

## Department of Planning and Budget 2022 Fiscal Impact Statement

**1. Bill Number:** HB37

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:** Anderson

**3. Committee:** Education

**4. Title:** School boards; school resource officers; employment; threat assessment.

**5. Summary:** Requires each school board to enter into a collaborative agreement with the local law-enforcement agency to employ at least one school resource officer in each public middle and high school in the local school division and at least one school resource officer per five public elementary schools in the local school division, who is required to serve in each such elementary school on a rotating basis. The bill also requires each division superintendent to include on the threat assessment team established for each public elementary and secondary school in the local school division at least one school resource officer employed in the school.

**6. Budget Amendment Necessary:** Yes, Items 137 and 405, HB/SB30.

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

**8. Fiscal Implications:** School Resource Officers (SROs) are certified law enforcement officers hired by a local law enforcement agency to provide law enforcement and security services to Virginia public elementary and secondary schools. Currently, SROs are optional in public elementary and secondary schools, and they are paid for by localities, either by the local law enforcement agencies, by the local school divisions, or both. The Department of Criminal Justice Services (DCJS) currently administers the SRO Grants Program and Fund pursuant to § 9.1-110, Code of Virginia. These funds are awarded as matching grants to local law enforcement agencies and local school boards that have established a collaborative agreement to employ SROs.

This bill would require a SRO in every middle and high school and a SRO for every five elementary schools as a Standards of Quality (SOQ) staffing requirement. It is assumed that under the provisions of this bill, SROs would remain employees of local law enforcement agencies and local school divisions would receive state basic aid funding under Direct Aid to Public Education to support the state share of the cost of SROs through collaborative agreements with local law enforcement agencies.

State funding for positions required by the SOQs is based on prevailing salary data collected by the Department of Education (DOE) from local school divisions in the Annual School Report (ASR), which is used during the rebenchmarking of the Direct Aid to Public

Education budget. Currently, data on SRO employment and salary is not collected in the ASR. In order to implement the funding for this staffing requirement in fiscal year 2023, the Department of Education would need to be directed on a method to set funded salaries and benefits for SROs until prevailing salary data can be collected and used. Without actual prevailing salary data, the actual cost of this staffing standard is indeterminate at this time.

Some rough estimates on the potential general fund cost of this proposal can be made, though, using an average salary of \$48,763 and a fringe benefits rate of 30.04 percent per SRO. The estimated salary of \$48,763 is the midpoint salary for an entry level law enforcement officer as recognized by the Compensation Board in fiscal year 2022. The fringe benefits rate of 30.04 percent assumes an average local law enforcement retirement rate of 20.64 percent plus the following 2022-2024 biennium funded fringe benefits rates used in the Direct Aid to Public Education budget: Group Life: 0.54 percent; Social Security: 7.65 percent; and Retiree Health Care Credit: 1.21 percent. Based on these values, DOE estimates an additional state cost of \$39.3 million in fiscal year 2023 and \$41.1 million in fiscal year 2024 to support one SRO in every middle and high school and every five elementary schools.

The actual state cost in fiscal year 2023 and fiscal year 2024 is indeterminate and depends on the actual salary and fringe benefits used to fund this requirement. The actual state cost in future biennia would be based on actual prevailing salary data and fringe benefits rates and based on future rebenchmarkings of the Direct Aid to Public Education budget. Local school divisions would have to provide the local share required to match any additional state funds paid to the locality under Direct Aid based on each division's local composite index. A locality that currently supports SROs entirely from local funds may experience savings as a result of this bill. The actual fiscal impact to localities and local school divisions is indeterminate at this time.

These estimates do not include additional costs that may be associated with the hiring of new law enforcement officers, including SROs, such as the costs of a vehicle, equipment, and training. DCJS estimates that the cost to employ a new officer is approximately \$125,000, inclusive of salary, benefits, and these additional costs. Any additional costs not supported by the state share under Direct Aid would have to be covered by the locality or with grants from the DCJS-administered SRO Incentive Grant Program. These grants require a local match on the basis of the local composite index of ability to pay. HB/SB30, 2022 General Assembly Session, appropriates \$4,189,123 in general funds in fiscal year 2023 and in fiscal year 2024 for grants to localities for SROs under this program.

DCJS also provides SROs with training that is required by Code. Based on data on SRO employment collected by DCJS in the Annual School Safety Survey, DCJS estimates that an additional 320 new full time SRO positions would need to be created in order to meet the requirements of this bill. DCJS currently hosts seven SRO Basic courses annually to fulfill the training requirements. Each SRO Basic Course costs about \$8,500 to run and typically trains around 50 individuals. To provide the required training to approximately 320 additional SROs each year, 6-8 additional sessions are needed, which would cost \$51,000–\$68,000.

Currently, DCJS has one position to host and coordinate these seven SRO Basic courses annually. If the number of SRO Basic courses must be doubled, an additional staff member is needed to meet this increased demand. According to DCJS, based on the current position, this position would cost \$131,737 annually (inclusive of a \$75,000 salary plus benefits, and equipment).

**9. Specific Agency or Political Subdivisions Affected:** Department of Criminal Justice Services, Department of Education, local school divisions, local law enforcement agencies.

**10. Technical Amendment Necessary:** No

**11. Other Comments:** This bill is similar to HB873 and SB415.