

## Department of Planning and Budget 2019 Fiscal Impact Statement

**1. Bill Number:** HB2336

<b>House of Origin</b>	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

**2. Patron:** Landes

**3. Committee:** Appropriations

**4. Title:** Salaries of executive officers at public institutions of higher education

**5. Summary:** The proposed legislation prohibits the salary of any executive officer of a public institution of higher education from exceeding the salary limit for the chief executive officer of such institution set forth in Part 4 of the general appropriation act. The governing board of any institution may supplement the salary of any such executive officer with private gifts, endowment funds, foundation funds, and income from private gifts and endowments. The legislation also includes an amendment to grandfather in executive officers currently employed as of June 30, 2019, and who stay employed by a public institution of higher education after the effective date of the proposed legislation.

**6. Budget Amendment Necessary:** No.

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

**8. Fiscal Implications:** The legislation, as drafted, does not define “executive officers,” making it difficult to determine how many positions might be impacted by this bill. In addition, although the salaries of most individuals are available, the source of funds that contribute to these salaries are not readily available.

The proposed legislation could make it difficult to recruit seasoned senior leaders at Virginia’s colleges and universities when these positions become vacant as not all public institutions of higher education have access to private funds, foundation funds or income from private gifts and endowments to absorb these administrative salary costs.

**9. Specific Agency or Political Subdivisions Affected:**

Public institutions of higher education

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.