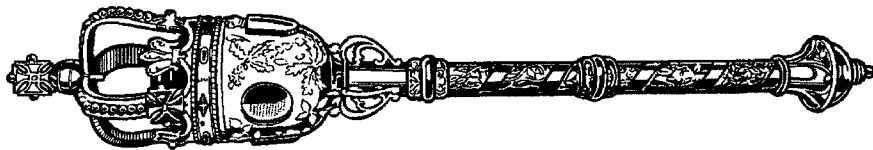


*Report of the
House Appropriations
Subcommittee*

on

Higher Education



House Bill 1500

February 6, 2011

REPORT OF THE SUBCOMMITTEE

on

HIGHER EDUCATION

Mr. Chairman and Members of the Committee:

For many years, this Committee has consistently presented amendments to address our shared commitment of affordable access to our public colleges and universities. These goals were reaffirmed by the Governor's Higher Education Commission this fall when it outlined its objectives that were reflected in House Bill 2510, the "Top Jobs" legislation. This Subcommittee understands that we cannot expect Virginia to lead an economic recovery if we do not make well-targeted investments.

With that in mind, Mr. Chairman, the Subcommittee recommends amendments that provide for the following:

- improved affordability for in-state undergraduates, especially at institutions with high in-state enrollments;
- increased access for in-state students at high-demand institutions; and
- increased degree production especially in science, technology, engineering, mathematics (STEM), and health-related disciplines.

In total, our amendments will provide \$94.3 million in new funding for our colleges and universities.

Mr. Chairman, since fiscal year 2008, the tuition cost at our public institutions has increased by more than 25 percent. In part, this is the result of our public colleges and universities having shouldered a major portion of the general fund reductions. At the same time, near-

ly 30,000 more in-state students were enrolling. In order to accommodate this growing population, the colleges backfilled with tuition increases. The result is that our colleges and universities have become less affordable. Simply stated, we are pricing low- and middle-income Virginians out of the higher education market.

With that in mind, the Subcommittee recommends an additional \$30.3 million for student enrollment growth across our system of higher education. We also recommend \$16.8 million for new facilities coming on-line during this biennium. In addition, the Subcommittee proposes \$11.5 million to improve the number of full-time faculty at our public institutions, especially the community colleges. By focusing our resources, we have provided a means for our colleges and universities to keep the increases to tuition and required fees reasonable.

Mr. Chairman, we are also pleased to recommend \$2.7 million that will provide a total of 350 additional seats this year for in-state undergraduate students at the College of William and Mary, James Madison University, the University of Virginia, and Virginia Tech. This is part of a multi-year phase-in of more than 1,700 additional slots at these high-demand schools.

Focusing on science, technology, engineering, and mathematics, and health-related disciplines has been a priority of this Committee for several years. You will recall it was the leadership of this Committee that led to incentivizing STEM students as part of the two-year transfer grant in 2007. We are pleased that this also became a priority of the Governor's Higher Education Commission. Therefore, Mr. Chairman, the Subcommittee recommends \$8.9 million to support STEM initiatives at eight of our higher education institutions and agencies. In a related initiative, the Subcommittee also proposes \$3.4 million to support a public-private partnership between four of our universities (George Mason University, James Madison University,

the University of Virginia, and Virginia Tech) and CISCO Systems, Inc. This collaboration will allow these institutions to utilize emerging technologies as well as leverage their respective instructional talent with the goal of increasing access, reducing time to graduation and reducing unit cost while maintaining and enhancing quality.

In addition to the above recommendations, the Subcommittee is pleased to recommend a \$5 million increase in funding for cancer research at VCU's Massey Cancer Center. You will recall, Mr. Chairman, that this Committee began this initiative in the 2008 Session.

The Subcommittee also recommends \$3 million for workforce development efforts in the community colleges. We are also pleased to recommend an additional \$1.2 million for Eastern Virginia Medical School to bring them into parity with our two public medical schools at UVA and VCU.


The Subcommittee also tackled the issue of Cooperative Extension Restructuring. I would like to thank you, Mr. Chairman, for setting up a special subcommittee to address this issue. I would also like to thank Delegate Morgan for his leadership on this topic, as well as the other members of the special subcommittee – Delegates Sherwood, Landes, Phillips, and Dance. The Subcommittee heard testimony from both sides of the issue. We are asking that Virginia Cooperative Extension take another look at the restructuring issue. In doing so, we ask that they ensure greater involvement of the various stakeholders, including the agricultural industry, local governments, and field extension agents.

Finally, Mr. Chairman, the Subcommittee also spent a considerable amount of time examining higher education reform. The Subcommittee recommended, and the Committee reported, House Bill 2510. This legislation builds on the efforts that began in 2005 with restructuring. It outlines perhaps one of the most significant changes in

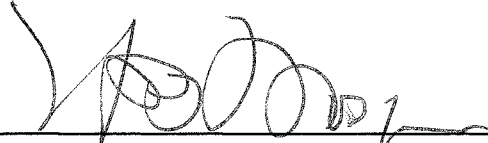
how we interact with our public colleges and universities. One of the keys to the future success of our colleges and universities begins with an honest dialog on the needs of our institutions. The essence of this endeavor will be the implementation of a meaningful six-year planning process. You will recall that our staff outlined this process at our annual retreat last November. Our intent is for open, honest dialog on the financial, academic and enrollment plans of our colleges to begin to take place before the legislature comes into session. This will allow the legislature to craft a budget that truly meets the goals of access and affordability in collaboration with the Governor and the individual college or university.

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

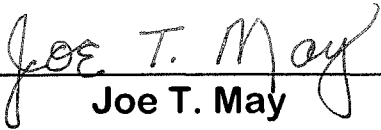
Respectfully Submitted by the House Appropriations Subcommittee
on Higher Education:



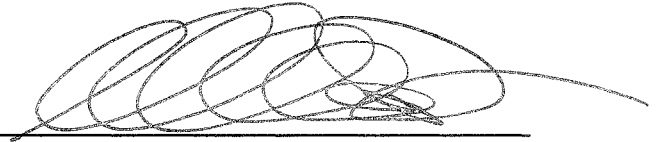
M. Kirkland Cox, Chairman



Harvey B. Morgan



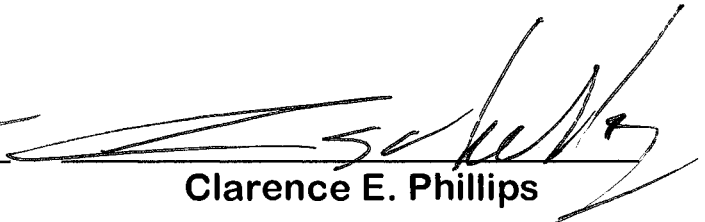
Joe T. May



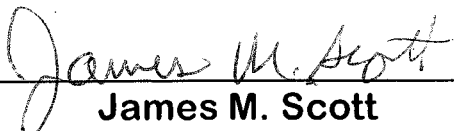
S. Chris Jones



James P. Massie, III



Clarence E. Phillips



James M. Scott

I dissent on item

#2 - 4-D.01 #1A



Algie T. Howell, Jr.

House Bill 1500
HIGHER EDUCATION
Amendment

General Fund	Nongeneral Fund	FTE
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State Council Of Higher Education For Virginia

NASA STEM Partnership	350,000	0	0.00
Faculty Salary Process		Language	
Top Jobs Legislation (HB 2510) Requirements	250,000	0	3.00

Christopher Newport University

Access, Affordability, New Degrees	1,763,000	1,300,000	0.00
Eliminate VECTEC	(326,875)	0	0.00

The College Of William And Mary In Virginia

Access, Affordability, New Degrees & House STEM	1,257,000	8,000,000	0.00
New In-State Undergraduate Seats	340,000	0	0.00
Property Disposal (Sailing Team)		Language	

Richard Bland College

Access, Affordability, New Degrees	755,000	225,000	0.00
Technical NGF E & G Adjustment	0	1,290,000	0.00

Virginia Institute Of Marine Science

O & M for New Buildings	142,500	0	1.00
House STEM Initiative	475,000	0	4.00

George Mason University

House STEM Initiative	3,000,000	0	0.00
Access, Affordability, New Degrees	4,417,775	8,000,000	0.00
Technical NGF E & G Adjustment	0	17,000,000	0.00
4VA Cisco Partnership	850,000	0	0.00

James Madison University

Access, Affordability, New Degrees	3,705,000	8,000,000	0.00
New In-State Undergraduate Seats	1,100,000	0	0.00
Technical NGF E & G Adjustment	0	7,800,000	0.00
4VA Cisco Partnership	850,000	0	0.00
Technical NGF Financial Aid Adjustment	0	1,000,000	0.00

Longwood University

Technical MEL Adjustment	0	0	11.00
House STEM Initiative	885,800	0	0.00
Access, Affordability, New Degrees	475,000	1,200,000	0.00

Norfolk State University

House STEM (Health and Science Academy)	160,000	0	0.00
House STEM (Mathematics Program)	380,000	0	0.00

House Bill 1500
HIGHER EDUCATION
Amendment

<u>General</u> <u>Fund</u>	<u>Nongeneral</u> <u>Fund</u>	<u>FTE</u>
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House STEM (Saturday Science Academy)	250,000	0	0.00
Access, Affordability, New Degrees	1,314,000	1,400,000	0.00
Old Dominion University			
House STEM (Medical Modeling)	250,000	0	0.00
Access, Affordability, New Degrees	6,660,000	4,500,000	0.00
Radford University			
House STEM (Virtual Mathematics Program)	505,200	0	0.00
House STEM (PhD in Physical Therapy)	2,200,725	0	0.00
Access, Affordability, New Degrees	200,000	2,200,000	0.00
Technical NGF E & G Adjustment	0	4,600,000	0.00
University Of Mary Washington			
Access, Affordability, New Degrees	1,856,000	1,500,000	0.00
University Of Virginia			
Technical NGF E & G Adjustment	0	45,520,058	0.00
Access, Affordability, New Degrees	1,660,000	17,000,000	0.00
New In-State Undergraduate Seats	705,000	0	0.00
4VA Cisco Partnership	850,000	0	0.00
University Of Virginia's College At Wise			
Access, Affordability, New Degrees	1,600,000	375,000	0.00
Virginia Commonwealth University			
Technical NGF E & G Adjustment	0	17,175,399	0.00
Access, Affordability, New Degrees	6,040,000	8,500,000	0.00
Virginia Community College System			
Access, Affordability, New Degrees	17,550,000	21,800,000	0.00
Virginia Military Institute			
Access, Affordability, New Degrees	758,000	1,100,000	0.00
Virginia Polytechnic Institute And State University			
Access, Affordability, New Degrees	2,990,000	17,000,000	0.00
New In-State Undergraduate Seats	500,000	0	0.00
4VA Cisco Partnership	850,000	0	0.00
Virginia Cooperative Extension And Agricultural Experiment Station			
Extension Restructuring & Reporting		Language	
Virginia State University			
Technical NGF E & G Adjustment	0	2,300,000	0.00
Access, Affordability, New Degrees	905,000	2,300,000	0.00
Eastern Virginia Medical School			

House Bill 1500
HIGHER EDUCATION
Amendment

<u>General</u> <u>Fund</u>	<u>Nongeneral</u> <u>Fund</u>	<u>FTE</u>
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EVMS Parity with UVA & VCU Medical Schools	(3,800,000)	0	0.00
Southwest Virginia Higher Education Center			
Utilize Capital Maintenance for Water Detention Pond	(250,000)	0	0.00
GRAND TOTAL	64,423,125	201,085,457	19.00
Central Appropriations			
Level 3 Interest Earnings	0	898,000	0.00
Distribute Higher Education Funds	(50,000,000)	0	0.00
Part IV General Provisions			
Stem Cell Research		Language	

Amendments to House Bill 1500, as Introduced

Higher Education Subcommittee

Item 139 #2h

Education: Higher Education

State Council Of Higher Education
For Virginia

Language

Language:

Page 142, after line 36, insert:

"O.1. In consultation with the Secretary of Education, the Secretary of Finance, and the Chairmen of the House Appropriations Committee and Senate Finance Committee, or their designees, the State Council of Higher Education for Virginia shall review, and if necessary, update institutional peer groups giving consideration to the impact of COLI on the current cohort of peer institutions as well as the impact of enrollment patterns where the percentage of graduate degrees conferred has increased by more than 10 percentage points between 1997 and 2007 concurrent with a like decrease in the percentage of undergraduate degrees conferred during the same period.

2. The State Council shall report its findings and recommendations to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees no later than September 1, 2011."

Explanation:

(This amendment is self-explanatory.)

Higher Education Subcommittee

Item 219 #12h

Education: Higher Education

Virginia Cooperative Extension
And Agricultural Experiment
Station

Language

Language:

Page 185, strike lines 51 through 53 and insert:

"F.1. Virginia Cooperative Extension shall develop a revised restructuring plan which looks at strengthening its historical mission regarding local delivery of pertinent research information to the agriculture industry, youth leadership development, and family and community viability. In development of this revised

Amendments to House Bill 1500, as Introduced

restructuring plan, Virginia Cooperative Extension must have agricultural industry stakeholders, local governments and local agents represented on the plan committee, which must have geographical balance across the Commonwealth. This plan shall also present the cost of implementation; however it shall also consider and present options that reflect implementation within the existing level of resources. The plan committee may also present options which include a fee-for-service component. The plan committee may present a plan with several policy options and staffing levels for consideration, including but not limited to each county/city having one agricultural agent, one 4-H agent, and one administrative assistant. The plan committee shall establish criteria for determination of need for any staffing recommendation, which may include population served, number of farmers, diversity of farmers and agricultural products, agricultural sales volume, number of youth served, and travel distance of extension clients served.

2. Virginia Cooperative Extension shall provide regular reports to the House Appropriations and Senate Finance Committees; the Secretaries of Education, of Agriculture and Forestry, and of Natural Resources; and local governments and stakeholders. A progress report on the plan shall be submitted by August 15, 2011. An interim report shall be provided to the 2012 General Assembly that documents stakeholder involvement, progress to date, and alternative approaches, including costs associated with each option.

3. Virginia Cooperative Extension shall report to the Chairmen of the House Appropriations and Senate Finance Committees by December 1, 2011, on the financial history report of expenditures within the extension program since 1995. The report shall include spending by fund source (state, local, federal) and type (teaching, research, extension).

4. Virginia Cooperative Extension shall report to the Chairmen of the House Appropriations and Senate Finance Committees by December 1, 2011, on products and services provided by on-campus extension spending."

Page 186, strike lines 1 through 8.

Explanation:

(This amendment is self-explanatory.)

Higher Education Subcommittee

Item 4-0.01 #1h

General Provisions

Operating Policies

Language

Language:

Amendments to House Bill 1500, as Introduced

Page 471, after line 14, insert:

"e. No funding in this budget, or matching funds related to funding included in this budget, may be provided for human stem cell research from stem cells directly obtained from human embryos; however, research conducted using stem cells other than embryonic stem cells may be funded.

f. No funding in this budget, or matching funds related to funding included in this budget, may be provided for research on cells or tissues derived from induced abortions on humans."

Explanation:

(This amendment would prohibit state funding of embryonic stem cell research itself, but it would also permit entities that conduct such research (without using state money) to receive state funding. Entities that receive funding for embryonic stem cell research from federal and private sources may also receive state dollars for purposes other than embryonic stem research. State funding of research on aborted fetuses would be prohibited.)
