

## Department of Planning and Budget 2006 Fiscal Impact Statement

**1. Bill Number** HB36

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

**2. Patron** Tata

**3. Committee** Passed Both Houses

**4. Title** Regulation of certain private and out-of-state institutions of higher education

**5. Summary/Purpose:** The enrolled legislation authorizes the State Council of Higher Education for Virginia (SCHEV) to recover a civil penalty of at least \$200, but not more than \$1,000 for each violation of the chapter relating to regulation of certain private and out-of-state institutions. The civil penalties against any one person, corporation, or other entity are not to exceed \$25,000 per year. The civil penalty is available when there has been no criminal prosecution instituted against such postsecondary school.

**6. Fiscal Impact Estimates are:** Not available.

**7. Budget amendment necessary:** No.

**8. Fiscal implications:** Only those post secondary institutions operating in Virginia that are operating in Virginia without certification by the State Council of Higher Education or in violation of the § 23-276.12 of the Code of Virginia would be effected by this legislation. Institutions that operate without seeking and securing State Council of Higher Education certification to operate will be subject to the civil penalty.

These schools will be given an opportunity to certify with SCHEV before a civil penalty will be sought against them. Also, in the case of non-compliance finding resulting from an audit, the State Council of Higher Education will allow the school sufficient time to correct any findings that violate the Code of Virginia or its implementing regulations (8 VAC 40-31 et al) before proceeding to the use of a civil penalty.

**9. Specific agency or political subdivisions affected:**

Private and out-of-state post secondary institutions of higher education operating in Virginia  
State Council of Higher Education

**10. Technical amendment necessary:** No.

**11. Other comments:** None

**Date:** 2/23/06/aps

**Document:** g:\aps\legislation\2006\HB36ER.doc