

Department of Planning and Budget 2017 Fiscal Impact Statement

1. Bill Number: SB986

House of Origin	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

2. Patron: DeSteph

3. Committee: Finance

4. Title: Limits in-state tuition increases to provisions in the Social Security Act

5. Summary: The proposed legislation prohibits any percentage increase in in-state tuition or instructional fees for undergraduate students at Virginia's public institutions of higher education that exceeds the annual percentage increase, as determined by the State Council of Higher Education for Virginia, in the national average wage index as defined in § 209(k)(1) of the Social Security Act, 42 U.S.C. 409(k)(1), of the calendar year immediately preceding the affected year.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Indeterminate. (See Line 8)

8. Fiscal Implications: Over the past decade, the national average wage index as defined in § 209(k)(1) of the Social Security Act, 42 U.S.C. 409(k)(1) published by the Social Security Administration varied from -1.51 percent to 4.60 percent. Tuition and mandatory E&G fees charges ranged from 4.5 percent to 13.1 percent over the same timeframe. If the requirements of this legislation had been in place over the last decade, higher education institutions would have had less tuition and fee revenue to address enrollment growth, general fund budget reductions, and increasing operating and maintenance expenses, such as rising utilities, salary and benefit costs.

9. Specific Agency or Political Subdivisions Affected:

Public institutions of higher education

10. Technical Amendment Necessary: No.

11. Other Comments: None.