

*Report of the
House Appropriations
Subcommittee*

on

Higher Education



*House Bill 29
&
House Bill 30*

February 19, 2006

REPORT OF THE SUBCOMMITTEE

on

HIGHER EDUCATION

Mr. Chairman and Members of the Committee:

On behalf of the Higher Education Subcommittee, I am pleased to offer budget recommendations that address the priorities of the Commonwealth's institutions and advance our shared commitment to superior and affordable colleges and universities.

Mr. Chairman, in the last two years we made an historic investment in higher education; this year the Subcommittee's recommendations build on that effort. Using our funding guidelines, we have allocated sufficient funds in each year of the biennium to bring every institution up to at least ninety percent of its calculated funding need as well as to address anticipated enrollment growth. In total the budget reflects an additional biennial investment of \$221.5 million for operating costs alone.

By focusing our resources toward enrollment growth and base operating needs, the Subcommittee continues to provide the incentive for colleges and universities to keep the increases to tuition and required fees reasonable. However, some tuition increases will take place this biennium; therefore, the Subcommittee also recommends \$21.7 million for undergraduate need-based student financial. In addition, the Subcommittee has recommended an additional \$17.3 million for the Tuition Assistance Grant (TAG) program. This is \$4.0 million more than the Governor's proposed budget. The additional funding will increase the annualized TAG award for undergraduate students to \$3,100 by the second year of the biennium.

In the area of higher education research, the Subcommittee is pleased to make a significant investment at our colleges and universities. The Subcommittee's recommendations focuses the research in-

vestment in four key areas - facilities, equipment, graduate aid, and faculty and staff recruitment. Our investments have an on-going funding component reflecting the Subcommittee's belief that a one-time investment in this area would not yield the anticipated results. Specifically, the research package recommended by the Subcommittee includes state support for equipment and faculty to our research institutions totaling about \$125 million. This is about \$25 million more than the introduced budget and includes an on-going component of nearly \$33 million. In addition, the Subcommittee's recommendations include \$11.9 million for graduate financial aid which is about \$900,000 more than the introduced budget.

The Subcommittee also tackled two significant issues that will begin to chart a new course for higher education. First, the Subcommittee recommended legislation to create a new higher education entity in the Martinsville area. To that end, the Subcommittee recommends \$1.2 million in each year for the new center. Approximately half of the funding will be used to establish three visiting faculty programs. Under this partnership, Longwood will bring teacher education, Radford will bring nursing and the University of Virginia will bring its computer science and technology programs. We believe that this will jumpstart the center and offer significant educational opportunity to the citizens of the region.

Second, Mr. Chairman, the Subcommittee also spent a considerable amount of time examining the three management agreements negotiated by the College of William and Mary, the University of Virginia and Virginia Tech. Mr. Chairman, I want to thank you for your leadership in having House Bill 1502 drafted thus ensuring that the three agreements come before this body in a form that respects the role the legislative branch in this process. While I am sure many of us were overwhelmed by the length of the bill, I think it is an historic step in reforming how we conduct business with regard to higher education.

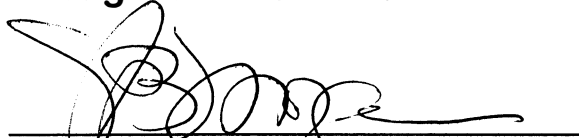
In other education areas, the Subcommittee recommends \$4.2 million for the Jamestown-Yorktown Foundation to support education programs, staffing needs, and promotions to accommodate in-

creased visitation and revenue-generating activities leading up to 2007 and the celebration of 400 years of Virginia history.


Finally, I would like to thank Delegate Putney and the work of his Subcommittee, which enables us to recommend a four percent faculty salary increase effective November 2006 and two percent second year pay raise, which was not part of the introduced budget.

Mr. Chairman, details of our Subcommittee recommendations are attached, and I hope that it will be the pleasure of the Committee to adopt them.

**Respectfully Submitted by the House Appropriations Subcommittee
on Higher Education:**




Harvey B. Morgan, Chairman



S. Chris Jones



Lacey E. Putney



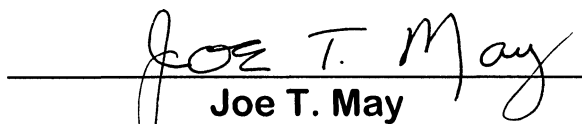
Clarence E. Phillips



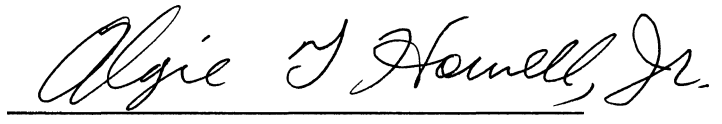
Riley E. Ingram



Lionell Spruill, Sr.



Joe T. May



Algie T. Howell, Jr.

House Bill 30 Amendments	2006-08 BIENNIAL TOTAL		
	General	Nongeneral	FTE
	Fund	Fund	

State Council Of Higher Education For Virginia

Increase U/G TAG Award to \$3,100	4,000,000	0	0.00
Level Fund Doctoral Fellows	(40,000)	0	0.00
Remove Waiver Reimbursement	(8,980,336)	0	0.00
Level Fund Eminent Scholars	(1,316,673)	0	0.00
Nursing Initiative	3,000,000	85,910,000	0.00
Dental School Study	0	Language	0.00
NGF Technical Adjustment	0	310,000	2.00
Operating Support	600,000	0	2.00
Virginia Academic Research Corporation	700,000	0	0.00

Christopher Newport University

Legislative Base Funding Guidelines	522,276	0	0.00
Utility Cost Adjustments	52,506	0	0.00
Increase Faculty Pay Raise	72,365	0	0.00
VECTEC	500,000	0	0.00

The College Of William And Mary In Virginia

Legislative Base Funding Guidelines	2,484,132	0	0.00
Utility Cost Adjustments	384,698	0	0.00
Increase Faculty Pay Raise	156,495	0	0.00
Graduate Financial Aid	600,000	0	0.00
House Research Package	800,000	800,000	0.00

Richard Bland College

Legislative Base Funding Guidelines	288,896	0	0.00
Utility Cost Adjustments	2,664	0	0.00
Increase Faculty Pay Raise	7,535	0	0.00

Virginia Institute Of Marine Science

Base Operating Support	800,000	0	3.00
Technical Amendment	0	0	8.00
Remove New Assessment Initiative	(2,918,121)	0	0.00
Increase Faculty Pay Raise	44,675	0	0.00

George Mason University

Legislative Base Funding Guidelines	(4,877,642)	0	0.00
Utility Cost Adjustments	467,144	0	0.00
Increase Faculty Pay Raise	423,205	0	0.00
Graduate Financial Aid	1,500,000	0	0.00
House Research Package	8,225,000	11,700,000	0.00

House Bill 30 Amendments	2006-08 BIENNIAL TOTAL		
	General	Nongeneral	FTE
	Fund	Fund	

James Madison University

Legislative Base Funding Guidelines	4,923,308	0	0.00
Remove One-time Funding	(609,000)	0	0.00
Utility Cost Adjustments	274,672	0	0.00
Increase Faculty Pay Raise	210,290	0	0.00

Longwood University

Legislative Base Funding Guidelines	2,641,362	0	0.00
Utility Cost Adjustments	14,454	0	0.00
Increase Faculty Pay Raise	64,950	0	0.00

Norfolk State University

Remove Research Center Program Expansion	(1,595,438)	0	0.00
Legislative Base Funding Guidelines	175,830	0	0.00
Utility Cost Adjustments	114,782	0	0.00
Increase Faculty Pay Raise	77,405	0	0.00

Old Dominion University

Supplement Wind Tunnel Acquisition	1,000,000	0	0.00
Legislative Base Funding Guidelines	12,715,198	0	0.00
Remove Lambda Rail Initiative	(750,000)	0	0.00
Utility Cost Adjustments	155,634	0	0.00
Increase Faculty Pay Raise	234,120	0	0.00
Graduate Financial Aid	1,500,000	0	0.00
House Research Package	9,000,000	9,000,000	0.00
Auxiliary Revenues Adjustment	0	14,000,000	0.00

Radford University

Legislative Base Funding Guidelines	2,903,798	0	0.00
Utility Cost Adjustments	180,264	0	0.00
Increase Faculty Pay Raise	227,665	0	0.00

University Of Mary Washington

Legislative Base Funding Guidelines	1,316,266	0	0.00
Utility Cost Adjustments	222,496	0	0.00
Increase Faculty Pay Raise	58,190	0	0.00

University Of Virginia

Blandy Farm / State Arboretum	300,000	0	0.00
Graduate Engineering Nanotechnology	300,000	300,000	0.00
Legislative Base Funding Guidelines	(2,646,174)	0	0.00
Reduce New Folklore Funding	(200,000)	0	0.00
Utility Cost Adjustments	2,252,104	0	0.00
Increase Faculty Pay Raise	457,160	0	0.00

House Bill 30 Amendments	2006-08 BIENNIAL TOTAL		
	General Fund	Nongeneral Fund	FTE
Graduate Financial Aid	3,200,000	0	0.00
House Research Package	12,500,000	28,700,000	0.00
University Of Virginia's College At Wise			
Technical Amendment	0	0	30.00
Legislative Base Funding Guidelines	1,248,572	0	0.00
Utility Cost Adjustments	54,912	0	0.00
Increase Faculty Pay Raise	29,320	0	0.00
Virginia Commonwealth University			
Palliative Care Program Supplement	200,000	0	0.00
Autism Offices	300,000	0	0.00
Center on Aging	120,000	0	0.00
Geriatric Education Program	1,500,000	0	0.00
Legislative Base Funding Guidelines	(11,205,970)	0	0.00
Utility Cost Adjustments	255,414	0	0.00
Remove New Harris Institute	(200,000)	0	0.00
Increase Faculty Pay Raise	589,945	0	0.00
Graduate Financial Aid	1,892,034	0	0.00
House Research Package	2,600,000	13,200,000	0.00
Virginia Community College System			
SSVCC Heavy Equipment Program	400,000	200,000	0.00
CVCC Amherst Center	300,000	0	0.00
Legislative Base Funding Guidelines	(24,986,694)	0	0.00
Utility Cost Adjustments	531,614	0	0.00
Remove New Workforce Scholarship Program	(2,206,576)	0	0.00
Remove New Middle College	(9,433,500)	0	0.00
Remove New Small Business Assistance	(200,000)	0	0.00
Increase Faculty Pay Raise	946,970	0	0.00
Virginia Military Institute			
Legislative Base Funding Guidelines	365,608	0	0.00
Utility Cost Adjustments	139,732	0	0.00
Increase Faculty Pay Raise	24,865	0	0.00
Virginia Polytechnic Institute And State University			
Legislative Base Funding Guidelines	2,490,556	0	0.00
Utility Cost Adjustments	517,588	0	0.00
Increase Faculty Pay Raise	513,885	0	0.00
Graduate Financial Aid	3,200,000	0	0.00
House Research Package	19,550,000	30,000,000	0.00

House Bill 30 Amendments	2006-08 BIENNIAL TOTAL		
	General	Nongeneral	FTE
	Fund	Fund	

Virginia Cooperative Extension And Agricultural Experiment Station

Extension Staffing	1,000,000	0	9.00
Increase Faculty Pay Raise	201,745	0	0.00

Virginia State University

Logistics Training Program	450,000	0	2.00
Legislative Base Funding Guidelines	(680,326)	0	0.00
Utility Cost Adjustments	230,326	0	0.00
Remove One-time Network Funding	(374,000)	0	0.00
Increase Faculty Pay Raise	52,280	0	0.00

Cooperative Extension And Agricultural Research Services

Increase Faculty Pay Raise	10,005	0	0.00
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Eastern Virginia Medical School

House Research Package	3,700,000	2,400,000	0.00
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New College Institute

Adjust Center Funding	(2,000,000)	0	0.00
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Institute For Advanced Learning And Research

Base Operating Support	4,445,587	0	0.00
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Roanoke Higher Education Authority

Base Operating Support	500,000	0	0.00
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Southwest Virginia Higher Education Center

IT Training	600,000	60,000	6.00
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Higher Education Research Initiative

Distribute House Research Package	(102,365,766)	(116,451,148)	0.00
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Virginia College Building Authority

House Research Package	13,250,000	Language	0.00
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House Bill 30 Amendments	2006-08 BIENNIAL TOTAL		
	General	Nongeneral	
	Fund	Fund	FTE

Jamestown-Yorktown Foundation

Energy Costs	559,203	0	0.00
Programming and Security	2,107,204	24,816	6.00
Discovery Transfer	0	Language	0.00

Jamestown 2007

Safety for 2007	1,483,993	0	0.00
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The Library Of Virginia

Remove New Digital Records Expansion	(655,525)	0	0.00
Remove Collection Program Expansion	(431,910)	0	0.00
Construction Grants (Fluvanna Library)	50,000	0	0.00

The Science Museum Of Virginia

Western Science Museum SOLs	0	Language	0.00
Western Science Museum Merger	500,000	0	0.00

Virginia Museum Of Fine Arts

Remove New Administrative Staffing	(111,346)	0	0.00
Remove New A/E Design Staffing	(187,814)	0	0.00

Central Appropriations

Remove New Leadership Institute	(200,000)	0	0.00
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Part III

Interest from Colleges	0	Language	0.00
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Part IV

Research Limitation	0	Language	0.00
NSU President Salary	0	Language	0.00
Approval of Management Agreements	0	Language	0.00
Approval of Management Agreements	0	Language	0.00
Approval of Management Agreements	0	Language	0.00
Management Agreements Conflict With Laws	0	Language	0.00
Higher Education Restructuring	0	Language	0.00
Performance Standards	0	Language	0.00

Education: Higher Education	FY 06-07	FY 07-08	
State Council Of Higher Education	\$1,500,000	\$1,500,000	GF
For Virginia	\$41,300,000	\$44,610,000	NGF

Language:

Page 148, line 5, strike "\$11,350,431" and insert "\$54,150,431".

Page 148, line 5, strike "\$11,365,876" and insert "\$57,475,876".

Page 150, strike lines 40 through 51 and insert:

"I.1. The State Council of Higher Education, in consultation with the Healthcare Workforce Task Force described herein, shall develop and recommend criteria for awarding additional state funds via a competitive grant process to innovative regional public-private sector partnerships that seek to maximize the number of newly licensed nurses and increase the supply of graduate nursing faculty. The Healthcare Workforce Task Force will develop criteria for the grant award process, identify aggressive attainment goals, establish mechanisms to monitor results and recommend program scope for the Council and policy makers to consider. The Task Force will be co-chaired by the Secretaries of Education and Health and Human Resources and will also include two members of the Senate appointed by the President pro tempore and three members of the House of Delegates appointed by the Speaker of the House. In addition to these seven policy makers, the Task Force will include six individuals appointed by the co-chairs with experience and knowledge of nursing and other allied health professional supply, training and practice issues as follows: two higher education leaders, two business leaders and two hospital or health system executives. The criteria developed by the Task Force for reviewing potential grant applications will reward a) regions that demonstrate partnerships between education institutions and healthcare employers for addressing the registered nursing shortage; b) applicants that document past, current and new matching private funds applied toward registered nurse education (to leverage potential public funds); c) innovative and cost-effective plans that expand the output of registered nurses (e.g., standardized curricula, improved retention rates and improved pass rates on licensure exams); and d) partnerships that demonstrate a desire and capability to be held accountable for results. The Council and Healthcare Workforce Task Force shall submit a report on the healthcare workforce competitive grant program scope, criteria and structure to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by September 1, 2006.

2. Out of this appropriation \$750,000 each year from the general fund shall be provided to Northern Virginia Community College to support public-private sector

partnerships in order to maximize the number of newly licensed nurses and increase the supply of nursing faculty.

3. Out of this appropriation \$750,000 each year from the general fund shall be provided to the University of Virginia to support public-private sector partnerships in order to maximize the number of newly licensed nurses and increase the supply of nursing faculty."

Explanation:

(This amendment is self-explanatory.)

Education: Higher Education

State Council Of Higher Education
For Virginia

Language

Language:

Page 150, after line 51, insert:

"J. The State Council of Higher Education (SCHEV) shall examine the financial and programmatic feasibility of establishing a six dental chair clinic to serve as a preceptorship site for the Virginia Commonwealth University School of Dentistry on the campus of the University of Virginia at Wise. The site would serve as a pipeline for pre-dental students who are interested in becoming a dentist a returning to the area to serve it citizens. SCHEV shall provide a report of its findings to the Chairman of House Appropriations and Senate Finance Committees by September 1, 2007."

Explanation:

(This amendment is self-explanatory.)

Education: Higher Education	FY 06-07	FY 07-08	
Virginia College Building Authority	\$0	\$13,250,000	GF

Language:

Page 209, line 8, strike "\$0" and insert "\$13,250,000".

Page 210, after line 50, insert:

"D.1. The Director, Department of Planning and Budget shall transfer \$13,250,000 the second year from the General Fund to the Treasury Board for debt service on research equipment purchased through the Higher Education Equipment Trust Fund.

Equipment allocation from Higher Education Equipment Trust Fund

Institution	FY 2007
Virginia Polytechnic Institute	\$15,737,000
University of Virginia	\$26,000,000
Virginia Commonwealth University	\$18,000,000
George Mason University	\$5,400,000
Old Dominion University	\$2,000,000
College of William and Mary	\$1,500,000
Institute for Advanced Learning and Research	\$79,946
Total	\$68,716,946

2. Allocations in paragraph D.1. include \$3,137,000 at Virginia Polytechnic Institute for the Infectious Disease Research Facility and \$3,000,000 at Virginia Polytechnic Institute for Agriculture and Natural Resources Research Laboratory at the Virginia Tech Agriculture Experiment Station.

3. Allocations in paragraph D.1. include \$4,000,000 at the University of Virginia designated for expenses related to a focused ultrasound at the University of Virginia. The funding shall be used to support equipment purchases and the development of the physical plant. These funds may not be expended until the Board of Visitors of the University of Virginia reviews and approves a plan for the development of a focused ultrasound program. These funds shall not be used to fund ongoing operations."

Explanation:

(This amendment provides general funding to purchase equipment in support of

research efforts at the colleges and universities as part of the House Research Initiative. Funding will allow the college to recruit faculty and technical support staff and leverage funding from federal and private sources. A companion amendment is found under Item 250.)