



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

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**8 VAC 20-22 – Licensure Regulations for School Personnel**  
**Department of Education**  
January 9, 2014

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### **Summary of the Proposed Amendments to Regulation**

Pursuant to Chapter 365 of the 2012 Acts of Assembly, the Board of Education (Board) proposes to establish licensure requirements for teachers who teach only online courses. Additionally, as Chapter 588 of 2013 Acts of Assembly eliminated the statutory authority for the Local Eligibility License, the Board proposes to remove requirements and other language concerning the Local Eligibility License from these regulations.

### **Result of Analysis**

The benefits likely exceed the costs for all proposed changes.

### **Estimated Economic Impact**

Teachers who hold a five-year renewable license issued by the Board may teach online courses for which they are properly endorsed. This is currently the case and would continue to be the case under the proposed regulations. The proposed Online Teacher License would be similar to the existing five-year renewable teacher licenses with two exceptions: 1) a required three-semester-hour course in online instructional procedures, and 2) no student teaching requirement. The three-semester-hour course in online instructional procedures is currently available at some Virginia colleges.<sup>1</sup>

According to the Department of Education (Department), the Online Teacher License was requested by private online education providers; and provider representatives were involved in its design. Thus, there will likely be some use of the proposed license. The proposed Online Teacher License will make it somewhat easier for online education providers to find qualified

teachers for their online classes. This may have a positive impact on the number of classes that these firms may offer, consequently increasing the value of these firms.

As mentioned, the statutory authority for the Local Eligibility License was removed via Chapter 588 of 2013 Acts of Assembly. Removing language on the Local Eligibility License from these regulations would be beneficial in that it would reduce the likelihood that members of the public will be misled into believing that this licensure path is currently available. According to the Department, the Local Eligibility License was rarely used and there have been no known objections concerning its elimination.

### **Businesses and Entities Affected**

The proposed amendments potentially affect the 20 approved multi-division online education providers,<sup>2</sup> individuals interested in teaching just online K-12 classes, the 132 public school divisions in the Commonwealth, and other interested members of the public.

### **Localities Particularly Affected**

These regulations do not disproportionately affect particular localities.

### **Projected Impact on Employment**

The proposed Online Teacher License will make it somewhat easier for individuals who do not already hold a five-year renewable license issued by the Board to become qualified to teach online K-12 classes. This may have a moderate positive effect on employment.

### **Effects on the Use and Value of Private Property**

The proposed Online Teacher License will make it somewhat easier for online education providers to find qualified teachers for their online classes. This may have a positive impact on the number of classes that these firms may offer, consequently increasing the value of these firms.

### **Small Businesses: Costs and Other Effects**

The proposed Online Teacher License will make it somewhat easier for small online education providers to find qualified teachers for their online classes. This may consequently

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<sup>1</sup> Source: Department of Education

<sup>2</sup> Number source: Ibid

reduce their labor costs and potentially increase the number of classes that these small firms may offer.

### **Small Businesses: Alternative Method that Minimizes Adverse Impact**

The proposed amendments to these regulations do not adversely affect small businesses.

### **Real Estate Development Costs**

The proposed amendments to these regulations are unlikely to affect real estate development costs.

### **Legal Mandate**

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.04 of the Administrative Process Act and Executive Order Number 14 (10). Section 2.2-4007.04 requires that such economic impact analyses include, but need not be limited to, the projected number of businesses or other entities to whom the regulation would apply, the identity of any localities and types of businesses or other entities particularly affected, the projected number of persons and employment positions to be affected, the projected costs to affected businesses or entities to implement or comply with the regulation, and the impact on the use and value of private property. Further, if the proposed regulation has adverse effect on small businesses, Section 2.2-4007.04 requires that such economic impact analyses include (i) an identification and estimate of the number of small businesses subject to the regulation; (ii) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the regulation, including the type of professional skills necessary for preparing required reports and other documents; (iii) a statement of the probable effect of the regulation on affected small businesses; and (iv) a description of any less intrusive or less costly alternative methods of achieving the purpose of the regulation. The analysis presented above represents DPB's best estimate of these economic impacts.