



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

8 VAC 20-510 Regulations Governing Superintendent of Public Instruction
8 VAC 20-521 Regulations Governing Reduction of State Aid When Length of School
Terms Below 180 Teaching Days or 990 Teaching Hours
Department of Education
Town Hall Action/Stage: 6605 / 10516
June 27, 2025

The Department of Planning and Budget (DPB) 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 19. The analysis presented below represents DPB's best estimate of the potential economic impacts as of the date of this analysis.¹

Summary of the Proposed Amendments to Regulation

Following a periodic review, the Board of Education (Board) proposes to repeal all of 8 VAC 20-521 *Regulations Governing Reduction of State Aid When Length of School Terms Below 180 Teaching Days or 990 Teaching Hours* and add one portion of it to 8 VAC 20-510 *Regulations Governing Superintendent of Public Instruction*.

Background

8 VAC 20-521 *Regulations Governing Reduction of State Aid When Length of School Terms Below 180 Teaching Days or 990 Teaching Hours* consists of six sections: 10 *Definitions*, 20 *Length of school term*, 30 *Completion of teaching hours*, 40 *Waivers for a declared state of emergency, evacuations, severe weather conditions, or other emergency situations*, 50 *Funding*, and 60 *Administration*. The Board proposes to repeal all of it and add part of Section 40 *Waivers*

¹ Code § 2.2-4007.04 requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the analysis 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.

for a declared state of emergency, evacuations, severe weather conditions, or other emergency situations to 8 VAC 20-510 Regulations Governing Superintendent of Public Instruction.

Estimated Benefits and Costs

Definitions on their own without a regulation using those definitions serve no purpose. Thus, repealing Section 10 would be moderately beneficial in that retaining it could mislead readers of regulations that a purpose was served.

Sections 20, 30, and 50 are duplicative of Code § 22.1-98. Thus, repealing these sections would have no impact on requirements in practice.

Section 40 is mostly duplicative of Code § 22.1-98. The exception is that the Code states that “The Board of Education **may authorize** the Superintendent of Public Instruction to approve, in compliance with this section, reductions in the school term for a school or the schools in a school division without a proportionate reduction in the amount paid by the Commonwealth from the Basic School Aid Fund” (emphasis added). In contrast, 8 VAC 20-521-40(E) states that “The Board of Education **authorizes** the Superintendent of Public Instruction to approve, in compliance with this chapter, reductions in the school term for a school or the schools in a school division” (emphasis added). Additionally, 8 VAC 20-521-50(A) reflects Code § 22.1-98 by stating that “There shall be no proportionate reduction in the amount paid by the Commonwealth from the Basic School Aid Fund if a local school division ... Obtains a waiver for closings ... in accordance with 8VAC20-521-40.” Thus, the important difference is that the Code states that the Board “may authorize,” while the regulation states that the Board “authorizes.”

The Board proposes to repeal Section 40 along with the rest of 8 VAC 20-521, and add “The Board of Education **authorizes** the Superintendent of Public Instruction to approve, in compliance with § 22.1-98 of the Code of Virginia, reductions in the school term for a school or the schools in a school division without a proportionate reduction in the amount paid by the Commonwealth from the Basic School Aid Fund” (emphasis added) to 8 VAC 20-510. Thus, there would be no change in requirements and authorization in practice.

Section 60 (A) is as follows: “The Virginia Department of Education shall annually notify local school divisions of the provisions of these regulations and the Code of Virginia regarding reductions in the length of the school term.” If 8 VAC 20-521 is repealed in its

entirety, there would be no “provisions of these regulations” from which to notify local school divisions. The Department of Education has stated that it “may continue to notify school divisions of the statute, but school divisions should already be aware of the statute.” To the extent that the agency does notify local school divisions of relevant changes to the Code, then the repeal of this provision in the regulation should have no impact.

Section 60 (B) is as follows:

Local school division superintendents shall certify annually, at a time and in a form prescribed by the Virginia Department of Education, that they have read and complied with these provisions and are implementing a plan for making up any missed time that has not been waived in accordance with these regulations.

The latter part of this subsection, “implementing a plan for making up any missed time that has not been waived,” is essentially duplicative of Code § 22.1-98. As for the first part of the subsection, under the proposal there would no longer be regulatory provisions to be read.

Businesses and Other Entities Affected

The regulation pertains to the 131 school divisions in the Commonwealth.

The Code requires DPB to assess whether an adverse impact may result from the proposed regulation.² An adverse impact is indicated if there is any increase in net cost or reduction in net benefit for any entity, even if the benefits exceed the costs for all entities combined.³ As the proposal neither increases cost nor reduces benefit, no adverse impact is indicated.

Small Businesses⁴ Affected:⁵

The proposal does not adversely affect small businesses.

² Pursuant to Code § 2.2-4007.04(D): 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.

³ Statute does not define “adverse impact,” state whether only Virginia entities should be considered, nor indicate whether an adverse impact results from regulatory requirements mandated by legislation. As a result, DPB has adopted a definition of adverse impact that assesses changes in net costs and benefits for each affected Virginia entity that directly results from discretionary changes to the regulation.

⁴ 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.”

⁵ 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

Localities⁶ Affected⁷

The proposal neither disproportionately affects particular localities nor affects costs for local governments.

Projected Impact on Employment

The proposal does not affect employment.

Effects on the Use and Value of Private Property

The proposal affects neither the use and value of private property nor costs related to the development of real estate.

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.

⁶ “Locality” can refer to either local governments or the locations in the Commonwealth where the activities relevant to the regulatory change are most likely to occur.

⁷ § 2.2-4007.04 defines “particularly affected” as bearing disproportionate material impact.