



Economic Impact Analysis Virginia Department of Planning and Budget

8 VAC 20-630 – Standards for State-Funded Remedial Program
Department of Education
August 11, 2010

Summary of the Proposed Amendments to Regulation

Chapter 61 of the 2010 *Acts of Assembly* implemented a reduction in reporting requirements for local school divisions. In particular, the changes to Virginia Code § 22.1-199.2 governing remediation standards removes specific types of data that must be reported to the Board of Education (Board). Consequently, the Board proposes to repeal from these regulations specified reporting requirements for state-funded remedial programs. Additionally the Board proposes to no longer require that local school divisions submit their local remediation plans for approval.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

The current regulations require that annually each local school division collect and report to the Department of Education (Department) the following data pertaining to eligible students:

1. The number of students failing a state-sponsored test required by the Standards of Quality or Standards of Accreditation;
2. A demographic profile of students attending state-funded remedial programs;
3. The academic status of each student attending state-funded remedial programs;
4. The types of instruction offered;
5. The length of the program;

6. The cost of the program;
7. The number of un-graded and disabled students, and those with limited English proficiency;
8. As required, the pass rate on Standards of Learning assessments; and
9. The percentage of students at each grade level who have met their remediation goals.

Pursuant to Chapter 61 of the 2010 *Acts of Assembly*, the Board proposes to no longer require that school divisions report the above data. All of the above data is now available to the Department and Board independent of the school division's reporting through the Department's internal data information management system. The Department estimates that on average each the 132 local school divisions spend approximately 20 hours of staff time to collect and report the data and the Department spends about 40 hours of staff time handling the incoming information. Thus, the repeal of this reporting requirement will save approximately 2,680 hours¹ of staff time statewide, while not reducing the availability of useful data.

Also, the current regulations require that local school divisions submit their local remediation plans to the Board for approval. According to the Department, in practice the plans are essentially a checklist of requirements that are (and will continue to be) stated elsewhere in the regulations; and there is little practical value for the Board and the Department to receive them. Thus, the Board also proposes to repeal the requirement that local school divisions submit their local remediation plans to the Board for approval. The Department estimates that this would save on average 8 hours of staff time per school division and 20 to 25 hours of Department staff time, totaling approximately 1,080 hours² of saved staff time statewide.

Businesses and Entities Affected

The proposed amendments affect the 132 public school divisions in the Commonwealth as well as the Board of Education and the Department of Education.

Localities Particularly Affected

The proposed amendments do not disproportionately affect particular localities.

¹ $(132 \times 20) + 40 = 2,680$

² $(132 \times 8) + 20 = 1,076$; $(132 \times 8) + 25 = 1,081$; or approximately 1,080

Projected Impact on Employment

The proposal amendments are unlikely to significantly affect employment.

Effects on the Use and Value of Private Property

The proposed amendments are unlikely to significantly affect the use and value of private property.

Small Businesses: Costs and Other Effects

The proposed amendments are unlikely to significantly affect small businesses.

Small Businesses: Alternative Method that Minimizes Adverse Impact

The proposed amendments are unlikely to significantly affect small businesses.

Real Estate Development Costs

The proposed amendments are unlikely to significantly 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.