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HOUSE JOINT RESOLUTION NO. 541

Offered January 11, 2023

Prefiled January 11, 2023

Directing the Joint Legislative Audit and Review Commission to study the cost efficiency of public institutions of higher education in the Commonwealth and to identify opportunities to reduce the cost of public higher education in the Commonwealth. Report.

Patrons—Byron, Adams, D.M., Campbell, E.H., Clark, Durant, Fowler, Freitas, Guzman, LaRock, Maldonado, Murphy, Rasoul, Runion, Shin, Simonds, Subramanyam, Walker, Wiley and Williams

Referred to Committee on Rules

WHEREAS, "Preparing for the Top Jobs of the 21st Century: The Virginia Higher Education Opportunity Act of 2011" set a goal for public institutions of higher education in the Commonwealth of conferring approximately 100,000 cumulative additional undergraduate degrees on Virginians between 2011 and 2025; and

WHEREAS, pursuant to House Joint Resolution 108 (2012), the Joint Legislative Audit and Review Commission studied the cost efficiency of public institutions of higher education in the Commonwealth and identified opportunities to reduce the cost of public higher education in the Commonwealth in its November 2014 report, *Addressing the Cost of Public Higher Education in Virginia*; and

WHEREAS, despite the recommendations contained in such report, the Joint Legislative Audit and Review Commission reported in its *State Spending: 2021 Update* that tuition at baccalaureate public institutions of higher education in the Commonwealth increased at an average annual rate of 5.2 percent between the 2012 fiscal year and the 2021 fiscal year, while inflation increased at an average annual rate of only 1.9 percent over such period; and

WHEREAS, the Joint Legislative Audit and Review Commission also reported in its *State Spending: 2021 Update* that the average tuition at baccalaureate public institutions of higher education in the Commonwealth was \$14,194 in the 2021 fiscal year; and

WHEREAS, the increasing costs of higher education have forced many students to incur significant debt in order to complete their degrees, with The Institute for College Access and Success reporting that the average student debt for 2020 graduates of baccalaureate institutions of higher education in the Commonwealth was \$29,616 and that 55 percent of such students graduated with debt related to their higher education; and

WHEREAS, the increasing costs of higher education and the growing debt burden for students may limit access to educational opportunities, adversely affect growth in other sectors of the economy of the Commonwealth, and be an obstacle to achieving the Commonwealth's undergraduate degree conferral goal; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Joint Legislative Audit and Review Commission be directed to study the cost efficiency of public institutions of higher education in the Commonwealth and to identify opportunities to reduce the cost of public higher education in the Commonwealth.

In conducting its study, the Joint Legislative Audit and Review Commission shall examine (i) teaching loads and productivity of faculty; (ii) the impact of faculty research on tuition and other costs; (iii) incentives created by existing faculty compensation models; (iv) design and utilization of facilities; (v) operation of enterprise activities; (vi) the use of technology for academic programs and administrative functions; (vii) administrative staffing and costs, including the ratio of administrators to students at each public institution of higher education; (viii) scholarships and other student aid programs; (ix) the use of outsourcing and public-private partnerships; (x) the use of cooperative procurement; (xi) the impact of nonacademic activities and programs on tuition and fees; (xii) sources of revenue and income, and how these sources are allocated toward academic, administrative, and other costs; (xiii) opportunities to reduce the cost of public higher education in the Commonwealth; (xiv) the number of individuals employed by each public institution of higher education to promote or advance diversity, equity, and inclusion; (xv) the number of individuals employed by each public institution of higher education to engage in government relations; (xvi) the number and amount of lobbying contracts paid out of foundations associated with each public institution of higher education; (xvii) the relationship of each public institution of higher education to each of its associated foundations and the amount of funds held by each such foundation that are spent to hold down the cost of education to students; and (xviii) such other related matters as it may deem appropriate and shall provide a comprehensive update on the status of the implementation of its recommendations pursuant to House Joint Resolution 108 (2012).

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58 Technical assistance shall be provided to the Joint Legislative Audit and Review Commission by the
59 State Council of Higher Education for Virginia and each public institution of higher education in the
60 Commonwealth. All agencies of the Commonwealth shall provide assistance to the Joint Legislative
61 Audit and Review Commission for this study, upon request.

62 The Joint Legislative Audit and Review Commission shall complete its meetings for the first year by
63 November 30, 2023, and for the second year by November 30, 2024, and the chairman shall submit to
64 the Division of Legislative Automated Systems an executive summary of its findings and
65 recommendations no later than the first day of the next Regular Session of the General Assembly for
66 each year. Each executive summary shall state whether the Joint Legislative Audit and Review
67 Commission intends to submit to the General Assembly and the Governor a report of its findings and
68 recommendations for publication as a House or Senate document. The executive summaries and reports
69 shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for
70 the processing of legislative documents and reports and shall be posted on the General Assembly's
71 website.