

Office of Regulatory Management  
Economic Review Form

<b>Agency name</b>	State Board of Education
<b>Virginia Administrative Code (VAC) Chapter citation(s)</b>	8 VAC 20-720
<b>VAC Chapter title(s)</b>	Regulations Governing Local School Boards and School Divisions
<b>Action title</b>	Virginia Textbook and High-Quality Instructional Materials Process
<b>Date this document prepared</b>	June 25, 2026
<b>Regulatory Stage (including Issuance of Guidance Documents)</b>	Final Review of the Virginia Textbook and High-Quality Instructional Materials Process

### **Cost Benefit Analysis**

Complete Tables 1a and 1b for all regulatory actions. You do not need to complete Table 1c if the regulatory action is required by state statute or federal statute or regulation and leaves no discretion in its implementation.

Table 1a should provide analysis for the regulatory approach you are taking. Table 1b should provide analysis for the approach of leaving the current regulations intact (i.e., no further change is implemented). Table 1c should provide analysis for at least one alternative approach. You should not limit yourself to one alternative, however, and can add additional charts as needed.

Report both direct and indirect costs and benefits that can be monetized in Boxes 1 and 2. Report direct and indirect costs and benefits that cannot be monetized in Box 4. See the ORM Regulatory Economic Analysis Manual for additional guidance.

**Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: The Department administers the textbook and HQIM review process as part of its core function. In order for the Department to utilize external educators and other expert stakeholders as textbook reviewers, a state budget allocation will be needed to sustain the textbook and HQIM review process. A budget request was submitted by the agency in Fall 2025. The Virginia Literacy Partnerships implements the review process for K-5 Core Literacy and K-8 Supplemental and Intervention materials with an existing state appropriation.</p> <p>Indirect Costs: Local division implementation and training costs.</p> <p>Direct Monetized Benefits: Existing appropriation covers K–5 literacy review (avoided cost).</p> <p>Indirect Monetized Benefits Potential long-term efficiency savings, and potential reduced remediation costs due to higher-quality materials.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Net Monetized Benefit		
(4) Other Costs & Benefits (Non-Monetized)	<p>Non-Monetized Benefits: Improved alignment, equity, rigor, training, stakeholder engagement, instructional quality, and accountability.</p> <p>Non-Monetized Costs: Increased workload for staff, reviewers, divisions, and publishers; transition-year challenges; and more complex adoption processes.</p>	
(5) Information Sources		

**Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: Procurement costs for non-approved textbooks.</p> <p>Indirect Costs: Local division review processes for non-approved textbooks.</p> <p>Direct Benefits: Existing appropriation covers K–5 literacy review.</p> <p>Indirect Benefits: Publishers absorb error-correction costs.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits

	(a) N/A	(b) N/A
(3) Net Monetized Benefit		
(4) Other Costs & Benefits (Non-Monetized)	N/A	
(5) Information Sources	N/A	

**Table 1c: Costs and Benefits under Alternative Approach(es)**

(1) Direct & Indirect Costs & Benefits (Monetized)	Direct Costs: No direct monetized costs have been identified under alternative approaches. Indirect Costs: No indirect monetized costs have been identified under alternative approaches. Direct Benefits: No direct monetized benefits have been identified under alternative approaches. Indirect Benefits: No indirect monetized benefits have been identified under alternative approaches.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Net Monetized Benefit	N/A	
(4) Other Costs & Benefits (Non-Monetized)	N/A	
(5) Information Sources		

**Impact on Local Partners**

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 2: Impact on Local Partners**

(1) Direct & Indirect Costs & Benefits (Monetized)	Direct Costs: Direct monetized costs on local partners includes purchasing textbooks, providing textbooks/workbooks free to students, procurement costs for non-approved textbooks, and costs of conducting local review processes.
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	<p>Indirect Costs:                      Indirect monetized costs on local partners include staff time for committees and public review, administrative workload for transparency requirements, training needs for educators and leaders, curriculum transition workload, and HQIM literacy implementation workload.                      Direct Benefits:                      No monetized direct benefits on local partners.                      Indirect Benefits:                      Indirect benefits on local partners include publishers pay for error corrections, procurement exemption for approved textbooks, and State appropriation covers K–5 literacy review.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	<p>Other Costs:                      Other non-monetized costs on local partners include administrative burden for non-approved textbook adoption, and curriculum transition strain.                      Other Benefits:                      Other non-monetized benefits on local partners include predictable statewide process, strong SOL alignment, public transparency, publisher accountability, local flexibility, stable literacy review processes, and improved equity and instructional quality in literacy HQIM.</p>	
(4) Assistance	N/A	
(5) Information Sources	N/A	

**Impacts on Families**

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 3: Impact on Families**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs:                      No direct monetized costs of this proposed change on families.                      Indirect Costs:                      No indirect monetized costs of this proposed change on families.                      Direct Benefits:                      Direct monetized benefits of this proposed change on families includes Free textbooks for all students, and free workbooks for students whose families cannot afford them.                      Indirect Benefits:                      Indirect monetized benefits of this proposed change on families include avoided costs due to free workbooks, avoided costs from high-quality, evidence-based literacy materials reducing need for remediation, and</p>
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	avoided costs from accurate, vetted materials reducing need for supplemental resources.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	<p>Other non-monetized benefits on families include free textbooks and workbooks, parental rights to inspect materials, opportunities to provide feedback, protection from inaccurate materials, improved literacy instruction quality, clear procedures for handling controversial materials</p> <p>Other non-monetized benefits on families include stress over controversial materials, limited influence on final adoption decisions, variability across divisions, effects of rushed review timelines, insufficient supports for special populations.</p>	
(4) Information Sources		

**Impacts on Small Businesses**

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 4: Impact on Small Businesses**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p><b>Direct Costs:</b> Publishers must certify accuracy and correct all factual or editing errors at their own expense; materials must include assessments, evidence-based instructional practices, supports for English learners, advanced learners, and students with disabilities, plus teacher resources; publishers must submit materials, ship copies to reviewers, respond to committee feedback, and complete certification forms. These require staff time and operational spending; If materials fall below 60% alignment with the Standards of Learning, publishers must revise and resubmit; the Board may remove materials from the approved list if publishers do not revise them, resulting in direct loss of sales.</p> <p><b>Indirect Costs:</b> The process is compressed and may require longer timelines, delaying product launches and sales; more rigorous HQIM standards may intensify competition, requiring additional marketing or product differentiation costs; the Department will expand training for divisions; small businesses offering professional learning may need to update their offerings; continuous feedback and error reporting require ongoing monitoring and staff time.</p> <p><b>Direct Benefits:</b> The document outlines review cycles through 2030, giving small</p>
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	<p>businesses stable, predictable demand for materials; New requirements mandate HQIM adoption in English 6–12, math K–12, science K–12, and history K–12; Divisions can use grants to buy HQIM, increasing sales opportunities for vendors; and HQIM must include supports for English learners, advanced learners, and students with disabilities.</p> <p><b>Indirect Benefits:</b> More complex HQIM requirements may reduce competition from very small or new publishers; Statewide HQIM standardization means publishers can produce one version for all divisions, lowering production costs; and continuous feedback and revision processes create opportunities for subscription-based or update-driven products.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	<p><b>Other Costs (Non-Monetized)</b> Small publishers must navigate a more complex, multi-step review process with: Expanded rubrics, Additional documentation, More detailed certification requirements, New processes for revision and resubmission. HQIM requirements include: Research-aligned instructional practices; Supports for English learners, advanced learners, and students with disabilities; and Teacher-facing resources that deepen content knowledge. Materials must demonstrate at least 60% alignment with the Standards of Learning. More Frequent Engagement with State Reviewers &amp; Stakeholders.</p> <p><b>Other Indirect Costs (Non-Monetized)</b> More rigorous HQIM requirements may advantage larger companies with more resources, indirectly disadvantaging smaller firms. The state is expanding training for divisions and reviewers. Small businesses may need to adapt their materials or services to align with evolving state training expectations. Because the process emphasizes transparency, public review, and error reporting, small publishers face heightened reputational risk if materials are criticized. Additionally, adoption cycles through 2030 create long-term planning constraints, the small businesses must align development cycles with state schedules, reducing flexibility.</p> <p><b>Other Benefits (Non-Monetized)</b> The updated process provides: More precise rubrics, Clearer definitions of HQIM, and stronger guidance for supporting diverse learners. The improved Transparency &amp; Predictability outlines adoption cycles and review timelines through 2030. This predictability helps small businesses plan product development and staffing. Small businesses that already specialize in research-aligned or niche instructional materials may benefit from increased demand for high-quality, standards-aligned products. More Structured Feedback from Reviewers, consensus reviews, clearer indicators, and improved rubrics give publishers actionable feedback to improve their products; State-Supported Training for</p>	

	<p>Reviewers &amp; Divisions; and better-trained reviewers and division leaders may result in more consistent evaluations and smoother adoption processes for publishers.</p> <p><b>Other Indirect Benefits (Non-Monetized)</b></p> <p>Enhanced Credibility for Approved Small Publishers; Being listed on the state’s approved HQIM list increases perceived legitimacy and trustworthiness; More Uniform Expectations Across Divisions; Statewide HQIM definitions reduce variability in local requirements, making it easier for small businesses to scale materials across multiple divisions; Opportunities for Collaboration with Educators &amp; Experts; the process involves extensive stakeholder engagement, giving small publishers more opportunities to build relationships with educators, specialists, and reviewers; alignment with National HQIM Trends; and Virginia’s participation in the national IMPD Network means small businesses can align with broader national standards, improving competitiveness beyond the state.</p>
(4) Alternatives	N/A
(5) Information Sources	

**Changes to Number of Regulatory Requirements**

**Table 5: Regulatory Reduction**

For each individual action, please fill out the appropriate chart to reflect any change in regulatory requirements, costs, regulatory stringency, or the overall length of any guidance documents.

*Change in Regulatory Requirements*

VAC Section(s) Involved*	Authority of Change	Initial Count	Additions	Subtractions	Total Net Change in Requirements
	(M/A):				
	(D/A):				
	(M/R):				
	(D/R):				
				<b>Grand Total of Changes in Requirements:</b>	(M/A):
					(D/A):
					(M/R):
					(D/R):

**Key:**

Please use the following coding if change is mandatory or discretionary and whether it affects externally regulated parties or only the agency itself:

(M/A): Mandatory requirements mandated by federal and/or state statute affecting the agency itself

(D/A): Discretionary requirements affecting agency itself

(M/R): Mandatory requirements mandated by federal and/or state statute affecting external parties, including other agencies

**(D/R):** Discretionary requirements affecting external parties, including other agencies

*Cost Reductions or Increases (if applicable)*

<b>VAC Section(s) Involved*</b>	<b>Description of Regulatory Requirement</b>	<b>Initial Cost</b>	<b>New Cost</b>	<b>Overall Cost Savings/Increases</b>

*Other Decreases or Increases in Regulatory Stringency (if applicable)*

<b>VAC Section(s) Involved*</b>	<b>Description of Regulatory Change</b>	<b>Overview of How It Reduces or Increases Regulatory Burden</b>

*Length of Guidance Documents (only applicable if guidance document is being revised)*

<b>Title of Guidance Document</b>	<b>Original Word Count</b>	<b>New Word Count</b>	<b>Net Change in Word Count</b>
VQB5 Guidelines	5,989 words	11,996 words	+6,007 words

\*If the agency is modifying a guidance document that has regulatory requirements, it should report any change in requirements in the appropriate chart(s).