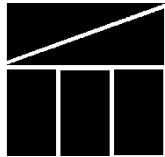


Adverse impact notification sent to Joint Commission on Administrative Rules, House Committee on Appropriations, and Senate Committee on Finance (COV § 2.2-4007.04.C): Yes Not Needed

If/when this economic impact analysis (EIA) is published in the *Virginia Register of Regulations*, notification will be sent to each member of the General Assembly (COV § 2.2-4007.04.B).



Virginia Department of Planning and Budget Economic Impact Analysis

8 VAC 20-131 Regulations Establishing Standards for Accrediting Public Schools in Virginia

Department of Education

Town Hall Action/Stage: 5187 / 8481

January 23, 2019

Summary of the Proposed Amendments to Regulation

Pursuant to Chapters 482, 512, 784, and 785 of the 2018 Acts of Assembly, and Item 130.D of the 2018 Appropriation Act, the Board of Education (Board) proposes several amendments to the *Regulations Establishing Standards for Accrediting Public Schools in Virginia*. The Board also proposes to remove the criteria for the Board of Education's Science, Technology, Engineering, and Mathematics (STEM) Seal (currently called Board of Education's Seal of Advanced Mathematics and Technology) from the regulation.

Result of Analysis

The benefits likely exceed the costs for most of the proposed changes. For one proposed change, whether the benefits exceed the costs depend on the policy views of the observer.

Estimated Economic Impact

Chapter 482

Prior to the enactment of Chapter 482,¹ Code of Virginia (COV) § 22.1-253.13:4.E.2 stated that “The Board shall establish criteria for awarding a diploma seal for advanced

¹ See <http://leg1.state.va.us/cgi-bin/legp504.exe?181+ful+CHAP0482+hil>

mathematics and technology for the Board of Education-approved diplomas.” The legislation amended that to “The Board shall establish criteria for awarding a diploma seal for ~~advanced science, technology, engineering, and mathematics and technology~~ (STEM) for the Board of Education-approved diplomas.” Consequently, the Board proposes to change in the regulation the name of the seal currently called “Board of Education's Seal of Advanced Mathematics and Technology” to “Board of Education's Science, Technology, Engineering, and Mathematics (STEM) Seal.”

The current regulation lists criteria that needs to be met to earn the Board of Education's Seal of Advanced Mathematics and Technology. In addition to changing the name, the Board proposes to remove the criteria from the regulation. According to the Department of Education, the criteria will be listed on their website. By taking the criteria out of the regulation, the Board could make future changes to the criteria without going through the time-consuming process statutorily required to amend regulatory language. Sensible changes could be made more quickly. From a different perspective, however, there would be less time and opportunity for public participation than is required by the Administrative Process Act.²

Chapter 512

Chapter 512³ states that in establishing graduation requirements, the Board shall “Permit students to exceed a full course load in order to participate in courses offered by an institution of higher education that lead to a degree, certificate, or credential at such institution.” The Board proposes to explicitly state this in the regulation. This proposed amendment would have no impact beyond the benefit of improving clarity for individuals who read the regulation, but not the COV.

Chapters 784 and 785

The identical Chapters 784⁴ and 785⁵ put forth that unstructured recreational time is to be included in any calculation of total instructional time. Specifically,

² See <https://law.lis.virginia.gov/vacodepopularnames/administrative-process-act/>

³ See <http://leg1.state.va.us/cgi-bin/legp504.exe?181+ful+CHAP0512+hil>

⁴ See <http://leg1.state.va.us/cgi-bin/legp504.exe?181+ful+CHAP0784>

⁵ See <http://leg1.state.va.us/cgi-bin/legp504.exe?181+ful+CHAP0785>

§ 1. Local school boards shall provide (i) a minimum of 680 hours of instructional time to students in elementary school, except for students in half-day kindergarten, in the four academic disciplines of English, mathematics, science, and history and social science and (ii) a minimum of 375 hours of instructional time to students in half-day kindergarten in the four academic disciplines of English, mathematics, science, and history and social science.

§ 2. Local school boards may include and the Board of Education shall accept, for elementary school, unstructured recreational time that is intended to develop teamwork, social skills, and overall physical fitness in any calculation of total instructional time or teaching hours, provided that such unstructured recreational time does not exceed 15 percent of total instructional time or teaching hours.

The Board proposes to amend the regulation to reflect these requirements. These proposed amendments would be beneficial in that they improve the clarity of requirements in effect.

Appropriation Act

Item 130.D of the 2018 Appropriation Act⁶ provides that the only way to earn a verified credit in history and social science is through successfully completing: (i) a Standards of Learning assessment; (ii) a substitute test that incorporates or exceeds the course content; or (iii) a locally awarded verified credit. It specifically prohibits verified credit in history and social studies from being awarded using a performance-based assessment. The Board proposes to amend the regulation to reflect this change. These proposed amendments would also be beneficial in that they improve the clarity of requirements in effect.

Businesses and Entities Affected

The proposed amendments affect the 132 local school boards and school divisions, the schools within those divisions, and staff and students.

Localities Particularly Affected

The proposed amendments would not disproportionately affect particular localities.

Projected Impact on Employment

The proposed amendments would not likely affect employment.

⁶ See <https://budget.lis.virginia.gov/item/2018/2/HB5002/Chapter/1/130/>

Effects on the Use and Value of Private Property

The proposed amendments would not likely affect the use and value of private property.

Real Estate Development Costs

The proposed amendments would not affect real estate development costs.

Small Businesses:

Definition

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.”

Costs and Other Effects

The proposed amendments would not likely affect costs for small businesses.

Alternative Method that Minimizes Adverse Impact

The proposed amendments would not likely adversely affect small businesses.

Adverse Impacts:

Businesses:

The proposed amendments would not likely adversely affect businesses.

Localities:

The proposed amendments would not likely adversely affect localities.

Other Entities:

The proposed amendments would not likely adversely affect other entities.

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(C): 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.