

Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

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ORIGINAL

Bill Number: HB56

Patron: Feggans

Bill Title: Virginia Military Survivors and Dependents Education Program; tuition and fee waivers, eligibility.

Bill Summary: Expands eligibility for a waiver of tuition and fees at public institutions of higher education pursuant to the Virginia Military Survivors and Dependents Education Program to the spouse or a child between the ages of 16 and 29 (i) of a military service member who, while serving as an active duty member in the Armed Forces of the United States, Reserves of the Armed Forces of the United States, or Virginia National Guard, died in the line of duty, including from a training accident, a service-connected illness, or toxic exposure or as a result of a mental health condition such as post-traumatic stress disorder or suicide, or (ii) of a veteran who served in the Armed Forces of the United States, Reserves of the Armed Forces of the United States, or Virginia National Guard and who died as a result of a service-connected condition, including a service-connected illness, an injury, toxic exposure, or suicide.

Budget Amendment Necessary: No

Items Impacted: None

Explanation: See below

Fiscal Summary: Institutions of higher education are required to waive tuition and fees for individuals who qualify for this program. These waivers result in a loss of revenue for the institution. This legislation would expand program eligibility, which may result in additional revenue loss for institutions of higher education. At this time, there is not sufficient information to determine how many individuals may meet these expanded criteria, nor to estimate how many of those individuals may take advantage of the waiver. If additional information becomes available, this fiscal impact statement will be updated.

Since FY 2021, the cost of waivers under this program has increased from \$31 million to a projected \$150 million in FY 2026. The State Council of Higher Education for Virginia (SCHEV) projects that, under existing criteria, the cost of waivers under this program may increase to almost \$200 million by FY 2028. Since FY 2025, the state has provided general fund appropriation to offset a portion of the impact of this program and other waiver programs under § 23.1, Chapter 6, Code of Virginia. Item 131 of HB/SB 30 proposes \$85.0 million general fund and \$75.0 million from nongeneral funds each year to offset the cost of waiver programs under § 23.1, Chapter 6, Code of Virginia. Any expansion of waiver programs may widen the gap between state support and the amount that institutions must absorb from this revenue loss.

Other: None.