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# VIRGINIA STATE BUDGET

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2019 Session

## Budget Bill - HB1700 (Chapter 854)

Bill Order » Office of Education » Item 141

State Council of Higher Education for Virginia

Item 141	First Year - FY2019	Second Year - FY2020
<b>Higher Education Student Financial Assistance (10800)</b>	<b>\$82,587,332</b>	<b>\$84,708,559</b> <b>\$92,448,559</b>
Scholarships (10810)	\$82,397,332	\$84,518,559 \$92,258,559
Regional Financial Assistance for Education (10813)	\$190,000	\$190,000
Fund Sources:		
General	\$82,327,332	\$84,448,559 \$92,188,559
Special	\$10,000	\$10,000
Dedicated Special Revenue	\$250,000	\$250,000

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Authority: Title 23.1, Chapter 6, Code of Virginia, Regional Grants and Contracts: Discretionary Inclusion;  
Undergraduate and Graduate Assistance: Discretionary Inclusion

A. Appropriations in this Item are subject to the conditions specified in paragraphs B, C, D, E, F, G, and H hereof.

B. Those private institutions which participate in the programs provided by the appropriations in this Item shall, upon request by the State Council of Higher Education, submit financial and other information which the Council deems appropriate.

C. Out of the amounts for Scholarships the following sums shall be made available for:

1. Tuition Assistance Grant Program, \$65,812,665 the first year and ~~\$67,598,303~~ \$71,098,303 the second year from the general fund is designated for full-time undergraduate and graduate students.

2. a. Virginia Space Grant Consortium Scholarships, \$795,000 the first year and \$795,000 the second year from the general fund.

b. Out of the amounts included in this item, \$100,000 the first year and \$100,000 the second year from the general fund shall be provided to the Virginia Space Grant Consortium (VSGC) to provide scholarships for select high school students to participate in immersive ground and flight training through the solo experience as a step in addressing the critical pilot shortage. The VSGC shall work with Averett University and Liberty University to provide two sessions of its New Horizons solo academy giving 30 high school students the opportunity to accomplish their first solo flight.

3. Out of this appropriation, \$20,000 the first year and \$20,000 the second year from the general fund is designated to provide grants of up to \$5,000 per year for Virginia students who attend schools and colleges of optometry. Each student receiving a grant shall agree to set up practice in the Commonwealth for a period of not less than two years upon completion of instruction.

4. No amount, or part of an amount, listed for any program specified under paragraph C shall be expended for any other program in this appropriation.

#### D. Tuition Assistance Grant Program

1. Payments to students out of this appropriation shall not exceed \$3,300 the first year and ~~\$3,350~~ \$3,400 the second year for qualified undergraduate students and \$2,200 the first year and \$2,200 the second year for qualified graduate and medical students attending not-for-profit, independent institutions in accordance with § 23.1-628 through § 23.1-635, Code of Virginia. However, for those undergraduate students pursuing a career in teaching, payments shall be increased by an additional \$500 in their senior year.

2. The private institutions which participate in this program shall, during the spring semester previous to the commencement of a new academic year or as soon as a student is admitted for that year, whichever is later, notify their enrolled and newly admitted Virginia students about the availability of tuition assistance awards under the program. The information provided to students and their parents must include information about the eligibility requirements, the application procedures, and the fact that the amount of the award is an estimate and is not guaranteed. The number of students applying for participation and the funds appropriated for the program determine the amount of the award. Conditions for reduction of award amount and award eligibility are described in this Item and in the regulations issued by the State Council of Higher Education. The institutions shall certify to the council that such notification has been completed and shall indicate the method by which it was carried out.

3. Institutions participating in this program must submit annually to the council copies of audited financial statements.

4. To be eligible for a fall or full-year award out of this appropriation, a student's application must have been received by a participating independent college or by the State Council of Higher Education by July 31. Returning students who received the award in the previous year will be prioritized with the July 31 award. Applications for a fall or full-year award received after July 31 but no later than September 14 will be held for consideration if funds are available after July 31 and returning student awards have been made. Applications for spring semester only awards must be received by December 1 and will be considered only if funds remain available.

5. No limitations shall be placed on the award of Tuition Assistance Grants other than those set forth herein or in the Code of Virginia.

6. All eligible institutions not previously approved by the State Council of Higher Education to participate in the Tuition Assistance Grant Program shall have received accreditation by a nationally recognized regional accrediting agency, prior to participation in the program or by the Commission on Osteopathic College Accreditation of the American Osteopathic Association in the case of freestanding institutions of higher education that offer the Doctor of Osteopathic Medicine as the sole degree program.

7. Payments to undergraduate students shall be greater than payments to graduate and medical students and shall be based on a differential established by the State Council of Higher Education for Virginia.

8. No awards shall be provided to graduate students except in health-related professional programs to include allied health, nursing, pharmacy, medicine, and osteopathic medicine. ~~Notwithstanding application deadlines contained in the Virginia Administrative Code for the Tuition Assistance Grant program, provided that the institution has received accreditation by the Liaison Committee on Medical Education, the Virginia Tech - Carilion School of Medicine shall be deemed eligible to participate in the Tuition Assistance Grant program.~~

9. Notwithstanding any other provisions of law, Eastern Virginia Medical School is not eligible to participate in the Tuition Assistance Grant Program.

10. Any general fund appropriation in the Tuition Assistance Grant Program which is unexpended at the close of business June 30 of any fiscal year shall be reappropriated for use in the program in the following year.

E.1. Regional Grants and Contracts: Out of this appropriation, \$170,000 the first year and \$170,000 the second year from the general fund is designated to support Virginia's participation in the Southern Regional Education Board initiative to increase the number of minority doctoral graduates.

2. The amounts listed in paragraph E.1 shall be expended in accordance with the agreements between the Commonwealth of Virginia and the Southern Regional Education Board.

F.1. Out of this appropriation, \$1,980,000 the first year and \$1,980,000 the second year from the general fund is designated to support the Virginia Military Survivors and Dependents program, § 23.1-608, Code of Virginia, to provide up to a \$2,200 annual stipend to offset the costs of room, board, books and supplies for qualified survivors and dependents of military service members.

2. The amount of the stipend is an estimate depending on the number of students eligible under § 23.1-608, Code of Virginia. Changes that increase or decrease the grant amount shall be determined by the State Council of Higher Education for Virginia.

3. The Director, State Council of Higher Education for Virginia, shall allocate these funds to public institutions of higher education on behalf of students qualifying under this provision.

4. Each institution of higher education shall report the number of recipients for this program to the State Council of Higher Education for Virginia by April 1 of each year. The State Council of Higher Education for Virginia shall report this information to the Chairmen of the House Appropriations and Senate Finance Committees by May 15 of each year.

5. The Department of Veterans Services shall consult with the State Council of Higher Education for Virginia prior to the dissemination of any information related to the financial benefits provided under this program.

G.1. Out of the appropriation for this Item, \$3,549,667 the first year and \$3,885,256 the second year from the general fund is designated to support the Two-Year College Transfer Grant Program.

2. The State Council of Higher Education for Virginia shall disburse these funds for full-time students consistent with § 23.1-623 through § 23.1-627, Code of Virginia. Beginning with students who are entering a senior institution as a two-year transfer student for the first time in the fall 2013 academic year, and who otherwise meet the eligibility criteria of § 23.1-624, Code of Virginia, the maximum EFC is raised to \$12,000.

3. The actual amount of the award depends on the number of students eligible under § 23.1-623 through § 23.1-627, Code of Virginia. Changes that decrease the grant amount shall be determined by the State Council of Higher Education for Virginia.

4. Out of this appropriation, up to \$600,000 the first year and \$600,000 the second year from the general fund is designated to support students eligible for the first time under § 23.1-623 through § 23.1-627, Code of Virginia. The State Council of Higher Education for Virginia shall transfer these funds to Norfolk State University, Old Dominion University, Radford University, University of Virginia's College at Wise, Virginia Commonwealth University and Virginia State University so that each institution can provide for grants of \$1,000 from these funds for these students.

a. Each institution shall award grants from these funds for one year and students shall not receive subsequent awards until they have satisfied the requirements to move to the next class level. Each recipient may receive a

maximum of one year of support per class level for a maximum total of two years of support.

b. Any balances remaining from the appropriation identified in paragraph G.4 shall not revert to the general fund at the end of the fiscal year, but shall be brought forward and made available to the State Council of Higher Education for Virginia to support the purposes specified in paragraphs G.1. and G.4 in the subsequent fiscal year.

c. It is anticipated that the institutions shift by a total of 600 the number of students each enrolls from first time freshman to transfers eligible under § 23.1-623 through § 23.1-627, Code of Virginia. Institutional goals under this fund are estimated as follows:

<b>Institution</b>	<b>Transfer Target</b>
Norfolk State University	80
Old Dominion University	140
Radford University	140
University of Virginia's College at Wise	20
Virginia Commonwealth University	140
Virginia State University	80

d. The State Council of Higher Education for Virginia may allocate these funds among the institutions in Paragraph G.4.c as necessary to meet the actual number of transfers each institution generates for students eligible for the first time under § 23.1-623 through § 23.1-627, Code of Virginia. Each institution shall report its progress toward the targets in Paragraph G.4.c to the Chairmen of the House Appropriations and Senate Finance Committees by May 1 each year.

e. The report shall include a detailed accounting of the use of the funds provided and a plan for achieving the goals identified in this item.

H. 1. Out of this appropriation, \$9,500,000 the first year and ~~\$9,500,000~~ \$13,500,000 the second year from the general fund is designated for the New Economy Workforce Credential Grant Program.

2. The State Council of Higher Education for Virginia shall develop guidelines for the program, collect data, evaluate and approve grant funds for allocation to eligible institutions.

3. Local community colleges shall not start new workforce programs that would duplicate existing high school and adult Career and Technical Education (CTE) programs for high-demand occupations in order to receive funding under this Grant.

4. *No more than 25 percent of Grant funds may be used in one occupational field.*

I. Out of this appropriation, \$500,000 each year from the general fund is designated for the Cybersecurity ~~Student Loan Repayment~~ Public Service Grant Program (the Program) as a public-private initiative for the purpose of attracting to and retaining in qualified employment talented recent graduates and veterans to meet qualified employers' growing demand for cybersecurity professionals. The Program shall provide renewable grants of up to \$20,000 of matching state and employer funds on a competitive basis to an individual who (i) either (a) graduated within the past year from a *Virginia* public institution of higher education or regionally accredited *Virginia* private institution of higher education with an undergraduate or graduate degree in computer science or another academic

program recognized by the Council to prepare an individual for a career in cybersecurity and who resides in the Commonwealth or (b) has served on active duty in the Armed Forces of the United States, was discharged or released within the past year from such service under conditions other than dishonorable, gained experience or received training in computer science during such service, and resides in the Commonwealth and (ii) accepts an offer of employment in a computer science position with any federal, ~~or~~ state, or local government organization, including any federal or state military or defense organization, that is located in the Commonwealth or any private organization that contractually provides cybersecurity services for any such federal, ~~or~~ state, or local organization and that is located in the Commonwealth. The State Council of Higher Education for Virginia shall administer and award grants pursuant to the Program and shall adopt regulations relating to recent graduate and veteran eligibility and academic or job qualifications, the application process, and identification and prioritization of qualified employers and qualified employment and may adopt such other regulations for the administration of the Program as it deems necessary. *Recipients of the former Cybersecurity Public Service Scholarship may fulfill that program's employment commitment utilizing the employer description contained herein at the rate of one year of service for each year of award received.*

J. 1. The State Council of Higher Education for Virginia shall work with representatives of the higher education institutions receiving state financial aid or whose students receive tuition assistance grants and review the financial aid award letters utilized by these institutions by November 1, 2017. During this review, the Council shall identify opportunities for improvement as well as best practices for, but not limited to, clarity and completeness of the information provided on gift aid as well as student's responsibility regarding student loans or work-study, student's ability to compare financial aid award packages among these institutions to make informed financial choices, and the conditions under which these awards or outstanding balance might change.

2. The Council shall then develop and implement award letter policies so that the following information is available to the student (1) a breakdown of the components of the institution's cost of attendance, designating billable charges; (2) a clear identification of each award, indicating the type of aid; (3) the use of standardized terminology consistent with the National Association of Student Financial Aid Administrators (NASFAA); and (4) whether awards are conditional and renewal requirement criteria information.

3. The Council shall report its findings and provide a status report on the implementation of the policy and process changes to the House Appropriations and Senate Finance Committees by December 1, 2018.

K. 1. *The State Council of Higher Education for Virginia, in consultation from representatives from House Appropriations Committee, Senate Finance Committee, Department of Planning and Budget, Secretary of Finance and Secretary of Education, as well as representatives of public higher education institutions, shall review financial aid funding models and awarding practices.*

2. *The Council shall review current and prospective financial aid funding models including, but not limited to, how the various models determine individual and aggregate student financial need, the recommended state portion of meeting that need, how funding is most efficiently and effectively allocated among the institutions, how financial aid allocations can be aligned with other funding for higher education and how these funds are used to address student affordability and completion of a degree. The review shall also assess how the utilization of tuition and fee revenue for financial aid, pursuant to the Top Jobs Act, prioritizes and addresses affordability for low- and middle-income students.*

3. *By November 1, 2019, the Council shall submit a report and any related recommendations to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees.*

L. 1. *Out of this appropriation, \$240,000 the second year from the general fund is designated for the Grow Your Own Teacher pilot program to provide scholarships to low-income high school graduates who are committed to attend a baccalaureate institution of higher education in the Commonwealth and to subsequently teach in high-need public schools in the school divisions in which they graduated from high school.*

*2. The State Council of Higher Education for Virginia (SCHEV), in collaboration with the Virginia Department of Education, shall establish a process by which local school boards may apply for grants to establish Grow Your Own Teacher Pilot Programs to provide a scholarship not to exceed \$7,500 per academic year for attendance at a baccalaureate institution of higher education in the Commonwealth for individuals who (i) graduated from a public high school in the local school division; (ii) were eligible for free or reduced price lunch throughout the individual's attendance at a public high school in the local school division; and (iii) commit to teach, within one year of graduating from the baccalaureate institution of higher education in the Commonwealth and for a period of at least four years, at a public high school at which at least 50 percent of students qualify for free or reduced price lunch in the school division in which such individual graduated from high school. In developing such process, SCHEV will ensure that at least one school division within each of the eight superintendent regions, applying for such grants, be awarded prior to awarding grants to multiple school divisions within a single superintendent region. Each superintendent region shall be permitted to apply for up to four tuition grant awards. SCHEV is authorized to offer and award any remaining unallotted awards to other applying school divisions within a superintendent region.*

*3. In the event that any scholarship recipient fails or refuses to comply with the teaching obligation under paragraph L.2. (iii) the sum of all scholarship funds received by such individual shall be converted to a loan that is subject to repayment with interest (i) that begins to accrue 90 days after the date that the scholarship recipient graduates from or fails to maintain continuous enrollment at the baccalaureate institution of higher education and (ii) at a rate that does not exceed 5.5 percent per annum.*