

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** HB 1203 Interstate Compact on Educational Opportunity for Military Children  
**SPONSOR(S):** Proctor and others  
**TIED BILLS:** **IDEN./SIM. BILLS:** SB 2546

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REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Committee on Education Innovation & Career Preparation		Beagle	White
2) Schools & Learning Council			
3) Policy & Budget Council			
4) _____			
5) _____			

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### SUMMARY ANALYSIS

Children in military families face unique educational challenges. The average military child transfers to a different school district six to nine times during grades kindergarten through 12. When a parent is reassigned, military children may be impacted by: (a) record transfer issues; (b) varied course sequencing and academic placement policies; (c) varied graduation requirements; (d) exclusion from extracurricular activities; (e) redundant or missed entrance or exit testing; (f) varied kindergarten and first grade entrance ages; and (g) the need to appoint temporary guardians while the child's parent is deployed.

Over 58,000 active duty armed forces personnel are stationed at 20 Florida military bases. U.S. Department of Defense Office of Personnel (DOD) statistics place the number of school-aged dependent children of armed forces personnel living in Florida at 56,185. Of this amount, 36,574 are children of active duty personnel and 19,611 are children of reservists. State law contains several provisions intended to assist transitioning military children entering Florida's public schools.

The Interstate Compact on Educational Opportunity for Military Children was developed by the Council of State Governments (CSG) in cooperation with the U.S. DOD to address the educational transition issues faced by military families in the areas of program eligibility and placement, enrollment, and high school graduation. The compact becomes effective once ten states pass legislation adopting it. As of March 12, 2008, 19 states have introduced legislation to adopt the compact. No state has adopted it.

House Bill 1203 creates s. 1000.36, F.S., to authorize and direct the Governor to execute and legally join the compact on behalf of the State of Florida. The requirements of the compact are laid out in a series of articles addressing the following topics: (a) the purpose of the compact; (b) its applicability to persons and entities; (c) definitions; (d) educational records and enrollment; (e) program placement and attendance; (f) program eligibility; and (g) graduation.

In addition, the bill creates an Interstate Commission on Military Children to oversee the administration and operations of the interstate compact. The bill also establishes an executive committee to oversee the day-to-day activities of the commission, and a State Council to oversee Florida's participation in the compact. The bill will bind the state to rules that have not yet been written. **(See Constitutional Issues: Other).**

The bill also creates s. 1000.37, F.S., to require the Secretary of State to furnish an enrolled copy of this act to each state that approves the compact upon its becoming law.

The bill appears to have negative, but currently indeterminate, fiscal impact on state government and district school boards. **(See Fiscal Analysis and Economic Impact Statement).**

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

**STORAGE NAME:** h1203.EICP.doc  
**DATE:** 3/12/2008

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. HOUSE PRINCIPLES ANALYSIS:

**Provide Limited Government:** The bill creates a State Council to oversee Florida's participation in the compact. The bill also creates an Interstate Commission to oversee the operation of the compact among member states. The commission is empowered to adopt and enforce rules governing the operation of the compact.

**Empower Families:** The bill sets forth provisions to aid children of military families transitioning into Florida public schools.

#### B. EFFECT OF PROPOSED CHANGES:

##### Present Situation

Children in military families face unique educational challenges. The average military child transfers to a different school district six to nine times during grades kindergarten through twelve.<sup>1</sup> When a parent is reassigned, military children may be impacted by: (a) record transfer issues; (b) varied course sequencing and academic placement policies; (c) varied graduation requirements; (d) exclusion from extracurricular activities; (e) redundant or missed entrance or exit testing; (f) varied kindergarten and first grade entrance ages; and (g) the need to appoint temporary guardians while the child's parent is deployed.<sup>2</sup> Over 58,000 active duty armed forces personnel are stationed at 20 Florida military bases.<sup>3</sup> U.S. DOD statistics place the number of school-aged dependent children of armed forces personnel living in Florida at 56,185. Of this amount, 36,574 are children of active duty personnel and 19,611 are children of reservists.<sup>4</sup>

*State Law:* Current law contains several provisions intended to assist transitioning military children entering Florida's public schools. Statute requires the Department of Education (DOE) to facilitate the development and implementation of memoranda of agreement between school districts and military installations to assist transitioning students whose parents are active duty military personnel. Transitioning military students who meet the eligibility criteria for special public school academic programs receive an enrollment preference for admission into such programs. The enrollment preference applies even if the program is being offered in a public school other than the student's assigned school.<sup>5</sup>

A transitioning military child with a disability who meets all other eligibility requirements for the John M. McKay Scholarship Program is not required to have been enrolled in a Florida public school, the Florida School for the Deaf and the Blind, or an early intervention program in the previous year to receive scholarship.<sup>6</sup> Dependent children of active duty armed services personnel who reside or are stationed in Florida are considered residents for the purpose of awarding student financial aid. Military children who attend a public postsecondary institution within 50 miles of the base where their parent or guardian is stationed are eligible for in-state tuition.<sup>7</sup> Generally, applicants for a Florida Bright Futures

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<sup>1</sup> Council of State Governments, *Interstate Compact on Educational Opportunity for Military Children: Legislative Resource Kit* (January 2008) available at <http://www.csg.org/programs/ncic/documents/RESOURCEKIT-January2008final.pdf>.

<sup>2</sup> *Id.*

<sup>3</sup> Haas Center, University of West Florida, *Florida Defense Industry Economic Impact Analysis: Volume One: State and Regional Analyses* (January 2008) available at [http://www.cbred.uwf.edu/pdfs/impactStudies/FLdefense\\_Volume\\_1\\_2008.pdf](http://www.cbred.uwf.edu/pdfs/impactStudies/FLdefense_Volume_1_2008.pdf).

<sup>4</sup> Council of State Governments, *Legislative Resource Kit* (January 2008).

<sup>5</sup> Section 1003.05, F.S. (Statute defines "special academic program" to include magnet schools, advanced studies programs, advanced placement, dual enrollment, Advanced International Certificate of Education, and International Baccalaureate).

<sup>6</sup> Section 1002.39(2), F.S.

<sup>7</sup> Section 1009.21(10)(a) and (b), F.S.

Scholarship Program award must have earned a standard Florida high school diploma, or its equivalent, to be eligible for a scholarship. A military child who earned a non-Florida high school diploma while living with a parent or guardian on military assignment away from Florida is exempt from this requirement.<sup>8</sup> In addition, the DOE maintains a webpage for military families on its website with links to information regarding schools and school districts, academic programs, national resources, armed forces websites, and student financial aid.<sup>9</sup>

### **Effect of Proposed Changes**

*The Interstate Compact on Educational Opportunity for Military Children:* House Bill 1203 creates s. 1000.36, F.S., to authorize and direct the Governor to execute and legally join the Interstate Compact on Educational Opportunity for Military Children on behalf of the state of Florida. The compact was developed by the CSG in cooperation with the U.S. DOD to address the educational transition issues faced by military families. It addresses such issues as records transfers, program eligibility and placement, enrollment, and high school graduation. The compact becomes effective once ten states pass legislation to adopt it.<sup>10</sup> As of March 12, 2008, 19 states have introduced legislation to adopt the compact. No state has adopted it.<sup>11</sup> The requirements of the compact are laid out in a series of articles that address the following topics:

*Purpose:* The bill provides that it is the purpose of the compact to aid transitioning military students by removing barriers to: (a) school enrollment caused by delayed transfer of education records or variations in entrance or age requirements; (b) program placement caused by variations in attendance requirements, scheduling, course sequencing, grading, course content, or assessment; (c) program enrollment and participation in extracurricular activities; and (d) on-time graduation. In addition, the bill states that the purpose of the compact is to: (a) provide for the adoption and enforcement of administrative rules; (b) facilitate collection and sharing of information; and (c) promote cooperation between the educational system, parents, and the student.

*Applicability:* The bill applies to active duty armed forces personnel, personnel or veterans who are medically discharged or retired for a period of one year, and personnel who die on active duty or as a result of injuries sustained on active duty for a period of one year after death. Local education agencies (LEA) must abide by compact terms. The terms of the compact are binding only on member states.

*Records, Enrollment, and Eligibility:* The bill requires a student's former school to issue temporary transcripts in the event that it cannot timely furnish official transcripts. Pending receipt of official transcripts, the student's receiving school must accept the temporary transcripts for enrollment and placement purposes. Compact states must give the student 30 days to obtain required immunizations. Students must be allowed to continue their enrollment at the grade level they were enrolled in at the former school. Likewise, a student who has completed a grade-level in the former state must be allowed to enroll in the next highest grade level in the receiving state, regardless of age.

The bill requires a LEA to honor temporary guardianships executed to enroll the child in school due to a student's parent being deployed out of state or country. The bill prohibits a LEA from charging tuition to a student who is placed in the care of a person who lives outside of the LEA's jurisdiction. Such students must be allowed to remain at the original school. LEAs must also allow a transitioning military child to participate in extracurricular activities, regardless of when the child enrolled in the school.

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<sup>8</sup> Section 1009.531(1)(b)2., F.S.

<sup>9</sup> See Florida Department of Education, Military Family Assistance *available at* <http://www.fldoe.org/military/>.

<sup>10</sup> Council of State Governments, *Legislative Resource Kit* (January 2008).

<sup>11</sup> Alabama, Arizona, California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Kansas, Kentucky, Maryland, Mississippi, Missouri, New Hampshire, Oklahoma, South Dakota, Virginia, and Washington. See Council of State Governments, *Interstate Compact on Educational Opportunity for Military Children: State-by-State Status* (Updated March 12, 2008) *available at* <http://www.csg.org/programs/ncic/documents/State-by-statechart3-12-08.pdf>.

*Placement and Attendance:* Transferring students must be allowed to continue in the academic program that the student was enrolled in at the student's former school, including English as a second language, exceptional student education, gifted, honors, International Baccalaureate, Advanced Placement, and career and technical courses. Program placement must occur based upon prior participation or educational assessments conducted at the student's former school. When a parent who has been deployed out of state or country is home on leave, an LEA must allow the student additional excused absences to visit with the parent.

*Graduation:* To enable transitioning military students to graduate from high school on time, the bill requires states and LEAs to waive courses required for graduation if similar course work was previously completed or provide alternative means for such students to satisfy coursework requirements. States must also accept exit exam, end-of-course exam, or other testing required for graduation in the student's former state. For military students who transfer before or during their senior year and who are not eligible to graduate from the receiving state, the current and former LEAs must arrange for the student to receive a diploma from the student's former LEA.

*State Governance:* Each state must establish a State Council to coordinate state and local government implementation of, and compliance with, compact requirements. Each state may independently determine council membership. However it must include at least the state superintendent of education, the superintendent of a school district with a high concentration of military students, a representative from a military base, and one representative each from the legislative and executive branches of government. Each state must also appoint a military family education liaison to assist military families and the state with compact compliance.

*National Governance:* The bill establishes an Interstate Commission to provide general oversight of the compact. The bill provides start-up procedures for the commission, including the appointment of an executive committee and election of officers. It authorizes the executive committee to retain an executive director. The executive director and commission employees are immune from lawsuits arising within the scope of the commission's purpose. It also authorizes the commission to defend the executive director and commission employees in the event of a lawsuit.

The commission may perform various administrative functions consistent with its operation. It must also compile data, facilitate sharing of information, and conduct training and public awareness activities. The commission must annually report to the legislatures, governors, judiciary, and state councils of the member states. The commission is to be comprised of a representative from each member state and ex officio members representing stakeholders. Each state is entitled to one vote on rule adoption and other matters brought before the commission. The commission must meet at least once a year. Commission meetings must be noticed and open to the public.

*Rulemaking and Enforcement:* The commission is authorized to adopt and enforce rules governing the compact's operation and is responsible for enforcing its rules on states and LEAs. Rules that exceed the scope of the commission's authority shall be invalid. A majority of member state legislatures may invalidate a rule by legislative action. Individuals may request judicial review of any rule within 30 days of its adoption.

The bill requires member state government executive, legislative, and judicial branches to enforce the compact. Compact provisions and rules adopted are to have the force and effect of statutory law, and supersede conflicting state laws. The bill requires all member state courts to take judicial notice of the compact and its rules in any judicial or administrative proceeding concerning the compact. A member state may withdraw from the compact by repealing its compact statute. If a compact provision is determined to be unenforceable, the bill provides severability for remaining provisions.

The bill provides that the commission is entitled to receive all service of process and that the failure to serve process renders a judgment or order void as to the compact, the commission, or its rules. The bill also provides that the commission has standing to intervene in any proceeding involving the compact.

The commission must develop a grievance procedure that enables stakeholders to seek redress for violations of the compact. It must also develop an informal dispute resolution procedure for resolving disputes between member states. If the commission determines that a member state has defaulted in its responsibilities under the compact, or the bylaws or rules of the commission, the bill authorizes it to:

- Provide written notice to the defaulting state and other member states regarding the violation and specify conditions for curing the violation;
- Provide remedial training or technical assistance regarding the default; and
- Suspend or terminate the defaulting state from the compact if it fails to cure the violation.

The bill provides that a defaulting state may appeal the commission's action in the federal district court for the District of Columbia or in the district where the commission has its principal offices. Likewise, the commission, by majority vote, may sue in federal court to enforce compliance with the compact. The bill provides that the prevailing party in such actions is entitled to reasonable attorney's fees.

*Finance:* The bill provides that the commission may collect dues from each member state to cover its costs in administering the compact. The commission may not incur any financial obligation without first securing adequate funding. The commission is prohibited from pledging the credit of any of the member states without the state's consent. It must also keep accurate financial records and is subject to annual audit and reporting requirements.

The bill creates s. 1000.37, F.S., to require the Secretary of State to furnish an enrolled copy of this act to each state that approves the compact upon its becoming law.

#### C. SECTION DIRECTORY:

**Section 1.:** Creating s. 1000.36, F.S.; directing the Governor to execute the compact with other compact states; providing definitions; providing that the compact applies to certain persons and entities; providing for education records transfers; requiring military children to be enrolled in appropriate programs and grade levels; providing for eligibility for graduation; establishing a state council; providing for council membership and duties; creating an Interstate Commission; providing for membership, organization, meetings, operations, powers, and duties; creating an executive committee; requiring the commission to adopt rules; providing for legal challenge of rules; providing for oversight, enforcement, and dispute resolution; providing suspension and termination procedures; authorizing the collection of dues; providing the conditions in which the compact becomes effective and binding; providing withdrawal procedures; providing severability; providing for the effect of the compact on member states' laws.

**Section 2.:** Creating s.1000.37, F.S.; requiring the Secretary of State to furnish a copy of the enrolled act enacting the compact to each other compact state.

**Section 3.:** Providing an effective date.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

#### 1. Revenues:

The bill does not appear to have a fiscal impact on state revenues.

#### 2. Expenditures:

The bill appears to have a negative, but currently indeterminate fiscal impact on state expenditures.

**State Council:** Each state is required under the compact establish a State Council to coordinate state and local government implementation of, and compliance with, compact requirements. Each state may independently determine council membership; however, it must include at least the state superintendent of education, the superintendent of a school district with a high concentration of military students, a representative from a military base, and one representative each from the legislative and executive branches of government.

It is anticipated that there will be expenditures for administrative support and travel and per diem for the council; however, these costs are currently indeterminate as the bill does not specify the number of members that will be on the council, what agency will be responsible for administratively housing the council, what the council's duties will be, or how often the council will be required to meet.

**Annual Dues:** The CSG estimates the total budget for the Interstate Commission at \$630,389. This amount includes: (a) \$263,250 for staff salaries and benefits; (b) \$105,425 for transportation, lodging, meals, and staff support for commission meetings; (c) \$45,175 for office space and overhead; (d) \$74,000 for office equipment and furnishings; (e) \$30,000 to develop and maintain an information system; (f) \$40,000 for a reserve fund; and (g) \$72,539 for bookkeeping, human resources, and other indirect costs. This estimate is based on CSG's past experience administering other compacts.<sup>12</sup>

There are 56,185 school-aged dependent children of armed forces personnel living in Florida. The CSG estimates that each state's financial obligation will be approximately one dollar per affected student. According to the CSG, dues will be levied from member states based on the number of affected students. Based on this estimate, Florida would be required to pay dues amounting to \$56,185 annually. However, until the compact becomes effective, the Interstate Commission is formed, and rules setting each state's membership dues are adopted, Florida's financial obligation under the compact is indeterminate.<sup>13</sup>

**Other Expenditures:** Additionally, several provisions of the bill may have indeterminate fiscal impacts on state expenditures.

- The bill would subject the state to rules of the commission that have not yet been adopted. Since the content of the rules are not known, it is impossible to determine whether the rules would have an impact on state operations that would result in a fiscal impact.
- The bill would subject the state to fines and other enforcement actions at the discretion of the commission. The amount of the fines is not yet known. Additionally, as the rules are not yet known, it is impossible to determine whether compliance will prove to be difficult and fines will be likely.
- One of the purposes of the compact is to establish a system of uniform data collection of information pertaining to transitioning military students, sharing of data among member states, and regular reporting to executive, judicial and legislative bodies. This may require a state agency to be equipped with a new data and information system.

## B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

### 1. Revenues:

The bill does not appear to have a fiscal impact on local revenues.

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<sup>12</sup> Council of State Governments, *Legislative Resource Kit* (January 2008).

<sup>13</sup> *Id.*

2. Expenditures:

District school boards, as LEAs, may incur indeterminate expenses under the bill as it requires LEAs to comply with the compact.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill does not appear to have a direct economic impact on the private sector.

D. FISCAL COMMENTS:

None.

### III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. The bill does not appear to require a county or municipality to spend funds or take an action requiring expenditures; reduce the authority that counties and municipalities had as of February 1, 1989, to raise revenues in the aggregate; or reduce the percentage of a state tax shared in the aggregate with counties and municipalities as of February 1, 1989.

2. Other:

As discussed below in the subsection entitled, "RULE-MAKING AUTHORITY," the bill delegates authority to the Interstate Commission to adopt rules that effectively and efficiently achieve the purposes of the Interstate Compact on Educational Opportunity for Military Children.

If the bill is enacted into law, the state will have effectively bound itself to rules not yet promulgated by the Interstate Commission. The Florida Supreme Court has held that while it is within the province of the Legislature to adopt federal statutes enacted by Congress and rules promulgated by federal administrative bodies that are in existence at the time the Legislature acts, it is an unconstitutional delegation of legislative power for the Legislature to prospectively adopt federal statutes not yet enacted by Congress and rules not yet promulgated by federal administrative bodies.<sup>14 15</sup> Under this holding, the constitutionality of the bill's adoption of prospective rules may be questioned, and there does not appear to be any binding Florida case law that squarely addresses this issue in the context of interstate compacts.

The most relevant Florida court discussion of this issue appears to have occurred in *Department of Children and Family Services*, wherein the First District Court of Appeals considered an argument that the substance of regulations adopted by the Association of Administrators for the Interstate Compact on Placement of Children (ICPC) required a finding on appeal that a circuit court's order permitting a mother and child to move was in violation of the ICPC.<sup>16</sup> The court denied this appeal

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<sup>14</sup> *Freimuth v. State*, 272 So.2d 473, 476 (Fla.1972); *Fla. Indus. Comm'n v. State ex rel. Orange State Oil Co.*, 155 Fla. 772, 21 So.2d 599, 603 (1945).

<sup>15</sup> This prohibition is based upon the Separation of Powers Doctrine, set forth in Article II, section 3 of the Florida Constitution, which has been construed in Florida to require the Legislature, when delegating the administration of legislative programs, to establish minimal standards and guidelines ascertainable by reference to the enactment creating the program. See *Avatar Development Corp. v. State*, 723 So.2d 199 (Fla. 1998).

<sup>16</sup> *Department of Children and Family Services v. L.G.*, 801 So.2d 1047 (Fla. 1st DCA 2001).

and held that: (1) the Association's regulations were invalid to the extent that they conflicted with the ICPC itself; and (2) the regulations did not apply to facts of the case.<sup>17</sup>

The court also noted that the ICPC confers to its compact administrators the power to promulgate rules and regulations to more effectively carry out the compact, and stated that, "The precise legal effect of the ICPC compact administrators' regulations in Florida is unclear, but we need not reach the problematic general question in order to decide the present case."<sup>18</sup> Continuing on in a footnote, the court stated:

Any regulations promulgated before Florida adopted the ICPC did not, of course, reflect the vote of a Florida compact administrator, and no such regulations were ever themselves enacted into law in Florida. When the Legislature did adopt the ICPC, it did not (and could not) enact as the law of Florida or adopt prospectively regulations then yet to be promulgated by an entity not even covered by the Florida Administrative Procedure Act. See *Freimuth v. State*, 272 So.2d 473, 476 (Fla.1972); *Fla. Indus. Comm'n v. State ex rel. Orange State Oil Co.*, 155 Fla. 772, 21 So.2d 599, 603 (1945) ("[I]t is within the province of the legislature to approve and adopt the provisions of federal statutes, and all of the administrative rules made by a federal administrative body, that are in existence and in effect at the time the legislature acts, but it would be an unconstitutional delegation of legislative power for the legislature to adopt in advance any federal act or the ruling of any federal administrative body that Congress or such administrative body might see fit to adopt in the future."); *Brazil v. Div. of Admin.*, 347 So.2d 755, 757-58 (Fla. 1st DCA 1977), disapproved on other grounds by *LaPointe Outdoor Adver. v. Fla. Dep't of Transp.*, 398 So.2d 1370, 1370 (Fla.1981). The ICPC compact administrators stand on the same footing as federal government administrators in this regard.<sup>19</sup>

Given the court's footnote discussion, it might be argued that this bill's delegation of rule-making authority to the Interstate Commission is like the delegation to the ICPC compact administrators, and, thus, it constitutes an unlawful delegation. However, this case does not appear to be binding precedent as the court's footnote was dicta,<sup>20</sup> e.g., the court itself stated that the, ". . . effect of the ICPC compact administrators' regulations in Florida is unclear . . . ." <sup>21</sup>

Thus, if the Interstate Compact on Educational Opportunity for Military Children is challenged, it remains to be seen whether the bill's delegation of rulemaking authority will be held constitutional. If the bill's delegation were held unconstitutional, the bill contains a severability clause stating that the, "... any phrase, clause, sentence, or provision is deemed unenforceable, the remaining provisions of the compact shall be enforceable."<sup>22</sup>

## B. RULE-MAKING AUTHORITY:

The compact created by the bill authorizes the Interstate Commission to adopt and publish rules to effectuate the purposes of the compact. The compact specifies that these rules have the full force and effect of statutory law upon each compacting state, and further provides that a compacting state's failure to follow the rules may result in remedial training, alternative dispute resolution, suspension or termination, or legal action.

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<sup>17</sup> *Department of Children and Family Services*, 801 So.2d at 1052-1053.

<sup>18</sup> *Id.* at 1052.

<sup>19</sup> *Id.*

<sup>20</sup> Statements of a court that are not essential to determination of the case before it are not part of the law of the case, and, therefore, are not precedentially binding in future cases. See *Myers v. Atlantic Coast Line R. Co.*, 112 So.2d 263 (Fla. 1959).

<sup>21</sup> *Department of Children and Family Services*, 801 So.2d at 1052.

<sup>22</sup> See HB 1203 at lines 843-846.



The compact states that the “rulemaking shall substantially conform to the principles of the ‘Model State Administrative Procedures Act,’ 1981 Act, Uniform Laws Annotated, Vol. 15, p. 1 (2000), or such other administrative procedures act as the Interstate Commission deems appropriate consistent with due process requirements under the United States Constitution as now or hereafter interpreted by the United States Supreme Court.” All rules and amendments are to become binding as of the date specified.

The compact provides that rules exceeding the scope of the commission’s authority shall be invalid. A majority of member state legislatures may invalidate a rule by adopting a statute or resolution. Individuals may request judicial review of any rule within 30 days of its adoption.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

D. STATEMENT OF THE SPONSOR

**IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES**