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**SENATE BILL NO. 1519****FLOOR AMENDMENT IN THE NATURE OF A SUBSTITUTE**

(Proposed by Senator Surovell

on February 6, 2023)

(Patron Prior to Substitute—Senator Barker)

*A BILL to require the Senate Committee on Finance and Appropriations and the House Committee on Appropriations to jointly convene a group of stakeholders to consider and make recommendations to the General Assembly regarding potential options for expending actuarial surplus funds in the Virginia College Savings Plan's defined benefit programs; report.*

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

*1. § 1. The Senate Committee on Finance and Appropriations and the House Committee on Appropriations shall jointly convene a group of stakeholders, including a representative from the Virginia College Savings Plan (the Plan); representatives from baccalaureate public institutions of higher education in the Commonwealth, the Virginia Community College System, and the State Council of Higher Education for Virginia; and other members identified by the Senate Committee on Finance and Appropriations and the House Committee on Appropriations, to consider and make recommendations to the General Assembly no later than November 1, 2023, regarding potential options for expending actuarial surplus funds in the Plan's defined benefit programs, including the legacy Prepaid 529 program and the Tuition Track Portfolio, while ensuring that a certain funded status, as defined in § 23.1-707.1 of the Code of Virginia, is maintained for such programs and any statutory changes that may be necessary or advisable in order to fully implement any of the considered options. Such recommendations to expend actuarial surplus funds should address (i) options to improve higher education access and affordability through programs such as scholarships for students with high financial need; (ii) whether spending should be directed to students at baccalaureate public institutions of higher education in the Commonwealth or associate-degree-granting public institutions of higher education in the Commonwealth, or both; (iii) whether spending should be used to address the differences in relative endowments between public institutions of higher education in the Commonwealth; (iv) the extent to which such surplus funds should be returned to legacy Prepaid 529 account purchasers, options for doing so, and their potential tax consequences; (v) whether the governing board of the Plan or another entity, such as an independent body, should determine the amount and timing of the withdrawals of such surplus funds; and (vi) whether the governing board of the Plan or another entity should determine the use of such surplus funds.*