

Department of Planning and Budget 2018 Fiscal Impact Statement

1. Bill Number: HB 1542

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 Murphy

3. Committee: Education

4. Title: Adopt regulations regarding the closure of certified postsecondary schools

5. Summary: This bill requires the State Council of Higher Education for Virginia (SCHEV) to adopt regulations securing adequate funds for the management of financial liabilities resulting from the closure of certified postsecondary schools. These regulations should provide:

- procedures governing the administration of a student tuition guaranty fund that may be utilized upon closure of a certified postsecondary school to provide refunds of tuition and fees to students enrolled in or on an approved leave of absence from such school at the time of its closure; and
- procedures to ensure that funds are available to pay for expenses borne by SCHEV as a result of the closure of a certified postsecondary school, including charges for securing student records, administering teach out plans, and storage, which procedures may provide for requirements for certified postsecondary schools to contribute funds for such expenses through a student tuition guaranty fund, surety bonds, irrevocable letters of credit or any combination.

6. Budget Amendment Necessary: No.

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

8. Fiscal Implications: This proposed legislation is clerical in nature and as currently written, should not result in a fiscal impact to SCHEV.

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

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 01/23/18

c: Secretary of Education