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HOUSE BILL NO. 982

Offered January 10, 2018

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A BILL to amend and reenact §§ 23.1-203, 23.1-302, 23.1-303, 23.1-306, 23.1-307, and 23.1-309 of the Code of Virginia and to repeal § 23.1-305 of the Code of Virginia, relating to public institutions of higher education; funding.

Patron—Davis

Referred to Committee on Appropriations

Be it enacted by the General Assembly of Virginia:

1. That §§ 23.1-203, 23.1-302, 23.1-303, 23.1-306, 23.1-307, and 23.1-309 of the Code of Virginia are amended and reenacted as follows:

§ 23.1-203. Duties of Council.

The Council shall:

1. Develop a statewide strategic plan that (i) reflects the goals set forth in subsection A of § 23.1-1002 or (ii) once adopted, reflects the goals and objectives developed pursuant to subdivision B 5 4 of § 23.1-309 for higher education in the Commonwealth, identifies a coordinated approach to such state and regional goals, and emphasizes the future needs for higher education in the Commonwealth at both the undergraduate and the graduate levels and the mission, programs, facilities, and location of each of the existing institutions of higher education, each public institution's six-year plan, and such other matters as the Council deems appropriate. The Council shall revise such plan at least once every six years and shall submit such recommendations as are necessary for the implementation of the plan to the Governor and the General Assembly.

2. Review and approve or disapprove any proposed change in the statement of mission of any public institution of higher education and define the mission of all newly created public institutions of higher education. The Council shall report such approvals, disapprovals, and definitions to the Governor and the General Assembly at least once every six years. No such actions shall become effective until 30 days after adjournment of the session of the General Assembly next following the filing of such a report. Nothing in this subdivision shall be construed to authorize the Council to modify any mission statement adopted by the General Assembly or empower the Council to affect, either directly or indirectly, the selection of faculty or the standards and criteria for admission of any public institution of higher education, whether relating to academic standards, residence, or other criteria. Faculty selection and student admission policies shall remain a function of the individual public institutions of higher education.

3. Study any proposed escalation of any public institution of higher education to a degree-granting level higher than that level to which it is presently restricted and submit a report and recommendation to the Governor and the General Assembly relating to the proposal. The study shall include the need for and benefits or detriments to be derived from the escalation. No such institution shall implement any such proposed escalation until the Council's report and recommendation have been submitted to the General Assembly and the General Assembly approves the institution's proposal.

4. Review and approve or disapprove all enrollment projections proposed by each public institution of higher education. The Council's projections shall be organized numerically by level of enrollment and shall be used solely for budgetary, fiscal, and strategic planning purposes. The Council shall develop estimates of the number of degrees to be awarded by each public institution of higher education and include those estimates in its reports of enrollment projections. The student admissions policies for such institutions and their specific programs shall remain the sole responsibility of the individual governing boards but all baccalaureate public institutions of higher education shall adopt dual admissions policies with comprehensive community colleges as required by § 23.1-907.

5. Review and approve or disapprove all new undergraduate or graduate academic programs that any public institution of higher education proposes.

6. Review and require the discontinuance of any undergraduate or graduate academic program that is presently offered by any public institution of higher education when the Council determines that such academic program is (i) nonproductive in terms of the number of degrees granted, the number of students served by the program, the program's effectiveness, and budgetary considerations or (ii) supported by state funds and unnecessarily duplicative of academic programs offered at other public institutions of higher education. The Council shall make a report to the Governor and the General Assembly with respect to the discontinuance of any such academic program. No such discontinuance

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59 shall become effective until 30 days after the adjournment of the session of the General Assembly next
60 following the filing of such report.

61 7. Review and approve or disapprove the establishment of any department, school, college, branch,
62 division, or extension of any public institution of higher education that such institution proposes to
63 establish, whether located on or off the main campus of such institution. If any organizational change is
64 determined by the Council to be proposed solely for the purpose of internal management and the
65 institution's curricular offerings remain constant, the Council shall approve the proposed change. Nothing
66 in this subdivision shall be construed to authorize the Council to disapprove the establishment of any
67 such department, school, college, branch, division, or extension established by the General Assembly.

68 8. Review the proposed closure of any academic program in a high demand or critical shortage area,
69 as defined by the Council, by any public institution of higher education and assist in the development of
70 an orderly closure plan, when needed.

71 9. Develop a uniform, comprehensive data information system designed to gather all information
72 necessary to the performance of the Council's duties. The system shall include information on
73 admissions, enrollment, self-identified students with documented disabilities, personnel, programs,
74 financing, space inventory, facilities, and such other areas as the Council deems appropriate. When
75 consistent with the Government Data Collection and Dissemination Practices Act (§ 2.2-3800 et seq.),
76 the Virginia Unemployment Compensation Act (§ 60.2-100 et seq.), and applicable federal law, the
77 Council, acting solely or in partnership with the Virginia Department of Education or the Virginia
78 Employment Commission, may contract with private entities to create de-identified student records in
79 which all personally identifiable information has been removed for the purpose of assessing the
80 performance of institutions and specific programs relative to the workforce needs of the Commonwealth.

81 10. In cooperation with public institutions of higher education, develop guidelines for the assessment
82 of student achievement. Each such institution shall use an approved program that complies with the
83 guidelines of the Council and is consistent with the institution's mission and educational objectives in
84 the development of such assessment. The Council shall report each institution's assessment of student
85 achievement in the revisions to the Commonwealth's statewide strategic plan for higher education.

86 11. In cooperation with the appropriate state financial and accounting officials, develop and establish
87 uniform standards and systems of accounting, recordkeeping, and statistical reporting for public
88 institutions of higher education.

89 12. Review biennially and approve or disapprove all changes in the inventory of educational and
90 general space that any public institution of higher education proposes and report such approvals and
91 disapprovals to the Governor and the General Assembly. No such change shall become effective until 30
92 days after the adjournment of the session of the General Assembly next following the filing of such
93 report.

94 13. Visit and study the operations of each public institution of higher education at such times as the
95 Council deems appropriate and conduct such other studies in the field of higher education as the Council
96 deems appropriate or as may be requested by the Governor or the General Assembly.

97 14. Provide advisory services to each accredited nonprofit private institution of higher education
98 whose primary purpose is to provide collegiate or graduate education and not to provide religious
99 training or theological education on academic, administrative, financial, and space utilization matters.
100 The Council may review and advise on joint activities, including contracts for services between public
101 institutions of higher education and such private institutions of higher education or between such private
102 institutions of higher education and any agency or political subdivision of the Commonwealth.

103 15. Adopt such policies and regulations as the Council deems necessary to implement its duties
104 established by state law. Each public institution of higher education shall comply with such policies and
105 regulations.

106 16. Issue guidelines consistent with the provisions of the federal Family Educational Rights and
107 Privacy Act (20 U.S.C. § 1232g), requiring public institutions of higher education to release a student's
108 academic and disciplinary record to a student's parent.

109 17. Require each institution of higher education formed, chartered, or established in the
110 Commonwealth after July 1, 1980, to ensure the preservation of student transcripts in the event of
111 institutional closure or revocation of approval to operate in the Commonwealth. An institution may
112 ensure the preservation of student transcripts by binding agreement with another institution of higher
113 education with which it is not corporately connected or in such other way as the Council may authorize
114 by regulation. In the event that an institution closes or has its approval to operate in the Commonwealth
115 revoked, the Council, through its director, may take such action as is necessary to secure and preserve
116 the student transcripts until such time as an appropriate institution accepts all or some of the transcripts.
117 Nothing in this subdivision shall be deemed to interfere with the right of a student to his own transcripts
118 or authorize disclosure of student records except as may otherwise be authorized by law.

119 18. Require the development and submission of articulation, dual admissions, and guaranteed
120 admissions agreements between associate-degree-granting and baccalaureate public institutions of higher

education.

19. Provide periodic updates of base adequacy funding guidelines adopted by the Joint Subcommittee Studying Higher Education Funding Policies for each public institution of higher education.

20. In consultation with each public institution of higher education, develop a one-year uniform certificate of general studies program to be offered at each comprehensive community college. Such program shall ensure that a comprehensive community college student who completes the one-year certificate program is eligible to transfer all credits earned in academic subject coursework to a baccalaureate public institution of higher education upon acceptance to such baccalaureate institution.

21. Cooperate with the Board of Education in matters of interest to both public elementary and secondary schools and public institutions of higher education, particularly in connection with coordination of the college admission requirements, coordination of teacher training programs with the public school programs, and the Board of Education's Six-Year Educational Technology Plan for Virginia. The Council shall encourage public institutions of higher education to design programs that include the skills necessary for the successful implementation of such Plan.

22. Advise and provide technical assistance to the Brown v. Board of Education Scholarship Committee in the implementation and administration of the Brown v. Board of Education Scholarship Program pursuant to Chapter 34.1 (§ 30-231.01 et seq.) of Title 30.

23. Insofar as possible, seek the cooperation and utilize the facilities of existing state departments, institutions, and agencies in carrying out its duties.

24. Serve as the coordinating council for public institutions of higher education.

25. Serve as the planning and coordinating agency for all postsecondary educational programs for all health professions and occupations and make recommendations, including those relating to financing, for providing adequate and coordinated educational programs to produce an appropriate supply of properly trained personnel. The Council may conduct such studies as it deems appropriate in furtherance of the requirements of this subdivision. All state departments and agencies shall cooperate with the Council in the execution of its responsibilities under this subdivision.

26. Carry out such duties as the Governor may assign to it in response to agency designations requested by the federal government.

27. Insofar as practicable, preserve the individuality, traditions, and sense of responsibility of each public institution of higher education in carrying out its duties.

28. Insofar as practicable, seek the assistance and advice of each public institution of higher education in fulfilling its duties and responsibilities.

29. Develop the Commonwealth Research and Technology Strategic Roadmap pursuant to the provisions of § 23.1-3134 to be submitted to the Virginia Research Investment Committee for approval, and otherwise assist the Virginia Research Investment Committee with the administration of the Virginia Research Investment Fund consistent with the provisions of Article 8 (§ 23.1-3130 et seq.) of Chapter 31.

30. Administer the Virginia Longitudinal Data System as a multiagency partnership for the purposes of developing educational, health, social service, and employment outcome data; improving the efficacy of state services; and aiding decision making.

§ 23.1-302. Public institutions of higher education; funding.

Each public institution of higher education shall receive A. Fifty percent of the funds appropriated for public institutions of higher education from the state general fund or sources other than the state general fund, or both, for each fiscal year of each biennium shall be equitably apportioned among each public institution of higher education for:

1. Basic operations and instruction, as provided in § 23.1-303;
2. Each Virginia undergraduate student actually enrolled at the institution, as provided in § 23.1-304;

and

3. Need-based financial aid, as provided in § 23.1-306; *and*
4. Support for targeted financial incentives that encourage and reward progress toward the policy objectives specified in this chapter, as provided in § 23.1-305.

B. Fifty percent of the funds appropriated for public institutions of higher education from the state general fund or sources other than the state general fund, or both, for each fiscal year of each biennium shall be apportioned among each public institution of higher education on the basis of each institution's performance during the previous academic year on the following metrics:

1. Percentage of Virginia students enrolled;
2. Tuition rates;
3. Average amount of time it takes students to complete degrees;
4. Student graduation rates; *and*
5. Student employment rates and median salaries six months after graduation.

§ 23.1-303. Calculation of state general fund share of an institution's basic operations and

182 instruction funding need; cost of education.

183 A. Following consultation with each public institution of higher education and the Higher Education
184 Advisory Committee described in § 23.1-309, the Council shall calculate the basic operations and
185 instruction funding need of each public institution of higher education as provided in subsection B for
186 each year of the next biennium and make such calculation available to the Governor, the General
187 Assembly, and all public institutions of higher education. The Governor shall take into account each
188 institution's basic operations and instruction funding need and the Commonwealth's funding split policy
189 established in the general appropriation act by which 67 percent of an institution's cost of education for
190 Virginia students is funded from the state general fund and 33 percent from funds other than the state
191 general fund during the preparation of his proposed biennial budget bill for the next biennium, and the
192 General Assembly shall take such items into account in enacting the general appropriation act for the
193 next biennium. Between such biennial recalculations, the General Assembly may increase or decrease the
194 appropriation of basic operations and instruction funding to a public institution of higher education to
195 correspond with an increase or decrease in Virginia undergraduate student enrollment at the institution as
196 provided in § 23.1-304; ~~or the institution's meeting or not meeting targeted financial incentives listed in~~
197 ~~§ 23.1-305, or for any other purpose deemed appropriate by the General Assembly.~~

198 B. The basic operations and instruction funding need of each public institution of higher education
199 for each fiscal year of the biennium shall consist of the sum of (i) the institution's cost of education for
200 the total enrollment in actual attendance during the fiscal year that ended on June 30 of each
201 odd-numbered year, which shall be determined using a cost-based funding policy that consists of (a) a
202 set of formulas for calculating (1) educational cost based on faculty-student ratios by discipline and level
203 and (2) the educational and general programs of instruction, academic support, student services,
204 institutional support, and operation and maintenance of physical plant and (b) adjustments based on
205 particular state policies or specific institutional missions or conditions; (ii) the amount required to reach
206 the Commonwealth's faculty salary goal of the 60th percentile of the most recently reported average
207 faculty salaries paid by that institution's peer institutions as established in the general appropriation act;
208 and (iii) such other funding for educational and general services as the General Assembly may
209 appropriate.

210 C. State general funds shall be allocated and appropriated to public institutions of higher education in
211 a fair and equitable manner such that, to the extent practicable, the percentage of the cost of education
212 for Virginia students enrolled at an institution to be funded from state general funds is the same for each
213 institution. To the extent that the percentages differ among institutions, that fact shall be taken into
214 account as the Governor deems appropriate in his proposed biennial budget bill and by the General
215 Assembly as it deems appropriate in the general appropriation act.

216 § 23.1-306. Public institutions of higher education; six-year plans.

217 A. The governing board of each public institution of higher education shall (i) develop and adopt
218 biennially and amend or affirm annually a six-year plan for the institution; (ii) submit such plan to the
219 Council, the General Assembly, the Governor, and the Chairmen of the House Committee on
220 Appropriations, the House Committee on Education, the Senate Committee on Education and Health,
221 and the Senate Committee on Finance no later than July 1 of each odd-numbered year; and (iii) submit
222 amendments to or an affirmation of that plan no later than July 1 of each even-numbered year or at any
223 other time permitted by the Governor or General Assembly to the Council, the General Assembly, the
224 Governor, and the Chairmen of the House Committee on Appropriations, the House Committee on
225 Education, the Senate Committee on Education and Health, and the Senate Committee on Finance. Each
226 such plan and amendment to or affirmation of such plan shall include a report of the institution's active
227 contributions to efforts to stimulate the economic development of the Commonwealth, the area in which
228 the institution is located, and, for those institutions subject to a management agreement set forth in
229 Article 4 (§ 23.1-1004 et seq.) of Chapter 10, the areas that lag behind the Commonwealth in terms of
230 income, employment, and other factors.

231 B. The Secretary of Finance, the Secretary of Education, the Director of the Department of Planning
232 and Budget, the Director of the Council, the Staff Director of the House Committee on Appropriations,
233 and the Staff Director of the Senate Committee on Finance, or their designees, shall review each
234 institution's plan or amendments and provide comments to the institution on such plan or amendments
235 by September 1 of the relevant year. Each institution shall respond to any such comments by October 1
236 of that year.

237 C. Each plan shall be structured in accordance with, and be consistent with, the objective and
238 purposes of this chapter set forth in § 23.1-301 and the criteria developed pursuant to § 23.1-309 and
239 shall be in a form and manner prescribed by the Council, in consultation with the Secretary of Finance,
240 the Secretary of Education, the Director of the Department of Planning and Budget, the Director of the
241 Council, the Staff Director of the House Committee on Appropriations, and the Staff Director of the
242 Senate Committee on Finance, or their designees.

243 D. Each six-year plan shall (i) address the institution's academic, financial, and enrollment plans,

including the number of Virginia and non-Virginia students, for the six-year period; (ii) indicate the planned use of any projected increase in general fund, tuition, or other nongeneral fund revenues; (iii) be based upon any assumptions provided by the Council, following consultation with the Department of Planning and Budget and the staffs of the House Committee on Appropriations and the Senate Committee on Finance, for funding relating to state general fund support pursuant to §§ 23.1-303, and 23.1-304, ~~and 23.1-305~~ and subdivision 9; (iv) be aligned with the institution's six-year enrollment projections; and (v) include:

1. Financial planning reflecting the institution's anticipated level of general fund, tuition, and other nongeneral fund support for each year of the next biennium;

2. The institution's anticipated annual tuition and educational and general fee charges required by (i) degree level and (ii) domiciliary status, as provided in § 23.1-307;

3. Plans for providing financial aid to help mitigate the impact of tuition and fee increases on low-income and middle-income students and their families as described in subdivision 9, including the projected mix of grants and loans;

4. Degree conferral targets for undergraduate Virginia students;

5. Plans for optimal year-round use of the institution's facilities and instructional resources;

6. Plans for the development of an instructional resource-sharing program with other public institutions of higher education and private institutions of higher education;

7. Plans with regard to ~~any other incentives set forth in § 23.1-305~~ or any other matters the institution deems appropriate;

8. The identification of (i) new programs or initiatives including quality improvements and (ii) institution-specific funding based on particular state policies or institution-specific programs, or both, as provided in subsection C of § 23.1-307; and

9. An institutional student financial aid commitment that, in conjunction with general funds appropriated for that purpose, provides assistance to students from both low-income and middle-income families and takes into account the information and recommendations resulting from the review of federal and state financial aid programs and institutional practices conducted pursuant to subdivisions B 2 and C 1 of § 23.1-309.

E. In developing such plans, each public institution of higher education shall consider potential future impacts of tuition increases on the Virginia College Savings Plan and ABLE Savings Trust Accounts (§ 23.1-700 et seq.) and shall discuss such potential impacts with the Virginia College Savings Plan. The chief executive officer of the Virginia College Savings Plan shall provide to each institution the Plan's assumptions underlying the contract pricing of the program.

§ 23.1-307. Public institutions of higher education; tuition and fees.

A. The governing board of each public institution of higher education shall continue to fix, revise, charge, and collect tuition, fees, rates, rentals, and other charges for the services, goods, or facilities furnished by or on behalf of such institution and may adopt policies regarding any such service rendered or the use, occupancy, or operation of any such facility.

B. Except to the extent included in the institution's six-year plan as provided in subsection C, if the total of an institution's tuition and educational and general fees for any fiscal year for Virginia students exceeds the difference for such fiscal year between (i) the institution's cost of education for all students, as calculated pursuant to clause (i) of subsection B of § 23.1-303 and (ii) the sum of the tuition and educational and general fees for non-Virginia students, the state general funds appropriated for its basic operations and instruction pursuant to subsection A of § 23.1-303, and its per student funding provided pursuant to § 23.1-304, the institution shall forgo new state funding at a level above the general funds received by the institution during the 2011-2012 fiscal year, at the discretion of the General Assembly, and shall be obligated to provide increased financial aid to maintain affordability for students from low-income and middle-income families. This limitation shall not apply to any portion of tuition and educational and general fees for Virginia students allocated to student financial aid, an institution's share of state-mandated salary or fringe benefit increases, increases in funds other than state general funds for the improvement of faculty salary competitiveness above the level included in the calculation in clause (i) of subsection B of § 23.1-303, ~~the institution's progress towards achieving any financial incentive pursuant to § 23.1-305~~, unavoidable cost increases such as operation and maintenance for new facilities and utility rate increases, or other items directly attributable to an institution's unique mission and contributions.

C. Nothing in subsection B shall prohibit an institution from including in its six-year plan required by § 23.1-306 (i) new programs or initiatives including quality improvements or (ii) institution-specific funding based on particular state policies or institution-specific programs, or both, that will cause the total of the institution's tuition and educational and general fees for any fiscal year for Virginia students to exceed the difference for such fiscal year between (a) the institution's cost of education for all students, as calculated pursuant to clause (i) of subsection B of § 23.1-303, and (b) the sum of the

tuition and educational and general fees for the institution's non-Virginia students, the state general funds appropriated for its basic operations and instruction pursuant to subsection A of § 23.1-303, and its per student funding provided pursuant to § 23.1-304.

D. No governing board of any public institution of higher education shall approve an increase in undergraduate tuition or mandatory fees without providing students and the public a projected range of the planned increase, an explanation of the need for the increase, and notice of the date and location of any vote on such increase at least 30 days prior to such vote.

§ 23.1-309. Higher Education Advisory Committee established; duties.

A. The Secretary of Education, in consultation with the Chairmen of the House Committee on Appropriations and the Senate Committee on Finance, the Secretary of Finance, and each public institution of higher education, shall convene a Higher Education Advisory Committee (Advisory Committee) to provide advice and make recommendations on the matters set forth in subsections B, C, and D. The Advisory Committee shall consist of at least 11 members as follows: one representative of the Office of the Secretary of Education appointed by the Secretary of Education who shall serve as chair of the Advisory Committee; one representative of the Office of the Secretary of Finance appointed by the Secretary of Finance; one representative of the Council appointed by the Chairman of the Council; the staff directors of the House Appropriations Committee and the Senate Finance Committee, or their designees; and the presidents or their designees of five public institutions of higher education, which shall include two doctoral institutions, two comprehensive institutions, and one comprehensive community college, appointed by the presidents of the public institutions of higher education, and a representative from a nonprofit private institution of higher education appointed by the Governor who shall not provide advice or make recommendations concerning policies that solely impact public institutions of higher education. Both the Governor and the Advisory Committee may designate other individuals to serve on the Advisory Committee, including representatives of academic and instructional faculty or fiscal officers of public institutions of higher education.

B. Consistent with the objective and purposes of this chapter identified in § 23.1-301, the Advisory Committee shall develop and subsequently review at least once every five years, in consultation with the staff of the Council and the respective Chairmen of the House Committees on Appropriations and Education and the Senate Committees on Finance and on Education and Health, or their designees, representatives of public institutions of higher education, and such other state officials as may be designated by the Governor, and with assistance from the staff of the Council and such other assistance as it may require:

1. The methodology established pursuant to subsection A of § 23.1-304 for determining how a significant increment of state funding shall follow the student to the associate-degree-granting or baccalaureate public institution of higher education in which the student enrolls, how the amount of such per student funding for baccalaureate public institutions of higher education will be made to correspond as nearly as practical to the per student allocation envisioned under the then-existing appropriation for the Tuition Assistance Grant Act (§ 23.1-628 et seq.) for students attending nonprofit private institutions of higher education, how and as of what date the student enrollment at each public institution of higher education shall be calculated, and how an increase or decrease in Virginia undergraduate student enrollment above or below the enrollment level used to calculate the institution's funding pursuant to § 23.1-303 shall be reflected in the institution's appropriation pursuant to subsection A of § 23.1-304, and the standards and process for determining whether an increase or decrease in Virginia undergraduate student enrollment qualifies for funding pursuant to § 23.1-304;

2. Criteria for determining which families qualify as "low-income" and "middle-income" for purposes of § 23.1-306 and how they relate to federal, state, and institutional policies governing the provision of financial assistance to students of such families;

3. ~~Objective performance criteria for measuring the financial incentives set forth in § 23.1-305 and the benefits of meeting or consequences of not meeting the incentives included in an institution's six-year plan pursuant to § 23.1-306;~~

4. Economic opportunity metrics such as marketplace demand, earning potential, and employer satisfaction and other indicators of the historical and projected economic value of degrees that can be used to assess degree programs in order to provide useful information on the economic impact of degrees to students as they make career choices and state policy makers and university decision makers as they decide how to allocate scarce resources;

~~5.~~ 4. The additional authority that should be granted to all public institutions of higher education under the Restructured Higher Education Financial and Administrative Operations Act (§ 23.1-1000 et seq.), state goals and objectives each public institution of higher education should be expected to achieve, objective criteria for measuring educational-related performance with regard to those goals and objectives, and the benefits of meeting or consequences of not meeting those goals and objectives, including those set forth in subsection C of § 23.1-1002; and

~~6.~~ 5. The role of private institutions of higher education in addressing the goals set forth in this

chapter and recommendations regarding such matters.

The Advisory Committee shall submit its recommendations to the Council, which shall review the recommendations and report its recommendations to the Governor and the Chairmen of the House Committees on Appropriations and Education and the Senate Committees on Finance and on Education and Health.

C. Consistent with the objective and purposes of this chapter identified in § 23.1-301, the Advisory Committee shall review at least every five years, in consultation with the staff of the Council, the respective Chairmen of the House Committees on Appropriations and Education and the Senate Committees on Finance and on Education and Health, or their designees, representatives of public institutions of higher education, and such other state officials as may be designated by the Governor, and with assistance from the staff of the Council and such other assistance as it may require:

1. Federal and state financial aid programs and institutional practices to ensure that the appropriate level of financial assistance is being provided to both low-income and middle-income families, as required by § 23.1-306, including loan forgiveness programs targeted by purpose in furtherance of the objective of this chapter; and

2. The Restructured Higher Education Financial and Administrative Operations Act (§ 23.1-1000 et seq.) to identify additional ways to reduce costs and enhance efficiency by increasing managerial autonomy with accountability at the institutional level.

The Advisory Committee shall submit its recommendations to the Council, which shall review the recommendations and report its recommendations to the Governor and the Chairmen of the House Committees on Appropriations and Education and the Senate Committees on Finance and on Education and Health.

D. The Advisory Committee shall periodically assess, based upon the institutions' six-year plans and other relevant factors, the degree to which the Commonwealth's system of higher education is meeting the statewide objectives of economic impact, reform, affordability, and access reflected in this chapter and the strategic impact of new general fund investments on achieving those objectives. The Advisory Committee shall submit its assessment and recommendations to the Council, which shall review the assessment and recommendations and report its recommendations to the Governor and the Chairmen of the House Committees on Appropriations and Education and the Senate Committees on Finance and on Education and Health.

E. In addition to providing advice and making recommendations on the matters set forth in subsections B, C, and D, the Advisory Committee shall perform such other duties and undertake such other responsibilities as requested by the Governor or the General Assembly.

2. That § 23.1-305 of the Code of Virginia is repealed.

3. That notwithstanding the provisions of the first enactment of this act, 85 percent of the funds appropriated for public institutions of higher education from the state general fund or sources other than the state general fund, or both, for the 2018-2019 academic year shall be equitably apportioned among each public institution of higher education for basic operations and instruction, each Virginia undergraduate student actually enrolled at the institution, and need-based financial aid, and 15 percent of the funds appropriated for public institutions of higher education from the state general fund or sources other than the state general fund, or both, for the 2018-2019 academic year shall be apportioned among each public institution of higher education on the basis of the performance metrics established pursuant to subsection B of § 23.1-302 of the Code of Virginia, as amended by this act.