

Department of Planning and Budget 2016 Fiscal Impact Statement

1. Bill Number: SB402

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Garrett

3. Committee: Education and Health

4. Title: Virginia Higher Education Scholarship Act and admission of in-state freshmen students at public institutions of higher education

5. Summary: The proposed legislation requires, beginning with the incoming freshman class of 2017, the board of visitors of all four-year public institutions of higher education to maintain a ratio of the in-state and out-of-state student population for each incoming freshman class that is not less than 55 percent in-state students. The bill also establishes the Virginia Higher Education Scholarship Fund and Program. The program provides scholarships to the top two percent of graduates from Virginia public high schools that attend four-year public institutions of higher education.

6. Budget Amendment Necessary: No.

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

8. Fiscal Implications: Based on data provided by the State Council of Higher Education, all four-year public institutions of higher education currently enroll over 55 percent of in-state freshmen students. (See attached table at the end of the Fiscal Impact Statement)

The legislation also creates a special nonreverting fund in the state treasury to be funded by the General Assembly or through gifts, grants, or donations from public or private sources. The fund shall earn interest and not revert to the general fund at the end of each fiscal year. The monies in the fund are to be solely used for the purpose of awarding scholarships to the top two percent of Virginia's public high school graduates. The scholarships pay for tuition, mandatory fees, room, and board for eight semesters over five years. Recipients may apply the scholarships to one of nine four-year public institutions of higher education on the basis of the locality of the student's high school or to Norfolk State University, Virginia Military Institute, or Virginia State University. Disbursements from the fund shall be made upon written request signed by the Director of the State Council of Higher Education.

The fiscal impact will be determined by the amount of state funding approved by the General Assembly to support this new scholarship program. In addition, there may be additional staff costs to the Council to implement this program, if funded.

9. Specific Agency or Political Subdivisions Affected:

Four-year public institutions of higher education
State Council of Higher Education

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Fall Headcount New Freshmen Enrollment (FY 2015)

Institutions	Graduated High School within the previous 12 Months				Did not Graduate High School within the previous 12 months				Total High School Graduates			
	In-State	Out-of-State	Total	In-State %	In-State	Out-of-State	Total	In-State %	In-State	Out-of-State	Total	In-State %
CNU	1,108	87	1,195	93%	26	3	29	90%	1,134	90	1,224	93%
CWM	940	538	1,478	64%	23	17	40	58%	963	555	1,518	63%
GMU	2,347	696	3,043	77%	110	103	213	52%	2,457	799	3,256	75%
JMU	3,086	1,284	4,370	71%	6	32	38	16%	3,092	1,316	4,408	70%
LU	905	59	964	94%	66	6	72	92%	971	65	1,036	94%
NSU	316	104	420	75%	39	17	56	70%	355	121	476	75%
ODU	2,554	280	2,834	90%	90	32	122	74%	2,644	312	2,956	89%
RU	1,761	138	1,899	93%	51	11	62	82%	1,812	149	1,961	92%
UMW	835	124	959	87%	9	4	13	69%	844	128	972	87%
UVA	2,424	1,177	3,601	67%	38	35	73	52%	2,462	1,212	3,674	67%
UVA-W	258	17	275	94%	17	3	20	85%	275	20	295	93%
VCU	3,362	351	3,713	91%	196	181	377	52%	3,558	532	4,090	87%
VMI	265	169	434	61%	0	0	0	0%	265	169	434	61%
VSU	475	188	663	72%	66	37	103	64%	541	225	766	71%
VT	4,132	1,933	6,065	68%	130	129	259	50%	4,262	2,062	6,324	67%
VCCS	18,326	693	19,019	96%	8,343	1,003	9,346	89%	26,669	1,696	28,365	94%
RBC	464	9	473	98%	70	3	73	96%	534	12	546	98%
Total	43,558	7,847	51,405	85%	9,280	1,616	10,896	85%	52,838	9,463	62,301	85%

Source: State Council of Higher Education.