

Department of Planning and Budget 2002 Fiscal Impact Statement

1. Bill Number SB572

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 Ruff

3. Committee Education and Health

4. Title Responsibilities of Community College System.

5. Summary/Purpose:

Requires community colleges to (i) offer non-credit courses at a time and place that meet the needs of employers and at a cost not to exceed the incremental cost of each course, and (ii) deal directly with employers in designing and offering courses to meet real, current and projected workforce training needs. Requires the community colleges to report annually to the General Assembly on action taken to meet these requirements. This is a recommendation of the Rural Virginia Prosperity Commission.

6. Fiscal Impact Estimate are not available (see item 8.)

7. Budget amendment necessary: No.

8. Fiscal implications:

As written, the proposed legislation requires the community colleges to determine the incremental cost of each noncredit course, and to offer noncredit courses for exactly this incremental cost. Currently, noncredit courses at the community colleges must cover their costs, and usually provide additional revenue to the colleges over and above their direct costs. The procedures for determination of incremental cost are to be promulgated by the Auditor of Public Accounts. Without knowing the procedures each college will have to follow, it is not possible to determine the fiscal impact of this provision. However, it will take significant amounts of administrative time to cost out each course exactly, and to adjust the fees for each and every course instead of using a standard fee schedule. Furthermore, the requirement to offer courses at the times and places that meet the needs of employers may be difficult for the colleges to meet.

9. Specific agency or political subdivisions affected:

The Virginia Community College System and its twenty-three colleges.

10. Technical amendment necessary: No.

11. Other comments:

House Bill No. 1022 as introduced was identical to SB572, but was amended by the House Education Committee to soften the requirements on the colleges. The new language in the House bill requires colleges to *maximize noncredit course offerings made available to business and industry at a time and place that meets current and projected workforce needs and minimize the cost of noncredit offerings to business and industry to the extent feasible* .

Date: 01/30/02/jeh

Document: SB572.DOC

cc:Secretary of Education