

Department of Planning and Budget 2014 Fiscal Impact Statement

1. Bill Number: HB 467

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: Delegate Massie

3. Committee: Passed Both Houses

4. Title: Enter into interstate reciprocity agreements for higher education distance learning

5. Summary: This bill authorizes the State Council of Higher Education for Virginia (SCHEV) to enter into interstate reciprocity agreements authorizing postsecondary distance education. SCHEV will administer the agreements and approve or deny participation in the agreements by degree-granting institutions of higher education in the Commonwealth. Participation is voluntary. In addition, SCHEV is required to establish the Distance Learning Reciprocity Advisory Council, which will include representatives from each participating institution. This legislation does not prohibit degree-granting institutions that choose not to participate in any SCHEV authorized reciprocity agreements from offering postsecondary distance education.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Final (see Section 8)

8. Fiscal Implications: There will be a minimal nongeneral fund (NGF) fiscal impact on the Commonwealth resulting from this legislation. SCHEV will finance the cost associated with administering the program using nominal fees charged to degree-granting institutions of higher education in Virginia. If SCHEV requires additional NGF appropriation to expend the revenue resulting from the fees, it can be processed administratively.

Once approved to participate in the national state authorization reciprocity agreement, institutions can offer online distance education in other participating states without seeking authorization, registering, or paying fees to those states. Depending on their online course offerings, institutions can save significant fees and staff time; thereby contributing to an improved ability to attract out-of-state students to online programs. In addition, it will help ensure that Virginia's institutions comply with federal requirements so that the out-of-state students participating in their distance learning programs can potentially receive federal financial aid.

9. Specific Agency or Political Subdivisions Affected: State Council of Higher Education for Virginia and all degree-granting institutions of higher education in the Commonwealth

10. Technical Amendment Necessary: N/A

11. Other Comments: None.

Date: 02/26/14 sas

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c: Secretary of Education