



Report of the Subcommittee on  
Education

Senate Finance Committee  
Virginia General Assembly

February 18, 2009

**PUBLIC EDUCATION AND OTHER EDUCATION - Education Subcommittee Report, Wednesday February 18, 2009**

	GF		NGF	
	FY 2009	FY 2010	FY 2009	FY 2010
<b>2009 Session Public Education and Other Education Amendments</b>				
<b>Direct Aid to Public Education</b>				
Technical: Revise sales tax estimate - restore dealer discount	\$	(9,391,155)		
Reduce textbook funding by 50 percent	\$	(39,657,117)		
Restore funding for state operated programs	\$	1,919,143		
Fund current est. for FY10 National Board Certification	\$	1,176,750		
<b>Restore \$27.5 million from school construction grant program</b>	\$	-		\$ 27,499,994
<b>Restore Governor's Lottery Changes, Eliminate Funding Loss Cap, and Restore Addtl. Support for School Construction &amp; Operating Costs (cost covered by federal funds)</b>				\$ 57,268,784
Restore reduction from support position cap				\$ 332,908,041
Restore reduction in textbook funding				\$ 39,657,117
<b>Subtotal</b>	\$	(45,952,379)		
<b>Science Museum of Virginia</b>				
Belmont Bay Science Center - Transfer to GMU	\$	(25,000)	\$	(50,000)
<b>TOTAL</b>	\$	(25,000)	\$	(46,002,379)
				\$ 457,333,936

# HIGHER EDUCATION - Education Subcommittee Report, Wednesday February 18, 2009

## 2009 Session Higher Education Amendments

	FY 09 GF \$	FY 09 NGF \$	FY 10 GF \$	FY 10 NGF \$	Biennial GF \$	Biennial NGF \$
SCHEV - Eminent Scholars	-	-	4,017,644	-	4,017,644	-
SCHEV - Technical NGF Amendment	-	400,699	-	150,000	-	550,699
SCHEV - Technical NGF Amendment (Gear-Up)	-	376,365	-	376,365	-	752,730
CNU - Increase Student Financial Assistance	-	-	226,439	-	226,439	-
CWM - Increase Student Financial Assistance	-	-	164,003	-	164,003	-
RBC - Increase Student Financial Assistance	-	-	8,539	-	8,539	-
GMU - Belmont Bay	25,000	-	50,000	-	75,000	-
GMU - Increase Student Financial Assistance	-	-	371,629	-	371,629	-
JMU - Increase Student Financial Assistance	-	-	172,368	-	172,368	-
LU - Increase Student Financial Assistance	-	-	101,275	-	101,275	-
NSU - PhD in Materials Science	-	-	500,000	1,000,000	500,000	1,000,000
NSU - Increase Student Financial Assistance	-	-	517,131	-	517,131	-
ODU - Increase Student Financial Assistance	-	-	390,111	-	390,111	-
ODU - Modeling and Simulation Funding	-	-	(599,838)	599,838	(599,838)	599,838
RU - Increase Student Financial Assistance	-	-	171,368	-	171,368	-
UMW - Increase Student Financial Assistance	-	-	45,726	-	45,726	-
UVA - Increase Student Financial Assistance	-	-	294,141	-	294,141	-
UVA-Wise - Increase Student Financial Assistance	-	-	82,410	-	82,410	-
VCU - Increase Student Financial Assistance	-	-	516,847	-	516,847	-

# HIGHER EDUCATION - Education Subcommittee Report, Wednesday February 18, 2009

## 2009 Session Higher Education Amendments

	FY 09 GF \$	FY 09 NGF \$	FY 10 GF \$	FY 10 NGF \$	Biennial GF \$	Biennial NGF \$
VCCS - Increase Student Financial Assistance	-	-	25,000	-	25,000	-
VMI - Increase Student Financial Assistance	-	-	43,306	-	43,306	-
VT- Increase Student Financial Assistance	-	-	765,440	-	765,440	-
VSU - Manufacturing and Logistics Program	-	-	(1,000,000)	<b>1,000,000</b>	(1,000,000)	<b>1,000,000</b>
VSU- Increase Student Financial Assistance	-	-	120,166	-	120,166	-
HERI- Reduce Funding for Jefferson Lab	-	-	(900,000)	-	(900,000)	-
HERI- Reduce Funding for HU Foundation	-	-	(75,000)	-	(75,000)	-
HERI- Funding for CTRF/Restore with fed. stim.	-	-	(500,000)	<b>500,000</b>	(500,000)	<b>500,000</b>
HE - Additional Financial Aid				<b>1,000,000</b>		<b>1,000,000</b>
HE - Base Adequacy				<b>10,000,000</b>		<b>10,000,000</b>
HE - Education Stimulus/Restore Reduction				<b>210,048,392</b>		<b>210,048,392</b>
Two Year College Transfer Grant	-	-	351,000	-	351,000	-
<b>Total</b>	<b>25,000</b>	<b>777,064</b>	<b>5,859,705</b>	<b>224,674,595</b>	<b>5,884,705</b>	<b>225,451,659</b>

<b>Financial Aid - Federal Stimulus</b>	<b>FY 2010</b>
Christopher Newport University	18,870
College of William & Mary	13,667
George Mason University	129,069
James Madison University	59,864
Longwood University	33,242
Norfolk State University	61,266
Old Dominion University	135,488
Radford University	59,378
University of Mary Washington	7,021
University of Virginia	24,512
University of Virginia - Wise	8,474
Virginia Commonwealth University	179,504
Virginia Military Institute	3,609
Virginia State University	55,627
Virginia Tech	63,787
<b>Four-Year Institution Totals</b>	<b>853,378</b>
Richard Bland College	2,966
Virginia Community College System	10,000
<b>Two-Year Institution Totals</b>	<b>12,966</b>
<b>Totals</b>	<b>866,344</b>
VMSDEP	133,656
<b>Total Expenditure</b>	<b>1,000,000</b>

<b>Base Adequacy/Restoration - Federal Stimulus</b>	<b>FY 2010</b>
Christopher Newport University	153,217
College of William and Mary	353,741
George Mason University	927,635
James Madison University	600,387
Longwood University	154,184
University of Mary Washington	160,232
Norfolk State University	177,198
Old Dominion University	653,685
Radford University	305,602
University of Virginia	1,297,686
University of Virginia at Wise	60,283
Virginia Commonwealth University	1,325,232
Virginia Military Institute	63,028
Virginia State University	153,578
Virginia Tech	1,407,413
Richard Bland College	28,563
Virginia Community College System	2,178,336
<b>Total</b>	<b>10,000,000</b>

**Education: Elementary &  
Secondary**

Department Of Education, Central  
Office Operations

Language

**Language:**

Page 129, strike lines 16-22  
Page 129, after line 15 insert:

"The Board of Education shall submit a plan to the General Assembly indicating the methods and time-lines for including instructional positions needed for blind and visually impaired students enrolled in public schools. The plan shall be submitted to the Chairmen of the Senate Finance and House Appropriations Committees by November 1, 2009."

**Explanation:**

(This amendment modifies existing language to mandate a plan for instructional positions for blind and visually impaired students enrolled in public schools.)

**Education: Elementary &  
Secondary**

**FY 08-09**

**FY 09-10**

Direct Aid To Public Education

\$0

\$1,176,750 GF

**Language:**

Page 132, line 43, strike "\$6,204,120" and insert "\$7,380,870".  
Page 134, line 7, strike "\$3,457,500" and insert "\$4,634,250".

**Explanation:**

(This amendment provides almost \$1.2 million GF the second year to account for expected growth in the number of teachers eligible for bonuses due to certification from the National Board of Professional Teaching Standards.)

**Education: Elementary &  
Secondary**

Direct Aid To Public Education

Language

**Language:**

Page 152, strike lines 51 through 60.

Page 153, strike lines 1-12 and insert:

“k. The Board of Education shall review the current Standards of Quality to evaluate the appropriateness of the existing staffing standards for instructional positions and the appropriateness of establishing standards for support positions, with the objective of maximizing resources devoted to the instructional program. The findings from this review shall be submitted to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by November 1, 2009.

l. The Department of Education shall review state laws, regulations, and procedures that could be modified, reduced, or eliminated in an effort to minimize the administrative burden on local school divisions and the Department of Education. The findings from this review shall be submitted to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by November 1, 2009.

m. The Department of Education shall not calculate the cost of technical rebenchmarking for the 2010-2012 biennium using the "support position funding cap" methodology change proposed in SB 850 as introduced. For the purpose of making required spending reductions in the second year only, the appropriation and distribution of Basic Aid reflect the proposed methodology. Local school divisions shall have discretion as to where the reductions may be made, consistent with the Standards of Quality funded in this act."

Page 176, line 5, after "from" strike the remainder of the line.

Page 176 line 5, after "from" insert "the reductions from policy decisions originally contained in the introduced budget".

Page 176, strike lines 6-8.

Page 176, line 9 strike "Construction Grants Program funding".

**Explanation:**

(This amendment eliminates in the second year the proposed mandate of a cap on certain support positions included in Basic Aid. Local school divisions will have

discretion on where the funding reduction may be taken. The amendment further calls for the Board of Education to review reporting requirements, evaluate current staffing standards for instructional positions, and review the appropriateness of establishing staffing standards for support positions.)

---

Item 140 #3s

<b>Education: Elementary &amp; Secondary</b>	<b>FY 08-09</b>	<b>FY 09-10</b>	
Direct Aid To Public Education	\$0	\$1,240,143	GF

**Language:**

Page 135, line 25, strike "\$5,896,909,251" and insert "\$5,898,149,394".

**Explanation:**

(This amendment restores savings that would have resulted from the proposed closure of Commonwealth Center for Children and Adolescents in Staunton.)

---

Item 140 #4s

<b>Education: Elementary &amp; Secondary</b>	<b>FY 08-09</b>	<b>FY 09-10</b>	
Direct Aid To Public Education	\$0	\$679,000	GF

**Language:**

Page 135, line 25, strike "\$5,896,909,251" and insert "\$5,897,588,251".

**Explanation:**

(This amendment restores savings that would have resulted from the proposed closure of Southwestern Virginia Mental Health Institute's Adolescent Unit in Smyth County.)

---

Item 140 #5s

**Education: Elementary &**

**Secondary**

Direct Aid To Public Education

Language

**Language:**

Page 155, line 44, unstrike "and local".

**Explanation:**

(This amendment removes an incorrect strike-through included in the introduced budget for a required local match for the Remedial Education Payments.)

Item 140 #6s

**Education: Elementary &  
Secondary**

**FY 08-09**

**FY 09-10**

Direct Aid To Public Education

\$0

(\$39,657,117)

GF

**Language:**

Page 135, line 25, strike "\$5,896,909,251" and insert "\$5,857,252,134".

Page 135, line 28, strike "\$5,384,873,208" and insert "\$5,345,216,091".

Page 136, line 27, strike "\$79,314,230" and insert "\$39,657,113".

Page 151, line 41, strike "79,314,230" and insert "\$39,657,113".

Page 151, line 44, after "and" strike "\$118.52" and insert "\$59.26".

Page 151, line 45, after "year." insert:

"The locality in which the school division is located shall appropriate these funds solely for textbooks or any other public education expenditure by the school division in the second year. No local match is required to receive these state funds in the second year and such local match shall be excluded from the determination of required local effort in the second year pursuant to Item 140 B.8a. through h. and Section 22.1-97, Code of Virginia."

Page 151, after line 56 insert:

"5). The Department of Education shall calculate textbook funding based on 100 percent of the statewide prevailing per pupil cost for rebenchmarking the cost of the Standards of Quality for the 2010-2012 biennium.

6) For purposes of calculating rebenchmarking costs for textbooks for the 2012-2014

biennium, the Department of Education shall include the higher of the fiscal year 2009 or fiscal year 2010 division-level textbook per pupil amount in calculating the base year statewide prevailing per pupil amount. For this calculation, the Department of Education shall adjust, with one additional year of inflation, any fiscal year 2009 division-level per pupil textbook expenditure data used in calculating the base year statewide prevailing per pupil amount."

**Explanation:**

(This amendment reduces funding for textbooks in FY 2010 by 50 percent. In addition, localities are not required to provide a local required match. This is a one-time action and will not be continued in the 2010-12 biennium rebenchmarking nor will it adversely affect funding for the 2012-14 biennium.)

Item 140 #7s

<b>Education: Elementary &amp; Secondary</b>	<b>FY 08-09</b>	<b>FY 09-10</b>	
Direct Aid To Public Education	\$0	(\$9,391,155)	GF

**Language:**

Page 135, line 25, strike "\$5,896,909,251" and insert "\$5,887,518,096".

Page 135, line 28, strike "\$5,384,873,208" and insert "5,375,482,053".

**Explanation:**

(This amendment reflects the net effect to Direct Aid to Public Education of revising the sales tax estimate due to reversing the proposed elimination of the "dealer discount". This elimination was assumed in the budget as introduced.)

Item 141 #1s

<b>Education: Elementary &amp; Secondary</b>	<b>FY 08-09</b>	<b>FY 09-10</b>	
Direct Aid To Public Education	\$0	\$27,499,994	NGF

**Language:**

Page 176, line 23, strike "\$834,092,100" and insert "\$861,592,094".

Page 176, line 29, before "The" insert "A".

Page 176, after line 31, insert:

"B1. Out of this appropriation, \$27,499,994 the second year from federal funds made available under the American Recovery and Reinvestment Act of 2009 is designated for the School Construction Grants Program.

2. This appropriation includes an amount estimated at \$27,499,994 the second year from federal funds to provide grants to school divisions for modernization, renovation, or repair of public school facilities pursuant to the American Recovery and Reinvestment Act of 2009.

3. School divisions are encouraged to utilize value engineering in school facility projects funded with these grant proceeds.

4. For FY 2010 only, school divisions may use the school construction grants funding to pay for recurring operational expenses incurred by the school division in compliance with the American Recovery and Reinvestment Act of 2009."

**Explanation:**

(This amendment restores \$27.5 million from additional funding in the second year from federal stimulus funds available under the American Recovery and Reinvestment Act of 2009.)

---

Item 141 #2s

**Education: Elementary &  
Secondary**

**FY 08-09**

**FY 09-10**

Direct Aid To Public Education

\$0

\$429,833,942 NGF

**Language:**

Page 176, line 23, strike "\$834,092,100" and insert "\$1,263,926,042".

Page 176, line 29, before "The" insert "A".

Page 176, after line 31, insert:

"B1. From such funds as may be appropriated and sufficient for this purpose from the American Recovery and Reinvestment Act of 2009 and notwithstanding the requirements of this Act, the Department of Education shall restore reductions in

Item 140 in the following order of priority.

a. Restore allocations reduced in the Additional Support for School Construction and Operating Costs account from the movement of programs in and out of the Lottery from the general fund as provided in HB 1600/SB 850 as introduced and as amended.

b. Restore reductions in Basic Aid based on the Support Cap methodology as provided in HB 1600/SB 850 as introduced and as amended. This restoration would eliminate the need for the Funding Loss Cap account, allowing those funds to be allocated to the Additional Support for School Construction and Operating Costs account.

c. Restore reductions to textbook funding."

**Explanation:**

(This amendment allocates \$429.8 million from the Education area specific funding under the American Recovery and Reinvestment Act of 2009. The amendment restores reductions related to actions in Item 140 including savings from moving programs in and out of the Lottery, a reduction amount originally based on the Support Cap methodology, and a reduction to textbook funding. It is the intent of the General Assembly that the changes necessary to other items in this act to accomplish the purposes of this amendment shall be made during enrolling.)

---

Item 254.20 #1s

<b>Education: Higher Education</b>	<b>FY 08-09</b>	<b>FY 09-10</b>	
Federal Education Assistance Programs	\$0	\$210,048,392	NGF

**Language:**

Page 261, after line 25, insert:

"Higher Education Funding: American Recovery and Reinvestment Act of 2009"

"A. From such funds as may be appropriated and sufficient for this purpose from the American Recovery and Reinvestment Act of 2009 and notwithstanding the requirements of this Act, the Department of Planning and Budget shall restore reductions to the state colleges and universities in the amounts that were provided in

HB 1600/SB 850 as introduced for FY 2010."

"254.20.

\$210,048,392

Fund Sources: Federal Trust

\$210,048,392."

**Explanation:**

(This amendment allocates \$210.0 million from the Education area specific funding under the American Recovery and Reinvestment Act of 2009. The amendment would restore the across-the-board reductions that the higher education institutions received in the introduced budget in FY 2010. It is the intent of the General Assembly that the changes necessary to other items in this act to accomplish the purposes of this amendment shall be made during enrolling.)

---

Item 4-8.01 #1s

**Reporting Requirements**

Governor

Language

**Language:**

Page 684, after line 48 insert:

"3. It is the intent of the General Assembly that reporting requirements affecting state institutions of higher education be reduced or consolidated where appropriate. State institutions of higher education, working with the Secretary of Education, Secretary of Finance, and the Director, Department of Planning and Budget, shall identify a list of reporting requirements that the Governor may consider suspending. The findings from this review shall be submitted to the Chairmen of the House Appropriations and Senate Finance Committees by November 1, 2009."

**Explanation:**

(This amendment requires a review of reporting requirements for higher education institutions.)

---

Item 4-9.02 #1s

**Higher Education Restructuring**

Assessment of Institutional Performance

Language

**Language:**

Page 691, after line 14 insert:

"F. The Director, Department of Planning and Budget, with cooperation from the Comptroller and institutions of higher education governed under Management Agreements, shall develop uniform reporting requirements and formats for revenue and expenditure data."

**Explanation:**

(This amendment refers to the submittal of uniform expenditure data for Level III institutions of higher education.)

---