

Department of Planning and Budget 2014 Fiscal Impact Statement

1. Bill Number: HB 467

House of Origin	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

2. Patron: Delegate Massie

3. Committee: Education

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 will be voluntary. In addition, SCHEV will be required to establish the Distance Learning Reciprocity Advisory Council, which will include representatives from each participating institution. This proposed legislation does not prohibit those degree-granting institutions that do not participate in any SCHEV authorized reciprocity agreements from offering postsecondary distance education.

6. Budget Amendment Necessary: No.

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

8. Fiscal Implications: As currently written, it is anticipated that this proposed legislation will have a minimal nongeneral fund fiscal impact on the Commonwealth. SCHEV would finance the cost associated with administering the program using nominal fees charged to degree-granting institutions of higher education in Virginia. Once approved to participate in the national state authorization reciprocity agreement, institutions would be able to 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 could save significant fees and staff time; thereby contributing to an improved ability to attract out-of-state students to online programs. In addition, it would help ensure that Virginia's institutions comply with federal requirements so that the out-of-state students participating in their distance learning programs could potentially receive federal financial aid.

9. Specific Agency or Political Subdivisions Affected: All degree-granting institutions of higher education in the Commonwealth

10. Technical Amendment Necessary: N/A

11. Other Comments: This proposed legislation as written does not differentiate between public and private institutions of higher education.

Date: 01/13/14 sas

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c: Secretary of Education