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## SENATE BILL NO. 60

Offered January 10, 2018

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*A BILL to amend and reenact §§ 23.1-304, 23.1-309, and 23.1-628 of the Code of Virginia, relating to Tuition Assistance Grant Program; eligible institutions.*

Patron—DeSteph

Referred to Committee on Education and Health

**Be it enacted by the General Assembly of Virginia:**

**1. That §§ 23.1-304, 23.1-309, and 23.1-628 of the Code of Virginia are amended and reenacted as follows:**

**§ 23.1-304. Per student enrollment-based funding at public institutions of higher education.**

A. To incentivize undergraduate Virginia student enrollment growth at the Commonwealth's public institutions of higher education in furtherance of the increased degree conferral purpose of this chapter, the Governor shall recommend and the General Assembly shall determine and appropriate to such institutions a per student amount that follows each Virginia undergraduate student to the public institution of higher education in which the student enrolls. Recommendations regarding such Virginia undergraduate student enrollment growth incentive shall be developed and reviewed as provided in subdivision B 1 of § 23.1-309.

B. The Governor shall consider and may recommend and the General Assembly shall consider and may provide additional general fund appropriations to address the unfunded enrollment growth that occurred between the 2005-2006 fiscal year and July 1, 2011.

C. To assist the General Assembly in determining the per student amount provided for in subsection A and its relation to the per student amount provided to ~~nonprofit~~ private institutions of higher education pursuant to the Tuition Assistance Grant Act (§ 23.1-628 et seq.), each ~~nonprofit~~ private institution of higher education eligible to participate in the Tuition Assistance Grant Program shall submit to the Council its Virginia student enrollment projections for that fiscal year and its actual Virginia student enrollment for the prior fiscal year in a manner determined by the Council. The student admissions policies for such private institutions and their specific programs shall remain the sole responsibility of the governing boards of such individual institutions.

**§ 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

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59 baccalaureate public institution of higher education in which the student enrolls, how the amount of such  
60 per student funding for baccalaureate public institutions of higher education will be made to correspond  
61 as nearly as practical to the per student allocation envisioned under the then-existing appropriation for  
62 the Tuition Assistance Grant Act (§ 23.1-628 et seq.) for students attending ~~nonprofit~~ private institutions  
63 of higher education, how and as of what date the student enrollment at each public institution of higher  
64 education shall be calculated, and how an increase or decrease in Virginia undergraduate student  
65 enrollment above or below the enrollment level used to calculate the institution's funding pursuant to §  
66 23.1-303 shall be reflected in the institution's appropriation pursuant to subsection A of § 23.1-304, and  
67 the standards and process for determining whether an increase or decrease in Virginia undergraduate  
68 student enrollment qualifies for funding pursuant to § 23.1-304;

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

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

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

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

86 6. The role of private institutions of higher education in addressing the goals set forth in this chapter  
87 and recommendations regarding such matters.

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

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

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

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

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

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

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

120 **§ 23.1-628. Tuition Assistance Grant Program.**

121 A. As used in this article, unless the context requires a different meaning:

122 "Eligible institution" means a ~~nonprofit~~ private institution of higher education whose primary purpose  
123 is to provide collegiate, graduate, or professional education and not to provide religious training or  
124 theological education.

125 "Grant" means a Tuition Assistance Grant.

126 "Principal place of business" means the single state in which the natural persons who establish policy  
127 for the direction, control, and coordination of the operations of the institution as a whole primarily  
128 exercise that function, considering the following factors: (i) the state in which the primary executive and  
129 administrative offices of the institution are located; (ii) the state in which the principal office of the  
130 chief executive officer of the institution is located; (iii) the state in which the board of trustees or  
131 similar governing board of the institution conducts a majority of its meetings; and (iv) the state from  
132 which the overall operations of the institution are directed.

133 "Program" means the Tuition Assistance Grant Program.

134 B. From such funds as may be provided for such purpose, the Tuition Assistance Grant Program is  
135 established to provide Tuition Assistance Grants to or on behalf of Virginia students who attend eligible  
136 institutions.

137 C. Eligible institutions admitted to this program on or after January 1, 2011, shall (i) be formed,  
138 chartered, established, or incorporated within the Commonwealth; (ii) have their principal place of  
139 business within the Commonwealth; (iii) conduct their primary educational activity within the  
140 Commonwealth; and (iv) be accredited by a nationally recognized regional accrediting agency.