# Summary of the Budget Amendments Adopted by the Senate and the House of Delegates Affecting PreK-12 Education

This document summarizes the budget amendments to the 2020-2022 biennial budget (HB 1800/SB 1100 as introduced) that were separately adopted by the House of Delegates and the Senate on February 12, 2021. The respective amendments proposed by the Senate and the House of Delegates change the budget proposed by Governor Northam in HB 1800/SB 1100 as introduced. The adopted changes affect fiscal years 2021 (FY21) and 2022 (FY22).

The budget actions proposed by Governor Northam were communicated in Attachment A of [Superintendent’s Memorandum #325-20](https://www.doe.virginia.gov/administrators/superintendents_memos/2020/325-20a.docx), dated December 16, 2020. The original text of that attachment is repeated in this document for reference purposes. The subsequent budget actions adopted by the Senate and the House of Delegates are summarized in this document and are reflected in italicized text.

Information related to the Direct Aid to Public Education and the VDOE Central Office budgets for 2020-2022 is organized in the following sections:

[**Section A: Amendments to the Direct Aid to Public Education Budget**](#bookmark=id.1fob9te)

[Technical Updates to Existing Direct Aid Programs Included in HB 1800/SB 1100](#bookmark=id.3znysh7)

[Direct Aid Budget Policy Changes Included in HB 1800/SB 1100](#bookmark=id.2et92p0)

[Direct Aid Budget Policy Changes Not Included in HB 1800/SB 1100](#_heading=h.4d34og8)

[Direct Aid Budget Language Changes Included in HB 1800/SB 1100](#bookmark=id.1t3h5sf)

[Direct Aid Budget Language Changes Not Included in HB 1800/SB 1100](#_heading=h.2s8eyo1)

[**Section B: Amendments to the VDOE Central Office Budget**](#bookmark=id.17dp8vu)

[Amendments to VDOE Central Office Budget Included in HB 1800/SB 1100](#bookmark=id.3rdcrjn)

[Amendments to VDOE Central Office Budget Not Included in HB 1800/SB 1100](#_heading=h.44sinio)

[VDOE Central Office Language Changes Included in HB 1800/SB 1100](#_heading=h.2jxsxqh)

[VDOE Central Office Language Changes Not Included in HB 1800/ SB 1100](#_heading=h.4i7ojhp)

## A. 2020-2022 DIRECT AID TO PUBLIC EDUCATION BUDGET

### 1. Technical Updates to Existing Direct Aid Programs Included in HB 1800/SB 1100

#### Update Average Daily Membership (ADM) and Fall Membership

**Governor** - Projections of unadjusted and adjusted average daily membership (ADM) for FY21 and FY22 are revised for each school division based on the latest actual ADM and fall membership data available. Projected ADM was originally forecasted by the VDOE based on actual data through September 30, 2019, fall membership. The most recent projections contained in the Governor’s introduced budget amendments have been revised based on actual March 31, 2020, ADM and September 30, 2020, fall membership; the latest projections reflect a significant downward adjustment due to impact of the COVID-19 pandemic on student enrollment.

On a statewide basis, the revised unadjusted ADM projections are 44,096 students lower in FY21 and 44,296 students lower in FY22 than the original projections contained in Chapter

56, 2020 Special Session I Acts of Assembly. The ADM-based payments for FY21 and FY22 have been recomputed based on these revised projections. In addition, all accounts that are allocated on the basis of fall membership have been updated for actual fall membership in FY21 and re-projected fall membership in FY22. The ADM and fall membership updates result in an estimated decrease in Direct Aid payments on a statewide basis of $201.2 million in FY21 and $202.9 million in FY22.

**Senate** *– Same as the Governor’s amended budget as introduced.*

**House** *– Same as the Governor’s amended budget as introduced.*

#### Update Sales Tax Projections

**Governor** - The introduced budget reflects the most recent estimates of sales tax revenue dedicated to public education for FY21 and 2022, as computed by the Department of Taxation. The revised sales tax estimates include both the one percent portion and the one-eighth percent portion that are appropriated for distribution to school divisions based on school-age population. The projected sales tax entitlement contained in the Excel template reflects the revised estimates for these two sales tax sources combined as a single revenue line item.

The Department of Taxation’s latest estimate of the one percent and one-eighth percent sales tax revenue is $1,422,100,000 for FY21 and $1,459,800,000 for FY22. These revised sales tax estimates are approximately $95.7 million higher in FY21 and $105.2 million higher in FY22 than the estimates in Chapter 56, 2020 Special Session I Acts of Assembly. As required by the Basic Aid funding formula, estimated payments have been adjusted to reflect the decrease in the state’s share of cost resulting from the projected increase in sales tax revenues.

The amount of the Basic Aid offset depends on each division’s local composite index (LCI). The state’s share of Basic Aid decreases approximately $53.4 million in FY21 and $58.6 million in FY22 due to the revised sales tax estimates. The net change in state funding to school divisions (due to both the estimated sales tax revenue increase and the Basic Aid offset) is an increase of $42.3 million in FY21 and an increase of $46.6 million in FY22.

**Senate** *– Same as the Governor’s amended budget as introduced.*

**House** *– Same as the Governor’s amended budget as introduced.*

#### Update Lottery Revenue Estimate

**Governor** - Total Lottery proceeds are projected to increase by $27.1 million to $685.0 million in FY21 and by $24.8 million to $690.9 million in FY22, compared to the Lottery estimate in the Chapter 56 budget. The total projected Lottery amounts in FY21 and FY22 are being used to fund the state’s share of the cost of various programs, such as the Infrastructure and Operations Per Pupil Fund, Early Reading Intervention, K-3 Primary Class Size Reduction, Special Education Regional Tuition, and SOL Algebra Readiness.

**Senate** *– Same as the Governor’s amended budget as introduced.*

**House** *– Increased the Lottery revenue estimate by $23.2 million in FY21. This proposal reduces state general funds for Direct Aid by $23.2 million but does not affect FY21 state payments to school divisions.*

#### Update School-Age Population Estimate

**Governor** - The Governor’s amendments reflect the updated Weldon Cooper Center school-age population estimates used to distribute the state sales tax revenue. The school-age population estimates are updated by the Weldon Cooper Center annually for the purpose of distributing sales tax revenues to school divisions on a budgeted and actual basis. The July 1, 2018, school-age population estimates will be used to distribute FY21 sales tax revenues. The FY22 sales tax distribution was amended to reflect the July 1, 2019, school-age population estimates. The FY21 school-age population estimates remain the same as in Chapter 56, and continue to use the July 1, 2018, estimate to distribute sales tax revenue in FY21. This action does not change the total amount of sales tax distributed to divisions in FY22, only the distribution to individual divisions. This action results in a $700,000 increase in the general fund appropriation for Basic Aid in fiscal year 2022, due to the impact of the revised school-age population estimates on the Basic Aid offset calculation for each division.

**Senate** *– Same as the Governor’s amended budget as introduced.*

**House** *– Same as the Governor’s amended budget as introduced.*

#### Technical Updates to Standards of Quality (SOQ), Incentive, Categorical, Lottery-funded, and Supplemental Education Accounts

**Governor** - Various technical adjustments have been made to SOQ, Incentive, Categorical, Lottery-funded, and Supplemental Education accounts to reflect the latest data elements, and actual and updated projected participation in programs. State funding reduces by approximately $37.1 million in FY21 and $29.6 million in FY22 based on these technical updates. Additional information regarding these adjustments is discussed in more detail in the following paragraphs.

##### SOQ Technical Updates

In addition to the SOQ updates based on ADM and fall membership mentioned above in the paragraph entitled Update Average Daily Membership (ADM) and Fall Membership, the Governor’s amended budget includes updates to the Remedial Summer School program in FY21 and 2022. Funding for the Remedial Summer School program decreases by $4.6 million in FY21, based on actual participation in the Remedial Summer School program in summer 2020 (and through November 1, as permitted under a previous FY21 waiver). In addition, state funding for English as a Second Language (ESL) decreases by $11.8 million in FY21 based on actual fall 2020 enrollment. The FY22 projection for ESL decreases by $19 million.

##### Incentive Technical Updates

Funding for the Governor’s Schools program reduces by $99,055 in FY21 and decreases $74,354 in FY22, based on actual enrollment in FY21. VPSA Educational Technology Grants decreases by $1.5 million in FY21 and $523,600 in FY22 based on updates for schools reporting fall membership for FY21, and for 2020-2021 accreditation status for use in calculating grants under the e-Learning Backpack Initiative.

##### Categorical Technical Updates

The Governor’s amended budget recognizes savings to Categorical accounts of approximately $1.8 million in FY21 and $1.9 million in FY22 based on actual program participation. Nearly all of the decrease is attributable to the Special Education Homebound program based on the actual state share of local program costs in FY21.

##### Lottery Technical Updates

The Governor’s amended budget includes technical updates based on actual participation and revised estimates to Lottery-funded accounts. All of the changes listed in the following paragraph are based on updated participation factors as submitted by school divisions.

Funding for Special Education Regional Tuition program reduces by $3 million in FY21 based on actual participation in spring 2020. Funding for Regional Alternative Education reduces by $13,260 in FY21. Funding for K-3 Primary Class Size Reduction reduces by approximately $12.5 million in FY21 and $8.8 million in FY22 due to reductions in grades K-3 fall membership. Funding for School Breakfast decreases by $5.8 million in FY21 based on actual meals served in the truncated 2019-2020 school year. Funding for Foster Care increases by $2.4 million in FY21. Funding for the Infrastructure and Operations Per Pupil Fund increases by $200,000 in both fiscal years.

* **Supplemental Education Service Area Updates**

Funding for the National Board Certification (NBC) Bonus Program increases by $50,891 in FY21 and decreases by $33,672 in FY22 for the actual number of teachers who hold a NBC in FY21 and for an updated projection of the number holding certification in FY22.

**Senate** *– Updated FY21 enrollment for early childhood programs, increasing state distributions to school divisions by $5.1 million in FY21. The Senate also updates spring 2021 enrollment for the A. Linwood Holton Governor’s School, increasing state payments by $145,636 in FY21.*

**House** *– Same as the Senate amendment.*

### 2. Direct Aid Budget Policy Changes Included in HB 1800/SB 1100

#### Fund the State’s Share of a One-Time Bonus Payment for Funded SOQ Instructional and Support Positions in FY22

**Governor** - The amended budget provides a two percent one-time bonus payment in FY22 for funded SOQ instructional and support positions on September 1, 2021. The state funding is calculated for funded SOQ instructional and support positions, for Academic Year Governor’s Schools, and for Regional Alternative Education Programs. Funded SOQ instructional positions include teacher, school counselor, librarian, instructional aide, principal, and assistant principal positions funded through the SOQ staffing standards for each school division. While the aforementioned two percent one-time bonus payment must be provided by school divisions in order to receive the state funds, a required local match based on the division composite index is not specifically required in FY22 under this action. State funding is provided to school divisions that certify to VDOE that a minimum average two percent bonus **OR** “equivalent action” will be provided in FY22, by September 1, 2021, to all instructional and support employees in the division. VDOE defines an equivalent action as a minimum average two percent compensation supplement (i.e., base salary increase) for all instructional and support positions employed by the school division, with an effective date no later than September 1, 2021. This proposal increases state funding to school divisions in FY22 by $80 million.

Please note that the availability of the state funding for the two percent bonus in FY22 is contingent on general fund revenues meeting or exceeding the budgeted forecast for FY21.

**Senate** *– Proposes to eliminate the one-time bonus in FY22, reducing state payments to school divisions by $80.0 million.*

**House** *– Same as the Senate amendment.*

#### Increase Funding in the SOQ for School Counselors

**Governor** - The amended budget increases state funding in the SOQ for school counselors in FY22. The funded staffing standards for school counselors in FY21 are 455-to-1 in elementary schools, 370-to-1 in middle schools, and 325-to-1 in high schools. This action reduces the staffing ratios to 325-to-1 in all schools in FY22. This amendment provides an additional $26.6 million in state funding in FY22.

**Senate** *– Same as the Governor’s amended budget as introduced.*

**House** *– Same as the Governor’s amended budget as introduced.*

#### Include Presumptive English Learners in the FY21 English as a Second Language Program Enrollment

**Governor** – The diagnostic test normally used by school divisions to identify new English language learners was not performed due to school closures in March of the 2019-2020 school year. The amended budget instead includes “presumptive” English learners, as submitted by school divisions to VDOE in the Fall Student Record Collection, in the program enrollment data in FY21. This action also affects the projected program enrollment in FY22. This proposal increases state funding for the English as a Second Language program by $4.3 million in FY21 and by $6.5 million in FY22.

**Senate** *– Same as the Governor’s amended budget as introduced.*

**House** *– Same as the Governor’s amended budget as introduced.*

#### Restore Unallotted Funding for Early Childhood in FY22

**Governor** – Chapter 56, 2020 Special Session I Acts of Assembly, restored most of the funding in FY22 for Early Childhood initiatives that were unallotted at the 2020 Reconvened Session of the General Assembly. The Governor’s amended budget restores the remaining unallotted amounts in FY22. This action increases the funded Virginia Preschool Initiative full-day per pupil amount from $6,326 to $7,655 and the half-day per pupil amount from $3,163 to $3,827.50 in FY22. This amendment increases the state appropriation by $11.1 million in FY22.

**Senate** *– Same as the Governor’s amended budget as introduced.*

**House** *– Proposes to reduce the VPI full-day per pupil amount in FY22 to $6,959, which is the amount funded under the Chapter 56 budget. This proposal affects the state payments for the VPI formula payment and additional early childhood initiatives such as the 3-year old pilot, reallocation for wait list slots, and increases preschool class sizes. This proposal reduces state payments to school divisions by $11.1 million in FY22.*

#### No Loss Funding in FY21 and FY22

**Governor –** The amended budget recognizes the effects of the COVID-19 pandemic on public school enrollment in school year 2020-2021. The Governor’s proposed budget provides significant No Loss funding for school divisions in FY21 and FY22 (compared to projections in Chapter 56). For school division planning purposes, the projected payments for this program in FY21 will not be updated based on actual March 31, 2021, ADM, but could be adjusted in FY22. School divisions should use these state funds to supplement any of the other state funds provided through Direct Aid for Public Education. This action increases state payments to school divisions by $299.4 million in FY21 and $214.2 million in FY22.

**Senate** *– Same as the Governor’s amended budget as introduced.*

**House** *– Proposes to reduce No Loss payments by $85.4 million in FY21 and increase payments by $1.8 million in FY22. Of the reduction in FY21, $64.7 million results from increased federal payments from the second round of the Elementary and Secondary School Emergency Relief (ESSER II) fund. Of the amounts paid in FY21, $30.0 million is proposed to come from non-general fund gray machine revenues.*

#### Switch Funding Source for COVID-19 Relief Fund to General Funds

**Governor** – The Governor’s amended budget switches the funding source for the COVID-19 Relief Fund from non-general funds to the general fund. While this action increases general fund expenditures by $52.9 million in FY21, there is no impact on distributions to school divisions.

**Senate** *– Same as the Governor’s amended budget as introduced.*

**House** *– Same as the Governor’s amended budget as introduced.*

#### Add Accomack County and Northampton County as Full Cost-of-Competing Adjustment School Divisions in FY22

**Governor** – The amended budget adds Accomack and Northampton Counties as full cost-of-competing adjustment (COCA) school divisions in FY22. This action will increase their funded salaries by 10.6 percent for SOQ-funded support positions and 9.83 percent for SOQ-funded instructional positions in FY22. This proposal increases state payments by $2.8 million in FY22.

**Senate** *– Proposes to remove the COCA adjustment for Accomack County and Northampton County in FY22. This proposal would reduce state payments by $2.8 million.*

**House** *– Proposes to change Accomack County and Northampton County from full COCA eligibility to partial COCA. Partial COCA entitles these school divisions to 25.0 percent of the full COCA adjustment. This proposal reduces state payments by $2.1 million.*

#### Supplemental Education Assistance Programs

**Governor** - The amended budget restores Supplemental Education Assistance Programs in FY22 that were previously unallotted at the 2020 Reconvened Session of the General Assembly.

##### Early Childhood Education Incentive - $5 million in FY22

##### Jobs for Virginia Graduates - $1.7 million in FY22

##### Power Scholars - $450,000 in FY22

**Senate** *– Same as the Governor’s amended budget as introduced.*

**House** *– Same as the Governor’s amended budget as introduced.*

### 3. Direct Aid Budget Policy Changes Not Included in HB 1800/SB 1100

#### Update School Meals Extension Distributions (i.e., funds reduced lunch eligible students at free rate)

**Senate** *– Updates state payments to school divisions that enrolled in the Community Eligibility Provision (CEP) during the 2019-2020 school year. Total state payments remain unchanged. School divisions that are not enrolled in CEP should see a slight increase in projected state payments in this program compared to HB 1800/SB 1100.*

**House** *– Same as the Senate amendment.*

#### Remove FY21 School Meals Extension Distributions

**Senate** *– Proposes to remove the state payment for the School Meals Extension program in FY21. This is due to all school divisions receiving federal school meal aid through the Summer Food Service Program or Seamless Summer Option, where all students may eat at no cost, during the 2020-2021 school year. This proposal reduces state payments to school divisions by $2.5 million in FY21.*

**House** *– Same as the Senate amendment.*

#### Remove Undistributed FY21 Balances from Early Childhood Programs

**Senate** *– Proposes to reduce state funding for early childhood in FY21 for amounts that will not be distributed to school divisions. This update is based on a final data collection of early childhood program enrollment that was completed in January 2021. This proposal reduces state funding allocated to VPI by $15.9 million.*

**House** *– Same as the Senate amendment.*

#### Learning Loss Per Pupil Amount

**Senate** *– Proposes allocating $30.0 million in general funds to school divisions in FY22 in support of one-time programs and initiatives to address learning loss resulting from the COVID-19 pandemic. Examples of one-time programs and initiatives include extended school year programs, summer learning programs, supplemental afterschool programs, remedial instruction supports, targeted supports and services for students, and modifications to facilities to assist with COVID-19 mitigation strategies for in-person learning. Payments are based on estimates of a school division’s at-risk population (based on free lunch rates used in other state-funded remediation programs) and a per-pupil amount of $117.18 adjusted for each division’s composite index.*

**House** *– Proposes allocating $51.1 million to school divisions in FY21 to address learning loss and student needs resulting from the COVID-19 pandemic. Eligible expenditures include extended school year programs, summer school, remediation programs, counseling and other student supports, assessments to determine student progress, and other similar programs. Funding is based on between a 0.0 percent to 6.0 percent add-on to Basic Aid based on a school division’s free lunch rate relative to the free lunch rates of all other school divisions (similar to the calculation of state payments for the At-Risk Add-On program). Funding is provided from non-general fund gray machine revenue. This proposal also encourages local governments to appropriate unused balances to FY22.*

#### FY22 Compensation Supplement for SOQ-Funded Instructional and Support Staff

**Senate** *– Proposes a 3.0 percent compensation supplement in FY22 for SOQ-funded instructional and support positions as well as Academic Year Governor’s Schools and Regional Alternative Education Programs. Funded instructional positions include the teacher, school counselor, librarian, instructional aide, principal, and assistant principal positions funded through the SOQ staffing standards for each school division in the biennium. School divisions are required to match the state payments based on the composite index of ability-to-pay. The effective date of the compensation supplement is August 1, 2021. This proposal increases state payments to school divisions by $140.2 million in FY22. Funding would be provided to school divisions that certify to VDOE that salary increases of a minimum 3.0 percent salary increase has been or will be provided either in the first year or in the second year or through a combination of the two years, to instructional and support personnel. The Senate amendment does not permit a reduced or prorated state payment when a school division does not provide the required percentage pay increase over the biennium.*

**House** *– Proposes a 5.0 percent compensation supplement in FY22 for SOQ-funded instructional and support positions as well as Academic Year Governor’s Schools and Regional Alternative Education Programs. Funded instructional positions include the teacher, school counselor, librarian, instructional aide, principal, and assistant principal positions funded through the SOQ staffing standards for each school division in the biennium. School divisions are required to match the state payments based on the composite index of ability-to-pay. The effective date of the compensation supplement is July 1, 2021. This proposal increases state payments to school divisions by $232.1 million in FY22. To access these funds, school divisions must certify to VDOE that salary increases of a minimum average of 5.0 percent have been or will have been provided during the 2020-2022 biennium to instructional and support personnel. The House amendment does not permit a reduced or prorated state payment when a school division does not provide the required percentage pay increase over the biennium.*

#### Increase State Payments for the Infrastructure and Operations Per Pupil Fund

**Senate** *– No action.*

**House** *– Proposes to increase state payments to school divisions for the Infrastructure and Operations Per Pupil Fund by $20.1 million in FY21 and by $9.9 million in FY22. This proposal is intended to maintain a historical 40.0 percent share of Lottery proceeds for this program.*

#### FY22 Alleghany County/Covington City Consolidation Incentive

**Senate** *– Proposes $582,000 beginning in FY22 to Alleghany County as an incentive to consolidate its school division with Covington City. Payments will be made for no more than five consecutive fiscal years.*

**House** *– Same as the Senate amendment.*

#### FY22 Distribution for Accomack County and Northampton County

**Senate** *– Proposes $2.7 million in one-time state payments in FY22 to Accomack County and Northampton County to support teacher recruitment and retention efforts.*

**House** *– No action.*

#### Specialized Student Support Positions in Basic Aid

**Senate** *– Proposes to fund specialized student support positions as part of the Standards of Quality at a rate of three positions per 1,000 students beginning in FY22. Funding for this initiative would be through the Basic Aid program. Specialized student support positions include school social workers, school psychologists, school nurses, licensed behavior analysts, licensed assistant behavior analysts, and other licensed health and behavioral positions. This proposal would increase state payments to school divisions by $49.2 million in FY22. The bill is consistent with* [*Senate Bill 1257*](https://lis.virginia.gov/cgi-bin/legp604.exe?212+sum+SB1257)*.*

**House** *– No action.*

#### Cost of Competing Adjustment for SOQ Support Positions

**Senate** *– No action.*

**House** *– Proposes to increase the full cost of competing adjustment (COCA) rate for SOQ support positions from 10.6 percent to 18.0 percent in FY22. For school divisions eligible for partial COCA, this proposal would increase the rate from 2.65 percent to 4.5 percent. This proposal would increase state payments to affected school divisions by $13.2 million in FY22.*

#### Temporary Extension of Special Education Eligibility

**Senate** *– No action.*

**House** *– Proposes $6.5 million in Elementary and Secondary School Emergency Relief (ESSER) funds in FY22 to provide any student with a disability who receives special education and related services, reaches age 22 after September 30, 2020, and is scheduled to complete high school in the spring of 2021 the option for an extension to attend high school for the duration of the 2021–22 school year. Payments are based on the state portion of Basic Aid funding and federal Individuals with Disabilities Education Act (IDEA) funds that would have been provided to such students. School divisions are required to provide a local match based on the composite index.*

#### Supplemental Education Programs

**Senate** *– Proposes state funding for the following supplemental education programs:*

* *VPI Minority Fellowship - $300,000 to restore funding in FY22.*
* *Dual Enrollment Passport Pilot Grants - $250,000 in FY22 for grants to support one-time programs to redesign dual enrollment course offerings to align with the Passport and Uniform Certificate of General Studies offered by Virginia’s community colleges.*
* *Active Learning Grants - $250,000 in FY22 to encourage active learning for students in pre-K through 2nd grade.*

**House** *– Proposes funding for the following supplemental education programs:*

* *VPI Minority Fellowship - $300,000 to restore funding in FY22.*
* *Blue Ridge PBS - $350,000 to restore funding in FY22.*
* *Metropolitan Junior Baseball - $100,000 in FY22 to encourage racial equity in Virginia’s collegiate baseball programs.*
* *Active Learning Grants - $250,000 in FY22 to encourage active learning for students in pre-K through 2nd grade.*
* *Holiday Lake 4-H - $332,000 in FY22 for improvements to the Holiday Lake 4-H Educational Center in Appomattox County.*
* *eMediaVA - $1.0 million in FY22 for a statewide contract for digital content development, online learning, and related support services. This action is linked to a $1.0 million reduction from the VDOE Central Office budget.*
* *COVID-19 Learning Loss - $30.0 million of ESSER II funds in FY22 for a grant-based program to address learning loss related to the COVID-19 pandemic.*

### 4. Language-Only Amendments for Direct Aid Programs Included in HB 1800/SB 1100

#### Improve Market Competitiveness of Literary Fund Loans for School Construction Projects

**Governor** – The Governor’s amended budget requires VDOE and the Virginia Department of Treasury to develop recommendations to make Literary Fund loans a more attractive option for school construction projects. The agencies should consider changes to the Literary Fund loan program and Board of Education regulations that reflect market-favorable interest rates and provide competitive alternatives to the Virginia Public School Authority financing programs. The report shall be due to the Governor, the Senate Finance and Appropriations Committee, and the House Appropriations Committee by July 31, 2021.

**Senate** *– Same as the Governor’s amended budget as introduced.*

**House** *– Same as the Governor’s amended budget as introduced.*

#### Inclusion Plan for Special Education Students in Virginia Preschool Initiative (VPI) Classrooms

**Governor** – The amended budget requires that local VPI programs enroll special education students (defined as students with an Individualized Education Plan) at 10 percent of total enrollment or higher. VPI programs that are unable to meet this target shall provide reasons that the target was not met in their annual comprehensive report.

**Senate** *– Same as the Governor’s amended budget as introduced.*

**House** *– Same as the Governor’s amended budget as introduced.*

#### Grants for Provisionally Licensed Preschool Teachers

**Governor** – Chapter 56 provides $306,100 for grant funding to provisionally licensed VPI teachers that are actively engaged in coursework and professional development towards earning a degree or license that will satisfy the licensure requirements for a teacher as prescribed by §22.1-299 of the *Code of Virginia*. The Governor’s amended budget expands the eligibility to provisionally licensed teachers in other publicly-funded preschool programs operated by a school division. School divisions can apply for grants of up to $30,000 for these provisionally licensed teachers.

**Senate** *– Same as the Governor’s amended budget as introduced.*

**House** *– Same as the Governor’s amended budget as introduced.*

#### Flexibility for Early Childhood Initiative Funds

#### Governor – The amended budget indicates that within a fiscal year, any funds appropriated for early childhood initiatives that are not awarded may be expended to supplement any of the other early childhood initiatives contained in the Direct Aid budget.

**Senate** *– Same as the Governor’s amended budget as introduced.*

**House** *– Adds language that requires VDOE to prioritize at-risk four-year-old children when exercising flexibility.*

#### Early Reading Intervention

**Governor** – Due to school closures in March of the 2019-2020 school year, resulting from the COVID-19 pandemic, the state-provided reading diagnostic test (which serves as the basis for state funding for the Early Reading Initiative program) was not conducted. The Governor’s budget amends the language to indicate that state payments will be based on the results of diagnostic tests administered in the most recent year. For FY21, Early Reading Intervention payments are based on the school year 2018-2019 reading diagnostic test.

**Senate** *– Same as the Governor’s amended budget as introduced.*

**House** *– Same as the Governor’s amended budget as introduced.*

#### Foster Care

**Governor** – The amended budget includes language that allows school divisions to receive state funding for students formerly in foster care upon reaching 18 years of age but have not yet reached 22 years of age. This language is consistent with Chapter 474, 2020 Acts of Assembly.

**Senate** *– Same as the Governor’s amended budget as introduced.*

**House** *– Same as the Governor’s amended budget as introduced.*

#### Math/Reading Specialist Initiative

**Governor** – The amended budget provides clarifying language for school divisions that opt to use state funding from the Math/Reading Specialist Initiative program for tuition support. School divisions that use state funds in this manner are required to provide documentation of tuition costs to VDOE. State funding will be provided based on the lesser of the actual cost of tuition or the state’s share of a math or reading specialist position. The amended budget also indicates that school divisions may seek prorated funding for positions filled after the beginning of the school year.

**Senate** *– Same as the Governor’s amended budget as introduced.*

**House** *– Same as the Governor’s amended budget as introduced.*

### 5. Language-Only Amendments for Direct Aid Programs Not Included in HB 1800/SB 1100

#### Review Funding for State Operated Programs

**Senate** *– Proposes language directing the Board of Education to develop recommendations for funding state operated programs. Recommendations will include staffing and funding levels to provide a quality education program. The Board is also required to convene a workgroup to assist in the development of findings and recommendations.*

**House** *– Same as the Senate amendment.*

#### In-Person Instruction

**Senate** *– Proposes a requirement that school divisions offer in-person instruction to a student if requested by the parent or guardian.*

**House** *– No action.*

#### Diversity in Academic Year Governor’s Schools

**Senate** *– No action.*

**House** *– Proposes a requirement that each Academic Year Governor’s School post an annual report of diversity goals and implementation plans on their websites.*

#### Data for Students Enrolled in Full-Time Multi Division Online Providers (MOPs)

**Senate** *– No action.*

**House** *– Proposes that students enrolled in a full-time MOP should be enrolled in a separate public school for public reporting purposes, beginning in FY22.*

## B. 2020-2022 VDOE CENTRAL OFFICE BUDGET

### 1. Amendments to VDOE Central Office Budget Included in HB 1800/SB 1100

#### Fund Repayment of Treasury Loan to Cover SAMHSA Subgrant Reimbursements

**Governor** - The amended budget includes state funds to repay a Treasury Loan the VDOE received in order to make payments to school divisions that participated in a mental health-related federal grant sponsored by the Substance Abuse and Mental Health Services Administration (SAMHSA). This action provides $1.9 million to VDOE in FY21.

**Senate** *– Same as the Governor’s amended budget as introduced.*

**House** *– Same as the Governor’s amended budget as introduced.*

#### Support for Cultural Proficiency

**Governor** - The amended budget includes state funding in FY22 for a cultural proficiency coordinator within VDOE. This position would provide technical assistance to school divisions to develop procedures and processes that advance equity outcomes aligned to the EdEquityVA framework. The proposal also includes funding to support professional development aimed at addressing implicit bias, cultural competency, and culturally responsive instruction and curriculum. The amended budget provides $365,300 and one FTE position in FY22 for this proposal.

**Senate** *– Same as the Governor’s amended budget as introduced.*

**House** *– Same as the Governor’s amended budget as introduced.*

#### Kindergarten Readiness for Pre-K Students

**Governor** - The amended budget provides state funding in FY22 to assess kindergarten readiness in publicly-funded preschool programs. Assessments would be provided using the Virginia Kindergarten Readiness Program. The amended budget provides $300,000 in FY22 for this proposal.

**Senate** *– Same as the Governor’s amended budget as introduced.*

**House** *– Same as the Governor’s amended budget as introduced.*

#### Support for Deputy Superintendent of Early Childhood Position

**Governor** - The amended budget provides state funding in FY22 to VDOE for the Deputy Superintendent of Early Childhood. A portion of the position will be funded by the federal Child Care Development Fund. This proposal provides $161,174 and one FTE position in general fund support to VDOE in FY22.

**Senate** *– Same as the Governor’s amended budget as introduced.*

**House** *– Same as the Governor’s amended budget as introduced.*

#### State Match for the Head Start State Collaboration Grant

**Governor** - The amended budget provides state funding in FY21 and FY22 to VDOE for the required state match for the federal Head Start State Collaboration Grant. This grant transitioned from the Virginia Department of Social Services (VDSS) to VDOE effective July 1, 2020. This proposal provides $43,750 in both years of the biennium.

**Senate** *– Same as the Governor’s amended budget as introduced.*

**House** *– Same as the Governor’s amended budget as introduced.*

### 2. Amendments to VDOE Central Office Budget Not Included in HB 1800/SB 1100

#### VDOE Oversight of the Individualized Education Plan (IEP) Process

**Senate** *– Proposes $300,000 in FY22 to VDOE to (i) provide training and guidance to school divisions on IEP development; (ii) develop a required training module for each individual who participates in an IEP meeting that explains each individual’s role in the IEP process; and (iii) conduct structured reviews of a sample of IEPs annually to verify that they are in compliance with state and federal laws. This appropriation is pursuant to the passage of* [*Senate Bill 1288*](https://lis.virginia.gov/cgi-bin/legp604.exe?ses=212&typ=bil&val=sb1288)*.*

**House** *– No action.*

#### Reduce State Assessments to the Minimum Federal Requirements

**Senate** *– Proposes to reduce state testing to the minimums required by the federal government. This proposal would generate a $1.8 million state savings in FY22. This proposal is contingent upon the passage of* [*Senate Bill 1401*](https://lis.virginia.gov/cgi-bin/legp604.exe?ses=212&typ=bil&val=sb1401)*.*

**House** *– No action.*

#### Child Care Subsidy Expansion

**Senate** *– No action.*

**House** *– Proposes $52.5 million from the Child Care and Development Fund (CCDF) block grant in FY22 to provide financial assistance for child care to families in need during the COVID-19 pandemic. Eligible applicants must apply prior to August 1, 2021. This budget proposal is contingent on the passage of* [*House Bill 2206*](https://lis.virginia.gov/cgi-bin/legp604.exe?ses=212&typ=bil&val=hb2206)*.*

#### Virginia Career and Technical Education (CTE) Resource Center Database Replacement

**Senate** *– No action.*

**House** *– Proposes $208,000 in FY22 to integrate Virginia’s CTE curriculum database and information system into the state’s learning management system.*

#### IEP Training Module and Post-Secondary Transition Planning

#### Senate *– No action.*

#### House *– Proposes $105,000 in FY22 for VDOE to develop training modules for IEP team members and to implement a plan to improve VDOE’s approach to oversight and technical assistance related to post-secondary transition planning for students with disabilities, pursuant to* [*House Bill 2299*](https://lis.virginia.gov/cgi-bin/legp604.exe?ses=212&typ=bil&val=hb2299)*.*

#### Growth Assessments in Grades Three through Eight

**Senate** *– Proposes $10.0 million in FY22 of VDOE’s ESSER II funds to develop and administer a growth assessment system for students in grades three through eight in English and mathematics, pursuant to SB 1357. The program would require fall and winter assessments and a growth measurement assessment in the spring.*

**House** *– Proposes $8.8 million in FY22 of VDOE’s ESSER II funds to develop a student growth assessment for students in grades three through eight, pursuant to* [*House Bill 2027*](https://lis.virginia.gov/cgi-bin/legp604.exe?ses=212&typ=bil&val=hb2027)*.*

#### Convert Digital Content and Online Learning Funding to a Directed Contract

**Senate** *– No action.*

**House** *– Proposes a $1.0 million reduction from the state contract for digital content development, online learning, and related support services in FY22. This proposal is linked to a $1.0 million increase for eMediaVA that would be provided under supplemental education as a directed contract.*

#### Special Education Teacher Recruitment and Retention

**Senate** *– Proposes that VDOE develop and maintain a strategic plan for recruiting and retaining special education teachers. The plan must* *(i) use data analyses to determine divisions' specific staffing needs on an ongoing basis; (ii) evaluate the potential effectiveness of strategies for addressing recruitment and retention challenges, including tuition assistance, differentiated pay for special education teachers, and the expansion of special education teacher mentorships; and (iii) estimate the costs of implementing each strategy, including the extent to which federal funds could be used to support implementation. This proposal is pursuant to the recommendations made in the* [*Joint Legislative Audit and Review Commission study of K-12 Special Education in Virginia*](http://jlarc.virginia.gov/landing-2020-special-education.asp)*.*

**House** *– Proposes $395,991 and three full-time positions for the VDOE Central Office in FY22 to support the agency’s efforts to recruit and retain special education teachers pursuant to* [*House Bill 2299.*](https://lis.virginia.gov/cgi-bin/legp604.exe?ses=212&typ=bil&val=hb2299)

#### Monitoring of School Division Compliance with State Standards

**Senate** *– No action.*

**House** *– Proposes $180,000 in FY22 for VDOE to develop a pilot program to more comprehensively monitor school division compliance with key state standards. The pilot would be conducted during the 2021-2022 school year. This proposal is pursuant to recommendations in the* [*Joint Legislative Audit and Review Commission study of VDOE operations*](http://jlarc.virginia.gov/pdfs/reports/Rpt538.pdf)*.*

### 3. Language-Only Amendments to VDOE Central Office Budget Included in HB 1800/SB 1100

#### Child Care Development Fund Flexibility During COVID-19 Pandemic

**Governor** - Adds language giving VDOE temporary authority to make certain changes to the Child Care Development Fund (CCDF) State Plan in response to COVID-19.

**Senate** *– Same as the Governor’s amended budget as introduced.*

**House** *– Same as the Governor’s amended budget as introduced.*

#### Family Life Education

**Governor** - This proposal directs VDOE to conduct a review of Family Life education through school divisions reporting of local practices. The proposal requires VDOE to use the Youth Risk Behavior Survey to examine and report on any correlation that may exist between student behavior and the type of Family Life education offered in a school division, along with best practices for teacher training and parent and community involvement.

**Senate** *– Same as the Governor’s amended budget as introduced.*

**House** *– Same as the Governor’s amended budget as introduced.*

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#### Expand the Scope of Early Childhood Classroom Observations and Professional Development

**Governor** - The amended budget expands the scope of early childhood classroom observations and professional development opportunities to publicly-funded child care and family day homes. This flexibility accounts for the uncertain needs of early childhood learning due to the pandemic and to support VDOE’s development of the uniform quality rating and improvement system.

**Senate** *– Same as the Governor’s amended budget as introduced.*

**House** *– Same as the Governor’s amended budget as introduced.*

### 4. Language-Only Amendments to VDOE Central Office Budget Not Included in HB 1800/SB 1100

#### School Nurse Workgroup

**Senate** *– Proposes that VDOE convene a workgroup to make recommendations on the staffing standards for school nurses. Additionally, the workgroup would recommend the required qualifications and training for school nurses.*

**House** *– No action.*

#### Private Special Education Day Schools

**Senate** *– Proposes that VDOE collect and publish annually various data from private special education schools. The proposal also requires the Board of Education to develop and promulgate regulations for private special education day schools on seclusion and restraint. This proposal is pursuant to recommendations made in the* [*Joint Legislative Audit and Review Commission study of VDOE operations*](http://jlarc.virginia.gov/pdfs/reports/Rpt538.pdf)*.*

**House** *– Same as the Senate amendment.*

#### Transition Planning and Services for Students with Disabilities

**Senate** *– Proposes VDOE develop a plan to develop and maintain a statewide plan for improving its oversight of local practices related to transition planning and services and technical assistance and guidance provided for post-secondary transition planning and services. This proposal is pursuant to the recommendations made in the* [*Joint Legislative Audit and Review Commission study of K-12 Special Education in Virginia*](http://jlarc.virginia.gov/landing-2020-special-education.asp)*.*

**House** *– No action.*

#### Applied Studies Diploma Guidance

**Senate** *– Proposes VDOE develop guidance, in multiple languages, for families of students with disabilities explaining (i) the limitations of the applied studies diploma; (ii) key curriculum and testing decisions that reduce the likelihood of a student being able to obtain a standard diploma; and (iii) that pursuit of an applied studies diploma may preclude a student's ability to pursue a standard diploma. This proposal is pursuant to the recommendations made in the* [*Joint Legislative Audit and Review Commission study of K-12 Special Education in Virginia*](http://jlarc.virginia.gov/landing-2020-special-education.asp)*.*

**House** *– Same as the Senate amendment. The House proposal also requires the development of statewide standards for earning the applied studies diploma and requires implementation by school divisions beginning with the 2022-2023 school year.*

#### Special Education Complaint Procedures and Practices

**Senate** *– Proposes revisions to special education complaint procedures and practices to ensure the enforcement of corrective actions that (i) achieve full and appropriate remedies for school divisions' non-compliance with special education laws and regulations, including, at a minimum, requiring school divisions to provide compensatory services to students with disabilities when the Department determines divisions did not provide legally obligated services; and (ii) ensure that relevant personnel understand how to avoid similar non-compliance in the future. This proposal is pursuant to the recommendations made in the* [*Joint Legislative Audit and Review Commission study of K-12 Special Education in Virginia*](http://jlarc.virginia.gov/landing-2020-special-education.asp)*.*

**House** *– Same as the Senate amendment.*

#### Review of IEP Programs

**Senate** *– Proposes that VDOE (i) conduct a one-time targeted review of the transition sections of a random sample of students' individualized education programs (IEPs) in each school division; (ii) communicate its findings to each local school division, school board, and local special education advisory committee; and (iii) ensure local school divisions correct any IEPs that are found out of compliance. This proposal is pursuant to the recommendations made in the* [*Joint Legislative Audit and Review Commission study of K-12 Special Education in Virginia*](http://jlarc.virginia.gov/landing-2020-special-education.asp)*.*

**House** *– No action.*

#### Analytics for Student Progress and Instructional Gaps

**Senate** *– Proposes that VDOE create a one-time grant program to support a school division’s needs for an analytics solution to evaluate student progress and determine instructional gaps. Funding for this program would come from existing VDOE agency appropriations.*

**House** *– No action.*

#### Virtual Education Supports

**Senate** *– Proposes that VDOE obligate $7.0 million of its federal GEER appropriation to expand Virtual Virginia’s outreach program in FY22. The goal is to provide additional free course enrollment during the 2021-2022 school year.*

**House** *– No action.*

#### Special Education and Differentiated Instruction

**Senate** *– Proposes that the Board of Education review and update its regulations of K-12 teacher preparation programs to ensure graduates are required to demonstrate proficiency in (i) differentiating instruction for students depending on their needs; (ii) understanding the role of general education teachers on the IEP team; (iii) implementing effective models of collaborative instruction, including co-teaching; and (iv) understanding the goals and benefits of inclusive education for all students. The proposal also requires the Board to review and update its regulations governing administrator preparation programs to ensure that graduates demonstrate the comprehension of (i) key special education laws and regulations; (ii) individualized education program (IEP) development; (iii) the roles and responsibilities of special education teachers; and (iv) appropriate behavior management practices. This proposal is pursuant to the recommendations made in the* [*Joint Legislative Audit and Review Commission study of K-12 Special Education in Virginia*](http://jlarc.virginia.gov/landing-2020-special-education.asp)*.*

**House** *– Same as the Senate amendment. The House proposal also requires VDOE to develop training for teachers seeking to renew a license on the instruction of students with disabilities.*

#### Early Childhood Mental Health Consultation Program

**Senate** *– No action.*

**House** *– Proposes that VDOE prepare and submit a report on the implementation of an early childhood mental health consultation program, and identify barriers to implementation that could be addressed through legislative, budgetary, or administrative action.*