



Economic Impact Analysis Virginia Department of Planning and Budget

8 VAC 20-280 – Regulations Governing Jointly Owned and Operated Schools and Jointly Operated Programs
Department of Education
February 8, 2008

Summary of the Proposed Amendments to Regulation

The Board of Education (Board) proposes amendments to these regulations including the following: 1) repealing aspirational language, 2) adding a definitions section, 3) altering the requirements concerning membership of the governing board of the joint school to be less restrictive, and 4) specifying that the fiscal agent can be selected from any of the treasurers of the participating localities.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

Joint schools include academic-year Governor's schools, alternative education centers, career and technical centers, and special education centers. The *Regulations Governing Jointly Owned and Operated Schools and Jointly Operated Programs* were adopted September 1, 1980 and have not been amended since. .

The Board's proposal to repeal aspirational language will have no impact since the text contained no legal requirements. The proposed addition of the definitions section will provide a small benefit in that it will provide clarity.

The current regulations require that:

When not more than two school boards agree to establish a joint board, its membership shall consist of three members of each of the participating school boards. When three school boards agree to establish a joint board, its membership shall consist of two

members from each participating school board. When more than three school boards agree to establish a joint board, its membership shall consist of one member from each of the participating school boards.”

The Board proposes to allow greater discretion by repealing the language above and to just require that membership of the joint board “be composed of at least one member of each of the local school boards participating in the joint program.” This should provide a net benefit since the local boards will be free to arrange their joint board in the manner that they find most appropriate, while still guaranteeing that each participating locality is represented.

The current regulations require that the fiscal agent for the joint school “be the treasurer of the county or city where the school is located.” Pursuant to Chapter 45 of the 2007 Virginia Acts of Assembly, the Board proposes to allow the fiscal agent to be selected from any of the treasurers of the participating localities. It is entirely plausible that the best suited treasurer to be fiscal agent may be from a locality other than the one where the joint school is physically located. Thus, the proposal to permit such an individual to be chosen as the fiscal agent is clearly beneficial. There is no apparent cost to this proposed change. Therefore this proposed amendment will create a net benefit.

Businesses and Entities Affected

All 132 school divisions in the Commonwealth are potentially affected by the proposed amendments.

Localities Particularly Affected

All localities are potentially affected. Localities which currently or plan to jointly operate schools or programs with other localities are particularly affected.

Projected Impact on Employment

The proposed amendments will not significantly affect employment.

Effects on the Use and Value of Private Property

The proposed amendments will not significantly affect the use and value of private property.

Small Businesses: Costs and Other Effects

The proposed amendments do not directly affect small businesses.

Small Businesses: Alternative Method that Minimizes Adverse Impact

The proposed amendments do not directly affect small businesses.

Real Estate Development Costs

The proposed amendments do not directly affect real estate development costs.

Legal Mandate

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.H of the Administrative Process Act and Executive Order Number 36 (06). Section 2.2-4007.H requires that such economic impact analyses include, but need not be limited to, the projected number of businesses or other entities to whom the regulation would apply, the identity of any localities and types of businesses or other entities particularly affected, the projected number of persons and employment positions to be affected, the projected costs to affected businesses or entities to implement or comply with the regulation, and the impact on the use and value of private property. Further, if the proposed regulation has adverse effect on small businesses, Section 2.2-4007.H requires that such economic impact analyses include (i) an identification and estimate of the number of small businesses subject to the regulation; (ii) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the regulation, including the type of professional skills necessary for preparing required reports and other documents; (iii) a statement of the probable effect of the regulation on affected small businesses; and (iv) a description of any less intrusive or less costly alternative methods of achieving the purpose of the regulation. The analysis presented above represents DPB's best estimate of these economic impacts.