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

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Bill Number: SB625S1 **Patron:** Deeds
Bill Title: Public institutions of higher education; financial assistance; Medical Education Service Grant Program established; report.

Bill Summary: Requires the Virginia Health Workforce Development Authority to establish the Medical Education Service Grant Program (the Program) for the purpose of providing grants to any person enrolled in or admitted to an eligible institution, as defined in the bill, that shall be awarded, in whole or in part, upon satisfactory completion of a service agreement in accordance with the requirements set forth by the bill. The bill directs the State Council of Higher Education for Virginia (the Council) and the Virginia Health Workforce Development Authority (the Authority) to administer the Program. The bill also (i) establishes requirements for the administration of the Program, including (a) requirements for eligibility to apply for and receive a grant under the Program and the prioritization of Program applications and (b) terms and conditions governing the receipt and renewal of grants; (ii) directs the Council and the Authority to establish policies and procedures for the administration of the Program; and (iii) directs the Council, in partnership with the Authority, to annually collect and maintain data as necessary to evaluate the effectiveness and outcomes of the Program for the preceding fiscal year and submit to the Governor and the Chairs of the Senate Committees on Education and Health and Finance and Appropriations and the House Committees on Education, Health and Human Services, and Appropriations a report on such data by January 1 of any year in which funds are made available for the Program, with the first report due no later than January 1, 2027.

Budget Amendment Necessary: Yes **Items Impacted:** 131, HB/SB 30
Explanation: A budget amendment would be necessary to support grant expenditures from the Medical Education Service Grant Program.

Fiscal Summary: State costs for the Medical Education Service (MES) Grant Program cannot be determined, as any cost is dependent on the amount of funding appropriated by the General Assembly to support the program. A budget amendment in Item 131 of HB/SB 30 would be required to direct any appropriation to the MES Program and support grant awards.

If the MES Program is established and funded pursuant to this bill, the State Council of Higher Education for Virginia (SCHEV) and the Virginia Health Workforce Development Authority (VHWDA) are required to perform various additional duties in order to administer the program. SCHEV does not anticipate a fiscal impact at this time. Any impact to VHWDA to support requirements of the bill is indeterminate.

It’s anticipated that eligible institutions can support any required administrative activities with existing resources.

Other: This bill is similar to HB663.