



Virginia Department of Planning and Budget **Economic Impact Analysis**

8 VAC 20-543 Regulations Governing the Review and Approval of Education Programs in Virginia

Department of Education

Town Hall Action/Stage: 5420 / 8988

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Summary of the Proposed Amendments to Regulation

The Board of Education (Board) proposes to amend the *Regulations Governing the Review and Approval of Education Programs in Virginia* in order to establish an add-on endorsement¹ to teach economics and personal finance, as well as endorsements and add-on endorsements to teach in dual language instruction in pre-kindergarten through grade six (preK-6). These proposed amendments to the regulations governing teacher education programs would complement concurrent actions that amend the regulations governing teacher licensure.

Background

The *Licensure Regulations for School Personnel* (Licensure Regulations) include teacher licensure endorsements (and add-on endorsements) to teach in various specified fields.² The requirements for each specified field typically state that to earn the particular endorsement, the teacher must either complete an approved teacher preparation program in the specified field, or alternatively complete coursework/training that is spelled out in the Licensure Regulations. In two other concurrent actions, the Board is proposing to amend the Licensure Regulations to add the Economics and Personal Finance Add-on Endorsement (Action 5233)³ and also add endorsements and add-on endorsements in dual language instruction in pre-kindergarten through grade six (Action 5258).⁴

¹ An add-on endorsement, only available for some fields, can be earned when a teacher already has at least one other endorsement.

² See <https://law.lis.virginia.gov/admincode/title8/agency20/chapter23/>

³ See <https://townhall.virginia.gov/L/ViewAction.cfm?actionid=5233>

⁴ See <https://townhall.virginia.gov/L/ViewAction.cfm?actionid=5258>

In the action addressed in this analysis, the Board proposes to establish in the *Regulations Governing the Review and Approval of Education Programs in Virginia* the requirements for teacher preparation programs at colleges and universities for those same endorsements.

Economics and Personal Finance

In order to earn a Standard or Advanced Studies Diploma, public high school students must pass a course on economics and personal finance. Currently, there is no specific endorsement to teach courses in economics and personal finance in either the Licensure Regulations or in the *Regulations Governing the Review and Approval of Education Programs in Virginia*. According to the Department of Education (DOE), teachers holding valid Virginia licenses with endorsements in specific areas of agricultural education, business and information technology, family and consumer sciences, history and social science, marketing, and mathematics may teach the courses.⁵

The proposed requirements for the Economics and Personal Finance Add-on Endorsement in the *Regulations Governing the Review and Approval of Education Programs in Virginia* are as follows:

The program in Economics and Personal Finance shall ensure that the candidate holds an active license (Collegiate Professional License, Postgraduate Professional License, or a Provisional License leading to a Collegiate Professional or Postgraduate Professional License) with a teaching endorsement or endorsements issued by the Virginia Board of Education and has demonstrated the following competencies:

1. Understanding and demonstration of the required knowledge, skills, and processes to support learners in achievement of the Economics and Personal Finance *Virginia Standards of Learning*, including:
 - a. integration of economic concepts and structures, including how consumers, businesses and governments face scarcity of resources and make trade-offs and incur opportunity costs;
 - b. role of producers and consumers in a market economy including response to incentives, the role of entrepreneurs and how costs and revenues affect profit and supply;
 - c. the price system;
 - d. factors that affect income;

⁵ See https://www.doe.virginia.gov/instruction/economics_personal_finance/resources/faq.shtml

- e. nation's economic goals, including full employment, stable prices, and economic growth;
 - f. nation's financial system;
 - g. monetary and fiscal policy;
 - h. role of government in a market economy;
 - i. global economy including trade and comparative advantage;
 - j. consumer skills;
 - k. planning for living and leisure expenses;
 - l. banking transactions;
 - m. credit and loan functions;
 - n. role of insurance in risk management;
 - o. income earning, taxes, and reporting;
 - p. personal financial planning;
 - q. investment and savings planning;
 - r. financing postsecondary education (including the Free Application for Federal Student Aid); and
2. Understanding and knowledge of teaching in an online or blended learning environment.

The proposed text does not specify the course structure, number of courses, or time to be spent on the competencies.

Further, the proposed amendments in this action (as well as Action 5233) do not specify whether or not the Economics and Personal Finance Add-on Endorsement would be required for teaching courses in economics and personal finance. According to DOE, however, two years after the effective date of Action 5233, the endorsement would be required to teach the courses.⁶ Also according to DOE, there would be a grandfathering exception such that upon the effective date of Action 5233, individuals who hold a teaching license (Collegiate Professional, Postgraduate Professional License, or a Provisional License leading to a Collegiate Professional or Postgraduate Professional License) may be eligible for the economics and personal finance add-on endorsement if the individual:

⁶ DOE stated that this requirement would be established through a Superintendent's Memo and possibly further regulatory action.

- completed one year of successful teaching experience [satisfactory performance rating on summative evaluation] in Virginia as the teacher of record in economics and personal finance prior to the effective date of this endorsement; and
- receives the recommendation from the Virginia school division superintendent where the individual is employed at the time of the request.

Dual Language

Chapter 391 of the 2018 Acts of Assembly⁷ requires that the Board “provide for licensure of teachers with an endorsement in dual language instruction pre-kindergarten through grade six.” The legislation defines “dual language instruction” as “instruction that is delivered in English and in a second language.” There are currently elementary school dual language programs in ten school divisions.⁸ According to DOE, other school divisions have expressed interest in adding such programs.

Currently, in order to teach in an elementary school dual language program in a foreign language, the teacher must have endorsements in both the foreign language and elementary education. In contrast, teaching in an elementary school dual language program in English only requires the elementary education endorsement. The Board proposes to establish separate endorsements for dual language instruction in pre-kindergarten through grade six in the “target language” and in English, where the target language would be a foreign language (such as Spanish, French, etc.) as noted on the endorsement.

The Board also proposes to establish separate add-on endorsements for dual language instruction in pre-kindergarten through grade six, in both the target language and in English. An add-on endorsement, only available for some fields, can be earned when a teacher already has at least one other endorsement. Add-on endorsements are not available for the majority of fields. For example, foreign languages and elementary education do not have add-on endorsements. The proposed dual language add-on endorsements include fewer competencies than the comparable proposed dual language endorsements since it is presumed that skills required for teaching across

⁷ See <https://lis.virginia.gov/cgi-bin/legp604.exe?181+ful+CHAP0391>

⁸ The ten school divisions are Albemarle, Alexandria, Arlington, Chesterfield, Fairfax County, Harrisonburg, Newport News, Stafford, Winchester, and Virginia Beach.

different fields would be covered in in the initial endorsement for someone obtaining an add-on endorsement.

The proposed requirements for the Dual Language (Target Language) preK-6 Add-on Endorsement in the *Regulations Governing the Review and Approval of Education Programs in Virginia* include several specific elements that programs must meet, such as holding an active teaching license with an endorsement in the Target Language, completion of a 45-clock-hour practicum in dual language (Target Language),⁹ eight listed competencies that the candidate must demonstrate, and either passing the rigorous elementary education assessment prescribed by the Board or completion of math, laboratory science, history and social science courses (including methods of teaching the specific subjects).

The proposed requirements for the Dual Language (English) PreK-6 Add-on Endorsement in the *Regulations Governing the Review and Approval of Education Programs in Virginia* include several specific elements that programs must meet, such as holding an active teaching license with an elementary education endorsement, completion of a 45-clock-hour practicum in dual language (English),¹⁰ and eight listed competencies that the candidate must demonstrate.

Estimated Benefits and Costs

Economics and Personal Finance

Though the proposed text for the establishment of the Economics and Personal Finance Add-on Endorsement does not directly affect who may teach economics and personal finance courses, as stated above, DOE has indicated that the endorsement would effectively be required to teach such courses two years after the effective date of Action 5233.

Colleges and universities that wish to develop an add-on endorsement program in economics and personal finance would have the discretion to design it as they wish concerning number of courses and credits, as long as all of the proposed required competency topics are covered. The program would be subject to Board approval.¹¹ The proposed alternative route of

⁹ One year of successful, full-time teaching experience in a public school or accredited nonpublic school in dual language (Target Language) may be accepted in lieu of the practicum.

¹⁰ One year of successful, full-time teaching experience in a public school or accredited nonpublic school in dual language (English) may be accepted in lieu of the practicum.

¹¹ See <https://law.lis.virginia.gov/admincodefull/title8/agency20/chapter543/partIII/>

obtaining the Economics and Personal Finance Add-on Endorsement in Action 5233 would require six semester hours of economics¹² and three semester hours of personal finance.¹³

Notwithstanding those who would be grandfathered in, earning the Economics and Personal Finance (Add-on Endorsement) would provide much greater assurance that future teachers of economics and personal finance courses would be knowledgeable in the subject matter that they are teaching. This in turn would likely have a positive impact on students obtaining and retaining economics and personal finance knowledge and skills, perhaps positively affecting their productivity, job prospects, and personal finances.

Dual Language (Target Language)

As alluded to above in the Background section, currently a teacher with a foreign language endorsement would have to also obtain an elementary education endorsement to teach in an elementary school dual language program in the foreign language. Once the Dual Language (Target Language) PreK-6 Add-on Endorsement is established, a teacher with a foreign language endorsement could qualify to teach in an elementary school dual language program in the foreign language by either obtaining the Dual Language (Target Language) PreK-6 Add-on Endorsement or the elementary education endorsement.

Colleges and universities have much discretion in how they structure their elementary education endorsement programs. All of the competencies must be covered, and the Board must approve the program, but there are no set number of courses or credits required for these programs in the *Regulations Governing the Review and Approval of Education Programs in Virginia*. Thus, a direct comparison of the number of courses or credits in elementary education endorsement programs versus Dual Language (Target Language) PreK-6 Add-on Endorsement programs cannot be made; but as would be expected when comparing an add-on endorsement to

¹² The proposed text also allows the following in lieu of the six semester hours of economics: “or a non-college credit institute in economics. The non-college credit institute in economics must be a minimum of 45 clock hours and offered by a Virginia school division or a regionally accredited college or university. The institute must include the economics content set forth in the Virginia Standards of Learning for economics and personal finance and be approved by the Department of Education.”

¹³ The proposed text also allows the following in lieu of the three semester hours of personal finance: “or a non-college credit institute in finance. The non-college credit institution in finance must be a minimum of 45 clock hours and offered by a Virginia school division or a regionally accredited college or university. The institute must include the personal finance content set forth in the Standards of Learning for economics and personal finance and be approved by the Department of Education.”

an endorsement, the list of proposed required competencies is considerably shorter for the Dual Language (Target Language) PreK-6 Add-on Endorsement. DOE has indicated that the agency would expect that approved Dual Language (Target Language) PreK-6 Add-on Endorsement programs developed by colleges would entail fewer courses and less time to complete than would elementary education endorsement programs.

Thus, the proposed Dual Language (Target Language) PreK-6 Add-on Endorsement would likely reduce the cost for a teacher with a foreign language endorsement to teach in an elementary school dual language program in the foreign language. This reduced cost may make it easier for school districts to find qualified teachers to teach in existing or planned elementary school dual language programs.

Dual Language (English)

Individuals who hold a valid Virginia teaching license with an elementary education endorsement may teach in an elementary school dual language program in English without the proposed Dual Language (English) Endorsement or Add-on Endorsement. The proposed Dual Language (English) PreK-6 Add-on Endorsement has a prerequisite of an endorsement in elementary education. So the establishment of the Dual Language (English) PreK-6 Add-on Endorsement does not reduce the cost of becoming qualified to teach in an elementary school dual language program in English. Nevertheless, as it contains dual language specific content, it could be useful for teachers who wish to distinguish themselves as candidates for teaching positions (in English) in an elementary school dual language program.

Businesses and Other Entities Affected

Virginia colleges and universities with approved educator preparation programs would be affected if they are interested in adding one or more of the proposed endorsements. The Virginia colleges and universities with approved educator preparation programs are: Averett University, Bluefield College, Bridgewater College, Christopher Newport University, Eastern Mennonite University, Emory and Henry College, Ferrum College, George Mason University, Hampton University, Hollins University, James Madison University, Liberty University, Longwood University, Mary Baldwin University, Marymount University, Norfolk State University, Old Dominion University, Radford University, Randolph College, Randolph-Macon College, Regent

University, Roanoke College, Shenandoah University, Southern Virginia University,¹⁴ Sweet Briar College, University of Lynchburg, University of Mary Washington, University of Richmond, University of Virginia, University of Virginia's College at Wise, Virginia Commonwealth University, Virginia State University, Virginia Tech, Virginia Union University, Virginia Wesleyan University, Washington and Lee University,¹⁵ and William & Mary.

The 132 local public school divisions in the Commonwealth would be affected as well.

Small Businesses¹⁶ Affected:

The proposed amendments do not appear to adversely affect small businesses.

Localities¹⁷ Affected¹⁸

All Virginia localities would be affected by the proposed Economics and Personal Finance Add-on Endorsement. Albemarle, Alexandria, Arlington, Chesterfield, Fairfax County, Harrisonburg, Newport News, Stafford, Winchester, and Virginia Beach would be particularly affected by the proposed dual language add-on endorsements and endorsements as these localities have school divisions with elementary school dual language programs. Localities considering adding elementary school dual language programs would also be particularly affected. The proposed amendments would not increase costs for local governments.

Projected Impact on Employment

To the extent that colleges and universities choose to establish some or all of the proposed new endorsements, there would likely be some additional positions created to teach and administer the new endorsement programs.

¹⁴ Washington and Lee University and Southern Virginia University have partnered to form the Rockbridge Teacher Education Consortium. See <https://columns.wlu.edu/rockbridge-county-universities-form-teacher-education-consortium/>

¹⁵ Ibid

¹⁶ Pursuant to § 2.2-4007.04 of the Code of Virginia, small business is defined as “a business entity, including its affiliates, that (i) is independently owned and operated and (ii) employs fewer than 500 full-time employees or has gross annual sales of less than \$6 million.”

¹⁷ “Locality” can refer to either local governments or the locations in the Commonwealth where the activities relevant to the regulatory change are most likely to occur.

¹⁸ § 2.2-4007.04 defines “particularly affected” as bearing disproportionate material impact.

Effects on the Use and Value of Private Property

Some private colleges and universities with approved educator preparation programs may choose to add an Economics and Personal Finance Add-on Endorsement program and/or dual language add-on endorsement and endorsement programs.

Legal Mandates

General: The Department of Planning and Budget has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia (Code) and Executive Order 14 (as amended, July 16, 2018). Code § 2.2-4007.04 requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the report should include but not be limited to: (1) the projected number of businesses or other entities to whom the proposed regulatory action would apply, (2) the identity of any localities and types of businesses or other entities particularly affected, (3) the projected number of persons and employment positions to be affected, (4) the projected costs to affected businesses or entities to implement or comply with the regulation, and (5) the impact on the use and value of private property.

Adverse impacts: Pursuant to Code § 2.2-4007.04(D): In the event this economic impact analysis reveals that the proposed regulation would have an adverse economic impact on businesses or would impose a significant adverse economic impact on a locality, business, or entity particularly affected, the Department of Planning and Budget shall advise the Joint Commission on Administrative Rules, the House Committee on Appropriations, and the Senate Committee on Finance within the 45-day period.

If the proposed regulatory action may have an adverse effect on small businesses, Code § 2.2-4007.04 requires that such economic impact analyses include: (1) an identification and estimate of the number of small businesses subject to the proposed regulation, (2) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the proposed regulation, including the type of professional skills necessary for preparing required reports and other documents, (3) a statement of the probable effect of the proposed regulation on affected small businesses, and (4) a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation. Additionally, pursuant to Code § 2.2-4007.1, if there is a finding that a proposed regulation may have an adverse impact on small business, the Joint Commission on Administrative Rules shall be notified.