

## Department of Planning and Budget 2013 Fiscal Impact Statement

**1. Bill Number:** HB2088H1

<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:** Tata

**3. Committee:** Education

**4. Title:** Postsecondary schools; student records and school closures.

**5. Summary:** Provides that in the event of a postsecondary school closure, the school shall transfer the academic and financial records of its students to the State Council of Higher Education for Virginia (SCHEV) or to another school. The bill also requires that a closing school develop and submit to SCHEV a "teachout plan," which is a written agreement between or among postsecondary schools that provides for the equitable treatment of students if one of those institutions stops offering an educational program before all students enrolled in that program complete the program.

**6. Budget Amendment Necessary:** No.

**7. No Fiscal Impact.** Preliminary, see item 8.

**8. Fiscal Implications:** This legislation comprises two specific issues, (1) a "teachout" plan to be approved by SCHEV, and (2) additional language directing student records of private proprietary postsecondary colleges that are closing to deposit the records to SCHEV or with another cooperating school. According to SCHEV, there would be no fiscal impact for the teachout approval. This program is funded with nongeneral funds and is staffed to support this program. Records that become the property of the State Council of Higher Education for Virginia once an institution closes, thus, become public records, and are maintained by the Library at the usual storage rates, which are paid from the nongeneral funds collected by SCHEV. The substitute bill has language clarification which allows schools with a location outside of Virginia to retain student records in that location, and requires the school to notify the State Council of Higher Education for Virginia regarding contact information for academic and financial records.

**9. Specific Agency or Political Subdivisions Affected:** State Council of Higher Education for Virginia, Library of Virginia.

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

**11. Other Comments:** None.