



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

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### **8 VAC 20-650 – Regulations Governing the Determination of Critical Teacher Shortage Areas**

**Department of Education**

January 18, 2002

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The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 9-6.14:7.1.G of the Administrative Process Act and Executive Order Number 25 (98). Section 9-6.14:7.1.G 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. The analysis presented below represents DPB's best estimate of these economic impacts.

### **Summary of the Proposed Regulation**

Pursuant to Section § 22.1-290.01 of the Code of Virginia, the Board of Education (board) proposes to establish criteria governing the determination of critical teacher shortage areas used for awarding scholarships.

### **Estimated Economic Impact**

The Department of Education (education) administers the Virginia Teaching Scholarship Loan Program. The program, as delineated in Section § 22.1-290.01 of the Code of Virginia, is intended to “increase the number of teachers in the critical teacher shortage disciplines, including special education, as established by the Board,” among other goals. The Code also specifies that:

before any teacher scholarship is awarded in accordance with the provisions of this section, the scholarship recipient shall sign a promissory note under which he agrees ... upon graduation, to begin teaching in the public schools of the Commonwealth in a critical teaching shortage discipline or, regardless of teaching discipline, in a

school with a high concentration of students eligible for free or reduced lunch or in a rural or urban region of the commonwealth with a teacher shortage.”

According to the department, critical shortage areas for Virginia have been determined from information provided by a teacher supply and demand study that was conducted by the department in 1993. A 1999/2000-department survey supported the results of the previous survey.<sup>1</sup>

Specific criteria delineating what constitutes a critical shortage area have thus far not existed in regulations. Pursuant to House Bill 1404 of the 2000 General Assembly, Section § 22.1-290.01 of the Code requires the board to establish in regulation criteria for determining critical shortage areas for awarding scholarships. These proposed regulations specify how schools or subject areas may qualify as critical shortage areas. Putting the specific minimum criteria for shortage area determination in regulations will be useful information for potential candidates to consider. Establishing these criteria in regulations will not likely affect how the department chooses the scholarship winners in practice.

## **Businesses and Entities Affected**

The proposed changes to the regulation will affect the 132 school divisions, as well as

## **Localities Particularly Affected**

The proposed changes to the regulation affect localities throughout the Commonwealth.

## **Projected Impact on Employment**

The proposed regulations are unlikely to significantly affect employment.

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

The proposed changes to the regulation will not likely significantly affect the use and value of private property.

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