

Department of Planning and Budget

2017 Fiscal Impact Statement

1. Bill Number: HB 2171

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

2. Patron: Delegate Massie

3. Committee: Education and Health

4. Title: Report investment fund earnings information

5. Summary: This bill requires that no later than December 1 of each year, the governing board of each public institution of higher education will report to the State Council of Higher Education for Virginia (SCHEV) the:

- value of investments as reflected on the Statement of Net Position as of June 30 of the previous fiscal year – excluding any funds derived from endowment donations, endowment income, or other private gifts;
- cash earnings on those balances in the previous fiscal year; and
- use of the cash earnings resulting from the balances.

If the investment earnings of an institution span more than one fiscal year, then the report is required to reflect the commitments made in future fiscal years. Finally, Virginia Commonwealth University and the University of Virginia will exclude the value of and earnings resulting from investments held by their health system authority and medical center respectively.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary (see Section 8)

8. Fiscal Implications: As currently written, it is anticipated that any costs resulting from the proposed legislation could be absorbed by the institutions.

9. Specific Agency or Political Subdivisions Affected: Virginia's public institutions of higher education and the State Council of Higher Education for Virginia

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 02/07/17

c: Secretary of Education