

Department of Planning and Budget 2008 Fiscal Impact Statement

1. **Bill Number:** HB395

House of Origin Introduced ___ Substitute ___ Engrossed
Second House ___ In Committee ___ Substitute ___ Enrolled

2. **Patron:** Cole

3. **Committee:** Committee on Education

4. **Title:** **Interstate Compact on Educational Opportunity for Military Children; established, report**

5. **Summary:** This bill establishes a compact to remove barriers to educational success imposed on children of military families because of frequent moves and deployment of their parents. The compact becomes effective when 10 states enact the compact into law.

6. **Fiscal Impact Estimates:** See Item 8.

7. **Budget Amendment Necessary:** Yes, Item 65, HB 30.

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, it is anticipated that such costs would be negligible.

In addition, divisions would 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 costs 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.

This legislation also creates the Interstate Commission on Educational Opportunity for Military Children. The 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, any such costs associated with the activities or administration of the 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 appropriated to the Interstate Organization Contributions.

9. Specific Agency or Political Subdivisions Affected: Local Education Agencies, Interstate Organization Contributions.

10. Technical Amendment Necessary: No

11. Other Comments: None

Date: 1/17/2008 dpb

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