

Department of Planning and Budget 2022 Fiscal Impact Statement

1. Bill Number: HB333

House of Origin	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

2. Patron: Freitas

3. Committee: Education

4. Title: Public education; student education accounts.

5. Summary: Permits any school board to establish a program to create savings accounts for students to be used for alternative educational programs. The bill requires the Department of Education to establish policies and procedures under which the parent of each student may use such funds on public or private educational programs.

6. Budget Amendment Necessary: Yes, Item 135.

7. Fiscal Impact Estimates: Preliminary, see Item 8.

8. Fiscal Implications: This bill imparts several new responsibilities on the Department of Education (DOE) to establish policies and procedures and to enforce the program. DOE would be required to monitor the types of expenditures to ensure they are permitted under the provisions of this legislation.

These responsibilities will generate additional administrative costs for DOE. The cost to establish policies could be absorbed by existing staff; but, DOE believes the oversight of qualified expenses would require an additional staff position. According to DOE, the cost for an additional position, including salary and benefits costs, would be \$122,932 per year. DOE would also require an additional \$10,000 per year for technology, supply, equipment and travel costs. DOE estimates a total additional general fund cost of \$132,932 per year to perform these administrative duties.

If a local school board chooses to establish a program as described in this bill, new responsibilities would be imparted on local school divisions, which likely would increase administrative costs at the local level. Any actual fiscal impact to local school divisions is indeterminate

9. Specific Agency or Political Subdivisions Affected: Department of Education, local school divisions

10. Technical Amendment Necessary: No

11. Other Comments: None