

## **Department of Planning and Budget 2009 Fiscal Impact Statement - Revised**

**1. Bill Number:** HB1727

House of Origin	<u>  X  </u>	Introduced	<u>      </u>	Substitute	<u>      </u>	Engrossed
Second House	<u>      </u>	In Committee	<u>      </u>	Substitute	<u>      </u>	Enrolled

**2. Patron:** Cole

**3. Committee:** Education

**4. Title:** Interstate Compact on Educational Opportunity for Military Children

**5. Summary:** Enacts into law an Interstate Compact on Educational Opportunity for Military Children to help remove barriers to educational success imposed on children of military families because of frequent moves and deployment of their parents. The compact is currently in effect as at least 10 states have enacted the compact into law.

This impact statement is revised to include staff costs related to the Department of Education, see item 8.

**6. Fiscal Impact Estimates:** Indeterminate. See item 8.

**7. Budget Amendment Necessary:** Yes. Item 30, 65 and 138 - HB1600.

**8. Fiscal Implications:** This legislation could generate some administrative costs for local school divisions resulting from the sending and receiving of a student's official education records across states. However, the Department of Education anticipates such costs would be negligible.

School divisions would also be prohibited from charging tuition to any military children placed in the care of a non-custodial parent or other person standing in loco parentis who lives in a jurisdiction other than that of the custodial parent. Any such student placed in a school division in Virginia would be counted in fall membership and Average Daily Membership (ADM) for the receiving division. Therefore, the receiving school division would receive state funding to cover the state share of costs for educating such students. There would also be an additional local share of cost for such students. At this time, the number of students and school divisions that might be subject to the provisions of this legislation is unknown so it is not possible to reliably estimate the potential state and local costs.

To administer the provisions specified, the legislation also calls for the creation of the Interstate Commission on Educational Opportunity for Military Children (Interstate Commission) and the Virginia Council on the Interstate Compact on Educational Opportunity for Military Children (Virginia Council).

The Interstate Commission would be responsible for overseeing the activities involved with administering the compact. This would include providing assistance to officials from member states, military families, and education officials. Pursuant to this legislation, costs associated with the activities or administration of the Interstate Commission shall be covered by annual fees assessed to each of the member states. It is indeterminate what the Commonwealth's fee will be as a member of the Commission, however funds will need to be appropriate to the Interstate Organization Contributions.

The Virginia Council will consist of members from the General Assembly, the Superintendent of Public Instruction, a superintendent from a local school division, other nonlegislative members and also the Governor or his designee. The Virginia Council may consider all matters related to the Interstate Commission and represent the Commonwealth in all actions of the compact. While the members shall serve without compensation, legislative members shall be reimbursed for expenses for the attendance at conferences from the Virginia Commission on Intergovernmental Cooperation. Nonlegislative members shall be reimbursed from funds as may be provided for in the Appropriation Act. At this time, it is indeterminate how many conferences or meetings there will be or what the cost of the attendance will be to the Commonwealth.

In addition, after reconsidering the impact of this bill on the agency's workload, the Department of Education indicated it will need a position to serve as staff support for the Council's activities. The anticipated annual cost for the position would be \$109,595.

- 9. Specific Agency or Political Subdivisions Affected:** Board of Education, Department of Education, local education agencies, Interstate Organization Contributions and the Virginia Commission on Intergovernmental Cooperation.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.

**Date:** 1/25/2009 dpbsbj

**Document:** G:\Legislation\2009\Posted\HB1727.doc

cc: Secretary of Education