

# 2024 SPECIAL SESSION I

INTRODUCED

24200185D

1 **HOUSE BILL NO. 6003**

2 Offered September 6, 2023

3 *A BILL to amend and reenact paragraph J of Item 130 and Item 4-5.01 of Chapter 2 of the Acts of Assembly*  
4 *of 2024, Special Session I, which appropriates the public revenues for two years ending, respectively, on*  
5 *June 30, 2025, and June 30, 2026, relating to the general appropriation act; repeal of modifications to*  
6 *waiver programs.*

7 Patrons—Torian, Cherry, Cole, Feggans, Glass, Anthony, Arnold, Askew, Austin, Ballard, Batten, Bennett-  
Parker, Bloxom, Bulova, Callsen, Campbell, Carr, Clark, Cohen, Convirs-Fowler, Cordoza, Cousins,  
Coyner, Davis, Delaney, Earley, Ennis, Fowler, Freitas, Gardner, Garrett, Gilbert, Green, Griffin, Hayes,  
Helmer, Henson, Hernandez, Herring, Higgins, Hodges, Hope, Jones, Kent, Keys-Gamarra, Kilgore,  
Knight, Krizek, Laufer, Leftwich, LeVere Bolling, Lopez, Lovejoy, Maldonado, Marshall, Martinez,  
McClure, McNamara, McQuinn, Milde, Morefield, Mundon King, Oates, Obenshain, O'Quinn, Orrock,  
Owen, Phillips, Rasoul, Reaser, Reid, Runion, Scott, D., Scott, P.A., Seibold, Sewell, Shin, Sickles,  
Simon, Simonds, Srinivasan, Sullivan, Tata, Taylor, Thomas, Tran, Wachsmann, Walker, Ward, Ware,  
Watts, Webert, Wiley, Willett, Williams, Wilt, Wright, Wyatt and Zehr; Senators: Craig, DeSteph,  
Diggs, Durant, French, Hackworth, Head, Jordan, McDougle, McGuire, Mulchi, Obenshain, Peake,  
Pillion, Reeves, Roem, Salim, Stanley, Stuart, Sturtevant, Subramanyam and Suetterlein

8 

---

 Referred to Committee on Appropriations

9 **Be it enacted by the General Assembly of Virginia:**

10 **1. That paragraph J of Item 130 and Item 4-5.01 of Chapter 2 of the Acts of Assembly of 2024, Special**  
11 **Session I, are amended and reenacted as follows:**

12 Item 130

13 J. 1. As a condition of this appropriation, \$20,000,000 each year from the general fund is designated to  
14 offset the impact of programs under § Title 23.1, Chapter 6, *Code of Virginia*, as governed under § 4-5.01 b.7.  
15 of this act.

16 2. The State Council of Education for Virginia shall work with public higher education institutions to  
17 determine the appropriate allocation of these funds consistent with § 4-5.01 b.7. of this act.

18 3. Any unexpended balance in this item at the close of business on June 30 each year shall not revert to  
19 the general fund, but shall be carried forward and reallocated to support the purposes specified in  
20 paragraphs J.1. and J.4. in the subsequent fiscal year.

21 4. By November 1 of each year, the Council shall report on the status of programs under § Title 23.1,  
22 Chapter 6, *Code of Virginia*, as governed under § 4-5.01 b.7. of this act.

23 **§ 4-5.01 TRANSACTIONS WITH INDIVIDUALS**

24 a. **SETTLEMENT OF CLAIMS:** Whenever a dispute, claim or controversy involving the interest of the  
25 Commonwealth is settled pursuant to § 2.2-514, *Code of Virginia*, payment may be made out of any  
26 appropriations, designated by the Governor, to the state agency(ies) which is (are) party to the settlement.

27 b. **STUDENT FINANCIAL ASSISTANCE FOR HIGHER EDUCATION:**

28 1. General:

29 a) The appropriations made in this act to state institutions of higher education within the Items for student  
30 financial assistance may be expended for any one, all, or any combination of the following purposes: grants  
31 to undergraduate students enrolled at least one-half time in a degree, certificate, industry-based certification  
32 and related programs that do not qualify for other sources of student financial assistance or diploma program;  
33 grants to full-time graduate students; graduate assistantships: grants to students enrolled full-time in a dual or  
34 concurrent undergraduate and graduate program. The institutions may also use these appropriations for the  
35 purpose of supporting work study programs. The institution is required to transfer to educational and general  
36 appropriations all funds used for work study or to pay graduate assistantships. Institutions may also  
37 contribute to federal or private student grant aid programs requiring matching funds by the institution, except  
38 for programs requiring work. The State Council of Higher Education for Virginia shall annually review each  
39 institution's plan for the expenditures of its general fund appropriation for undergraduate student financial  
40 assistance prior to the start of the fall term to determine program compliance. The institution's plan shall  
41 include the institution's assumptions and calculations for determining the cost of attendance, student financial  
42 need, and student remaining need as well as an award schedule or description of how funds are awarded. For  
43 the purposes of the proposed plan, each community college shall be considered independently. No limitations  
44 shall be placed on the awarding of nongeneral fund appropriations made in this act to state institutions of  
45 higher education within the Items for student financial assistance other than those found previously in this  
46 paragraph and as follows: (i) funds derived from in-state student tuition will not subsidize out-of-state  
47  
48

INTRODUCED

HB6003

49 students, (ii) students receiving these funds must be making satisfactory academic progress, (iii) awards made  
50 to students should be based primarily on financial need, and (iv) institutions should make larger grant and  
51 scholarship awards to students taking the number of credit hours necessary to complete a degree in a timely  
52 manner.

53 b) All awards made to undergraduate students from such Items shall be for Virginia students only and  
54 such awards shall offset all, or portions of, the costs of tuition and required fees, and, in the case of students  
55 qualifying under subdivision b 2 c1) hereof, the cost of books. All undergraduate financial aid award  
56 amounts funded by this appropriation shall be proportionate to the remaining need of individual students,  
57 with students with higher levels of remaining need receiving grants before other students. No criteria other  
58 than the need of the student shall be used to determine the award amount. Because of the low cost of  
59 attendance and recognizing that federal grants provide a much higher portion of cost than at other institutions,  
60 a modified approach and minimum award amount for the neediest VGAP student should be implemented for  
61 community college and Richard Bland College students based on remaining need and the combination of  
62 federal and grant state aid. Student financial need shall be determined by a need-analysis system approved by  
63 the Council.

64 c1) All need-based awards made to graduate students shall be determined by the use of a need-analysis  
65 system approved by the Council.

66 2) As part of the six-year financial plans required in the provisions of Chapters 933 and 945 of the 2005  
67 Acts of Assembly, each institution of higher education shall report the extent to which tuition and fee  
68 revenues are used to support graduate student aid and graduate compensation and how the use of these funds  
69 impacts planned increases in student tuition and fees.

70 d) A student who receives a grant under such Items and who, during a semester, withdraws from the  
71 institution which made the award must surrender the unearned portion. The institution shall calculate the  
72 unearned portion of the award based on the percentage used for federal Return to Title IV program purposes.

73 e) An award made under such Items to assist a student in attending an institution's summer session shall  
74 be prorated according to the size of comparable awards made in that institution's regular session.

75 f) The provisions of this act under the heading "Student Financial Assistance for Higher Education" shall  
76 not apply to (1) the soil scientist scholarships authorized under § 23.1-615, Code of Virginia and (2) need-based  
77 financial aid programs for industry-based certification and related programs that do not qualify  
78 for other sources of student financial assistance, which will be subject to guidelines developed by the State  
79 Council of Higher Education for Virginia.

80 g) Unless noted elsewhere in this act, general fund awards shall be named "Commonwealth" grants.

81 h) Unless otherwise provided by statute, undergraduate awards shall not be made to students seeking a  
82 second or additional baccalaureate degree until the financial aid needs of first-degree seeking students are  
83 fully met.

84 i) In determining financial need for student financial assistance, the institution shall recognize the federal  
85 Student Aid Index at no less than zero.

86 j) Students receiving student financial assistance in 2023-2024 may be considered for Virginia Student  
87 Financial Assistance Program awards based on the Expected Family Contribution demonstrated in 2023-  
88 2024, or appropriately adjusted need as determined by the institution, for as long as the student maintains  
89 continuous enrollment, unless granted an exception for cause by the State Council of Higher Education for  
90 Virginia, until current degree completion or current degree program eligibility limits have otherwise expired,  
91 whichever comes first.

92 k) Notwithstanding any other provision of law to the contrary, the Student Aid Index as calculated  
93 according to federal Title IV financial aid methodology shall be deemed an approved replacement of any  
94 mention or use of the precedent federal Expected Family Contribution for purposes of administrating state  
95 higher education financial aid programs.

96 l) Notwithstanding any other provision of law to the contrary, private institutions admitted on or after  
97 January 1, 2024 in any state program of higher education financial assistance shall (i) be a nonprofit private  
98 institution of higher education whose primary purpose is to provide collegiate, graduate, or professional  
99 education and not to provide religious training or theological education; (ii) be formed, chartered, established,  
100 or incorporated within the Commonwealth; (iii) have their principal place of business within the  
101 Commonwealth; (iv) conduct their primary educational activity within the Commonwealth; and (v) be  
102 accredited by a nationally recognized regional institutional accrediting agency.

103 2. Grants To Undergraduate Students:

104 a) Each institution which makes undergraduate grants paid from its appropriation for student financial  
105 assistance shall expend such sums as approved for that purpose by the Council.

106 b) A student receiving an award must be duly admitted and enrolled in a degree, certificate or diploma  
107 program at the institution making the award, and shall be making satisfactory academic progress as defined  
108 by the institution for the purposes of eligibility under Title IV of the federal Higher Education Act, as  
109 amended.

110 c1) It is the intent of the General Assembly that students eligible under the Virginia Guaranteed

111 Assistance Program (VGAP) authorized in Title 23.1, Chapter 4.4:2, Code of Virginia, shall receive grants  
 112 before all other students at the same institution with equivalent remaining need from the appropriations for  
 113 undergraduate student financial assistance found in Part 1 of this act (service area 1081000 - Scholarships). In  
 114 each instance, VGAP eligible students shall receive awards greater than other students with equivalent  
 115 remaining need.

116 2) The amount of each VGAP grant shall vary according to each student's remaining need and the total of  
 117 tuition, all required fees and the cost of books at the institution the student will attend upon acceptance for  
 118 admission. The actual amount of the VGAP award will be determined by the proportionate award schedule  
 119 adopted by each institution; however, those students with the greatest financial need shall be guaranteed an  
 120 award at least equal to tuition.

121 3) It is the intent of the General Assembly that the Virginia Guaranteed Assistance Program serve as an  
 122 incentive to financially needy students now attending elementary and secondary school in Virginia to raise  
 123 their expectations and their academic performance and to consider higher education an achievable objective  
 124 in their futures.

125 4) Students may not receive a VGAP and a Commonwealth grant in the same semester.

126 d) Of the amount allocated for undergraduate need-based financial aid, up to one percent may be used for  
 127 emergency assistance programs for students facing a financial emergency that puts them at risk of dropping  
 128 out. The Council shall establish reporting guidelines and approve criteria for making student awards.

129 3. Grants To Graduate Students:

130 a) An individual award may be based on financial need but may, in addition to or instead of, be based on  
 131 other criteria determined by the institution making the award. The amount of an award shall be determined by  
 132 the institution making the award; however, the Council shall annually be notified as to the maximum size of a  
 133 graduate award that is paid from funds in the appropriation.

134 b) A student receiving a graduate award paid from the appropriation must be duly admitted into a graduate  
 135 degree program at the institution making the award.

136 c) Not more than 50 percent of the funds designated by an institution as graduate grants from the  
 137 appropriation, and approved as such by the Council, shall be awarded to persons not eligible to be classified  
 138 as Virginia domiciliary resident students except in cases where the persons meet the criteria outlined in § 4-  
 139 2.01b.6.

140 4. Matching Funds: Any institution of higher education may, with the approval of the Council, use funds  
 141 from its appropriation for fellowships and scholarships to provide the institutional contribution to any student  
 142 financial aid program established by the federal government or private sources which requires the matching  
 143 of the contribution by institutional funds, except for programs requiring work.

144 5. Discontinued Loan Program:

145 a) If any federal student loan program for which the institutional contribution was appropriated by the  
 146 General Assembly is discontinued, the institutional share of the discontinued loan program shall be repaid to  
 147 the fund from which the institutional share was derived unless other arrangements for the use of the funds are  
 148 recommended by the Council and approved by the Department of Planning and Budget. Should the institution  
 149 be permitted to retain the federal contributions to the program, the funds shall be used according to  
 150 arrangements authorized by the Council and approved by the Department of Planning and Budget.

151 b) An institution of higher education may discontinue its student loan fund established pursuant to Title  
 152 23.1, Chapter 4.01, Code of Virginia. The full amount of cash in such discontinued loan fund shall be paid  
 153 into the state treasury into a nonrevertible nongeneral fund account. Prior to such payment, the State  
 154 Comptroller shall verify its accuracy, including the fact that the cash held by the institution in the loan fund  
 155 will be fully depleted by such payment. The loan fund shall not be reestablished thereafter for that institution.

156 2) The cash so paid into the state treasury shall be used only for grants to undergraduate and graduate  
 157 students in the Higher Education Student Financial Assistance program according to arrangements authorized  
 158 by the Council and approved by the Department of Planning and Budget.

159 3) Payments on principal and interest of any promissory notes held by the discontinued loan fund shall  
 160 continue to be received by the institution, which shall deposit such payments in the state treasury to the  
 161 nonrevertible nongeneral fund account specified in subdivision (1) preceding, to be used for grants as  
 162 specified in subdivision (2) preceding.

163 6. Reporting: The Council shall collect student-specific information for undergraduate students as is  
 164 necessary for the operation of the Student Financial Assistance Program. The Council shall maintain  
 165 regulations governing the operation of the Student Financial Assistance Program based on the provisions  
 166 outlined in this section, the Code of Virginia, and State Council policy.

167 7. Waivers and Related Stipends

168 a) Notwithstanding any other provision of law, individuals eligible for any financial aid waivers and  
 169 related stipends contained in § 23.1, Chapter 6 shall:

170 1) Establish domicile as provided in § 23.1-502 and the State Council of Higher Education for Virginia  
 171 (SCHEV) domicile guidelines.

172 2) Complete the Free Application for Federal Student Aid (FAFSA) or equivalent state financial aid

173 application.

174 3) Make satisfactory academic progress as defined by the institution for the purposes of eligibility under  
175 Title IV of the federal Higher Education Act, as amended.

176 b) Waivers and related stipends under this section are limited to a certificate or associate degree at a  
177 public two-year institution and certificate or first bachelor's degree at a public four-year institution of higher  
178 education. Eligibility is restricted to a combined total of no more than four years or its equivalent.

179 e) 1) Waivers granted under this section shall cover the last dollar cost of the in-state undergraduate  
180 tuition, mandatory Education & General Program (E & G) fees and mandatory non-E & G fees after  
181 applying, in the following order: (i) all federal aid under 38 USC Part III dollar-for-dollar; (ii) all state grants  
182 and scholarships dollar-for-dollar; and (iii) a proportion of all federal gift aid (Pell) and expected family  
183 contribution (EFC) or its equivalent under FAFSA Simplification as determined by SCHEV.

184 2) The proportion in e) 1) (iii) shall be determined by SCHEV based on undergraduate tuition, mandatory  
185 Education & General Program (E & G) fees and mandatory non-E & G fees as a percentage of the total cost  
186 of attendance.

187 3) Mandatory non-E & G fees in e) 1) are fees charged to all students regardless of degree program or as  
188 defined by SCHEV. Mandatory non-E & G fees do not include room and board.

189 d) Students enrolled in the Program in 2023-2024 or who formally committed to the institution to enroll in  
190 Summer or Fall 2024 courses by May 15, 2024 shall not be subject to the provisions of a) 1), b), e) 1) and e)  
191 2) of this section.

192 c. PAYMENTS TO CITIZEN MEMBERS OF NONLEGISLATIVE BODIES:

193 Notwithstanding any other provision of law, executive branch agencies shall not pay compensation to  
194 citizen members of boards, commissions, authorities, councils, or other bodies from any fund for the  
195 performance of such members' duties in the work of the board, commission, authority, council, or other body.

196 d. VIRGINIA BIRTH-RELATED NEUROLOGICAL INJURY COMPENSATION PROGRAM

197 Notwithstanding any other provision of law, the Virginia Birth-Related Neurological Injury Compensation  
198 Program is authorized to require each admitted claimant's parent or legal guardian to purchase private health  
199 insurance (the "primary payer") to provide coverage for the actual medically necessary and reasonable  
200 expenses as described in Virginia Code § 38.2-5009(A)(1) that were, or are, incurred as a result of the  
201 admitted claimant's birth-related neurological injury and for the admitted claimant's benefit. Provided,  
202 however, that the Program shall reimburse, upon receipt of proof of payment, solely the portion of the  
203 premiums that is attributable to the admitted claimant's post-admission coverage from the effective date of  
204 this provision forward and paid for by the admitted claimant's parent or legal guardian.

205 2. That this act is effective on its passage as provided in § 1-214 of the Code of Virginia.