

# 2023 SESSION

INTRODUCED

23101490D

## SENATE BILL NO. 1434

Offered January 11, 2023

Prefiled January 11, 2023

A *BILL to amend and reenact § 23.1-101 of the Code of Virginia, relating to public institutions of higher education; use of certain endowment fund investment returns.*

Patron—Suetterlein

Referred to Committee on Education and Health

### **Be it enacted by the General Assembly of Virginia:**

#### **1. That § 23.1-101 of the Code of Virginia is amended and reenacted as follows:**

##### **§ 23.1-101. Endowment funds of public institutions of higher education.**

It is the public policy of the Commonwealth that:

1. Each public institution of higher education, the Frontier Culture Museum of Virginia, Gunston Hall, the Jamestown-Yorktown Foundation, the Science Museum of Virginia, and the Virginia Museum of Fine Arts shall be encouraged in their attempts to increase their endowment funds and unrestricted gifts from private sources and reduce the hesitation of prospective donors to make contributions and unrestricted gifts; ~~and~~

2. Consistent with § 10 of Chapter 33 of the Acts of Assembly of 1927, in measuring the extent to which the Commonwealth shall finance higher education in the Commonwealth, the availability of the endowment funds and unrestricted gifts from private sources received by public institutions of higher education, the Frontier Culture Museum of Virginia, Gunston Hall, the Jamestown-Yorktown Foundation, the Science Museum of Virginia, and the Virginia Museum of Fine Arts shall neither be taken into consideration in nor used to reduce state appropriations or payments and shall be used in accordance with the wishes of the donors of such funds to strengthen the services rendered by these institutions to the people of the Commonwealth; *and*

3. *Any foundation, investment management company, or other asset manager associated with a public institution of higher education that manages endowment funds of such public institution of higher education with a value exceeding \$250 million shall be required to allocate at least 15 percent of the investment returns on such endowment funds back to such public institution of higher education on an annual basis for the purpose of ensuring access to and affordability of attending the institution for students.*

INTRODUCED

SB1434