

**Department of Planning and Budget**  
**2026 General Assembly Session**  
**State Fiscal Impact Statement**

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**ORIGINAL**

**Bill Number:** SB494

**Patron:** Deeds

**Bill Title:** Public institutions of higher education; governing boards; membership appointment, terms, and composition; duties relating to shared governance; requirements; work group.

**Bill Summary:** Revises the membership requirements for the governing board of each public institution of higher education by (i) increasing from four years to six years the term of each member of the governing board of each public institution of higher education; (ii) clarifying matters relating to the confirmation process of gubernatorial appointees; and (iii) providing for (a) the expiration, upon the effective date of the bill, of the unexpired term of any person serving as a member of a governing board of a public institution of higher education prior to the effective date of the bill and (b) the gubernatorial appointment of new members to the governing board of each public institution of higher education. The bill also requires the governing board of each public institution of higher education to appoint to the governing board (a) one faculty representative as a voting member, selected from a list of individuals nominated by the institution's faculty senate or its equivalent; (b) one staff representative as a voting member, selected from a list of individuals nominated by the institution's staff senate or its equivalent; and (c) one student representative as voting member, selected from a list of individuals nominated by such institution's student government or an equivalent organization or body. The bill also requires the governing board of each public institution of higher education to adopt policies defining and implementing shared governance among the components of the institution's organizational structure. Finally, the bill directs the State Council of Higher Education for Virginia to convene a work group for the purpose of developing model shared governance policies, in accordance with the provisions of the bill, and to make such model shared governance policies available to the governing board of each public institution of higher education by January 1, 2027.

**Budget Amendment Necessary:** No

**Items Impacted:** None

**Explanation:** Institutions and the State Council of Higher Education for Virginia will absorb any fiscal impact.

**Fiscal Summary:** Most responding public institutions of higher education estimate there will be no significant fiscal impact as a result of this bill. Some responding institutions expect costs associated with expanding the board and onboarding new board members. It is anticipated the institutions will support these costs with existing resources.

The State Council of Higher Education for Virginia expects to absorb any costs associated with this bill with existing resources.

**Other:** This fiscal impact statement is preliminary and based on feedback received from agencies as of the date of publication.