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SENATE BILL NO. 503

Offered January 13, 2016

Prefiled January 12, 2016

A *BILL to amend and reenact § 23-38.87:18 of the Code of Virginia, relating to four-year public institutions of higher education; fixed four-year tuition and other costs.*

Patron—Sturtevant

Referred to Committee on Education and Health

Be it enacted by the General Assembly of Virginia:**1. That § 23-38.87:18 of the Code of Virginia is amended and reenacted as follows:****§ 23-38.87:18. Tuition and fees.**

A. The board of visitors of each of the Commonwealth's public institutions of higher education, or in the case of the Virginia Community College System the State Board for Community Colleges, shall continue to fix, revise from time to time, 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 a fiscal year for Virginia students exceeds the difference for that fiscal year between (i) the institution's cost of education for all students, as calculated pursuant to clause (i) of subsection B of § 23-38.87:13, 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 § 23-38.87:13, and its per student funding provided pursuant to § 23-38.87:14, the institution shall forego 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, to an institution's share of state-mandated salary or fringe benefit increases, to increases with 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 § 23-38.87:13, to the institution's share of any of the targeted financial incentives described in § 23-38.87:16, to unavoidable cost increases such as operation and maintenance for new facilities and utility rate increases, or to 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 § 23-38.87:17 (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 a fiscal year for Virginia students to exceed the difference for that fiscal year between (a) the institution's cost of education for all students, as calculated pursuant to clause (i) of subsection B of § 23-38.87:13, 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 § 23-38.87:13, and its per student funding provided pursuant to § 23-38.87:14.

D. *Notwithstanding subsection A or any other provision of law, the board of visitors of each four-year public institution of higher education shall, beginning with the 2018-2019 academic year, annually establish, for each of the following four years, an in-state tuition rate class cap that identifies the annual amount at which the cost of in-state tuition will not exceed. Such in-state tuition rate class cap may vary for each incoming in-state freshman undergraduate class. The cost of in-state tuition shall not exceed the class rate cap for an in-state student in the relevant class.*

INTRODUCED

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