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SENATE BILL NO. 231

Offered January 14, 2026

Prefiled January 12, 2026

A BILL to direct the State Board for Community Colleges and the Virginia Community College System to develop a community college funding model for the Commonwealth, and an implementation plan for such model, that balances base adequacy support and performance with outcomes-based funding; report.

Patron—Head

Referred to Committee on Education and Health

Be it enacted by the General Assembly of Virginia:

1. § 1. *That the State Board for Community Colleges (the State Board) and the Virginia Community College System are directed to develop a community college funding model for the Commonwealth, and an implementation plan for such model, that balances base adequacy support and performance with outcomes-based funding. The model shall ensure that state resources both sustain core operations and reward measurable improvements in (i) student progress, (ii) program completion, (iii) attainment of credentials, (iv) wage impacts following program completion, and (v) continuing postsecondary education and training. The funding model shall be developed to encourage community colleges to provide programming and services that better meet the learning needs and preferences of adult learners, including adults older than 24 years of age, student-parents, and students from low-income backgrounds. The model shall also incorporate and account for the best practices of the New Economy Workforce Credential Grant Program established pursuant to Article 4.1 (§ 23.1-627.1 et seq.) of Chapter 6 of Title 23.1 of the Code of Virginia, and the FastForward Program established by the Virginia Community College System in developing the performance-based funding structure, given such program's demonstrated positive impacts on student earnings and economic opportunities. The State Board shall also develop such funding model in a manner that realizes cost efficiencies through utilization of a Virginia Community College System-wide shared services system, including shared business service operations, specialized career and technical education, and workforce development learning and training programs. The State Board shall provide an interim report on its findings and progress made in developing such model and implementation plan to the Chairs of the Senate Committee on Education and Health and the House Committee on Education by November 1, 2026, and shall provide a final report on the funding model and its implementation plan, including a comprehensive report of all findings and any recommendations related thereto, to the Chairs of the Senate Committee on Education and Health, the Senate Committee on Finance and Appropriations, the House Committee on Education, and the House Committee on Appropriations by November 1, 2027.*