2026 Special Session I

Budget Bill - HB30 (Enrolled)

State Council of Higher Education for Virginia

Item 133	First Year - FY2027	Second Year - FY2028
Higher Education Academic, Fiscal, and Facility Planning and Coordination (11100)	**$31,498,732**	**$31,812,797**
Higher Education Coordination and Review (11104)	$16,751,197	$17,065,262
Regulation of Private and Out-of-State Institutions (11105)	$1,562,273	$1,562,273
Institutional Program Support (11107)	$13,185,262	$13,185,262
Fund Sources:		
General	$29,755,893	$30,069,958
Special	$1,552,839	$1,552,839
Trust and Agency	$190,000	$190,000

Authority: § 23.1-200, § 23.1-203, § 23.1-1107, § 23.1-629, § 23.1-903.4.

A. 1. It is the intent of the General Assembly to provide general fund support to contract at a level equivalent to the Tuition Assistance Grant undergraduate award with Mary Baldwin University for Virginia women resident students to participate in the Virginia Women's Institute for Leadership at Mary Baldwin University.

2. The amounts included in this Item are $372,899 the first year and $372,899 the second year from the general fund for the programmatic and financial administration of this program.

3. General fund appropriations provided under this contract may include financial incentive for the participating students at Mary Baldwin University in the Virginia Women's Institute for Leadership Program and funds to support programmatic administration. Students receiving this financial incentive will not be eligible for Tuition Assistance Grants.

4. By October 1 of each year, Mary Baldwin University shall report to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees, the Director, State Council of Higher Education for Virginia, and the Director, Department of Planning and Budget, on the number of students participating in the Virginia Women's Leadership Program, the number of in-state and out-of-state students receiving awards, the amount of the awards, the number of students graduating, and the number of students receiving commissions in the military.

B. In discharging the responsibilities specified in § 23.1-219, Code of Virginia, the State Council of Higher Education for Virginia shall provide exemptions to individual proprietorships, associations, co-partnerships or corporations which are now or in the future will be using the words "college" or "university" in their training programs solely for their employees or customers, which do not offer degree-granting programs, and whose name includes the word "college" or "university" in a context from which it clearly appears that such entity is not an educational institution.

C. Out of the appropriation for Higher Education Coordination and Review, $12,026,428 the first year and $12,340,493 the second year from the general fund is provided for continuation of the Virtual Library of Virginia. Funding for the Virtual Library of Virginia is provided for the benefit of students and faculty at the Commonwealth's public institutions of higher education and participating nonprofit, independent private colleges and universities. Out of this amount, $561,946 the first year and $561,946 the second year is earmarked to allow the participation of nonprofit, independent private colleges and universities.

D. Out of this appropriation, $950,366 and ten positions the first year and $950,366 and ten positions the second year from nongeneral funds is provided to support higher education coordination and review services, including expenses incurred in the regulation and oversight of the private and out-of-state postsecondary institutions and proprietary schools operating in Virginia. These funds will be generated through fee schedules developed pursuant to § 23.1-224, Code of Virginia. Out of this amount, $190,000 the first year and $190,000 the second year from nongeneral funds is designated to administration of the Student Tuition Guarantee Fund.

E. The State Council of Higher Education for Virginia, in consultation with the House Appropriations Committee, the Senate Finance and Appropriations Committee, the Department of General Services, and the Department of Planning and Budget, shall develop a six-year capital outlay plan for higher education institutions including affiliated entities. As a part of this plan SCHEV shall consider (i) current funding mechanisms for capital projects and improvements at the Commonwealth's institutions of higher education, including general obligation bonds and other viable funding methods; (ii) mechanisms to assist private institutions of higher education in the Commonwealth with their capital needs.

F. The Executive Director, State Council of Higher Education for Virginia, may appoint an advisory committee to assist the council with technology-enriched learning initiatives. The advisory committee may assist the council in (i) developing innovative, cost-effective, technology-enriched teaching and learning initiatives, including distance and distributed learning initiatives; (ii) improving cooperation among and between the public and private institutions of higher education in the Commonwealth; (iii) improving efficiency and expand the availability of technology-enriched courses; and (iv) facilitating the sharing of research and experience to improve student learning.

G. In addition to the reviews conducted under § 23.1-206 and § 23.1-306, Code of Virginia, the State Council of Higher Education shall evaluate the progress of individual initiatives funded in this act as part of the incentive funding provided to colleges and universities with regard to improvements in retention, graduation, degree production and other criteria the Council deems appropriate.

H. Out of this appropriation, $475,047 the first year and $475,047 the second year from the general fund is designated to support research and analysis and the administration of a multi-agency longitudinal data system to improve consumer information and policy recommendations.

I.1. a. As a condition of this appropriation, $7,324,776 the first year and $7,324,776 the second year from the general fund is designated to support the goals of the Innovative Internship Fund and Program, § 23.1-903.4, Code of Virginia, which shall be implemented and identified as the Internships Virginia (InVA) initiative. The funding is designed to expand paid or credit-bearing student internships in collaboration with Virginia employers. In furtherance of the goal of providing all postsecondary students in Virginia with one or more paid internships during their undergraduate course of study, funding shall be used for: (a) institutional grants to enhance engagement with employers related to internship placement and to assist students in securing and successfully completing internships, including students that traditionally do not participate in such programs; (b) administrative and other expenditures to accomplish the purposes of the Innovative Internship Fund and Program and this paragraph.

b. The Council and partners previously identified as the Virginia Talent and Opportunity Partnership (V-TOP) shall adopt the Internships Virginia (InVA) brand implemented by the Virginia Economic Development Partnership, and

all programs and grants funded through this item shall be identified by reference to that brand. Funding provided in this item, including any previous or future balances from this initiative, shall be expended exclusively to promote or facilitate paid or credit-bearing internships pursuant to subparagraph 2.

2. Institutional grants shall be awarded to support initiatives that establish or enhance an on-campus internship center or similar one-stop service to assist students and employers with intern placement and that are expected to produce a demonstrated increase in student participation in paid or credit-bearing internship programs. Institutions shall be eligible for grants upon demonstrating that it is a key priority of the institution and its senior academic and administrative leadership to have a coordinated plan to expand internship participation by students, to incorporate internships in curricula, to report completion of internships and courses that include internships on student transcripts, and to remove administrative and financial barriers to internship opportunities. The plan shall include: (i) an implementation timeline, (ii) the allocation of resources and funding strategies to support internships, (iii) the assignment of dedicated personnel to facilitate placement of students in internships and engage with employers, (iv) the identification of how the institution will support students that are less likely to participate in internships, to be employed in an occupation related to their major upon completion of their certificate or degree, or to earn at or above the average earnings of graduates in their program major; (v) opportunities to align existing student employment opportunities on campus to include best practices of an internship program; and (vi) metrics for measuring, reporting, and regularly reviewing progress on the plan. Institutions that have not developed a plan may be eligible for planning grants as long as the planning grants are led by senior academic and administrative leadership. In determining the amount of grant awards, the Council shall consider the number of undergraduate students enrolled at the institution, the number of students at the institution who participate in internships, and the numerical and percentage increase in internship participation expected to result from the initiative. In addition, the Council shall increase grant awards based upon the following factors: (i) an institution's emphasis on internships that are part of pathways to full-time employment with Virginia-based employers; (ii) the institutional initiative's alignment with specific state or regional programs or partnerships related to economic growth and diversification or workforce development in Virginia; (iii) an institution's strength of commitment as reflected in its reallocation of institutional funds or solicitation of philanthropic support or business partnerships to support the initiative. This funding is intended to be recurring for institutions that demonstrate substantial yearly progress in achieving the objectives of the initiative as measured by the number of internships successfully completed by students.

3. In administering the program authorized in this paragraph, the Council shall cooperate with the Virginia Economic Development Partnership and identified partners in carrying out the authority's responsibilities under Item 113 S. of this act for employer-focused activities that expand availability of and access to paid or credit-bearing internships and corresponding pathways leading to full-time Virginia-based employment. In cooperation with the Virginia Economic Development Partnership and identified partners, the Council shall (i) engage stakeholders from business and industry, secondary and higher education, economic development, and state agencies and entities that are successfully engaging employers or successfully operating internship programs; (ii) explore strategies in Virginia and elsewhere on successful institutional, regional, statewide or sector-based internship programs; (iii) gather and report consistent data across institutions regarding current institutional internship practices, scale, and outcomes; (iv) develop internship readiness educational resources, delivery methods, and outreach and awareness activities for students and institutional career development personnel; and (v) pursue shared services or other efficiency initiatives, including technological solutions. The Council and VEDP, in consultation with partners, shall establish goals and metrics for internships for employers, students, and institutions that support an increased number of students and employers participating in internships while ensuring the quality of the program. Institutions shall set goals and progress measures aligned with the metrics established by the Council and VEDP related to increasing the number of students participating in internships and shall develop a plan to ensure that existing programs and any new programs developed include internships where appropriate. Institutions shall report to the Council annually regarding progress on these goals. Beginning in fiscal year 2027, the Council and VEDP shall submit an annual report to the Governor and the Chairs of the House Committee on Appropriations and the Senate Committee on Finance and Appropriations on progress meeting the goals and metrics, including institutional progress, and expenses incurred for the activities outlined in this item by

November 1 of each year.

2. Institutional grants shall be awarded to support initiatives that establish or enhance an on-campus internship center or similar one-stop service to assist students and employers with intern placement and that are expected to produce a demonstrated increase in student participation in paid internship programs and work-based learning opportunities. Institutions shall be eligible for grants upon demonstrating that it is a key priority of the institution and its senior academic and administrative leadership to have a coordinated plan to expand internship participation by students, to incorporate internships in curricula, to report completion of internships and courses that include internships on student transcripts, and to remove administrative and financial barriers to internship opportunities. The plan shall include: (i) an implementation timeline, (ii) the allocation of resources and funding strategies to support internships, (iii) the assignment of dedicated personnel to facilitate placement of students in internships and engage with employers, (iv) the identification of how the institution will support students that are less likely to participate in internships and work-based learning opportunities, to be employed in an occupation related to their major upon completion of their certificate or degree, or to earn at or above the average earnings of graduates in their program major; (v) opportunities to align existing student employment opportunities on campus to include best practices of an internship program; and (vi) metrics for measuring, reporting, and regularly reviewing progress on the plan. Institutions that have not developed a plan may be eligible for planning grants as long as the planning grants are led by senior academic and administrative leadership. In determining the amount of grant awards, the Council shall consider the number of undergraduate students enrolled at the institution, the number of students at the institution who participate in internships, and the numerical and percentage increase in internship participation expected to result from the initiative. In addition, the Council shall increase grant awards based upon the following factors: (i) an institution's emphasis on internships that are part of pathways to full-time employment with Virginia-based employers; (ii) the institutional initiative's alignment with specific state or regional programs or partnerships related to economic growth and diversification or workforce development in Virginia; (iii) an institution's strength of commitment as reflected in its reallocation of institutional funds or solicitation of philanthropic support or business partnerships to support the initiative. This funding is intended to be recurring for institutions that demonstrate substantial yearly progress in achieving the objectives of the initiative as measured by the number of internships successfully completed by students.

3. In administering the program authorized in this paragraph, the Council shall (i) engage stakeholders from business and industry, secondary and higher education, economic development, and state agencies and entities that are successfully engaging employers or successfully operating internship programs; (ii) cooperate with the Virginia Economic Development Partnership and identified partners in carrying out the authority's responsibilities under Item 113 S. of this act for employer-focused activities that expand availability of and access to paid and credit-bearing internships and corresponding pathways leading to full-time Virginia-based employment; (iii) explore strategies in Virginia and elsewhere on successful institutional, regional, statewide or sector-based internship programs; (iv) gather and report consistent data across institutions regarding current institutional internship practices, scale, and outcomes; (v) develop internship readiness educational resources, delivery methods, and outreach and awareness activities for students and institutional career development personnel; and (vi) pursue shared services or other efficiency initiatives, including technological solutions. The Council and VEDP, in consultation with partners, shall establish goals and metrics for internships and work-based learning opportunities for employers, students, and institutions that support an increased number of students and employers participating in internships and work-based learning opportunities while ensuring the quality of the program. Institutions shall set goals and progress measures aligned with the metrics established by the Council and VEDP related to increasing the number of students participating in internships and work-based learning opportunities and shall develop a plan to ensure that existing programs and any new programs developed include internships or a work-based learning opportunity where appropriate. Institutions shall report to the Council annually regarding progress on these goals. Beginning in fiscal year 2027, the Council and VEDP shall submit an annual report to the Governor and the Chairs of the House Committee on Appropriations and Senate Committee on Finance and Appropriations on progress of meeting the goals and metrics, including institutional progress, and expenses incurred for the activities outlined in this item by November 1 of each year.

J. In addition to the exceptions pursuant to § 2.2-3815, the provisions of the section shall not be construed to prevent the release of a social security number to the U.S. Census, U.S. Education Department, or other agency of the federal government, by the State Council of Higher Education for the purposes of data-matching to improve knowledge of the outcomes of education programs of the Commonwealth, including, but not limited, to earnings and education-related debt. In addition, the office of the workforce development advisor shall also have access to wage records collected by the Council.

K. The State Council of Higher Education for Virginia shall collect annual dues on behalf of Virginia Sea Grant to support its operational costs. The Council shall make payments out of nongeneral funds in this appropriation to Virginia Sea Grant, and shall enter into a memorandum of understanding with Virginia Sea Grant to define fiscal responsibilities and establish reimbursement rates and processes for the delivery of services.

L.1. The State Council of Higher Education for Virginia, in consultation with staff from the House Appropriations and Senate Finance and Appropriations 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 awarding practices and tuition discounting strategies.

2. The Council shall review current state financial aid awarding policies and make recommendations to: (1) appropriately prioritize and address affordability for low- and middle-income students; (2) increase program efficiency and effectiveness in meeting state goals that align with The Virginia Plan; and (3) simplify communication and improve student understanding of eligibility criteria. The review shall also: (1) assess financial aid by income level and the utilization and reporting of tuition revenue used for financial aid and unfunded scholarships; and (2) consider the pros and cons of authorizing remittance of tuition and fees for merit scholarships for students of high academic achievement.

M.1. The State Council of Higher Education for Virginia shall develop a plan for implementing a statewide survey on institutional expenditures by program and academic discipline at Virginia's public institutions to determine the effectiveness of spending related to the attainment of state and institutional goals and inform strategic decision-making.

2. The Council may review existing reporting capacities and other state examples of cost analysis by program and academic discipline in higher education to: (1) determine the Council's current capacity to conduct the survey; (2) determine any additional staff and financial support necessary for conducting such a survey; (3) determine the potential for long-range cost containments; and (4) detail a plan for survey implementation.

N. Out of this appropriation, $250,000 the first year and $250,000 the second year from the general fund is designated for the Guidance to Postsecondary Success program. The program coordinates statewide efforts to increase college access and student success.

O. The State Council of Higher Education for Virginia, in fulfilling the requirements under § 23.1-1304, Code of Virginia, may use online training modules that expand training beyond the initial orientation for Boards of Visitor members.

P. Out of this appropriation, $750,000 the first year and $750,000 the second year from the general fund is provided to support a mental health workforce program at institutions of higher education in consultation with the Virginia Health Care Foundation. The program shall support the costs of required supervision for graduates of Masters of Social Work and Masters of Counseling programs seeking licensure. Eligible institutions include public institutions of higher education operating in Virginia. The State Council of Higher Education for Virginia shall report the outcomes of the program annually to the Governor and General Assembly.

Q.1. As part of the biennial six-year financial plan required in the provisions of § 23.1-306, Code of Virginia, each public four-year institution of higher education, Richard Bland College, and the Virginia Community College

System shall include in its six-year plan and amendments to its plan submitted to the State Council of Higher Education for Virginia (SCHEV) an official commitment and set of policies and practices to support freedom of expression and inquiry, free speech, academic freedom, and diversity of thought.

2. Each public four-year institution of higher education, Richard Bland College, and the Virginia Community College System shall also submit an annual report on freedom of expression and inquiry, free speech, academic freedom, and diversity of thought to the Secretary of Education, including related incidents and statistics from the prior academic year.

R. As a condition of this appropriation, $174,000 and one position the first year and $174,000 and one position the second year from the general fund is designated for the establishment of a student loan ombudsman to provide timely assistance to student borrowers of any student education loan in the Commonwealth. The ombudsman will also be responsible for establishing and maintaining an online student loan borrower education course, which would cover key loan terms, documentation requirements, monthly payment obligations, income-based repayment options, loan forgiveness, and disclosure requirements.

S. The State Council of Higher Education for Virginia (SCHEV) shall conduct a study and impact analysis of the decline in international student enrollment at four-year colleges and universities in the Commonwealth and to develop recommendations to address such impacts. In conducting the study, SCHEV shall work in coordination with public institutions of higher education and shall (i) identify public colleges and universities exhibiting sustained declines in international student enrollment, as well as those experiencing a significant decline during the 2025–2026 academic year; (ii) compare enrollment trends between public and private four-year institutions to determine whether declines are consistent statewide or disproportionately affecting specific categories of institutions; and (iii) evaluate international student enrollment trends in graduate programs and assess whether graduate-level enrollment is declining at a similar or higher rate than undergraduate enrollment. SCHEV shall further assess the institutional, academic, financial, economic, societal, and workforce impacts associated with declining international student enrollment, including but not limited to impacts on tuition revenue, research capacity, graduate education, workforce pipelines, and the Commonwealth's long-term economic competitiveness. As part of this analysis, SCHEV shall examine the extent to which current federal administration policies, including visa, immigration, and related regulatory actions, have contributed to observed enrollment trends. SCHEV shall submit its findings and any recommendations in a report to the Chairs of the House Committee on Education and the Senate Committee on Education and Health, the Secretary of Education, and the Governor no later than December 1, 2026.