



# Report of the Subcommittee on Education

Senate Finance Committee  
Virginia General Assembly

February 19, 2012

**2012 REPORT OF THE EDUCATION SUBCOMMITTEE**  
**THOMAS K. NORMENT, JR. CHAIRMAN**

Members of the Committee:

I would like to thank each of the members of the Education Subcommittee for their hard work on a tremendously significant, complex, and challenging budget area. I am honored to present to you the subcommittee's budget recommendations.

**Public Education**

Although we are no longer experiencing declining revenue at the *state* level, we are very mindful that many of our localities are facing a triple hit from continued weakness in property values, the federal stimulus cliff and a long-overdue bill to the Virginia Retirement System (VRS). Although the introduced budget that came to us included a net increase of \$404 million GF above the current adopted budget, all but \$62 million represents the state's share of the bill for the increased teacher retirement employer contribution rates from the deferral in the 2010-12 biennium.

In unanimously passing Senator Watkins' SB 498, the Senate put forth a commitment to address the unfunded liability in the VRS, so we can continue to keep the promises made to teachers and other public employees. SB 498 does no harm to the retirement benefits of any current teachers or other employees.

The Subcommittee recommends additional school aid to help mitigate adverse impacts in classrooms while not further short-changing teacher retirement obligations. To that end, we are recommending **a net increase of \$165 million GF above than the budget as introduced** for elementary and secondary education for the biennium.

Clearly this would not have been possible without the Senate's insistence on reclaiming the \$110 million portion of the sales tax dollars for the general fund, as well as requiring online retailers to submit sales tax owed.

We are cognizant of the unprecedented magnitude of the state reductions taken since 2008 to help balance the budget. The general fund Direct Aid to Education appropriation for FY 2014 will remain below the levels in FY 2007. In turn, school divisions have delayed needed purchases and maintenance, eliminated teaching positions, frozen salaries, increased class sizes, limited elective offerings, and increased student related fees.

As a result, the Subcommittee felt strongly that the state continue the class size, textbook, carry-over, and other flexibility provisions adopted in recent years. We also recommend meaningful additional flexibility to accompany the increase of \$47 million for the technical update to the costs of the K3 Class Size Reduction Program.

We recommend, in conjunction with the General Government Subcommittee, addressing the wait list for the valuable School Efficiency Review Program. To date, 37 school divisions have undergone a review. Net annual savings identified since 2004 total \$40 million, generating money that can be used instead “in the classroom.”

Despite the daunting fiscal challenges, the Education Subcommittee endeavored to keep a positive focus on supporting the strong pipeline of skilled workers necessary to restore robust economic growth in the Commonwealth. The Subcommittee’s funding recommendations support the production of more college and career ready graduates over the long run. Our recommendations target additional dollars at the earliest grades, as well as the Governor’s 10<sup>th</sup> grade PSAT initiative, Governor’s Schools, and the important diploma reforms requiring a Career and Technical concentration for every standard Virginia high school diploma and one virtual course for all Virginia graduates.

Virginia is fortunate to have been a leader nationally. Education Week — the journal of record in public education — recently ranked Virginia fourth in the nation in overall quality and performance. Our task is to prepare our young people to compete, not just across state lines, but in today’s global economy. The investments we make in a quality education are vital to Virginia’s future.

## **Higher Education**

Higher education is an area that the Governor prioritized in the introduced budget and over the last year. The TJ 21 legislation brought to the forefront the conversation regarding the preparation of a highly trained workforce and our ability to increase the stability of funding for higher education. The Subcommittee agrees that our future is dependent on critical investments in this area. These investments will enable future increases in the number of degrees granted and allow the Commonwealth to prepare for future job growth. The Subcommittee kept this in mind while also focusing on affordability and retaining students and faculty in order to achieve this degree growth.

The introduced budget included an increase of over \$210 million for higher education over the biennium. The Subcommittee retained this amount, increasing funding for higher education to almost \$215 million. More importantly, the Subcommittee listened to our higher education institutions concerning their top priorities and we were able to reallocate funding to some key initiatives. The Subcommittee was able to do this while also retaining some funding for all the categories prioritized in the TJ 21 legislation, which included: base adequacy, degree incentives, institution initiatives, financial aid, and research.

I am very happy to report that the first critical change in our recommendations is the allocation of almost \$19.1 million for a two percent faculty salary increase beginning on June 25, 2013. Our public colleges and universities repeatedly told policy-makers that the ability to retain faculty was one of their top priorities. Without the ability to retain critical faculty members, achieving the goal of an additional 100,000 degrees would be all but impossible.

Our second change concerned the interest that the higher education institutions are normally able to retain from their auxiliary enterprises to meet their needs on campus. This revenue is generally derived from student fees for a specified purpose. These funds had been swept to our General Fund to help the state meet difficult budgetary challenges. This

was to be a temporary measure, not a long-term strategy to continue to balance the budget. For that reason, the Subcommittee recommends elimination of this action, restoring \$10.5 million to the institutions over the biennium.

As in the past, this Subcommittee wanted to continue to make progress toward improving the affordability of higher education for students and their families. Without providing students with the ability to afford college tuition, the Commonwealth will not be able to produce an additional 100,000 degrees. Growing this number of degrees will require strategies for reaching out to students who have traditionally been unable to access our system of higher education.

Therefore, we recommended a total increase of \$41.3 million over FY 2012 for financial assistance. Our amendments would provide an additional \$11.5 million for institutional allocations for undergraduate financial aid, \$1.8 million for graduate financial aid, \$2.6 million for expanded eligibility under the two-year transfer grant, and \$970,000 for a grant program for members of the Virginia National Guard. The Subcommittee also retained the \$11.7 million included in the introduced budget for the Tuition Assistance Grant program. In addition, we have removed the language in the introduced budget that would have limited the ability of the higher education institutions to set their own parameters regarding the use of tuition revenue for financial aid. We are pleased to be able to offer this aid to students and families to make higher education more affordable.

Lastly, the Subcommittee reallocated some of the research funding to other initiatives including those that would directly impact research such as graduate financial aid. However, this reallocation made it possible to fund some other small research initiatives and to provide an additional \$12.2 million allocation for research equipment under the higher education trust fund in FY 2013.

In conclusion, education is a core component of being a successful state and investments are needed in this area to ensure a promising future.

I'm pleased that this Subcommittee has been able to maximize the funding toward our key goals in both K-12 and higher education.

For details on these and other recommendations of the Subcommittee, summary tables and selected language amendments are attached. We offer them to the Committee for its consideration.

Respectfully Submitted,

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The Honorable Thomas K. Norment, Jr., Chairman

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The Honorable Charles J. Colgan

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The Honorable Richard L. Saslaw

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The Honorable Emmett W. Hanger, Jr.

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The Honorable Yvonne B. Miller

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The Honorable Stephen D. Newman

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The Honorable Frank M. Ruff, Jr.

February 19, 2012 Report of the Senate Finance Subcommittee on Education - Public Education and Other Education

<u>Amendments to SB 29 and 30 As Introduced</u>		<u>All Funds</u>			
		<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>Biennial</u>
1	<b>Secretary of Education</b>				
2	Remove FY 2012 College Lab Schools Planning Grants From the Base		(\$600,000)	(\$600,000)	(\$1,200,000)
3	Civics Education Commission - Extend Sunset		Language	Language	Language
4					
5	<b>Department of Education</b>				
6	Reduce Number of Grade 3 SOLs from Four to Two (SB 185)		(\$920,244)	(\$776,483)	(\$1,696,727)
7	Digital Content (Public Media)		\$500,000	\$500,000	\$1,000,000
8					
9	<b>Direct Aid to Public Education</b>				
10	FY 2012 Technical Adjustment (GOV)	(\$108,105)			
11	FY 2012 Other Technical Adjustments	\$77,832			
12	FY 2012 Lottery Proceeds Forecast (\$7 Million NGF with Corresponding GF Offset)	(\$96)			
13	FY 2012 Performance Pay Pilot - Capture Expected Balances	(\$3,000,000)	\$1,050,000		\$1,050,000
14	Southside Technology Consortium	\$50,000			
15	Technical Update to K-3 Class Size Reduction Program (GOV), With Flexibility Language		\$23,530,099	\$23,565,389	\$47,095,488
16	Extend Existing Labor Day Waivers		Language		
17	Technical - Net Adjustment for Additional Sales Tax (SB 597)		\$2,619,349	\$3,021,103	\$5,640,452
18	Literary Fund Revenue (\$7.2 Million NGF with Corresponding GF Offset)		\$0	\$0	\$0
19	Additional Assistance with Teacher Retirement Contribution Rates (Distribution Based on Inflation)		\$45,000,000	\$0	\$45,000,000
20	Restore Support Cost of Competing Adjustment (COCA)		\$30,126,229	\$12,144,748	\$42,270,977
21	At-Risk PreK Per Pupil Amount at \$6800, Continue Hold Harmless Beyond FY 14		\$9,085,337	\$9,133,622	\$18,218,959
22	Third Grade Early Intervention Reading (GOV)		\$4,110,932	\$4,126,691	\$8,237,623
23	DOE Virtual Virginia Courses and Sections		\$1,000,000	\$1,000,000	\$2,000,000
24	Survey School Divisions on Online Learning		Language		
25	Career and Technical Education Equipment		\$2,000,000	\$0	\$2,000,000
26	Virginia STAR IT Initiative		\$425,000	\$425,000	\$850,000
27	Career and Technical Education Resource Center		\$75,000	\$150,000	\$225,000
28	GED Test Costs Assumptions			(\$75,000)	(\$75,000)
29	Project Discovery - Restore to FY 2012 Level		\$619,650	\$619,650	\$1,239,300
30	Provide \$500K Per Year for Communities in Schools		(\$500,000)	(\$500,000)	(\$1,000,000)
31	College Readiness Center Pilot		\$175,000	\$325,000	\$500,000
32	Governor's Schools Expansion Initiative		\$100,000	\$100,000	\$200,000
33	Governor's School Planning - Hampton Roads		\$100,000	\$0	\$100,000
34	Governor's Schools - Increase Cap		\$0	\$73,402	\$73,402
35	Fund New Supplemental Grants for Charter Schools in the First Year			(\$100,000)	(\$100,000)
36	Restore Funds for New Teacher Mentors		\$500,000	\$500,000	\$1,000,000
37	New Teacher Education Program Pilot (Funded in Higher Ed)		(\$300,000)	(\$400,000)	(\$700,000)
38	<b>Subtotal, Direct Aid</b>	<b>(\$2,980,369)</b>	<b>\$119,716,596</b>	<b>\$54,109,605</b>	<b>\$173,826,201</b>
39					



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		All Funds			
<u>Amendments to SB 29 and 30 As Introduced</u>		<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>Biennial</u>
40					
41	<b>Central Appropriations</b>				
42	Assistance for Louisa Schools Earthquake Damage		\$1,000,000		<b>\$1,000,000</b>
43					
44	<b>Virginia School for the Deaf and Blind</b>				
45	Instructional Technology and Restore Assumed Savings from Lease Revenue		\$300,000	\$0	<b>\$300,000</b>
46					
47	<b>Department of Planning and Budget</b>				
48	Address Wait List for School Efficiency Reviews (Cost Repayment Offset on Front Page Revenues)		\$450,000	\$450,000	<b>\$900,000</b>
49					
50	<b>Other Education Agencies</b>				
51	Aid to Local Libraries - Restore to FY 2012 Level		\$295,436	\$295,436	<b>\$590,872</b>
52	Library of Virginia - Maintaining Electronic Public Records		\$219,000	\$219,000	<b>\$438,000</b>
53	Library of Virginia - Find It Virginia Educational Database for Use By Schools		\$500,000	\$500,000	<b>\$1,000,000</b>
54	Frontier Culture Museum		\$75,963	\$75,963	<b>\$151,926</b>
55	Virginia Commission for the Arts - Restore Grants to FY 2012 Level		\$149,793	\$149,793	<b>\$299,586</b>

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School Division	2012-2014 Composite Index	FY 2013 Projected Unadjusted ADM	SB 30, Governor's Introduced Budget (FY 2013)	Technical - Update K-3 Class Size Program (2010 Free Lunch)	Update Sales Tax Estimates (SB 597)	Fully Fund 3rd Grade Early Reading Intervention Initiative	Supp. Assistance for Teacher VRS Employer Contribution Rate Increase	Fund Support COCA at Chpt. 890 rates (24.61%) in FY 2013	Increase VA Preschool Initiative Per Pupil Amount to \$6,800	Increase Career & Technical Education Equipment	FY 2013 Est. Distribution, With Senate Finance Committee Amendments
ACCOMACK	0.3719	4,853	\$ 26,925,362	\$ 175,276	\$ 8,297	\$ 19,610	\$ 212,912	\$ (16,125)	\$ 64,317	\$ 8,703	\$ 27,398,352
ALBEMARLE	0.6502	12,577	42,957,072	194,678	48,282	20,750	275,329	(17,740)	54,800	11,280	43,544,451
ALLEGHANY	0.2297	2,609	16,097,472	20,464	2,678	14,430	140,446	(10,289)	46,834	4,729	16,316,764
AMELIA	0.3473	1,749	9,497,194	(52,175)	3,202	6,114	79,578	(5,853)	10,966	1,001	9,540,027
AMHERST	0.3075	4,182	24,636,582	114,429	7,129	8,648	210,512	(11,890)	47,090	10,137	25,022,637
APPOMATTOX	0.2945	2,187	13,024,595	0	3,271	8,810	126,001	(7,919)	19,754	6,558	13,181,069
ARLINGTON	0.8000	21,379	50,890,231	36,169	72,403	30,175	262,428	839,046	214,800	25,190	52,370,441
AUGUSTA	0.3627	10,352	49,996,802	553,284	19,301	39,794	442,937	(26,745)	76,476	28,862	51,130,711
BATH	0.8000	636	1,688,100	17,444	2,334	0	8,201	(516)	0	1,091	1,716,654
BEDFORD	0.4268	9,407	42,911,758	218,170	22,608	25,055	346,556	(27,382)	55,027	9,008	43,560,801
BLAND	0.3029	847	4,968,885	70,091	1,262	6,530	45,534	(2,397)	2,788	1,909	5,094,602
BOTETOURT	0.3710	5,038	24,885,422	0	9,433	15,711	203,001	(12,731)	23,650	14,384	25,138,871
BRUNSWICK	0.2837	1,954	13,887,032	140,038	3,286	6,709	109,537	(7,289)	30,944	4,722	14,174,979
BUCHANAN	0.3263	3,139	18,378,985	102,374	4,923	21,034	159,829	(11,081)	6,468	7,320	18,669,852
BUCKINGHAM	0.3104	1,907	12,092,487	41,658	3,347	8,612	107,609	(6,878)	38,618	6,080	12,291,533
CAMPBELL	0.2655	7,861	43,158,990	543,120	10,773	36,691	363,785	(29,415)	104,005	10,965	44,198,914
CAROLINE	0.3306	4,175	22,986,034	247,769	7,057	18,809	188,217	(11,492)	47,126	7,455	23,490,975
CARROLL	0.2831	4,306	24,852,712	96,602	5,813	20,144	244,794	(15,874)	60,220	14,817	25,279,229
CHARLES CITY	0.4483	730	4,285,646	0	2,003	3,445	37,513	(2,116)	11,917	2,006	4,340,413
CHARLOTTE	0.2365	1,944	13,476,199	41,321	2,345	4,767	117,931	(7,670)	23,821	4,552	13,663,266
CHESTERFIELD	0.3539	58,401	278,262,125	1,291,655	97,268	187,599	2,385,769	(152,514)	440,898	66,122	282,578,922
CLARKE	0.4892	2,014	8,529,937	0	5,418	4,903	56,443	48,555	5,313	3,804	8,654,373
CRAIG	0.3163	682	4,018,717	0	1,180	2,134	33,659	(2,372)	1,640	1,438	4,056,396
CULPEPER	0.3668	7,712	39,189,531	179,845	14,246	28,363	288,106	218,669	52,175	15,566	39,986,501
CUMBERLAND	0.2971	1,333	8,072,817	50,326	2,234	2,195	71,785	(4,931)	28,116	1,441	8,223,983
DICKENSON	0.2547	2,301	14,486,559	126,558	2,799	11,635	133,561	(8,865)	31,601	4,999	14,788,847
DINWIDDIE	0.2850	4,365	25,228,988	252,791	6,205	22,323	231,843	(12,926)	61,204	11,696	25,802,124
ESSEX	0.4364	1,544	8,512,932	0	3,598	8,798	64,113	(4,608)	16,683	1,514	8,603,029
FAIRFAX	0.6789	173,628	552,251,117	1,227,024	561,811	211,402	3,288,230	10,945,239	1,018,000	199,381	569,706,453
FAUQUIER	0.5377	11,066	44,858,831	173,323	30,046	23,666	313,143	240,813	15,200	30,050	45,685,073
FLOYD	0.3440	2,025	11,052,999	57,339	3,703	2,048	100,177	(6,783)	19,418	3,468	11,232,370
FLUVANNA	0.3924	3,698	18,451,976	68,402	7,448	7,588	148,901	(11,315)	19,929	7,081	18,700,010
FRANKLIN	0.4181	7,154	36,465,816	62,609	16,407	27,251	287,586	(21,395)	77,742	17,350	36,933,367
FREDERICK	0.3601	12,961	64,983,983	593,736	23,407	47,089	534,279	377,138	92,146	36,778	66,688,556
GILES	0.2706	2,393	14,191,846	79,939	3,350	15,941	122,179	(8,910)	10,504	3,617	14,418,466
GLOUCESTER	0.3798	5,573	26,259,317	145,377	10,718	9,681	257,824	(17,500)	18,854	11,124	26,695,395
GOOCHLAND	0.8000	2,276	6,038,471	19,294	12,064	1,874	33,332	(1,375)	8,000	4,587	6,116,247
GRAYSON	0.3385	1,728	11,089,877	87,484	3,382	8,262	95,892	(5,949)	17,464	4,674	11,301,086
GREENE	0.3724	2,945	15,342,106	208,174	5,381	17,635	130,545	(9,366)	18,074	4,684	15,717,233
GREENSVILLE	0.2174	1,371	9,502,534	0	1,462	4,887	86,754	(5,703)	28,799	5,179	9,623,913
HALIFAX	0.2943	5,410	33,817,929	164,409	7,888	35,252	291,388	(19,945)	88,636	17,966	34,403,523
HANOVER	0.4203	18,060	79,951,783	194,648	36,182	38,007	678,416	(31,512)	26,435	26,974	80,920,932
HENRICO	0.4276	48,551	229,453,058	1,331,292	102,280	185,858	1,937,118	(84,701)	456,546	80,697	233,462,148
HENRY	0.2430	6,995	44,167,307	211,673	8,749	33,088	375,311	(27,635)	164,723	19,529	44,952,744
HIGHLAND	0.8000	184	1,408,504	544	453	0	10,466	(356)	1,200	624	1,421,435
ISLE OF WIGHT	0.4258	5,268	25,850,421	0	11,724	12,549	222,623	(12,262)	86,819	10,050	26,181,925

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JAMES CITY	0.5628	9,764	35,736,215	46,830	27,446	17,745	296,243	(12,923)	34,000	0	36,145,556
KING GEORGE	0.3787	4,049	19,114,748	0	7,890	5,820	172,373	(10,141)	43,242	5,980	19,339,912
KING & QUEEN	0.4469	692	4,048,050	4,462	2,151	1,726	32,953	(2,054)	15,929	728	4,103,944
KING WILLIAM	0.3375	2,205	11,523,542	256,505	3,449	6,205	98,443	(4,189)	10,600	3,541	11,898,096
LANCASTER	0.7934	1,206	3,190,404	27,430	5,095	1,935	16,923	(1,327)	12,800	1,781	3,255,041
LEE	0.1826	3,324	24,744,676	13,163	3,124	22,968	207,391	(14,233)	0	6,468	24,983,558
LOUDOUN	0.5666	67,386	243,189,756	559,200	167,046	139,696	1,797,634	5,647,822	208,800	88,873	251,798,827
LOUISA	0.5659	4,519	17,716,975	119,435	13,357	12,197	139,799	(10,027)	51,200	10,899	18,053,835
LUNENBURG	0.2535	1,536	10,172,974	42,031	2,038	4,661	89,995	(6,044)	28,666	3,173	10,337,494
MADISON	0.4486	1,773	8,405,374	158,891	4,427	3,443	61,630	(3,965)	3,970	5,276	8,639,046
MATHEWS	0.5589	1,139	4,588,750	66,603	3,289	4,131	32,681	(2,546)	2,400	2,470	4,697,778
MECKLENBURG	0.3650	4,601	25,204,712	103,331	7,786	13,878	217,815	(15,234)	74,168	12,614	25,619,070
MIDDLESEX	0.7232	1,153	3,563,992	16,640	4,367	2,592	22,950	(1,642)	7,600	2,138	3,618,636
MONTGOMERY	0.4053	9,452	46,527,679	144,302	20,409	48,274	394,521	(28,330)	85,637	19,726	47,212,218
NELSON	0.5928	1,919	7,699,227	21,152	5,663	6,357	61,174	(4,011)	14,400	5,578	7,809,540
NEW KENT	0.4414	2,899	12,209,229	0	6,143	5,232	106,980	(6,516)	11,172	2,210	12,334,451
NORTHAMPTON	0.5103	1,707	8,759,164	138,598	4,039	3,058	73,534	(4,446)	29,200	2,158	9,005,305
NORTHUMBERLAN	0.8000	1,411	3,532,238	14,517	5,448	1,249	21,093	(1,458)	9,600	1,791	3,584,478
NOTTOWAY	0.2447	2,179	14,423,960	66,182	2,576	9,433	112,457	(8,361)	30,212	4,247	14,640,707
ORANGE	0.3842	4,957	23,598,319	252,115	9,519	19,226	196,236	(12,444)	27,095	12,070	24,102,137
PAGE	0.3143	3,464	20,399,464	100,699	5,346	17,127	180,052	(9,801)	48,822	8,041	20,749,749
PATRICK	0.2866	2,502	14,973,893	30,031	3,375	17,818	139,088	(9,258)	29,677	5,349	15,189,974
PITTSYLVANIA	0.2475	8,919	54,445,888	255,459	11,139	42,289	438,779	(34,571)	172,172	24,920	55,356,075
POWHATAN	0.4230	4,345	19,565,264	0	9,469	18,015	180,465	(7,453)	10,155	8,855	19,784,771
PRINCE EDWARD	0.3265	2,180	13,643,116	0	4,502	8,411	119,075	(7,723)	63,578	4,074	13,835,033
PRINCE GEORGE	0.2513	6,321	35,323,529	683,310	6,854	23,376	318,172	(23,955)	81,459	10,663	36,423,409
PRINCE WILLIAM	0.3787	82,552	421,990,065	1,345,097	138,791	381,348	3,172,890	10,030,289	795,264	128,883	437,996,012
PULASKI	0.3052	4,324	25,381,181	117,781	6,823	28,200	223,388	(15,531)	50,026	13,910	25,805,777
RAPPAHANNOCK	0.8000	867	2,689,832	24,288	5,144	624	706	(7)	2,800	1,077	2,724,464
RICHMOND	0.3599	1,160	6,573,410	41,049	1,980	3,997	55,575	(3,836)	10,753	2,093	6,685,021
ROANOKE	0.3657	13,835	67,601,621	345,936	25,212	49,509	578,225	(26,413)	63,937	23,731	68,661,759
ROCKBRIDGE	0.4903	2,492	10,936,199	41,931	6,962	14,322	79,530	(6,462)	13,049	6,908	11,092,439
ROCKINGHAM	0.3675	11,203	55,244,241	258,018	20,978	35,545	454,241	(28,774)	117,392	20,565	56,122,207
RUSSELL	0.2430	4,279	27,090,143	(16,954)	4,738	25,997	213,825	(16,129)	62,377	4,725	27,368,723
SCOTT	0.1831	3,625	24,473,999	113,908	2,689	22,954	211,406	(15,074)	35,290	6,842	24,852,014
SHENANDOAH	0.3706	5,953	30,083,289	0	11,229	19,650	244,245	(19,069)	60,422	14,644	30,414,410
SMYTH	0.2178	4,596	29,735,494	176,491	4,901	19,537	254,763	(18,672)	76,968	12,621	30,262,103
SOUTHAMPTON	0.3171	2,715	16,189,579	80,632	4,187	14,924	135,523	(9,492)	31,140	4,857	16,451,350
SPOTSYLVANIA	0.3326	23,139	118,054,320	747,978	38,003	79,008	974,100	701,677	140,421	46,936	120,782,443
STAFFORD	0.3305	26,779	130,405,123	483,890	41,858	87,824	1,113,729	846,295	82,482	65,855	133,127,057
SURRY	0.7642	821	2,764,888	11,170	3,846	1,472	19,934	(1,006)	15,600	2,228	2,818,132
SUSSEX	0.3375	1,116	7,338,783	81,021	2,290	8,274	61,984	(3,998)	0	3,007	7,491,361
TAZEWELL	0.2695	6,278	35,861,134	58,963	8,125	22,807	289,412	(23,568)	73,634	12,191	36,302,699
WARREN	0.3890	5,276	25,055,801	150,257	11,725	23,459	185,647	147,304	40,570	10,799	25,625,561
WASHINGTON	0.3533	7,102	36,540,171	199,026	12,905	18,171	290,210	(23,485)	60,014	18,441	37,115,453
WESTMORELAND	0.4649	1,582	8,271,791	0	4,322	5,012	63,166	(4,364)	22,260	2,695	8,364,883

February 19, 2012 Report of the Senate Finance Subcommittee on Education

School Division	2012-2014 Composite Index	FY 2013 Projected Unadjusted ADM	SB 30, Governor's Introduced Budget (FY 2013)	Technical - Update K-3 Class Size Program (2010 Free Lunch)	Update Sales Tax Estimates (SB 597)	Fully Fund 3rd Grade Early Reading Intervention Initiative	Supp. Assistance for Teacher VRS Employer Contribution Rate Increase	Fund Support COCA at Chpt. 890 rates (24.61%) in FY 2013	Increase VA Preschool Initiative Per Pupil Amount to \$6,800	Increase Career & Technical Education Equipment	FY 2013 Est. Distribution, With Senate Finance Committee Amendments
WISE	0.2045	5,985	37,454,190	68,468	5,700	37,254	321,132	(24,519)	82,732	14,076	37,959,032
WYTHE	0.3204	4,277	22,720,844	193,460	6,336	16,975	191,027	(14,836)	45,125	9,039	23,167,970
YORK	0.4049	12,281	54,723,994	139,178	24,444	29,727	527,112	(21,986)	26,184	15,690	55,464,344
ALEXANDRIA	0.8000	12,239	32,768,580	24,959	50,096	14,402	148,262	484,801	149,600	13,605	33,654,305
BRISTOL	0.3190	2,264	14,753,496	18,698	3,659	8,505	106,980	(8,040)	37,046	3,749	14,924,092
BUENA VISTA	0.1895	1,311	8,740,851	0	780	7,591	49,211	(2,138)	7,781	2,238	8,806,313
CHARLOTTESVILL	0.6861	3,894	15,972,309	(101,843)	10,133	4,900	77,632	(6,347)	67,600	4,486	16,028,871
COLONIAL HEIGHT	0.4448	2,821	13,024,758	(114,835)	5,829	8,667	102,344	(6,352)	21,764	3,970	13,046,145
COVINGTON	0.2775	805	5,012,775	34,713	1,176	4,511	40,818	(3,015)	11,560	731	5,103,269
DANVILLE	0.2653	5,929	38,202,848	247,006	7,740	34,408	255,442	(23,433)	131,070	10,140	38,865,221
FALLS CHURCH	0.8000	2,236	5,071,592	0	8,047	6,173	23,742	87,247	4,000	3,426	5,204,228
FREDERICKSBUR	0.6511	3,122	10,420,134	69,329	8,911	3,349	45,753	49,747	28,400	3,433	10,629,056
GALAX	0.2725	1,257	7,495,455	0	1,371	6,814	49,905	(4,798)	13,386	2,009	7,564,143
HAMPTON	0.2912	20,664	122,443,127	431,651	29,207	115,073	1,055,040	(75,507)	349,863	44,383	124,392,836
HARRISONBURG	0.4274	4,844	26,422,818	199,355	10,483	19,664	211,906	(11,724)	80,622	6,607	26,939,731
HOPEWELL	0.2376	3,968	24,743,561	144,266	4,206	23,802	181,542	(16,181)	84,778	6,839	25,172,812
LYNCHBURG	0.3727	8,202	45,225,763	253,556	16,122	31,336	330,318	(26,763)	162,095	12,735	46,005,163
MARTINSVILLE	0.2175	2,128	13,822,711	41,148	2,075	14,658	97,001	(8,888)	45,698	4,663	14,019,065
NEWPORT NEWS	0.2934	27,191	161,046,530	869,407	40,301	145,601	1,291,418	(98,928)	654,029	29,998	163,978,356
NORFOLK	0.3102	30,321	182,320,505	914,646	48,636	200,287	1,397,123	(109,894)	1,008,211	42,131	185,821,644
NORTON	0.3274	906	4,784,095	0	940	4,199	32,404	(3,153)	7,534	1,067	4,827,087
PETERSBURG	0.2516	4,121	28,209,748	0	5,335	21,030	203,655	(16,622)	117,350	7,809	28,548,305
PORTSMOUTH	0.2755	14,465	88,000,233	391,803	19,410	106,312	681,373	(54,993)	358,772	19,643	89,522,553
RADFORD	0.2630	1,540	8,627,528	0	1,546	4,602	52,654	(5,812)	15,330	1,289	8,697,138
RICHMOND CITY	0.4779	20,984	117,067,785	247,537	56,377	81,503	751,545	(58,993)	413,920	34,862	118,594,536
ROANOKE CITY	0.3728	12,292	69,376,318	183,100	23,786	56,788	488,258	(40,828)	234,823	15,143	70,337,388
STAUNTON	0.3987	2,548	15,960,744	36,074	5,950	11,264	87,211	(7,676)	39,445	4,746	16,137,759
SUFFOLK	0.3530	13,786	72,939,788	(6,409)	25,324	54,540	614,456	(36,451)	208,075	28,599	73,827,921
VIRGINIA BEACH	0.4110	68,961	318,868,239	546,405	140,924	220,670	2,691,672	(163,994)	507,954	116,249	322,928,118
WAYNESBORO	0.3690	3,108	15,254,251	219,510	5,557	13,791	125,626	(10,222)	54,518	3,589	15,666,620
WILLIAMSBURG	0.8000	917	3,600,794	28,143	3,068	1,249	12,606	(555)	0	6,742	3,652,047
WINCHESTER	0.4645	4,125	19,283,463	81,294	8,223	32,553	112,059	102,989	60,404	4,053	19,685,039
FAIRFAX CITY	0.8000	3,165	7,373,163	372	12,367	2,058	42,510	123,020	20,800	0	7,574,290
FRANKLIN CITY	0.3276	1,163	7,991,102	214,286	2,133	4,199	50,707	(4,236)	32,275	2,338	8,292,805
CHESAPEAKE CIT	0.3678	38,220	200,607,203	956,660	71,252	110,532	1,753,005	(73,403)	271,594	61,306	203,758,151
LEXINGTON	0.5059	671	2,563,190	0	1,074	1,543	15,116	(1,666)	0	0	2,579,257
EMPORIA	0.2594	1,071	6,589,516	0	1,295	4,625	59,107	(4,216)	18,960	0	6,669,287
SALEM	0.3628	3,824	18,093,813	108,514	5,885	9,947	141,081	(9,834)	7,646	9,493	18,366,544
BEDFORD CITY	0.3132	781	4,042,276	34,144	1,313	2,145	37,892	(2,722)	11,538	0	4,126,586
POQUOSON	0.3816	2,137	9,955,041	0	4,213	3,861	79,275	(3,971)	4,947	3,752	10,047,118
MANASSAS CITY	0.3599	7,094	40,595,877	449,490	12,073	30,728	269,015	902,062	109,073	11,235	42,379,553
MANASSAS PARK	0.2600	2,955	19,387,876	99,769	3,163	12,687	131,746	436,320	59,792	3,897	20,135,251
COLONIAL BEACH	0.3527	595	3,676,751	37,143	766	2,021	22,483	(2,014)	12,428	949	3,750,527
WEST POINT	0.2838	737	3,955,032	0	796	4,472	27,785	(1,594)	3,438	1,493	3,991,423
<b>TOTAL:</b>		<b>1,222,669</b>	<b>\$5,770,809,911</b>	<b>\$ 23,529,519</b>	<b>\$ 2,619,832</b>	<b>\$ 4,116,378</b>	<b>\$ 45,000,000</b>	<b>\$ 30,121,872</b>	<b>\$ 12,188,853</b>	<b>\$ 2,000,000</b>	<b>\$ 5,890,403,997</b>

Education Subcommittee

Item 132 #3s

**Education: Elementary &  
Secondary****FY 10-11****FY 11-12**

Direct Aid To Public Education

\$0

(\$7,000,096)

GF

\$0

\$7,000,000

NGF

**Language:**

Page 38, line 11, strike "\$5,493,100,904" and insert "\$5,493,100,808".

Page 67, line 35, strike "\$70,210,396" and insert "\$63,210,396."

Page 67, line 36, strike "\$17,479,966" and insert "\$24,479,966."

**Explanation:**

(This amendment reflects an anticipated increase of \$7 million in the Lottery Proceeds Fund for FY 2012. This will bring the total cash transfers to the Lottery Proceeds fund to \$461.4 million. The Lottery Board indicates that good weather and jackpot growth, along with the expansion of retailer outlets, have contributed to stronger than originally forecast sales and profits. The availability of the additional Nongeneral Funds reduces, by a like amount, the General Funds needed for the Supplemental Support for School Operating Costs account.)

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Education Subcommittee

Item 135 #1s

**Education: Elementary & Secondary**

**FY 12-13**

**FY 13-14**

Department Of Education, Central Office Operations

\$500,000

\$500,000 GF

**Language:**

Page 93, line 14, strike "\$965,944" and insert "\$1,465,944".

Page 93, line 14, strike "\$965,944" and insert "\$1,465,944".

Page 93, after line 23, insert:

"A. This appropriation includes \$500,000 the first year and \$500,000 the second year from the general fund for statewide digital content and support services. All digital content shall conform to the state standards and be cross-referenced to the Virginia Standards of Learning. The school superintendents shall appoint representatives from the school divisions to assist in selecting the digital content, teacher training, support services that advance technology integration into the K-12 classroom, and additional materials that shall be made available to school divisions throughout the Commonwealth. The Department of Education shall require by contract that digital content and curriculum materials meet or exceed applicable Standards of Learning."

**Explanation:**

(This amendment provides funding for digital content and support services.)

Education Subcommittee

Item 138 #3s

**Education: Elementary & Secondary**

**FY 12-13**

**FY 13-14**

Direct Aid To Public Education

\$175,000

\$325,000 GF

**Language:**

Page 95, line 3, strike "\$9,456,858" and insert "\$9,631,858".

Page 95, line 3, strike "\$9,076,858" and insert "\$9,401,858".

Page 97, after line 14, insert:

"P. Out of this appropriation, \$175,000 the first year and \$325,000 the second year from the general fund shall be used to provide a pilot program in one public local school division for a College Readiness Center. The Center would be for an extended school calendar in grades six through eight for selected students. The goals of the

program shall be to increase the number of students who attain a college degree without the need for remedial services at the college level. The local school division shall provide an evaluation of initial outcomes related to the Center by June 30, 2013."

**Explanation:**

(This amendment is self-explanatory.)

Education Subcommittee

Item 139 #2s

<b>Education: Elementary &amp; Secondary</b>	<b>FY 12-13</b>	<b>FY 13-14</b>	
Direct Aid To Public Education	\$23,530,099	\$23,565,389	GF

**Language:**

Page 97, line 15, strike "\$5,706,719,879" and insert "\$5,730,249,978".

Page 97, line 15, strike "\$5,754,856,472" and insert "\$5,778,421,861".

Page 97, line 49, strike "\$25,616,358" and insert "\$49,145,877".

Page 97, line 49, strike "\$29,443,006" and insert "\$53,013,812".

Page 98, line 2, strike "\$5,183,934,509" and insert "\$5,207,464,028".

Page 98, line 2, strike "\$5,224,539,194" and insert "\$5,248,110,000".

Page 98, line 34, strike "\$81,525,356" and insert "\$105,054,875".

Page 98, line 34, strike "\$81,604,206" and insert "\$105,175,012".

Page 98, line 48, strike "\$35,760,285" and insert "\$12,230,766".

Page 98, line 48, strike "\$32,168,960" and insert "\$8,598,154".

Page 108, line 8, strike "\$25,616,358" and insert "\$49,145,877".

Page 108, line 8, strike "\$29,443,006" and insert "\$53,013,812".

Page 108, line 9, strike "\$35,760,285" and insert "\$12,230,766".

Page 108, line 9, strike "\$32,168,960" and insert "\$8,598,154".

Page 111, line 33, strike "\$81,525,356" and insert "\$105,054,875".

Page 111, line 33, strike "\$81,604,206" and insert "\$105,175,012".

Page 112, after line 12, insert:

"g. For the first year only, school divisions may have the flexibility to be considered to meet the requirements of this program if the ratio for each school is no more than five students higher than those otherwise required for this program, with a maximum individual class size of no more than 24 students."

**Explanation:**

(This amendment updates the free lunch eligibility rate data used in the K-3 Primary Class Size Reduction program. The data is updated from base year 2008 to base year 2010. This is a technical amendment that was inadvertently omitted from rebenchmarking. In addition, the amendment specifies that in the first year school divisions may have the flexibility to be considered to meet the requirements of this program if the ratio for each school is no more than five students higher than otherwise required for this program.)

Education Subcommittee

Item 139 #3s

**Education: Elementary & Secondary**

Direct Aid To Public Education

Language

**Language:**

Page 101, after line 50, insert:

“17. To provide additional flexibility, notwithstanding the provisions of Section 22.1-79.1 of the Code of Virginia, any school division that was granted a waiver regarding the opening date of the school year for the 2011-12 school year under the good cause requirements shall continue to be granted a waiver for the 2012-13 school year.”

**Explanation:**

(This amendment is self-explanatory.)

Education Subcommittee

Item 139 #5s

**Education: Elementary & Secondary**

**FY 12-13**

**FY 13-14**

Direct Aid To Public Education

(\$3,600,000)

(\$3,600,000)

GF

\$3,600,000

\$3,600,000

NGF

**Language:**

Page 107, line 7, strike "\$130,086,428" and insert "\$133,686,428".

Page 107, line 7, strike "\$129,786,428" and insert "\$133,386,428."

**Explanation:**

(This amendment reflects the additional amounts to the Literary Fund based on an



amendment in Item 3-6.04 that would retain one half of all fines and fees collected at the local level pursuant to the enforcement of local ordinances, which are in excess of 30 percent of the combined total of local and state collections, as reported annually by the Auditor of Public Accounts to the State Comptroller. The amendment increases the amount of Literary Fund revenue used to support SOQ teacher retirement costs, and a general fund reduction of a like amount.)

Education Subcommittee

Item 139 #11s

**Education: Elementary & Secondary**

Direct Aid To Public Education

Language

**Language:**

Page 106, after line 36, insert:

"27. By August 15, 2012, each superintendent is requested to submit to the Department of Education a brief description of the range of online learning opportunities currently underway in the school division and any being planned or under consideration in the future, if applicable."

**Explanation:**

(This amendment is self-explanatory.)

Education Subcommittee

Item 139 #14s

**Education: Elementary & Secondary**

Direct Aid To Public Education

**FY 12-13**

**FY 13-14**

\$100,000

\$100,000 GF

**Language:**

Page 97, line 15, strike "\$5,706,719,879" and insert "\$5,706,819,879".

Page 97, line 15, strike "\$5,754,856,472" and insert "\$5,754,956,472".

Page 122, after line 1, insert:

"g. All regional Governor's Schools are encouraged to provide full-day, grade 9 through 12 programs. Out of the amounts in this Item, \$100,000 the first year from the general fund is provided for existing Governor's Schools, as distributed by the Superintendent of Public Instruction, to plan for or study the feasibility of expanding, including via a merger with another Governor's School. Up to \$100,000 the second

year is provided as one-time start-up funding for such expansions."

**Explanation:**

(This amendment is self-explanatory.)

Education Subcommittee

Item 139 #15s

**Education: Elementary & Secondary**

**FY 12-13**

**FY 13-14**

Direct Aid To Public Education

\$100,000

\$0 GF

**Language:**

Page 97, line 15, strike "\$5,706,719,879" and insert "\$5,706,819,879".

Page 122, after line 1, insert:

"g. Out of the amounts in this Item, \$100,000 the first year from the general fund is available towards planning for a full-day grades 9 through 12 regional science and technology Governor's School in the greater Hampton Roads area."

**Explanation:**

(This amendment is self-explanatory.)

Education Subcommittee

Item 139 #17s

**Education: Elementary & Secondary**

**FY 12-13**

**FY 13-14**

Direct Aid To Public Education

\$500,000

\$500,000 GF

**Language:**

Page 97, line 15, strike "\$5,706,719,879" and insert "\$5,707,219,879".

Page 97, line 15, strike "\$5,754,856,472" and insert "\$5,755,356,472".

Page 123, after line 15, insert:

"35. New Teacher Mentors

Appropriations in this Item include \$500,000 each year for mentors for new teachers."

**Explanation:**

(This amendment provides funding to support mentors for new teachers. Existing funding for new teacher mentors in hard-to-staff schools was eliminated in the budget as introduced. In FY 2012, \$527,287 was provided so 689 new teachers, across 29

school divisions, would receive the support of a mentor teacher.)

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**February 19, 2012 Report of the Senate Finance Subcommittee on Education - HIGHER EDUCATION**  
**Summary of Recommended Amendments to SB 29 and SB 30 As Introduced**

Line#		FY 12 GF \$	FY 13 GF \$	FY 13 NGF \$	FY 13 Total \$	FY 14 GF \$	FY 14 NGF \$	FY 14 Total \$	Biennial GF \$	Biennial NGF \$
1	SCHEV - VWIL Program at Mary Baldwin College	-	76,975	-	76,975	153,950	-	153,950	230,925	-
2	SCHEV - Commonwealth Toll Assistance Program	-	250,000	-	250,000	750,000	-	750,000	1,000,000	-
3	SCHEV -Math and Science Teacher Prep Pilot	-	50,000	-	50,000	300,000	-	300,000	350,000	-
4	SCHEV - Transfer Grant Legislation	-	1,300,000	-	1,300,000	1,300,000	-	1,300,000	2,600,000	-
5	SCHEV - Agency Operations	-	200,000	-	200,000	200,000	-	200,000	400,000	-
6	SCHEV - VIVA	-	(2,800,000)	-	(2,800,000)	-	-	-	(2,800,000)	-
7	Agency Reallocation Language (1% in 2013 and 2% in 2014)	-	-	-	-	-	-	-	-	-
8	Partially Redirect Degree Production Incentive	-	(12,737,278)	-	(12,737,278)	(12,737,278)	-	(12,737,278)	(25,474,556)	-
9	Undergraduate Financial Aid	-	5,731,775	-	5,731,775	5,731,775	-	5,731,775	11,463,550	-
10	Graduate Financial Aid	-	-	-	-	1,777,854	-	1,777,854	1,777,854	-
11	Faculty Salary Increase 2% in FY 2014	-	-	-	-	19,060,748	17,723,894	36,784,642	19,060,748	17,723,894
12	LU - NGF Appropriation	-	-	645,596	645,596	-	645,596	645,596	-	1,291,192
13	LU - NGF Positions	-	-	-	-	-	-	-	-	-
14	LU - Student Financial Aid Language Correction	-	-	-	-	-	-	-	-	-
15	NSU/ Research - Center of Excellence - Health Disparities	-	-	-	-	155,000	-	155,000	155,000	-
16	Research - ODU Bioelectronics	-	(18,000)	-	(18,000)	(18,000)	-	(18,000)	(36,000)	-
17	UMW - Dahlgren	-	325,000	100,000	425,000	250,000	250,000	500,000	575,000	350,000
18	UVA - Logistics Research Center	-	325,000	-	325,000	325,000	-	325,000	650,000	-
19	UVA - Technical Language Research	-	-	-	-	-	-	-	-	-
20	Research – UVA Ultrasound	-	(750,000)	-	(750,000)	(750,000)	-	(750,000)	(1,500,000)	-
21	VCU – Planning Funds for VA Treatment Ctr. For Children	-	(250,000)	-	(250,000)	-	-	-	(250,000)	-
22	VCCS - Technical Workforce	-	-	37,129,340	37,129,340	-	37,129,340	37,129,340	-	74,258,680
23	VCCS - Workforce Development	-	(1,000,000)	-	(1,000,000)	(1,000,000)	-	(1,000,000)	(2,000,000)	-
24	VCCS - SVCC Redirect	(50,000)	-	-	-	-	-	-	-	-
25	VMI - UMA Language	-	-	-	-	-	-	-	-	-
26	Research - VT Brain Disorder	-	(750,000)	-	(750,000)	(750,000)	-	(750,000)	(1,500,000)	-

Line#		FY 12 GF \$	FY 13 GF \$	FY 13 NGF \$	FY 13 Total \$	FY 14 GF \$	FY 14 NGF \$	FY 14 Total \$	Biennial GF \$	Biennial NGF \$
27	VT - Extension	-	500,000	-	500,000	500,000	-	500,000	1,000,000	-
28	VSU - GF/NGF Positions to Hire and Logistics	-	-	-	-	-	-	-	-	-
29	VSU/Research - Fund Faculty Research Initiative Grants	-	-	-	-	155,000	-	155,000	155,000	-
30	VIMS Sea Rise Study	-	50,000	-	50,000	-	-	-	50,000	-
31	4VA Technical Language - Multiple Institutions	-	-	-	-	-	-	-	-	-
32	HEETF - Additional Research Allocation - \$12.2 million	-	-	-	-	-	-	-	-	-
33	Language - HE Centers Supplement Salaries	-	-	-	-	-	-	-	-	-
34	Correct NCI Director Salary	-	-	-	-	-	-	-	-	-
35	HE Tuition and Fee/Financial Aid Language	-	-	-	-	-	-	-	-	-
36	HE TJ 21 Funding Language	-	-	-	-	-	-	-	-	-
37	EVMS - Base Support	-	(1,781,341)	-	(1,781,341)	-	-	-	(1,781,341)	-
38	IALR - Research Expansion	-	(600,000)	-	(600,000)	-	-	-	(600,000)	-
39	SVHEC - Operations	-	225,000	-	225,000	225,000	-	225,000	450,000	-
40	Jefferson Lab - Research	-	(500,000)	-	(500,000)	(500,000)	-	(500,000)	(1,000,000)	-
41	Higher Education Research Initiative - Hampton Foundation	-	(3,000,000)	-	(3,000,000)	(3,000,000)	-	(3,000,000)	(6,000,000)	-
42	Higher Education Research Initiative - UVA Cancer	-	(500,000)	-	(500,000)	(500,000)	-	(500,000)	(1,000,000)	-
43	Higher Education Research Initiative - VCU Cancer	-	(500,000)	-	(500,000)	(500,000)	-	(500,000)	(1,000,000)	-
44	Higher Education Research Initiative - Grant Pool	-	(2,600,639)	-	(2,600,639)	(2,600,639)	-	(2,600,639)	(5,201,278)	-
45	VA College Savings Plan - NGF Positions and Comp. Plan	-	-	-	-	-	-	-	-	-
46	<b>HE Total Amendments</b>	(50,000)	(18,753,508)	37,874,936	19,121,428	8,528,410	55,748,830	64,277,240	(10,225,098)	93,623,766
47	<b>Other Area Amendments Related to HE:</b>	-	-	-	-	-	-	-	-	-
48	Debt Service for Additional Research HEETF	-	-	-	-	1,920,000	-	1,920,000	1,920,000	-
49	Public Safety - SB 508 VA Guard Tuition Grant	-	485,000	-	485,000	485,000	-	485,000	970,000	-
50	Auxiliary Interest Restoration (Revenues - \$5.2 million/year)	-	5,260,000	-	5,260,000	5,260,000	-	5,260,000	10,520,000	-
51	<b>Other Total</b>	-	5,745,000	-	5,745,000	7,665,000	-	7,665,000	13,410,000	-
52	<b>GRAND TOTAL HE RELATED</b>	(50,000)	(13,008,508)	37,874,936	24,866,428	16,193,410	55,748,830	71,942,240	3,184,902	93,623,766

Education Subcommittee

Item 3-3.03 #1s

**General Fund Deposits**

Interest Earnings

Language

**Language:**

Page 394, strike lines 37-38

Page 395, strike lines 1-9

Page 395, strike lines 15-17

Page 395, strike lines 20-21

Page 395, strike lines 24-46

**Explanation:**

(This amendment would strike the transfer of auxiliary enterprise interest from all institutions of higher education. The amount of the projected auxiliary enterprise interest is almost \$5.3 million in each year.)

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Education Subcommittee

Item 4-2.01 #1s

**Revenues**

Nongeneral Fund Revenues

Language

**Language:**

Page 410, strike lines 5-8.

**Explanation:**

(This amendment deletes the language in the introduced budget that would have restricted the use of tuition and fee revenue to support financial aid to the amount appropriated for that purpose in the 2012-14 biennium.)

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Education Subcommittee

Item 4-10.01 #1s

**Higher Education Funding**

Implementing Virginia Higher Education  
Opportunity Act of 2011

Language

**Language:**

Page 450, strike lines 11-47.

Page 450, after line 10, insert:

a. ENROLLMENT GROWTH:

Consistent with the provisions of the Virginia Higher Education Opportunity Act of 2011 (TJ21), each institution of higher education shall receive an amount per student associated with enrollment growth of Virginians. The difference in enrollment between the two most recent years for which there is final actual enrollment data shall be used to calculate enrollment growth.

b. BASE AND INCENTIVE FUNDING:

1. General fund support will be allocated toward achieving the goals and objectives of TJ21. This funding may include allocations in base operations support, financial aid, incentive funding, research activities, and other initiatives.

2. For financial aid funding, the intent is to enhance affordability for both low-income and middle-income students and their families. Financial aid funding shall be spread among the institutions of higher education based on the State Council of Higher Education for Virginia's Partnership Model. For purposes of this funding, the Advisory Committee recommended the use of the federal percent-of-poverty index to define income bands for use in defining low and middle income families. Low income would fall below 200 percent and middle income would be in the range of 200 to 400 percent. Institutions shall report annually on their implementation of this policy via the six-year planning process established under TJ21.

3. For research activities and other initiatives, funding may be directed towards efforts identified by institutions of higher education in their six-year plans that best meet the goals and objectives of the TJ21 legislation.



4. Pursuant to TJ21 and its provisions promoting partnership between public and private institutions in the achievement of stated policy goals, the Commonwealth's higher education investment strategy and funding policy may include the provision of financial incentives to private non-profit institutions of higher education where such incentives will support the goals of economic growth, reform-based investment and affordable access specified in TJ21. The Secretary of Education shall consult with the Attorney General and the Secretary of Finance to identify appropriate methods for the provision of such incentives and may make recommendations to the Higher Education Advisory Committee related thereto on or before October 1, 2012.

Page 451, strike lines 1-24.

**Explanation:**

(This amendment modifies the new higher education funding section as it was included in the introduced budget.)

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