2026 Special Session I

Budget Bill - HB30 (Introduced)

Item 274	First Year - FY2027	Second Year - FY2028
Higher Education Student Financial Assistance (10800)	**$20,106,684**	**$20,106,684**
Scholarships (10810)	$20,106,684	$20,106,684
Fund Sources:		
General	$18,421,000	$18,421,000
Dedicated Special Revenue	$85,000	$85,000
Federal Trust	$1,600,684	$1,600,684

Authority: §§ 23.1-614 and 32.1-122.5:1 through 32.1-122.10, Code of Virginia.

A. This appropriation shall only be used for the provision of loans or scholarships in accordance with regulations promulgated by the Board of Health, or for the administration, management, and reporting thereof. The department may move appropriation between scholarship or loan repayment programs as long as the scholarship or loan repayment is in accordance with the regulations promulgated by the Board of Health.

B. 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.

C.1. Out of this appropriation, $7,350,000 the first year and $7,350,000 the second year from the general fund shall be provided to the Virginia Department of Health for the Virginia Behavioral Health Loan Repayment Program. Eligible practitioners include: psychiatrists, licensed clinical psychologists, licensed clinical social workers, licensed professional counselors, child and adolescent psychiatrists, child and adolescent psychiatry Fellows, psychiatric physician assistants, psychiatric pharmacists, psychiatric registered nurses, and psychiatric nurse practitioners. The program shall include a tiered incentive system as follows: (i) Tier I providers: child and adolescent psychiatrists, child and adolescent psychiatry Fellows, psychiatric nurse practitioners, psychiatric registered nurses, and psychiatrists; (ii) Tier II providers: licensed clinical psychologists, licensed clinical social workers, and licensed professional counselors; and (iii) Tier III providers: mental health service professionals defined in § 54.1-2400.1 of the Code of Virginia who are not set forth in C.1. as Tier I or Tier II providers.

2. For each eligible year of service provided, the practitioner shall receive a year of applicable loan repayment award in return. Loan repayment checks will be submitted at the end of each year of service. Payments will be made directly to the lender. Practitioners must agree to a minimum of two years of practice for the behavioral health provider with the ability for two one-year renewals. The program shall require preference be given to applicants choosing to practice in underserved areas which must be a federally designated mental Health Professional Shortage Area or Medically Underserved Area within the Commonwealth. Practitioners are required to practice at Community Services Boards, behavioral health authorities, state mental health facilities, free clinics, federally qualified health centers, academic medical centers, stand-alone inpatient psychiatric facilities that serve uninsured or medically underserved populations and/or communities, and other similar health safety net organizations in order to be eligible for the program. The award amount is up to 25 percent of student loan debt, not to exceed

$50,000 per year for Tier I professionals or $20,000 per year for Tier II professionals. In no instance shall the loan repayment exceed the total student loan debt.

3. No match contribution from practice sites or the community is required. Loan repayment awards shall be tax exempt.

4. The program shall have an Advisory Board, composed of representatives from stakeholder organizations and community members as determined by the department. The Advisory Board will meet annually and provide guidance regarding effective outreach and feedback on both programmatic processes and impact. The department shall provide an annual report to the Advisory Board on successes, challenges and opportunities with the program.

5. The Board of Health shall develop regulations consistent with this language in order for the department to administer the program.

D.1. Out of this appropriation, $3,600,000 the first year and $3,600,000 the second year from the general fund shall be provided to the Virginia Department of Health to establish a Nursing Preceptor Incentive Program. The department shall collaborate with the State Council of Higher Education for Virginia, the Virginia Nurses Association, the Virginia Healthcare and Hospital Association, and other relevant stakeholders on a nursing student preceptor grant program. The program shall offer up to a $5,000 incentive for any Virginia licensed physician, physician's assistant, licensed practical nurse, registered nurse, or advanced practice registered nurse (APRN) who, in conjunction with a licensed and accredited Virginia public or private not-for-profit school of nursing, provides a clinical education rotation of 250 hours, which is certified as having been completed by the school. The amount of the incentive may be adjusted based on the actual number of hours completed during the clinical education rotation. The program shall seek to reduce the shortage of registered nurse clinical education opportunities and establish new preceptor rotations for nursing students, especially in high demand fields such as psychiatry and anesthesiology.

2. The Virginia Health Workforce Development Authority shall maintain the process for the consideration of requests for funding from the Nursing Preceptor Incentive Program.

E. Out of this appropriation, $35,000 the first year and $35,000 the second year from the general fund is provided for the Nurse Loan Repayment Program to provide loan repayments for certified nurse aides. The total loan repayment allowed per certified nurse aide is limited to no more than $1,000.

F.1. Out of this appropriation, $1,936,000 the first year and $1,936,000 the second year from the general fund shall be used to fund nursing scholarship and loan repayment programs to recruit and retain nurses and nurse faculty, consistent with § 32.1-122.6:01 of the Code of Virginia, the Nursing Preceptor Incentive Program established in Chapter 552, 2021 Special Session I, Acts of Assembly, the Virginia Nurse Practitioner/Nurse Midwife scholarship program, the Nurse Educator Scholarship Program pursuant to 12VAC5-545-10, the Nurse Loan Repayment Program authorized in § 32.1-122.6:04, Code of Virginia, and the Long-Term Facility Nursing Scholarship Program, authorized in § 54.1-3011.2, Code of Virginia.

2. Of the appropriation in paragraph F.1., $64,000 the first year and $64,000 the second year from the general fund shall be provided to fund the Long-Term Facility Nursing Scholarship, authorized in § 54.1-3011.2, Code of Virginia. The program shall offer a scholarship for any Virginia student accepted for enrollment or enrolled in an approved education program in the Commonwealth of Virginia to become a certified nurse aide, licensed practical nurse, or registered nurse, and who commits to work in a long-term care facility after graduation. For each year of scholarship money received, the participant agrees to engage in the equivalent of one year of full-time nursing practice in a long-term care facility in the Commonwealth.

3. Of the appropriation in paragraph F.1., $936,000 the first year and $936,000 the second year from the general fund shall be provided for nursing scholarship, loan repayment and incentive programs based on priorities as

identified by the Commissioner of Health and the ability of the department to expedite funding to recipients.

4. Of the appropriation in paragraph F.1., $300,000 the first year and $300,000 the second year from the general fund may be provided to create a scholarship to support licensed practical nurses serving as a school nurse or school nurse assistant to become a registered nurse, as funds are available. The department shall collaborate with the Department of Education in developing the scholarship program in accordance with the recommendations from the 2021 "Report of the Department of Education on School Health Personnel in Virginia Public Schools: Recommendations for Qualifications and Training". The program shall offer a scholarship, not greater than $10,000, for any licensed practical nurse currently serving as a Virginia school nurse to complete the training and education requirements to become a registered nurse in an approved education program in the Commonwealth of Virginia. For each year of the scholarship money received, the student must maintain employment as a school nurse and agree to engage in the equivalent of one year of full-time employment as a school nurse after graduation. Full-time employment during school is not required and does not count towards the required one-year service obligation.

G. The Virginia Department of Health shall publish and regularly update on its website information about all health and behavioral health care scholarship and loan repayment programs so that information is readily available to the public. In addition, the department shall notify nursing schools and nursing programs throughout the Commonwealth of the availability of nursing scholarship and loan repayment program funding, including information about the Nursing Preceptor Incentive Program, prior to each academic year in a timely manner to accept applications and process them.

H. Out of this appropriation, $4,000,000 the first year and $4,000,000 the second year from the general fund shall be provided to the Earn to Learn Nursing Education Acceleration program. The department shall establish criteria for making grants from the program, including application guidelines and metrics for evaluation. Grants shall be awarded for the purpose of forming collaborative clinical training arrangements between high schools, colleges and universities, hospitals, and health providers, increasing the number of nursing students receiving necessary clinical training to achieve certification, and creating and ensuring employment opportunities for nursing students. To be eligible for grants, applicants must provide employment opportunities to students at each student's current certification level with compensation consistent with other employees at identical certification levels and must demonstrate that the grant application will increase on a net basis the number of nursing graduates achieving sufficient clinical hours to achieve higher nursing certifications when compared to averages over the past five years.

I. The Virginia Department of Health (VDH) shall expand the Mary Marshall Scholarship Program to include humanitarian parolees as eligible participants. In addition, VDH shall expand the program to provide scholarships of up to 100 percent of the fees required to obtain a Credential Service Evaluation Profession Report and the English Language Proficiency Report for those individuals who graduated from a nursing education program in a foreign country as required by VDH prior to admission for licensure.