

## **Department of Planning and Budget**

### **2015 Fiscal Impact Statement**

**1. Bill Number:** HB2041

<b>House of Origin</b>	<input type="checkbox"/> Introduced	<input checked="" 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 19 members. 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 and one administrator of a four-year public institution of higher education in Virginia, one professor and one administrator of the Virginia Community College System, and one active public elementary or secondary school teacher and one administrator, to be appointed by the Governor, subject to confirmation by the General Assembly; four members appointed by the Speaker of the House of Delegates and 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 duties of the Council shall be to:

- advise the Governor and chairmen of the House Committee on Education and the Senate Committee on Education and Health 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 experience;
  - recommend or suggest requiring the creation or adoption of materials or processes for implementing open source textbooks;
  - recommend 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;
  - 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 the chairman shall submit to the Governor and the chairmen of the House Committee on Education and the Senate Committee on Education and Health 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. The executive summary shall be submitted 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 shall be posted on the General Assembly's website.
6. **Budget Amendment Necessary:** Yes, if this legislation is adopted. Currently, the Council is not funded under the Executive Branch.
7. **Fiscal Impact Estimates:** Preliminary. See Line 8.
8. **Fiscal Implications:** The substitute bill eliminates the paragraph from the introduced bill regarding compensation for council members; however, per Item 1, paragraphs B.6.c., B.6.d., B.7., and B.8. of Chapter 3, 2014 Acts of Assembly, Special Session I, it appears that some members are still eligible for the per diem payment, as well as a travel, lodging, and meal reimbursement from the Commonwealth. Since there is no way to know how much travel will be involved for the members of the Council, it is difficult to estimate the costs associated with this legislation.

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 are eligible for 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. Council

members, who are appointed at the state level, are 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. However, if a member is employed by the Commonwealth, or a political subdivision, including any full-time faculty member of a public institution of higher education, they are not eligible for compensation under the Appropriation Act. In addition, these members are also limited for reimbursement for other reasonable and necessary expenses incurred to be paid by his employer. Members of the General Assembly appointed to serve on the Council shall be reimbursed at a rate of \$200 per day. Lodging, parking, and necessary travel expenses will be reimbursed at rates set forth under the regulations set by the State Comptroller and the Appropriation Act.

For example, if the following assumptions are made, the annual costs to support the Council would total \$25,340.

**Estimated Annual Costs for Council Expenses**

<b>Reimbursement</b>	<b>Amount</b>	<b># Mtgs.</b>	<b>Members</b>	<b>TOTAL</b>
Per Diem (nonlegislative)	\$50	4	2	\$ 400
Per Diem (legislative)	\$200	4	6	\$ 4,800
Travel (200 miles/member)	\$.575/mile	4	19	\$ 8,740
Lodging	\$100	4	19	\$ 7,600
Meals	\$50	4	19	\$ 3,800
<b>TOTAL COST</b>				<b>\$ 25,340</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.