

Department of Planning and Budget 2005 Fiscal Impact Statement

1. Bill Number HB2337

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

2. Patron Athey

3. Committee Passed both houses

4. Title Articulation agreements

5. Summary/Purpose:

Currently most four-year institutions have articulation agreements in place with selected community colleges that govern the transfer of students from the community colleges to the four-year college, and define how completed course credits will transfer for these students. The proposed legislation requires that the governing board of each four-year public institution of higher education develop *additional* articulation and transfer agreements with uniform application to all institutions within the Virginia Community College System, that provide *additional* opportunities for associate degree graduates to be admitted and enrolled. The legislation tasks the State Council of Higher Education with developing guidelines for these agreements.

6. Fiscal Impact Estimates are: Final. See item 8.

7. Budget amendment necessary: No.

8. Fiscal implications: The proposed legislation may encourage more students to attend community colleges for the first two years of their education. This would reduce costs to students and their families and to the Commonwealth, because of the lower cost of community college education relative to the senior institutions. An increase in the number of community college graduates enrolled in four-year institutions may increase overall enrollment or displace other students such as out-of-state students, transfers from other institutions or direct admission of high school graduates. However, such effects are anticipated to be minor and gradual. The four-year institutions are expected to adjust to any related increases in cost or decreases in revenue through their various funding streams, including tuition and fees and state support provided toward adequate base funding.

9. Specific agency or political subdivisions affected: All public institutions of higher education.

10. Technical amendment necessary: None.

11. Other comments: The Restructured Higher Education Administrative and Financial Operations Act of 2005 passed by the House and Senate (HB2866 and SB1327) contains similar provisions requiring four-year institutions to adopt additional articulation agreements with uniform application to all community colleges.

Date: 3/3/05 / jeh

Document: DPB G:\Legislation\2005 Legislation\HB2337ER.DOC

cc: Secretary of Education