

2005 SESSION

INTRODUCED

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SENATE BILL NO. 931

Offered January 12, 2005

Prefiled January 11, 2005

A BILL to amend and reenact § 23-9.2 of the Code of Virginia, relating to use of endowment funds by public institutions of higher education.

Patron—O'Brien

Referred to Committee on Education and Health

Be it enacted by the General Assembly of Virginia:

1. That § 23-9.2 of the Code of Virginia is amended and reenacted as follows:

§ 23-9.2. Public policy of Commonwealth in respect to endowment funds of state-supported institutions of higher education.

Whereas, the state-supported system of higher education can be greatly strengthened by increases in the endowment funds and unrestricted gifts of the several institutions of higher education derived from private sources; and

Whereas, prospective donors to the endowment funds and donors of unrestricted gifts of the several institutions hesitate to contribute thereto on the ground that, to the extent that the income of the respective institutions is increased from private sources, the Commonwealth will withdraw its support; and

Whereas, in § 10 of Chapter 33 of the Acts of Assembly of 1927, the General Assembly, by setting endowment funds and income therefrom apart from other revenues of and appropriations to the institutions of higher education, indicated an intention that endowments and unrestricted gifts from private sources are to be in addition to such other revenues and appropriations; now, therefore,

(1) It is hereby declared to be the public policy of the Commonwealth to encourage the state-supported institutions of higher education in Virginia in their attempts to increase their endowment funds and unrestricted gifts from private sources.

(2) It is further declared to be the public policy of the Commonwealth that, in measuring the extent to which the Commonwealth shall finance higher education in Virginia, the availability of the endowment funds and unrestricted gifts from private sources of institutions of higher education received by such institutions shall not be taken into consideration in, nor used to reduce, state appropriations or payments, but such funds shall be used in accordance with the wishes of the donors thereof, *including use as a supplement for faculty salaries and benefits*, to strengthen the services rendered by these institutions to the people of the Commonwealth.

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