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SENATE BILL NO. 1290

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Finance
on January 30, 2013)

(Patron Prior to Substitute—Senator Edwards)

A BILL to amend and reenact § 23-31 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 23-7.4:7, relating to tuition waivers for dependent children of university and college faculty.

Be it enacted by the General Assembly of Virginia:

1. That § 23-31 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding a section numbered 23-7.4:7 as follows:

§ 23-7.4:7. Tuition waivers authorized for dependent children of faculty at state institutions of higher education.

A. Any state institution of higher education may provide full or partial tuition waivers for dependent children of faculty employed by the institution, to be used for undergraduate education at the institution. The institution may establish general eligibility criteria for participation in the program, including the length of time that a faculty member must be employed by the institution to be eligible for the program, the maximum age of eligible dependents, and the maximum amount of credit hours for which a tuition waiver shall be authorized. The cost of such waivers shall be paid out of the institution's nongeneral funds.

B. Two or more state institutions of higher education may enter into a reciprocal agreement whereby the dependents of the faculty at any institution that is party to the agreement may use the waivers for undergraduate education at any other institution that is party to the agreement.

§ 23-31. Unfunded scholarships.

A. The corporate authorities of the University of Virginia, the University of Virginia's College at Wise, Virginia Military Institute, Virginia Polytechnic Institute and State University, The College of William and Mary, Christopher Newport University, George Mason University, Longwood University, the University of Mary Washington, James Madison University, Virginia Commonwealth University, Radford University, Old Dominion University, the Virginia Community College System, Virginia State University, Norfolk State University, and Richard Bland College may establish scholarships, hereafter to be designated as unfunded scholarships, in their respective institutions under such regulations and conditions as they may prescribe, but subject to the following limitations and restrictions:

1. All such scholarships shall be applied exclusively to the remission, in whole or in part, of tuition and required fees.

2. The respective corporate authorities shall determine the number of such scholarships annually awarded to undergraduate Virginia and non-Virginia students.

The total value of all such scholarships annually awarded by an institution to undergraduate Virginia students shall not exceed in any year the amount arrived at by multiplying the applicable figure for undergraduate tuition and required fees by 20 percent of the enrollment of Virginia students in undergraduate studies in the institution during the preceding academic year. The total value of all such scholarships annually awarded by an institution to non-Virginia undergraduate students shall not exceed in any year the amount of the applicable, per capita out-of-state differential paid by non-Virginia undergraduate students for tuition and required fees multiplied by 20 percent of the enrollment of non-Virginia students in undergraduate studies in the institution during the preceding academic year.

All such scholarships awarded to undergraduate students shall be awarded only to undergraduate students in the first four years of undergraduate work and shall be awarded and renewed on a selective basis to students of character and ability who are in need of financial assistance. For purposes of determining need under this section, a nationally recognized needs-analysis system approved by the State Council of Higher Education shall be used.

3. The respective corporate authorities shall determine the number of such scholarships annually awarded to graduate students or teachers serving as clinical faculty pursuant to § 22.1-290.1. The total value of all such scholarships annually awarded to such graduate students and clinical faculty shall not exceed in any year the amount arrived at by multiplying the applicable figure for graduate tuition and required fees by the number of graduate students who are employed as teaching or research assistants with significant academic responsibilities and who are paid a stipend of at least \$2,000 in the particular academic year and such clinical faculty. All graduate scholarships shall be awarded and renewed on a selective basis to such graduate students and clinical faculty of character and ability.

4. A scholarship awarded under this program shall entitle the holder to the following award, as appropriate:

- 60 a. A Virginia undergraduate student may receive an annual remission of an amount not to exceed the
61 cost of tuition and fees required to be paid by the student;
- 62 b. A non-Virginia undergraduate student may receive an annual remission not to exceed the amount
63 of the out-of-state differential required to be paid by the student for tuition and fees;
- 64 c. A qualified graduate student may receive an annual remission of an amount not to exceed the cost
65 of tuition and fees required to be paid by the student;
- 66 d. A clinical faculty member may receive an award as determined by the governing body of the
67 institution.
- 68 5. Notwithstanding the limitations on the awards of unfunded scholarships to undergraduate students
69 pursuant to subdivision A 4 of this section, an institution may award additional unfunded scholarships to
70 visiting foreign exchange students; however, the number of such awards in any fiscal year shall not
71 exceed one quarter of one percent of the total institutional headcount enrollment.
- 72 B. No institution named herein shall remit any tuition or required fees or any special fees or charges
73 to any student at such institution except as authorized in this section. Each institution named herein shall
74 make a report to the State Council of Higher Education, upon request, showing the number and value of
75 scholarships awarded under this section according to each student classification.
- 76 C. Nothing in this section shall be construed to prevent or limit in any way the admission of certain
77 students, known as state cadets, at the Virginia Military Institute or to affect the remission of tuition or
78 required fees or other charges to such state cadets as permitted under existing law.
- 79 D. Nothing in this section shall be construed to affect or limit in any way the control of the
80 governing bodies of the respective institutions over any other scholarships; or over any gifts or
81 donations made to such institutions for scholarships or other special purposes; or over any funds
82 provided by the federal government or otherwise for the purpose of career and technical education or
83 vocational rehabilitation in this Commonwealth; or over any funds derived from endowment or
84 appropriations from the federal government for instruction in agriculture and mechanic arts in land grant
85 colleges.
- 86 E. Nothing in this section shall be construed to prevent the governing bodies of the respective
87 institutions from fixing a reasonably lower tuition charge for Virginia students than for non-Virginia
88 students.
- 89 F. Nothing in this section or any other provision of law shall prohibit the awarding of 10 full tuition
90 unfunded scholarships each year by Old Dominion University under the terms and conditions provided
91 for in a deed conveying certain property in Norfolk known as the Old Larchmont School made July 5,
92 1930, between the City of Norfolk and The College of William and Mary.
- 93 G. *Nothing in this section shall apply to tuition waivers provided by an institution pursuant to*
94 *§ 23-7.4:7.*