



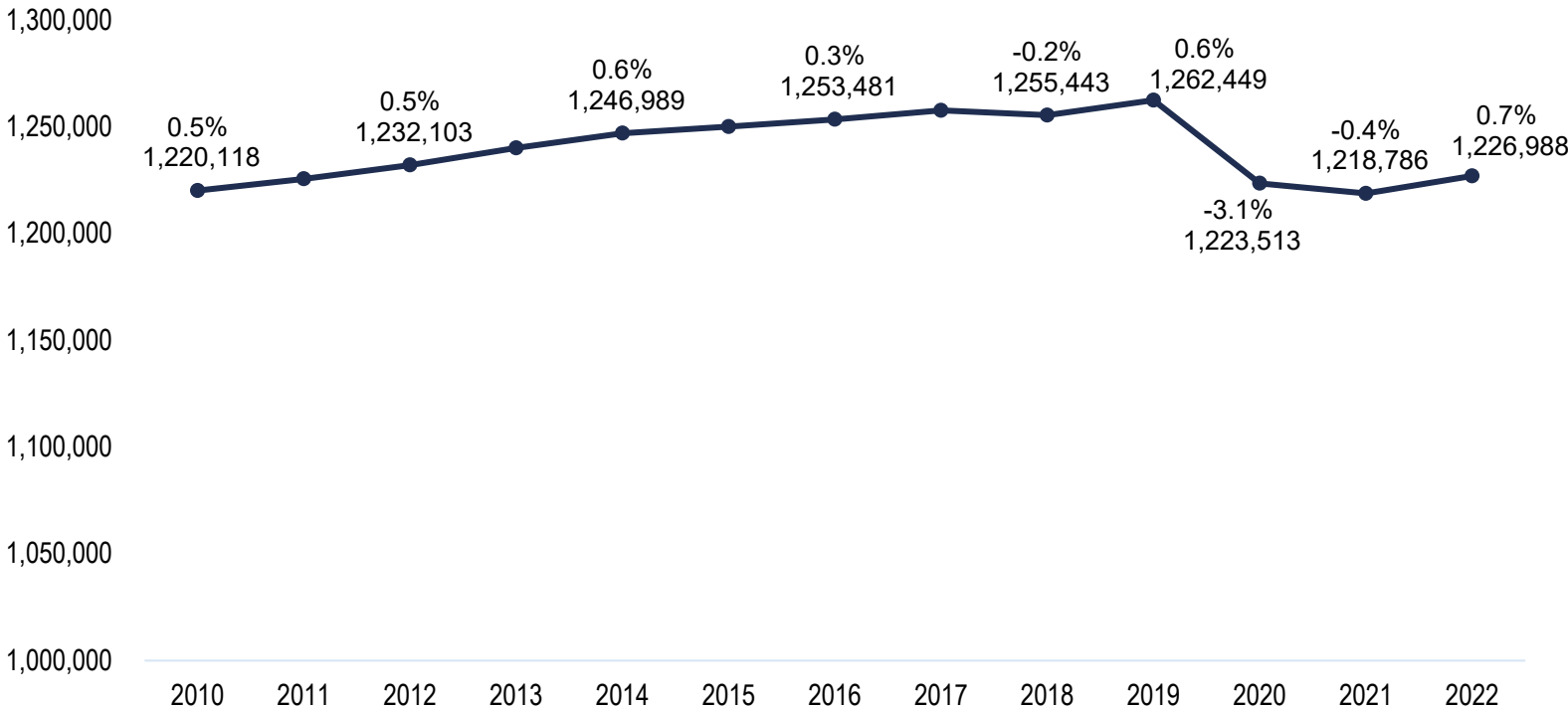
Overview of Public Education Proposed Budget SB 800 (Governor's Proposed Amendments to 2022-24 Budget)

January 12, 2023



K-12 Enrollment

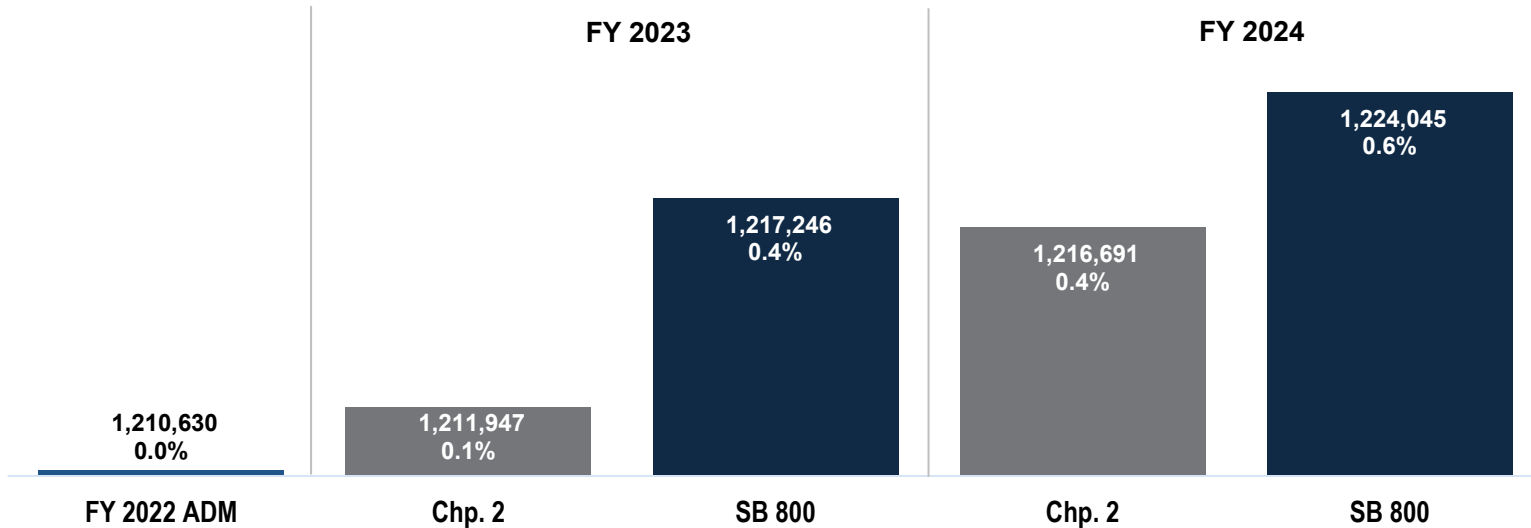
Fall 2022 K-12 Enrollment Increased 0.7 Percent from Fall 2021; However, Enrollment is Still Below Fall 2019 Levels



Source: VDOE, Fall Membership Reports.

Average Daily Membership is Projected to Increase, But Still Remains Below March 2020 Levels

Average daily membership (ADM) is projected to increase 0.4 percent in FY 2023 and 0.6 percent in FY 2024 above Chapter 2 projections.



ADM Projections assumed in SB 800 are 2.7 percent lower in FY 2023 and 2.1 percent lower in FY 2024 when compared to actual 2020 ADM of 1,250,891.

Source: VDOE, Annual Superintendent Report; Appropriation Act.



Proposed PreK-12 Amendments

Summary of Proposed Amendments

- **Chapter 2 (2022 Special Session I):** Included an increase of **\$2.9 billion GF** in Direct Aid over Chapter 552 (2021 Session I). Major GF amendments included the following:
 - \$727.6 million GF for the state share of a 5% salary increase in each fiscal year;
 - \$800.0 million GF in FY 2023 for school construction grants;
 - \$271.6 million GF to increase support positions (partially removes the support cap);
 - \$145.3 million GF to increase funding for students placed at-risk;
 - \$130.1 million in federal ARPA funds for a \$1,000 bonus in FY 2023 (no local match);
 - \$100.0 million GF in FY 2023 for the College Partnership Lab School Fund; and
 - \$62.5 million GF to provide one reading specialist per 550 students in K – 3.
- **SB 800 (Governor’s Proposed Amendments):** Proposes an additional **\$441.9 million GF in Direct Aid**. Of that amount, \$241.6 million GF is for technical updates and forecast changes and \$200.3 million is for policy changes.

Direct Aid: Summary of Proposed Technical and Forecast Changes

GF Actions for the 2022-24 Biennium (\$ in millions)	FY 2023	FY 2024
Projected Sales Tax Revenue (Net Impact)	\$90.5	\$77.4
Average Daily Membership (ADM) Projections	28.4	42.8
Remedial Summer School Participation	9.1	9.1
English Learner Enrollment	2.1	4.6
Governor's School to Include 2020-22 Salary Increase	1.1	1.1
Incentive, Categorical & Lottery Funded Programs	(15.0)	(5.0)
Lottery Proceeds	0.0	(4.3)
National Board-Certified Teacher Program	<u>(0.3)</u>	<u>0.0</u>
Subtotal for All Technical Updates and Forecast Changes	\$115.9	\$125.7

Direct Aid: Summary of Proposed Policy Changes

Major GF policy amendments include the following:

GF Actions for the 2022-24 Biennium (\$ in millions)	Prop. Gov. Amend.
College Partnership Lab School Fund (funds provided in FY 2023)	\$50.0
\$5,000 Teacher Performance Bonuses	50.0
State Share for a 1% Retention Bonus (instructional & support positions)	45.2
Mixed Delivery Early Childhood Programs in Two Planning Districts	20.0
Expansion of Reading Specialist Standard to 4 th & 5 th grades	16.9
Targeted \$5,000 Recruitment Bonuses	10.0
Math Specialist Positions for Schools with Lowest 10% of SOL Math Scores	7.2
Support for Communities in Schools (funds provided in FY 2023)	<u>1.0</u>
Total	\$200.3

College Laboratory Schools

- Chapter 2 (2022 Special Session 1) provided \$100.0 million the first year to the College Partnership Laboratory Schools Fund.
 - \$5.0 million in planning grants;
 - \$20.0 million to approved laboratory schools for startup costs; and
 - \$75.0 million to support per-pupil costs for approved schools.
- Governor's proposed amendments provide an additional \$50.0 million the first year.
- College Laboratory School Fund Status:
 - Five applications submitted for planning grants (award amounts are up to \$200,000).
 - Two applications for startup costs.
 - Secretary of Education will provide an update to the K-12 subcommittee meeting on January 17.

Salaries and Bonuses

- Chapter 2 (2022 Special Session 1) provided:
 - 5 percent salary increases each year, and
 - \$1,000 pandemic bonus funded through ARPA the first year (no local match).
- Governor's proposed amendments include:
 - \$50.0 million for a performance bonus for top performing teachers (no local match). Bonuses are \$5,000. Criteria are to be established by the Department of Education and school divisions based on student growth on SOL assessments.
 - \$45.2 million for the state share of a one percent retention bonus for instructional and support staff.
 - \$10.0 million for a \$5,000 hiring incentive payment for individuals filling vacant instructional positions that are hard-to-fill or in hard-to-staff schools.

Learning Loss

- **Reading Specialist Staffing Standard Expansion (\$16.9 million).**
 - Expands the one reading specialist for every 550 students to fourth and fifth grades. In the 2022 session the General Assembly established a standard for kindergarten through third grade.
- **Math Specialists in Select Schools with Low SOL Math Scores (\$7.2 million).**
 - Supports a math specialist in schools K – 8 with spring SOL math assessments in the lowest 10.0 percent of the state.

Public Education: Other

- **Secretary of Education:** Proposes \$438,000 GF the second year to support 3.0 FTE positions.
- **Department of Education:** Proposes \$389,000 GF the second year to support maintenance of the automated teacher licensure system.
- **Virginia School for the Deaf and Blind:** Provides \$1.1 million GF the second year to support salary adjustments to retain teachers.
- **Language changes:**
 - Authorizes temporary flexibility in childcare staff-to-children ratios.
 - Proposes language exempting community-based Virginia Preschool Initiative (VPI) classrooms from teacher licensure regulations, so long as they meet the state's quality measurement and improvement program requirements.