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HOUSE JOINT RESOLUTION NO. 705

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Establishing a joint subcommittee to study the affordability of higher education in Virginia. Report.

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Referred to Committee on Rules

WHEREAS, a college education provides the skills and knowledge needed for the development and fulfillment of personal goals and the ability to compete successfully in the global marketplace; and

WHEREAS, concerns about college affordability have increased among students and their families because college costs consume a substantial portion of family earnings at most income levels, and it has become increasingly difficult for students from low-income families to pursue higher education without access to student financial aid; and

WHEREAS, there are great concerns that many students are, or soon will be, unable to afford to attend college; and

WHEREAS, tuition and mandatory fee charges at four-year public institutions have risen in every state according to the Center for Public Policy and Higher Education; and

WHEREAS, Burton Weisbrod, Evelyn Asch, and Jeffrey Ballou reported in the article, "College Affordability Crisis and Endowments," that "for the past 10 years, tuition and fees have risen annually 5.6 percent at private and 7.1 percent at public four-year universities. This rate has outpaced the inflation rate for consumer prices, which averaged just 2.7 percent per year. At the same time, student debt loads jumped 58 percent after inflation"; and

WHEREAS, tuition and fees for in-state students attending a public or private school rose slightly more than the 5.6 percent rate of inflation this year, according to a new report from the College Board, which tracks higher education expenses; and

WHEREAS, college affordability is a challenge to families and institutions of higher education, and according to the Center on Budget and Policy Priorities, at least 12 states have announced tuition increases after cuts to state budgets in 2008; and

WHEREAS, students who pay for their college education with loans are rethinking career choices and forsaking their life dreams due to rising tuition costs and debt, an uncertain economy, and fewer employment options after graduation; and

WHEREAS, nearly three of five members of the class of 2007 left school with debt, the average debt load approximating \$20,098, a six percent increase over the previous year, according to a recent report by The Project on Student Debt; and

WHEREAS, the American Council on Education reported that although Congress enacted the reauthorization of the Higher Education Opportunity Act, "five years late and after an unprecedented 14 extensions of the statutory deadline," with the exception of greater transparency regarding the relationships between higher education institutions and student lenders, the act does little to address the affordability crisis in higher education; and

WHEREAS, although some states and numerous higher education policy and budgetary entities have offered various proposals to increase the affordability of higher education, particularly for low- and middle-income families, among them increasing financial aid, providing tax credits, helping students with college readiness, developing community college partnership programs, eliminating costly bank subsidies, and providing pre-college savings plans, U.S. News and World Report found in its research published December 3, 2008, that 49 of the 50 states failed the college affordability test; and

WHEREAS, there is a growing perception and reality for many students and their families that the dream of a college education is quickly fading away, and it is imperative to the economic viability of states and the nation that innovative solutions be fashioned to restore the opportunity of a college education to low- and middle-income students; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That a joint subcommittee be established to study the affordability of higher education in Virginia. The joint subcommittee shall have a total membership of six members that shall consist of six legislative members. Members shall be appointed as follows: four members of the House of Delegates to be appointed by the Speaker of the House of Delegates in accordance with the principles of proportional representation contained in the Rules of the House of Delegates, and two members of the Senate to be appointed by the Senate Committee on Rules. The joint subcommittee shall elect a chairman and vice chairman from among its membership, who shall be members of the General Assembly.

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59 In conducting its study, the joint subcommittee shall (i) determine the number of first-time entering
60 freshmen in Virginia public and private institutions for the 2008-2009 academic year; (ii) estimate the
61 number of high school graduates from Virginia public and private schools over the next decade; (iii)
62 project the demand for higher education at the undergraduate level in the Commonwealth over the next
63 decade for public and private institutions of higher education; (iv) ascertain the State's role and
64 responsibilities to make college affordable for Virginia citizens; (v) review and assess the revenue
65 sources for funding higher education in the Commonwealth and determine the need for revisions and
66 other revenue sources; (vi) review the recently reauthorized Higher Education Opportunity Act to
67 determine the applicability of its provisions to reducing the costs of tuition in Virginia; (vii) review
68 other states' pre-college savings plans, such as the Oklahoma Seed Program, for applicability and
69 adaptability in Virginia; and (viii) consider appropriate ways and options to increase the awareness and
70 preparation of students and their families for higher education opportunities.

71 Administrative staff support shall be provided by the Office of the Clerk of the House of Delegates.
72 Legal, research, policy analysis, and other services as requested by the joint subcommittee shall be
73 provided by the Division of Legislative Services. Technical assistance shall be provided by the State
74 Council of Higher Education, Virginia Department of Education, and the staffs of the House Committee
75 on Appropriations and the Senate Committee on Finance. All agencies of the Commonwealth shall
76 provide assistance to the joint subcommittee for this study, upon request.

77 The joint subcommittee shall be limited to four meetings for the 2009 interim, and the direct costs of
78 this study shall not exceed \$6,000 without approval as set out in this resolution. Approval for
79 unbudgeted nonmember-related expenses shall require the written authorization of the chairman of the
80 joint subcommittee and the respective Clerk. If a companion joint resolution of the other chamber is
81 agreed to, written authorization of both Clerks shall be required.

82 No recommendation of the joint subcommittee shall be adopted if a majority of the House members
83 or a majority of the Senate members appointed to the joint subcommittee (i) vote against the
84 recommendation and (ii) vote for the recommendation to fail notwithstanding the majority vote of the
85 joint subcommittee.

86 The joint subcommittee shall complete its meetings by November 30, 2009, and the chairman shall
87 submit to the Division of Legislative Automated Systems an executive summary of its findings and
88 recommendations no later than the first day of the 2010 Regular Session of the General Assembly. The
89 executive summary shall state whether the joint subcommittee intends to submit to the General
90 Assembly and the Governor a report of its findings and recommendations for publication as a House or
91 Senate document. The executive summary and the report shall be submitted as provided in the
92 procedures of the Division of Legislative Automated Systems for the processing of legislative documents
93 and reports and shall be posted on the General Assembly's website.

94 Implementation of this resolution is subject to subsequent approval and certification by the Joint
95 Rules Committee. The Committee may approve or disapprove expenditures for this study, extend or
96 delay the period for the conduct of the study, or authorize additional meetings during the 2009 interim.