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SENATE BILL NO. 717

Offered January 19, 2024

A *BILL to amend and reenact § 23.1-1304.1 of the Code of Virginia, relating to public institutions of higher education; duties of governing boards; acceptance and use of donations.*

Patron—McDougle

Referred to Committee on Education and Health

Be it enacted by the General Assembly of Virginia:

1. That § 23.1-1304.1 of the Code of Virginia is amended and reenacted as follows:

§ 23.1-1304.1. Governing boards; additional duties; policy; acceptance of terms and conditions associated with donations, gifts, and other private philanthropic support.

A. The governing board of each public institution of higher education may receive, take, hold, and enjoy any donation or gift made to the institution or the governing board for charitable or educational purposes and use and administer any such donation or gift for uses and purposes designated by the donor or, if no such designation is made, for the general purposes of the institution. If a donor, at the time of deposit or in the instrument through which any donation or gift is made, specifically designates any particular use or purpose for such donation or gift, the governing board shall appropriate such donation or gift and any resulting interest, income, and profits only to such specifically designated use or purpose. If at any time the specifically designated use or purpose of any such donation or gift fails by any means such that the specifically designated use or purpose of the donation or gift is permanently frustrated, the whole donation or gift, including unexpended principal and interest, shall revert to and be vested in the donor or his legal representatives.

B. The governing board of each public institution of higher education shall establish a policy for the acceptance of terms and conditions associated with any donation, gift, or other private philanthropic support. Each such policy shall include an administrative process for reviewing, accepting, and documenting terms and conditions associated with (i) gifts that direct academic decision-making and (ii) gifts of \$1,000,000 or more that impose a new obligation on the institution of higher education, excluding gifts for scholarships or other financial aid. Each public institution of higher education shall retain documentation of such terms and conditions in compliance with the Virginia Public Records Act (§ 42.1-76 et seq.) and such documentation shall be subject to the provisions of the Virginia Freedom of Information Act (§ 2.2-3700 et seq.).

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SB717