
VIRGINIA STATE BUDGET

2003 Session

Budget Bill - HB1400 (Introduced)

Bill Order » Office of Education » Item 136

Secretary of Education

Item 136	First Year - FY2003	Second Year - FY2004
Administrative and Support Services (71900)	\$597,140	\$598,555
	\$561,422	\$542,487
General Management and Direction (71901)	\$597,140	\$598,555
	\$561,422	\$542,487
Fund Sources:		
General	\$597,140	\$598,555
	\$561,422	\$353,516
Special	\$0	\$188,971

Authority: Title 2.2, Chapter 2, Article 4, § [2.2-201A](#), Code of Virginia.

A.1. It is the intent of the General Assembly that institutions of higher education develop strategic plans that promote and sustain the quality, access, accountability, and affordability of Virginia's public institutions of higher education.

2. Each four-year public institution of higher education, Richard Bland College, and the Virginia Community College System shall submit to the State Council of Higher Education pursuant to Item 166, paragraph B.1., a progress report on implementing its current strategic plan, including the progress it has made in meeting the following objectives:

- a. Improve the quality of instruction, public service, research, and student life;
- b. Maximize student access to higher education and minimize the cost to students and the state;
- c. Enhance administrative efficiency and productivity; and
- d. Streamline operations as a means for improving managerial flexibility.

B. The Secretary of Education is hereby authorized to make allocations to qualified zone academies of the portion of the national zone academy bond limitation amount to be allocated annually to the Commonwealth of Virginia pursuant to Section 1397E of the Internal Revenue Code of 1986, as amended, and to provide for carryovers of any unused limitation amount. In making such allocations, the Secretary of Education is directed to give priority to allocation requests for qualified zone academies having at least 35 percent free lunch participation or either located in federal enterprise communities or located in cities and counties within which federal enterprise communities are located.

C. The Secretary of Education, in cooperation with the Superintendent of Public Instruction, the Commissioner of the Department of Social Services, the Commissioner of the Department of Health and the Director of the Department of Juvenile Justice, shall review the Commonwealth's past and present usage of and opportunities for federal grants and funds related to early childhood reading initiatives. In addition, the Secretary shall recommend

additional actions to maximize the Commonwealth's utilization of all available funding sources by federal and state government and private sector initiatives aimed at assisting children and their families with early family assisted reading, pre-school programs for early learning, K-3 reading initiatives, and after-school learning assistance programs which will assist children in reading at grade level when they reach third grade. The Secretary shall report the findings to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by November 1, 2002.

D. The Secretary of Finance and the Secretary of Education jointly shall examine the cost and funding options relating to establishing an equipment and exhibit replacement program in state-operated museums in the Education and Natural Resources Secretariats, including the feasibility of using the Master Equipment Lease Program. The Secretaries shall report their findings and recommendations to the Chairmen of the House Appropriations and Senate Finance Committees by October 1, 2002.

E.1. Consistent with the authorization provided in § 4-2.01 b of this act, the boards of visitors or other governing bodies of institutions of higher education shall determine tuition, fees, and charges for each fiscal year of the 2002-2004 biennium, provided that the boards of visitors make every effort to minimize the tuition and fee increases for in-state undergraduate students. It is expected that tuition increases for undergraduate in-state students shall not exceed nine percent per year.

2. In setting tuition and fee increases for each of the next two fiscal years, the boards of visitors are directed to consider the following: (a) the consumer price index; (b) in-state tuition charges of each institution's public peer group; (c) the maximization of other revenues by setting tuition rates for out-of-state students, graduate students and first professional students at market rate or higher without adversely affecting the access of in-state students to Virginia's public colleges and universities; (d) the reflection of the amortized cost of the construction and renovation of buildings approved by the Commonwealth of Virginia Educational Institutions Bond Act of 1992, the 21st Century College Trust and the Building Virginia's Future capital improvement programs in the tuition and fee rates for nonresident students; (e) the feasibility of setting aside a portion of the tuition increase to provide additional financial aid resources, in combination with state, federal, and private resources; (f) the impact of tuition increases on access and the availability of student aid; and (g) the impact of a tuition increase on the composition of the institution's applicant pool.

3. In determining tuition and fee charges, the boards of visitors or other governing bodies of institutions of higher education shall (a) make every effort to achieve potential cost savings as opposed to tuition increases and (b) not increase the current proportion of nonresident undergraduate students if the institution's nonresident undergraduate enrollment exceeds 25 percent.

4. Two-year public institutions are exempt from the restrictions contained in 3(b) above for the 2002-2004 biennium.

5. Norfolk State University, Virginia Military Institute, and Virginia State University are exempt from the restrictions contained in 3(b) above for the 2002-2004 biennium.

6. Each institution shall communicate its policy, as approved by its board of visitors, to the Secretary of Education, the State Council of Higher Education, and the Chairmen of the House Appropriations and Senate Finance Committees by May 15 of each fiscal year.

7. The Department of Planning and Budget is hereby directed to administratively appropriate to the institutions of higher education additional nongeneral fund revenues generated by the tuition policy in place for the 2002-2004 biennium.

F. The Secretary of Education is hereby authorized to make allocations of the portion of the tax-exempt private activity bond limitation amount to be allocated annually to the Commonwealth of Virginia pursuant to the

Economic Growth and Tax Relief Reconciliation Act of 2001 (PL 107-16)(Section 142(k)(5) of the Internal Revenue Code of 1986, as amended) for the development of education facilities using public-private partnerships, and to provide for carryovers of any unused limitation amount. In making such allocations, the Secretary is directed to give priority to public-private partnership proposals that will serve as demonstration projects concerning the leveraging of private sector contributions and resources, the achievement of economies or efficiencies associated with private sector innovation, and other benefits that are or may be derived from public-private partnerships in contrast to more traditional approaches to public school construction and renovation. The Secretary is directed to report annually not later than August 31 (commencing August 31, 2002) to the Chairmen of the Senate Finance and House Appropriations Committees regarding any guidelines implemented and any allocations made pursuant to this paragraph.

G. The Secretary of Education, in cooperation with the Electronic Campus of Virginia and the State Council of Higher Education for Virginia, shall evaluate the report entitled *Consulting Report to the Electronic Campus of Virginia (2001)*. Based on the evaluation, the Secretary shall develop a recommendation, including funding requirements, on initiatives that address educational needs in technologically innovative and cost efficient ways. The Secretary shall report the recommendations to the Chairmen of the Senate Finance and House Appropriations Committees by November 1, 2002.

H. The Secretary of Education, in consultation with the Chancellor of the Virginia Community College System and the President of Richard Bland College, shall study the feasibility of consolidating Richard Bland College into the Virginia Community College System. The study shall assess any potential savings and improvements in service delivery and coordination resulting from consolidation. The study shall also include, but not be limited to: identification of any transitional costs, and academic and operational issues, resulting from a possible consolidation; projected funding, staffing and facilities needs; and credit transfer arrangements to allow students to transfer among facilities without the loss of credit hours or an increase in the amount of time required to complete a degree. The results of the study shall be presented to the Governor and Chairmen of the House Appropriations and Senate Finance Committees no later than October 1, 2003.