

**Department of Planning and Budget  
2011 Fiscal Impact Statement**

**1. Bill Number:** SB1484

**House of Origin**     Introduced         Substitute         Engrossed  
**Second House**     In Committee     Substitute         Enrolled

**2. Patron:**        Watkins

**3. Committee:** Appropriations

**4. Title:**         Restructured Higher Education Financial and Administrative Operations Act

**5. Summary:** Provides that nongeneral fund revenues of institutions of higher education under a management agreement pursuant to the Restructuring Act that are deposited in the state treasury shall only be expended for the educational and general or auxiliary enterprise purposes for which they were received. Such revenues shall in no case be transferred to the general fund.

**6. Budget Amendment Necessary:** Yes, for any provision that does not contain override language in the budget.

**7. Fiscal Impact Estimates:** Preliminary. See Line 8.

**8. Fiscal Implications:** The budget bill includes over \$25 million in FY 2012 in nongeneral fund revenues to be transferred to the general fund from the covered institutions of higher education (listed below) to help balance the budget. Without these funds, which include a portion of tuition and fees and auxiliary enterprise funds, other general fund budget reductions or the use of new general fund revenues would be needed to balance the budget.

**9. Specific Agency or Political Subdivisions Affected:**

Virginia Tech	Virginia Tech - Extension
College of William and Mary	Virginia Institute of Marine Science
University of Virginia	Virginia Commonwealth University
University of Virginia's College at Wise	

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** If this legislation is adopted, the budget bill could include a provision to override the intent of the bill, thus nullifying its impact.

**Date:** 2/15/11/aps

**Document:** g:\aps\legislation\2011\SB1484.doc