

## Department of Planning and Budget

### 2015 Fiscal Impact Statement

**1. Bill Number:** HB2041

<b>House of Origin</b>	<input checked="" 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 type="checkbox"/> Enrolled

**2. Patron:** Filler-Corn

**3. Committee:** Education

**4. Title:** Establish Open Education Resources Innovation Council

- 5. Summary:** The proposed legislation establishes the Open Education Resources Innovation Council as a policy board in the executive branch of state government for the purpose of identifying open education resources at all levels of education and uses for such resources. In addition, the Council will recommend specific policies and funding mechanisms for the increased use of open education resources in the Commonwealth.

The legislation directs that the Council be governed by a policy board consisting of 13 members. The members are to be appointed in the following manner: one representative of an open education nonprofit entity, one representative of a textbook publisher that sells textbooks in the Commonwealth for use in public elementary or secondary schools or institutions of higher education, one professor or administrator of a four-year public institution of higher education in Virginia, one professor or administrator of the Virginia Community College System, and one active public elementary or secondary school teacher, to be appointed by the Governor, subject to confirmation by the General Assembly; two members appointed by the Speaker of the House of Delegates, two members to be appointed by the Senate Committee on Rules. Additionally, the Superintendent of Public Instruction, the Secretary of Education, the Director of the State Council of Higher Education for Virginia, and the Secretary of Technology, or their designees, will serve on the Council and serve ex officio with voting privileges. Nonlegislative citizen members shall be citizens of the Commonwealth.

No House member shall serve more than four consecutive two-year terms, no Senate member shall serve more than two consecutive four-year terms, no nonlegislative citizen member appointed by the Speaker of the House of Delegates or the Senate Committee on Rules shall serve more than four consecutive two-year terms, and no nonlegislative member appointed by the Governor shall serve more than two consecutive two-year terms. The Council shall elect a chairman and vice-chairman annually from among its members and meet not more than four times a year. The provisions of this legislation will expire on July 1, 2018.

The Council is authorized to:

- advise the Governor and General Assembly on open education policies that have the potential to reduce the cost of textbooks and educational materials in the Commonwealth while adding value to the learning;
  - develop and maintain a list of 50 digital open source textbooks, as that term is defined by the Council;
  - create a standardized, rigorous school and school board review and approval process for digital open source textbooks that ensures that all open source textbooks purchased have been tested and validated as having met accessibility requirements for student with disabilities and contain documentation for students with disabilities that describes accessibility features;
  - promulgate in accordance with the Administrative Process Act (§ 2.2-4000 et seq.) any regulations that are consistent with the laws of the Commonwealth and necessary to carry out the provisions of this article;
  - report annually for publication as a report document as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports; and
  - submit an annual executive summary of the interim activity and work of the Council to the Governor and the General Assembly no later than the first day of each regular session of the General Assembly.
6. **Budget Amendment Necessary:** Yes, if this legislation is adopted. Currently, the Council is not funded under the Executive Branch. However, the legislation stipulates that members of the Council are to be reimbursed according to the regulations set by the State Comptroller which could include travel, lodging, and/or meals incurred while conducting official state business.
7. **Fiscal Impact Estimates:** Preliminary. See Line 8.
8. **Fiscal Implications:** It is difficult to estimate the costs associated with this legislation since there is no way to know how much travel will be involved for the members of the Council. The legislation requires the Council to pay the costs of compensation and expenses for the members. Lodging, parking, and necessary travel expenses will be reimbursed under the regulations set by the State Comptroller and the Appropriation Act.

The Members of the council, who are appointed at the state level, shall be compensated at the rate of \$50 per day, unless a different rate of compensation is specified by statute for such members, plus expenses for each day or portion thereof in which the member is engaged in the business of that body. Members of the General Assembly appointed to serve on the

Council shall be reimbursed at a rate of \$200 per day. If the Council meets during a legislative session, the House and Senate members are not eligible for reimbursement. Persons conducting official business of the Commonwealth shall also be reimbursed for the reasonable and necessary actual costs of meals, gratuities, and other incidental expenses. At the discretion of the governing authority, a per diem payment may be made in lieu of this reimbursement for meals, gratuities, and other incidental expenses.

For example, if the following assumptions are made:

**Estimated Annual Costs for Council Expenses**

Reimbursement	Amount	# Mtgs.	Members	TOTAL
Per Diem (nonlegislative)	\$50	4	9	\$ 1,800
Per Diem (legislative)	\$200	4	4	\$ 3,200
Travel (200 miles/member)	\$.575/mile	4	13	\$ 5,980
Lodging	\$100	4	13	\$ 5,200
Meals	\$50	4	13	\$ 2,600
<b>TOTAL COST</b>				<b>\$ 18,780</b>

**9. Specific Agency or Political Subdivisions Affected:**

Appointed members from the House of Delegates and Senate of Virginia	
Attorney General	Secretary of Education
Director, State Council of Higher Education	Secretary of Technology
Superintendent of Public Instruction	

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

**11. Other Comments:** None.