

**Department of Planning and Budget
2017 Fiscal Impact Statement**

1. **Bill Number:** HB2007

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

2. **Patron:** Bell, Robert B.

3. **Committee:** Education

4. **Title:** Students who receive home instruction; dual enrollment courses.

5. **Summary:** Requires each school board to permit any student who receives home instruction and resides in the local school division to apply for enrollment as a part-time student of the local school division in any dual enrollment course offered pursuant to an agreement for postsecondary degree attainment at a public high school in the local school division or at the comprehensive community college. The bill specifies that no such student shall be required to pay more in tuition or fees than the tuition or fees paid by public school students to enroll in such course.

6. **Budget Amendment Necessary:** No

7. **Fiscal Impact Estimates:** Indeterminate. See Item 8.

8. **Fiscal Implications:** Pursuant to Item 139.A.1.c. of Chapter 780, 2016 Acts of Assembly, students who are either (i) enrolled in a nonpublic school or (ii) receiving home instruction pursuant to § 22.1-254.1 and who are enrolled in a public school on less than a full-time basis in any mathematics, science, English, history, social science, vocational education, health education or physical education, fine arts or foreign language course, or receiving special education services required by a student's individualized education plan, shall be counted in the funded fall membership and March 31 average daily membership (ADM) of the responsible school division. Each course shall be counted as 0.25 of a student in ADM, up to a cap of 0.5 of a student.

Increased part-time enrollment in local school divisions would increase ADM, which would increase the state share of costs to support students in ADM. Based on the average statewide per pupil cost for FY 2018, the Department of Education (DOE) calculates an additional state cost of approximately \$1,073 per 0.25 of a student counted in ADM, up to a cap of 0.5 of a student, or \$2,146, for part-time students enrolled in a dual enrollment course in FY 2018. DOE reports 8,370 home school students in grades nine through 12 for the 2015-2016 school year. Assuming level enrollment through the 2017-2018 school year and assuming that home school students in grades 10 through 12, or 75 percent of these students, are eligible for dual enrollment courses, approximately 6,278 students could enroll in dual enrollment courses in

SECOND REVISION

(Includes new impact information for VCCS)

FY 2018. If an additional 6,278 home school students enroll in one dual enrollment course through their local public school division in FY 2018, the additional general fund state cost for these students would be approximately \$6.7 million. If an additional 6,278 home school students enroll in multiple dual enrollment courses through their local public school division in FY 2018, the additional general fund state cost for these students would be approximately \$13.5 million. DOE cannot identify which home school students included in this population already may be enrolled in a dual enrollment course through a local public school division and, therefore, included in ADM. Any actual fiscal impact to the state under Direct Aid to Public Education is indeterminate at this time and would be based on the actual number of additional home school students who enroll as part-time students, as well as the actual per pupil amount and local composite index of the local school division. Local school divisions would be required to provide the local share of any additional state funds based on each division's local composite index.

The Virginia Community College System (VCCS) could experience a negative fiscal impact if home school students currently enrolled in community college courses instead enroll in dual enrollment courses through the local school divisions. Currently, each community college has negotiated agreements that require reimbursement at a minimum of 60 percent to participating high schools and public school divisions, with the option to reimburse up to 100 percent in consideration of additional agreed to services provided by the high schools and public school divisions when dual enrollment instruction is taught at the high schools. Policy does not allow reimbursement to the school division when dual enrollment courses are taught on the campus of the community college. This bill could require community colleges to reimburse tuition for home school students at the same percentage rate negotiated with local high schools and public school divisions where the home school student resides.

Currently, home school students primarily receive dual enrollment instruction at the community college and therefore pay the full tuition and mandatory fees assessed to on-campus students. These students have the same level of access to the amenities and services provided by the college. In the 2015-2016 school year, VCCS served approximately 375 full-time equivalent home school students system-wide. In the 2015-2016 school year, the amount of tuition funding per full-time equivalent student was approximately \$4,700. If all 375 of the home school students currently enrolled in dual enrollment courses through the community colleges enroll in dual enrollment through their local school divisions, VCCS could be required to reimburse approximately \$1.8 million in tuition.

9. Specific Agency or Political Subdivisions Affected: Department of Education, local school divisions, Virginia Community College System

10. Technical Amendment Necessary: No

11. Other Comments: None