instruction to grant temporary flexibility or issue waivers of certain deadlines and requirements that cannot be met due to the state of emergency or school closures resulting from the COVID-19 pandemic. Flexibility or waivers can include accreditation, testing, graduation, licensure, school calendars, and program applications and reports due to the Virginia Department of Education (VDOE) or the Board of Education. This authority is limited to FY 2020 and FY 2021. Information about waivers or flexibility shall be reported to the Secretary of Education and Board of Education and published on the VDOE website.

#### Prorate Supplemental Lottery Per Pupil Allocation Payments in Case of Lottery Shortfall

This amendment permits VDOE to prorate the Supplemental Lottery Per Pupil Amount in FY 2020 if Lottery proceeds are less than the amounts estimated in HB 29. Similar language was used for the Infrastructure and Operations Per Pupil Fund in the 2020-2022 biennial budget adopted by the General Assembly during the Regular Session.

#### Waive Required Local Effort and Required Local Match Obligations Due to School Closures

This amendment waives the requirement that school divisions must meet their required local effort and required local match obligations for FY 2020 due to the state of emergency and school closures resulting from COVID-19. This amendment permits waiver of required local effort and required local match for FY 2020 only.

## AMENDMENTS TO THE 2020-2022 BIENNIAL BUDGET (HB 30)

### Reductions to the 2020-2022 Biennial Budget

A budget reduction is a permanent removal of state funding from the Direct Aid to Public Education budget appropriations. School divisions should no longer expect to receive the state funding as described in this section.

#### Maintain FY 2020 School Counselor Funding Ratios in the 2020-2022 Biennium

This amendment increases the ratio of school counselors funded in Basic Aid to the levels prescribed in Chapter 854 of the 2019 Acts of Assembly for FY 2020. School counselors will be funded at one position per 455 students in elementary schools, one position per 370 students in middle schools, and one position per 325 students in high schools. This amendment reduces state funding by $21.7 million in FY 2021 and $28.4 million in FY 2022.

### Unallotments from the 2020-2022 Biennial Budget

An unallotment suspends funding and does not allow it to be spent until a later general fund revenue forecast supporting the spending is adopted by the General Assembly. It is possible that these funds could be allotted and distributed to school divisions pending a revised state revenue forecast supporting the spending. School divisions should not include these funds in their budget planning until further notice.

#### Unallot No Loss Funding

This amendment unallots the No Loss funding from the 2020-2022 biennial budget. This action unallots $1.8 million from FY 2021 and $2.0 million from FY 2022.

#### Unallot State Funding for the Compensation Supplement in FY 2021 and FY 2020

This amendment unallots the state funding for the 2.0 percent Compensation Supplement in FY 2021 and the additional 2.0 percent Compensation Supplement in FY 2020. This action unallots $95.0 million in FY 2021 and $193.1 million in FY 2022.

#### Unallot Additional State Funding for the Cost of Competing Adjustment for SOQ Support Positions

This amendment unallots the state funding for the increase to the cost of competing adjustment (COCA) for SOQ support positions in FY 2021 and FY 2022. The support COCA rate will revert to 10.60 percent (reduced from the adopted 16.0 percent), which is the rate funded in FY 2020 in the Chapter 854 budget. This action unallots $9.6 million in FY 2021 and $9.8 million in FY 2022.

#### Unallot State Funding for a Consolidation of the Alleghany County and Covington School Divisions

This amendment unallots the state funding to support a consolidation of the Alleghany County and Covington City public school divisions in FY 2022. This action unallots $582,000 in FY 2022.

#### Unallot Additional Funding for the Virginia Preschool Initiative

This amendment unallots the following new funding initiatives for the Virginia Preschool Initiative (VPI):

1. 10.0 percent increases to the VPI per pupil amount in both FY 2021 and FY 2022
2. State funding for the community provider add-on
3. State funding to serve three year-olds in VPI
4. State funding to serve children on VPI waitlists
5. Additional state funding for the public-private delivery of preschool programs
6. State funding to increase VPI class sizes
7. Flexible state VPI funding, redirected from the former VPI+ program

Although the amendment unallots the funding dedicated to these new initiatives, VPI programs will still be permitted to use formula VPI slots to serve three year-olds and children on VPI waitlists, provided that state funds are available. This action unallots $35.0 million in FY 2021 and $48.4 million in FY 2022.

#### Unallot State Funding for the School Meals Expansion

This amendment unallots the state funding for the school meals expansion, which would reduce or eliminate the cost of school breakfast and lunch for students eligible for reduced price meals under the National School Lunch Program. This action unallots $5.3 million in FY 2021 and FY 2022.

#### Unallot the Additional General Funds for the At-Risk Add-On

This amendment unallots the additional general funds for the At-Risk Add-on in the 2020-2022 biennium. State payments to school divisions in FY 2021 will be based on a maximum add-on of 19.9 percent, and state payments in FY 2022 will be based on a maximum add-on of 21.9 percent. This action unallots $26.9 million in FY 2021 and $35.6 million in FY 2022.

#### Unallot State Funding for Enrollment Loss

This amendment unallots the state funding for enrollment loss in the 2020-2022 biennium. These funds were intended to provide state funding for school divisions that experienced a minimum 2.0 percent decrease in actual fall membership compared to the previous year. This action unallots $2.5 million in FY 2021 and $2.1 million in FY 2022.

#### Unallot Additional State Funding for VPI Classroom Observations and Professional Development (DOE Central Office Budget)

This amendment unallots additional state funding in the 2020-2022 biennial budget for VPI classroom observations and professional development. This action unallots $650,000 in FY 2021 and FY 2022.

**Unallot Funds to Develop the Virginia Learner Equitable Access Platform (VA LEAP) (DOE Central Office Budget)**

This amendment unallots $7.1 million in FY 2022 for the development of the statewide learning management system (VA LEAP).

#### Unallot State Funding for Supplemental Education Programs

#### This amendment unallots state funding for the following supplemental education programs:

#### Western Virginia Public Education Consortium - $50,000 in FY 2021 and FY 2022

#### African American History Museum - $1.3 million in FY 2021

#### American Civil War Museum - $1.0 million in FY 2021

#### Chesterfield Recovery High School - $250,000 in FY 2021 and FY 2022

#### YMCA Power Scholars Academy - $450,000 in FY 2021 and FY 2022

#### Brooks Crossing Innovation and Opportunity Center - $250,000 in FY 2021 and FY 2022

#### Emil and Grace Shihadeh Innovation Center - $250,000 in FY 2021

#### Literacy Lab - VPI Minority Educator Fellowship - $300,000 in FY 2021

#### Soundscapes - Newport News - $90,000 in FY 2021

#### Active Learning Grants - $250,000 in FY 2021

#### Blue Ridge PBS - $500,000 in FY 2021 and FY 2022

#### Johnson Community Development Corporation - $100,000 in FY 2021

### Policy Amendments in the 2020-2022 Biennial Budget

Provide Authority for Superintendent of Public Instruction to Grant Temporary Flexibility or Issue Waivers Due to COVID-19

This amendment allows the Superintendent of Public Instruction to grant temporary flexibility or issue waivers of certain deadlines and requirements that cannot be met due to the state of emergency or school closures resulting from the COVID-19 pandemic. Flexibility or waivers can include accreditation, testing, graduation, licensure, school calendars, and program applications and reports due to the Virginia Department of Education (VDOE) or the Board of Education. This authority is limited to FY 2020 and FY 2021. Information about waivers or flexibility shall be reported to the Secretary of Education and Board of Education and published on the VDOE website.