2026 Special Session I

Budget Bill - HB30 (Enrolled)

Bill Order » Office of Education » Item 131

State Council of Higher Education for Virginia

Item 131	First Year - FY2027	Second Year - FY2028
Higher Education Student Financial Assistance (10800)	**$318,413,512**	**$313,583,512**
Scholarships (10810)	$304,623,512	$299,793,512
Regional Financial Assistance for Education (10813)	$13,790,000	$13,790,000
Fund Sources:		
General	$299,553,512	$308,323,512
Special	$5,010,000	$5,010,000
Dedicated Special Revenue	$13,850,000	$250,000

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

A. 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.

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

1. Tuition Assistance Grant Program, $121,825,881 the first year and $121,825,881 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.

c. Out of the amounts included in this item, $220,375 the first year and $220,375 the second year from the general fund shall be provided to the Virginia Space Grant Consortium to provide scholarships for high school students to participate in the Virginia Earth System Science Scholars program.

d. Out of the amounts included in this item, $75,000 the first year and $75,000 the second year from the general fund is designated to expand and create new certificate and academic pathways to address workforce gaps for skilled technical workers in aerospace related fields through the Virginia Space Grant Consortium.

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 B shall be expended for any other program in this appropriation.

C. Tuition Assistance Grant Program

1. Payments to students out of this appropriation shall not exceed $5,250 the first year and $5,250 the second year for qualified undergraduate students and $5,000 the first year and $5,000 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. Upon consultation with and approval from SCHEV, private institutions which participate in this program may develop and distribute the Tuition Assistance Grant application form for electronic administration.

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 September 15. Returning students who received the award in the previous year will be prioritized. Applications for a fall or full-year award received after September 15 but no later than October 1 will be held for consideration if funds are available 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.

9. 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.

10. a. New incoming students enrolled exclusively in an online education or distance learning program are eligible to receive awards up to $2,625 the first year and $2,625 the second year from the Tuition Assistance Grant Program. However, existing students enrolled exclusively in online education or distance learning programs as of the 2019-20 academic year shall remain eligible to receive awards of up to the 2019-2020 award amounts for as long as the student maintains enrollment in each successive fiscal year, unless granted an exception for cause by SCHEV, until current degree completion or current degree program eligibility limits have otherwise expired, whichever comes first.

b. It is the intent of the General Assembly that awards under this paragraph related to new incoming students shall be calculated and granted at 50 percent of the undergraduate residential level.

11. Out of this appropriation, $6,750,000 the first year and $6,750,000 the second year from the general fund is designated such that all students eligible and receiving an award under this program enrolled into a TAG-eligible private not-for-profit Virginia Historically Black College and University (HBCU) accredited by the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) shall receive an additional award of up to $7,500 the first year and up to $7,500 the second year.

12. Out of this appropriation $1,800,000 the first year and $1,800,000 the second year from the general fund is designated for an additional award of up to $2,000 for all students eligible and receiving an award under this program and enrolled into a TAG-eligible private not-for-profit Virginia institution, whose Hispanic-identifying students represent a three-year average of at least 25 percent of total undergraduate enrollment, and accredited by the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC).

D.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 D.1. shall be expended in accordance with the agreements between the Commonwealth of Virginia and the Southern Regional Education Board.

E.1. Out of this appropriation, $16,780,000 the first year and $19,250,000 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 Chairs of the House Appropriations and Senate Finance and Appropriations Committees by June 30 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.

F.1. Out of the appropriation for this Item, $3,285,256 the first year and $3,285,256 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 or its equivalent.

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 F.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 F.1. and F.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:

Institution	**Transfer Target**
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 F.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 F.4.c. to the Chairs of the House Appropriations and Senate Finance and Appropriations

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.

G. 1. Out of this appropriation, $33,200,000 the first year and $40,000,000 the second year from the general fund and $13,600,000 the first year from nongeneral funds 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. Data should be collected on currently eligible programs and all other short-term, career-focused training programs offered at comprehensive community colleges, excluding employer-sponsored workforce training, in the same manner as currently collected for eligible programs. Data will be provided to the Office of Labor Market Alignment annually for analysis.

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.

5. In the annual report on the program pursuant to § 23.1-627.7., Code of Virginia, the Council shall include an analysis of grant fund utilization by occupational field and a summary of any actions taken by the Council or the Virginia Community College System to comply with the provisions of paragraph G.4.

6. To the greatest extent possible, institutions shall submit reimbursement requests within 60 days of program completion by the student; credential reimbursement shall be submitted within 90 days of program completion unless otherwise excepted by the Council. All annual data must be submitted by November 1 of the following fiscal year to ensure the annual report can be written and validated ahead of the start of the General Assembly session in January.

7. By August 1 of each year, the participating institutions shall each submit to SCHEV a projection plan for the awarding of program funds, including a list of new program offerings, which programs from the prior year will not be offered, and institution plans for instances where funds are projected to be exhausted prior to end of the fiscal year.

H. Out of this appropriation, $5,000,000 the first year and $5,000,000 the second year from nongeneral funds is designated for scholarships for eligible students participating in the Gaining Early Awareness and Readiness for Undergraduate Program (GearUp).

I.1. Out of this appropriation $37,500,000 the first year and $37,500,000 the second year from the general fund is provided to enhance efforts to recruit and retain students eligible for Pell grant assistance at public institutions of higher education.

2. The State Council of Higher Education for Virginia shall work with institutions with below average enrollment of Pell-eligible students to develop individualized recruitment and retention plans targeting low-income students.

3. Any Virginia public institution of higher education may apply for funding through a competitive grant process. Applications must demonstrate efforts to restructure outreach, recruitment, admission, and retention procedures. Funds are intended to support initiatives that attract, enroll, and retain low-income students. Institutions that request funds for need-based financial aid must specify that aid may be used to support internship opportunities. Priority shall be given to institutions with below-average Pell enrollment. Any unexpended balance in this item at

the close of business on June 30 each year shall not revert to the general fund, but shall be carried forward and reappropriated. Out of the amount in paragraph I.1. of this item, the Council may use up to one percent of the funds for the administration and evaluation of the activities described in this item.

4. Any institutional grant under this initiative shall be subject to performance outcomes established in paragraph I.5. Funds shall be ongoing to ensure successful enrollment and completion for students. Initiatives demonstrating successful outcomes may be prioritized in future base funding requests.

5. The Council shall establish eligibility criteria, evaluate proposals, determine award sizes, establish performance outcomes and monitor performance in consultation with staff from the House Appropriations and the Senate Finance and Appropriations Committees, the Office of the Secretary of Education, and the Department of Planning and Budget. The Council shall notify the Chairs of the House Appropriations Committee and Senate Finance and Appropriations Committee 30 days prior to releasing funds to institutions.

6. The Council shall report periodically on activities related to this initiative and make recommendations for any potential future support to institutions that successfully meet their defined outcomes. Additionally, by November 1 of each year within the performance period of any awarded institutional grant, the Council shall report to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees and the Secretary of Education on the outcomes and effectiveness of the awarded funds. Such report shall include, at minimum, data on recruitment, retention, and graduation of Pell-eligible students at institutions receiving funding and performance against the outcomes established in paragraph I.5.

J. 1. As a condition of this appropriation, $85,000,000 the first year and $85,000,000 the second year from the general fundis designated to offset the impact of programs under Title 23.1, Chapter 6, Code of Virginia.

2. The State Council of Education for Virginia shall work with public higher education institutions to determine the appropriate allocation of these funds.

3. Any unexpended balance from this paragraph at the close of business on June 30 each year shall not revert to the general fund, but shall be carried forward and reappropriated to support the same purposes in the subsequent fiscal year.

4. By December 15 of each year, the Council shall report on the status of programs as of November 15 under Title 23.1, Chapter 6, Code of Virginia.

K. 1. The State Council of Higher Education for Virginia (SCHEV), in collaboration with the Department of Veterans Services (DVS) and public colleges and universities, shall collect and report by December 15 of each year data related to the Virginia Military Survivors and Dependents Education Program (VMSDEP) as follows:

a. Approved and active beneficiaries by eligibility category:

1) Veterans with 90 percent disability

2) Veterans with 100 percent disability

3) Gold star beneficiaries

b. Beneficiary classification, reported as aggregate institutional totals:

1) Spouses and dependents

2) Combat and noncombat qualifying service

3) Eligibility pathway, including qualification through DD-214 or through 5 year VA residency

4) Residency status at eligibility determination

c. Enrollment and academic utilization:

1) Total number of people approved for VMSDEP Eligibility

2) Total number of enrolled VMSDEP beneficiaries

3) Aggregate counts of full and part time students

4) Aggregate counts of enrolled beneficiaries by remaining semesters of eligibility

5) Major upon graduation-what degree was conferred

d. For each public college and university:

1) Total VMSDEP funding allocation

2) Distribution of said allocation

2. As part of the data collection, SCHEV will ensure an audit of the data is conducted by the Auditor of Public Accounts and include in the annual report the result of the audits for the previous two years.

3. SCHEV and DVS will prepare a glossary of terms for the financial aid offices at each public college and university.

4. DVS and all public colleges and universities shall cooperate with SCHEV in the execution of its responsibilities under this item.

L. Out of this appropriation, $500,000 the first year from the general fund is designated to support grants to in-state undergraduate students attending Virginia University of Lynchburg to provide collegiate education and not to provide religious training or theological education.