



Report of the Subcommittee on
Higher Education

Senate Finance &
Appropriations Committee
Virginia General Assembly

February 5, 2023



2023 Report of the Higher Education Subcommittee
The Honorable Mamie E. Locke, Chair
February 5, 2023

Co-Chairs and Members of the Committee:

Your Subcommittee reviewed the Governor's proposed budget for Higher Education. The budget we adopted last year showed significant investments in our priority areas of affordability, access, completion, and workforce development.

Our Subcommittee recommendations continue to focus on these priority areas through increased investments in financial aid, institutional support, and workforce initiatives. In total, we propose an investment of \$279.1 million over the biennium. When you include the investments in Chapter 2, 2022 Special Session 1, the overall total for the biennium is \$1.13 billion.

To better assist our low- and middle-income students, the Subcommittee recommends an additional \$75.0 million in need-based financial aid and an additional \$25.0 million in a Pell initiative to attract and retain low-income students. Over time, our state financial aid has not kept up with the growth in tuition and fees. Higher education opens doors to a better quality of life and we want students and parents to know we are working to remove barriers to achieving a brighter future. Not only will this help individuals, but it also will help our communities and our Commonwealth.

To support our institutions, we recommend \$149.8 million in funding for operations. The Commonwealth has long had a goal to support two-thirds of the costs of higher education for Virginia students. While recent investments have helped, we have lagged in achieving our goal. Today's investments will allow institutions to meet the growing need for student

support services; address increased costs resulting from inflation; refine or create programs that meet current and future workforce needs; and minimize the need to raise tuition and fees while moving us closer to that goal.

To address workforce needs, we know there are jobs that need to be filled in the Commonwealth which require a postsecondary credential. We also face critical shortages in certain areas, such as healthcare. As a result, we recommend \$25.0 million to invest in workforce programs at the community colleges; \$5.8 million to support nursing programs at our public institutions; and \$2.0 million to increase industry-based credentials through the New Economy Workforce Credential grant program.

Additionally, there are contingent allocations of \$100.0 million to continue to support access and affordability.

Finally, at the annual retreat in the fall, we heard about our declining population and potential impacts on higher education. We also know that we need to update our models to estimate costs and resource needs to better plan for enrollment changes. We propose to reconvene our Joint Subcommittee to focus on higher education costs, funding, performance, and enrollment planning to guide this effort. This Committee will build on the work of the State Council of Higher Education for Virginia, the recent recommendations by JLARC on financial aid and dual enrollment and other research to help us maintain our world-class system of higher education.

This concludes our report of the Higher Education Subcommittee and we hope it will be the pleasure of the Committee to adopt our amendments.

Report of the Subcommittee on Higher Education
(Proposed Amendments to SB 800 as Introduced, 2023 Session)

Amendment		SB 800, General Fund		
		FY 2023	FY 2024	Biennium
1	Higher Education			
2	SCHEV: Recruitment and Retention of Pell-Eligible Students		\$ 25,000,000	\$ 25,000,000
3	SCHEV: New Economy Workforce Credential Grant (SB 1422)		\$ 2,000,000	\$ 2,000,000
4	VIMS: Menhaden Fish Study (SB 1388)		\$ 280,000	\$ 280,000
5	GMU: Nursing Workforce		\$ 560,000	\$ 560,000
6	JMU: Nursing Workforce		\$ 660,000	\$ 660,000
7	Longwood: Nursing Workforce		\$ 130,000	\$ 130,000
8	NSU: Nursing Workforce		\$ 110,000	\$ 110,000
9	ODU: Transfer Merger Funds from EVMS		\$ 10,000,000	\$ 10,000,000
10	ODU: Nursing Workforce		\$ 560,000	\$ 560,000
11	RU: Nursing Workforce		\$ 530,000	\$ 530,000
12	UMW: Nursing Workforce		\$ 130,000	\$ 130,000
13	UVA: Nursing Workforce		\$ 320,000	\$ 320,000
14	UVA-W: Redirect Funds to Explore Research University Status	\$ (400,000)		\$ (400,000)
15	UVA-W: Nursing Workforce		\$ 50,000	\$ 50,000
16	VCU: Nursing Workforce		\$ 510,000	\$ 510,000
17	VCU: Redirect Massey Cancer Center Funding		\$ (5,000,000)	\$ (5,000,000)
18	VCCS: Support Workforce Programs		\$ 25,000,000	\$ 25,000,000
19	VCCS: Nursing Workforce		\$ 2,160,000	\$ 2,160,000
20	VCCS: Redirect Pilot High Schools to Workforce Programs		\$ (15,000,000)	\$ (15,000,000)
21	VT-Ext: Operation and Maintenance of New Facilities		\$ 165,972	\$ 165,972
22	VSU: Nursing Workforce		\$ 30,000	\$ 30,000
23	EVMS: Transfer Merger Funds to ODU		\$ (10,000,000)	\$ (10,000,000)
24	RHEA: Facilities Maintenance and Support		\$ 159,701	\$ 159,701
25	SVHEC: Workforce Initiative and Innovation Center		\$ 556,000	\$ 556,000
26	Maintain Affordable Access: Financial Aid		\$ 75,000,000	\$ 75,000,000
27	Maintain Affordable Access: Operations		\$ 149,810,000	\$ 149,810,000
28	Subtotal, Higher Education	\$ (400,000)	\$ 263,721,673	\$ 263,321,673
29	Higher Education Funds in Central Appropriations			
30	Central Appropriations: Restore Tech Talent Funds	\$ 2,869,546	\$ 2,869,546	\$ 5,739,092
31	Central Appropriations: Workforce Initiatives		\$ 10,000,000	\$ 10,000,000
32	Various language amendments			
33	Subtotal Higher Education Funds in Central Appropriations	\$ 2,869,546	\$ 12,869,546	\$ 15,739,092
34				
35	Total All Higher Education	\$ 2,469,546	\$ 276,591,219	\$ 279,060,765

Item 142 #2s

SCHEV - New Economy Workforce Credential Grant

Education: Higher Education	FY22-23	FY23-24	
State Council of Higher Education for Virginia	\$0	\$2,000,000	GF

Language:

Page 207, line 43, strike "\$160,378,512" and insert "\$162,378,512".

Page 211, line 3, strike the second reference to "\$13,500,000" and insert "\$15,500,000".

Explanation:

(This amendment provides \$2.0 million general fund in the second year for the New Economy Workforce Credential Grant program to support enrollment growth and the increase in the maximum reimbursement rate from \$3,000 to \$4,000 pursuant to Senate Bill 1422.)

Item 255.5 #1s

Maintain Affordable Access - Operational Support

Education: Higher Education	FY22-23	FY23-24	
Maintain Affordable Access	\$0	\$149,810,000	GF

Language:

"A. Out of this appropriation, \$149,810,000 the second year from the general fund is provided to support operations at public colleges and universities. Funds are intended to support the growing need for student support services; address increased costs resulting from inflation; refine or create programs that meet current and future workforce needs; and minimize the need to raise tuition and fees. Funds shall be ongoing and shall be incorporated into the college's and university's base budget for the next biennium. The Department of Planning and Budget shall transfer the allocations to the appropriate education and general programs account as follows:

Institution	Amount
Christopher Newport University	\$2,070,000
George Mason University	\$20,090,000
James Madison University	\$9,970,000

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Longwood University	\$2,830,000
Norfolk State University	\$2,230,000
Old Dominion University	\$16,210,000
Radford University	\$3,800,000
University of Mary Washington	\$1,420,000
University of Virginia	\$11,340,000
University of Virginia's College at Wise	\$770,000
Virginia Commonwealth University	\$20,450,000
Virginia Military Institute	\$1,010,000
Virginia State University	\$2,050,000
Virginia Polytechnic Institute & State University	\$22,630,000
College of William and Mary	\$2,890,000
Richard Bland College	\$350,000
Virginia Community College System	\$29,700,000
Total	\$149,810,000

Page 293, after line 28, insert:

"255.5 Maintain Affordable Access	\$0	\$149,810,000
Fund Sources: General	\$0	\$149,810,000 "

Explanation:

(This amendment provides additional operational support to reach the state's goal of supporting the costs of higher education and to minimize the impact of tuition and fee increases.)

Item 255.5 #2s

Maintain Affordable Access - Financial Aid

Education: Higher Education	FY22-23	FY23-24	
Maintain Affordable Access	\$0	\$75,000,000	GF

Language:

"A. Out of this appropriation, \$75,000,000 the second year from the general fund is provided to support need-based undergraduate financial aid at public colleges and universities. These funds also are intended to reduce the amount of tuition revenue from in-state undergraduate students that institution's use for financial aid, grants, and scholarships.

B. Of the amount allocated for undergraduate need-based financial aid in FY 2024 in this item and as part of the college's and university's budget, up to five percent may be used for emergency assistance programs for students facing a financial emergency that puts them at risk of dropping out. The Council shall establish reporting guidelines and approve criteria for making student awards.

C. Funds shall be ongoing and shall be incorporated into the college's and university's base budget for the next biennium. The Department of Planning and Budget shall transfer the allocations to the appropriate higher education student financial assistance account as follows:

Institutions	Total Amount
Christopher Newport University	\$ 615,000
College of William and Mary	\$ 440,000
George Mason University	\$ 15,270,000
James Madison University	\$ 3,500,000
Longwood University	\$ 1,020,000
Norfolk State University	\$ 4,340,000
Old Dominion University	\$ 11,820,000
Radford University	\$ 5,530,000
University of Mary Washington	\$ 1,020,000
University of Virginia	\$ 1,660,000
UVA-Wise	\$ 880,000
Virginia Commonwealth University	\$ 6,920,000
Virginia Military Institute	\$ 150,000
Virginia State University	\$ 3,030,000
Virginia Tech	\$ 3,750,000
Richard Bland College	\$ 335,000
Virginia Community College System	\$ 14,720,000
Total	\$ 75,000,000

Explanation:

(This amendment is provided to support increased affordability for low- and middle-income students and provide emergency aid consistent with the recent JLARC recommendations.)