

# 2024 SPECIAL SESSION I

ENROLLED

1

## VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact Items 130 and 4-5.01 of Chapter 2 of the Acts of Assembly of 2024, Special Session I, and to amend Chapter 2 of the Acts of Assembly of 2024, Special Session I, which appropriates the public revenues for two years ending, respectively, on June 30, 2025, and June 30, 2026, by adding an item numbered 470.10, relating to general appropriation act; designation of additional surplus; repeal of modifications to certain waiver programs.*

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Approved

[H 6004]

9 **Be it enacted by the General Assembly of Virginia:**  
10 **1. That Items 130 and 4-5.01 of Chapter 2 of the Acts of Assembly of 2024, Special Session I, are amended and reenacted and that Chapter 2 of the Acts of Assembly of 2024, Special Session I, is amended by adding an item numbered 470.10 as follows:**

13 Item 130

	First Year-FY2025	Second Year-FY2026
15      Higher Education Student Financial Assistance (10800)	\$201,688,512	\$203,188,512
17      Scholarships (10810)	\$201,498,512	\$202,998,512
18      Regional Financial Assistance for Education (10813)	\$190,000	\$190,000
20      Fund Sources: 21      General	\$196,428,512	\$197,928,512
22      Special	\$5,010,000	\$5,010,000
23      Dedicated Special Revenue	\$250,000	\$250,000

24      A. Those private institutions which participate in the programs provided by the appropriations in this  
25 Item shall, upon request by the State Council of Higher Education, submit financial and other  
26 information which the Council deems appropriate.

27      B. Out of the amounts for Scholarships the following sums shall be made available for:  
28      1. Tuition Assistance Grant Program, \$102,325,881 the first year and \$102,325,881 the second year  
29 from the general fund is designated for full-time undergraduate and graduate students.

30      2. a. Virginia Space Grant Consortium Scholarships, \$795,000 the first year and \$795,000 the second  
31 year from the general fund.

32      b. Out of the amounts included in this item, \$100,000 the first year and \$100,000 the second year  
33 from the general fund shall be provided to the Virginia Space Grant Consortium (VSGC) to provide  
34 scholarships for select high school students to participate in immersive ground and flight training  
35 through the solo experience as a step in addressing the critical pilot shortage. The VSGC shall work  
36 with Averett University and Liberty University to provide two sessions of its New Horizons solo  
37 academy giving 30 high school students the opportunity to accomplish their first solo flight.

38      c. Out of the amounts included in this item, \$220,375 the first year and \$220,375 the second year  
39 from the general fund shall be provided to the Virginia Space Grant Consortium to provide scholarships  
40 for high school students to participate in the Virginia Earth System Science Scholars program.

41      3. Out of this appropriation, \$20,000 the first year and \$20,000 the second year from the general  
42 fund is designated to provide grants of up to \$5,000 per year for Virginia students who attend schools  
43 and colleges of optometry. Each student receiving a grant shall agree to set up practice in the  
44 Commonwealth for a period of not less than two years upon completion of instruction.

45      4. No amount, or part of an amount, listed for any program specified under paragraph B shall be  
46 expended for any other program in this appropriation.

47      C. Tuition Assistance Grant Program

48      1. Payments to students out of this appropriation shall not exceed \$5,125 the first year and \$5,250  
49 the second year for qualified undergraduate students and \$5,000 the first year and \$5,000 the second  
50 year for qualified graduate and medical students attending not-for-profit, independent institutions in  
51 accordance with § 23.1-628 through § 23.1-635, Code of Virginia. However, for those undergraduate  
52 students pursuing a career in teaching, payments shall be increased by an additional \$500 in their senior  
53 year.

54      2. The private institutions which participate in this program shall, during the spring semester previous  
55 to the commencement of a new academic year or as soon as a student is admitted for that year,  
56 whichever is later, notify their enrolled and newly admitted Virginia students about the availability of  
57 tuition assistance awards under the program. The information provided to students and their parents must

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58 include information about the eligibility requirements, the application procedures, and the fact that the  
 59 amount of the award is an estimate and is not guaranteed. The number of students applying for  
 60 participation and the funds appropriated for the program determine the amount of the award. Conditions  
 61 for reduction of award amount and award eligibility are described in this Item and in the regulations  
 62 issued by the State Council of Higher Education. The institutions shall certify to the council that such  
 63 notification has been completed and shall indicate the method by which it was carried out. Upon  
 64 consultation with and approval from SCHEV, private institutions which participate in this program may  
 65 develop and distribute the Tuition Assistance Grant application form for electronic administration.

66 3. Institutions participating in this program must submit annually to the council copies of audited  
 67 financial statements.

68 4. To be eligible for a fall or full-year award out of this appropriation, a student's application must  
 69 have been received by a participating independent college or by the State Council of Higher Education  
 70 by September 15. Returning students who received the award in the previous year will be prioritized.  
 71 Applications for a fall or full-year award received after September 15 but no later than October 1 will  
 72 be held for consideration if funds are available and returning student awards have been made.  
 73 Applications for spring semester only awards must be received by December 1 and will be considered  
 74 only if funds remain available.

75 5. No limitations shall be placed on the award of Tuition Assistance Grants other than those set forth  
 76 herein or in the Code of Virginia.

77 6. All eligible institutions not previously approved by the State Council of Higher Education to  
 78 participate in the Tuition Assistance Grant Program shall have received accreditation by a nationally  
 79 recognized regional accrediting agency, prior to participation in the program or by the Commission on  
 80 Osteopathic College Accreditation of the American Osteopathic Association in the case of freestanding  
 81 institutions of higher education that offer the Doctor of Osteopathic Medicine as the sole degree  
 82 program.

83 7. Payments to undergraduate students shall be greater than payments to graduate and medical  
 84 students and shall be based on a differential established by the State Council of Higher Education for  
 85 Virginia.

86 8. No awards shall be provided to graduate students except in health-related professional programs to  
 87 include allied health, nursing, pharmacy, medicine, and osteopathic medicine.

88 9. Notwithstanding any other provisions of law, Eastern Virginia Medical School is not eligible to  
 89 participate in the Tuition Assistance Grant Program.

90 10. Any general fund appropriation in the Tuition Assistance Grant Program which is unexpended at  
 91 the close of business June 30 of any fiscal year shall be reappropriated for use in the program in the  
 92 following year.

93 11. a. New incoming students enrolled exclusively in an online education or distance learning  
 94 program are eligible to receive awards up to \$2,560 the first year and \$2,625 the second year from the  
 95 Tuition Assistance Grant Program. However, existing students enrolled exclusively in online education  
 96 or distance learning programs as of the 2019-20 academic year shall remain eligible to receive awards of  
 97 up to the 2019-2020 award amounts for as long as the student maintains enrollment in each successive  
 98 fiscal year, unless granted an exception for cause by SCHEV, until current degree completion or current  
 99 degree program eligibility limits have otherwise expired, whichever comes first.

100 b. It is the intent of the General Assembly that awards under this paragraph related to new incoming  
 101 students shall be calculated and granted at 50 percent of the undergraduate residential level.

102 12. All students eligible and receiving an award under this program enrolled into a TAG-eligible  
 103 private not-for-profit Virginia Historically Black College and University (HBCU) accredited by the  
 104 Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) shall receive an  
 105 additional award of up to \$7,500 the first year and up to \$7,500 the second year.

106 D.1. Regional Grants and Contracts: Out of this appropriation, \$170,000 the first year and \$170,000  
 107 the second year from the general fund is designated to support Virginia's participation in the Southern  
 108 Regional Education Board initiative to increase the number of minority doctoral graduates.

109 2. The amounts listed in paragraph D.1. shall be expended in accordance with the agreements  
 110 between the Commonwealth of Virginia and the Southern Regional Education Board.

111 E.1. Out of this appropriation, \$9,680,000 the first year and \$9,680,000 the second year from the  
 112 general fund is designated to support the Virginia Military Survivors and Dependents program,  
 113 § 23.1-608, Code of Virginia, to provide up to a \$2,200 annual stipend to offset the costs of room,  
 114 board, books and supplies for qualified survivors and dependents of military service members.

115 2. The amount of the stipend is an estimate depending on the number of students eligible under  
 116 § 23.1-608, Code of Virginia. Changes that increase or decrease the grant amount shall be determined by  
 117 the State Council of Higher Education for Virginia.

118 3. The Director, State Council of Higher Education for Virginia, shall allocate these funds to public

119 institutions of higher education on behalf of students qualifying under this provision.

120 4. Each institution of higher education shall report the number of recipients for this program to the  
 121 State Council of Higher Education for Virginia by April 1 of each year. The State Council of Higher  
 122 Education for Virginia shall report this information to the Chairs of the House Appropriations and  
 123 Senate Finance and Appropriations Committees by May 15 of each year.

124 5. The Department of Veterans Services shall consult with the State Council of Higher Education for  
 125 Virginia prior to the dissemination of any information related to the financial benefits provided under  
 126 this program.

127 F.1. Out of the appropriation for this Item, \$3,085,256 the first year and \$3,285,256 the second year  
 128 from the general fund is designated to support the Two-Year College Transfer Grant Program.

129 2. The State Council of Higher Education for Virginia shall disburse these funds for full-time  
 130 students consistent with § 23.1-623 through § 23.1-627, Code of Virginia. Beginning with students who  
 131 are entering a senior institution as a two-year transfer student for the first time in the fall 2013 academic  
 132 year, and who otherwise meet the eligibility criteria of § 23.1-624, Code of Virginia, the maximum EFC  
 133 is raised to \$12,000 or its equivalent.

134 3. The actual amount of the award depends on the number of students eligible under § 23.1-623  
 135 through § 23.1-627, Code of Virginia. Changes that decrease the grant amount shall be determined by  
 136 the State Council of Higher Education for Virginia.

137 4. Out of this appropriation, up to \$600,000 the first year and \$600,000 the second year from the  
 138 general fund is designated to support students eligible for the first time under § 23.1-623 through  
 139 § 23.1-627, Code of Virginia. The State Council of Higher Education for Virginia shall transfer these  
 140 funds to Norfolk State University, Old Dominion University, Radford University, University of  
 141 Virginia's College at Wise, Virginia Commonwealth University and Virginia State University so that  
 142 each institution can provide for grants of \$1,000 from these funds for these students.

143 a. Each institution shall award grants from these funds for one year and students shall not receive  
 144 subsequent awards until they have satisfied the requirements to move to the next class level. Each  
 145 recipient may receive a maximum of one year of support per class level for a maximum total of two  
 146 years of support.

147 b. Any balances remaining from the appropriation identified in paragraph F.4. shall not revert to the  
 148 general fund at the end of the fiscal year, but shall be brought forward and made available to the State  
 149 Council of Higher Education for Virginia to support the purposes specified in paragraphs F.1. and F.4.  
 150 in the subsequent fiscal year.

151 c. It is anticipated that the institutions shift by a total of 600 the number of students each enrolls  
 152 from first time freshman to transfers eligible under § 23.1-623 through § 23.1-627, Code of Virginia.  
 153 Institutional goals under this fund are estimated as follows:

Institution	Transfer Target
Norfolk State University	80
Old Dominion University	140
Radford University	140
University of Virginia's College at Wise	20
Virginia Commonwealth University	140
Virginia State University	80

161 d. The State Council of Higher Education for Virginia may allocate these funds among the  
 162 institutions in Paragraph F.4.c. as necessary to meet the actual number of transfers each institution  
 163 generates for students eligible for the first time under § 23.1-623 through § 23.1-627, Code of Virginia.  
 164 Each institution shall report its progress toward the targets in Paragraph F.4.c. to the Chairs of the  
 165 House Appropriations and Senate Finance and Appropriations Committees by May 1 each year.

166 e. The report shall include a detailed accounting of the use of the funds provided and a plan for  
 167 achieving the goals identified in this item.

168 G. 1. Out of this appropriation, \$22,450,000 the first year and \$23,750,000 the second year from the  
 169 general fund is designated for the New Economy Workforce Credential Grant Program.

170 2. The State Council of Higher Education for Virginia shall develop guidelines for the program,  
 171 collect data, evaluate and approve grant funds for allocation to eligible institutions.

172 3. Local community colleges shall not start new workforce programs that would duplicate existing  
 173 high school and adult Career and Technical Education (CTE) programs for high-demand occupations in  
 174 order to receive funding under this Grant.

175 4. No more than 25 percent of Grant funds may be used in one occupational field.

176 H. Out of this appropriation, \$5,000,000 the first year and \$5,000,000 the second year from  
 177 nongeneral funds is designated for scholarships for eligible students participating in the Gaining Early  
 178 Awareness and Readiness for Undergraduate Program (GearUp).

179 I.1. Out of this appropriation \$37,500,000 the first year and \$37,500,000 the second year from the  
 180 general fund is provided to enhance efforts to recruit and retain students eligible for Pell grant assistance

181 at public institutions of higher education.

182 2. The State Council of Higher Education for Virginia shall work with institutions with below  
183 average enrollment of Pell-eligible students to develop individualized recruitment and retention plans  
184 targeting low-income students.

185 3. Any Virginia public institution of higher education may apply for funding through a competitive  
186 grant process. Applications must demonstrate efforts to restructure outreach, recruitment, admission, and  
187 retention procedures. Funds are intended to support initiatives that attract, enroll, and retain low-income  
188 students. Institutions that request funds for need-based financial aid must specify that aid may be used to  
189 support internship opportunities. Priority shall be given to institutions with below-average Pell  
190 enrollment. Any unexpended balance in this item at the close of business on June 30 each year shall not  
191 revert to the general fund, but shall be carried forward and reappropriated. Out of the amount in  
192 paragraph I.1. of this item, the Council may use up to one percent of the funds for the administration  
193 and evaluation of the activities described in this item.

194 4. Any institutional grant under this initiative shall be subject to performance outcomes established in  
195 paragraph I.5. Funds shall be ongoing to ensure successful enrollment and completion for students.  
196 Initiatives demonstrating successful outcomes may be prioritized in future base funding requests.

197 5. The Council shall establish eligibility criteria, evaluate proposals, determine award sizes, establish  
198 performance outcomes and monitor performance in consultation with staff from the House  
199 Appropriations and the Senate Finance and Appropriations Committees, the Office of the Secretary of  
200 Education, and the Department of Planning and Budget. The Council shall notify the Chairs of the  
201 House Appropriations Committee and Senate Finance and Appropriations Committee 30 days prior to  
202 releasing funds to institutions.

203 6. The Council shall report periodically on activities related to this initiative and make  
204 recommendations for any potential future support to institutions that successfully meet their defined  
205 outcomes. Additionally, by October 1 of each year within the performance period of any awarded  
206 institutional grant, the Council shall report to the Chairs of the House Appropriations and Senate  
207 Finance and Appropriations Committees and the Secretary of Education on the outcomes and  
208 effectiveness of the awarded funds. Such report shall include, at minimum, data on recruitment,  
209 retention, and graduation of Pell-eligible students at institutions receiving funding and performance  
210 against the outcomes established in paragraph I.5.

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

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

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

219 4. By November 1 of each year, the Council shall report on the status of programs under § Title  
220 23.1, Chapter 6 as governed under § 4-5.01 b.7. of this act, *Code of Virginia*.

221 *Item 470.10*

222 *From such general fund revenues as are collected for fiscal year 2024 in excess of the official fiscal  
223 year 2024 revenue estimate included in the final 2022-2024 biennial appropriation act adopted in the  
224 2024 Special Session I, (i) after the designations in paragraph K of Item 470 of this act are reserved  
225 and (ii) after any calculated Revenue Reserve Fund and Water Quality Improvement Fund Part A  
226 deposits are made in accordance with Item 470 of this act, \$90,000,000, or a portion thereof, shall be  
227 reserved by the Comptroller in the Committed Fund Balance for transfer for the purposes of paragraph  
228 J of Item 130, relating to offsetting the impact of programs under Title 23.1, Chapter 6, *Code of  
229 Virginia*. Of such \$90,000,000 reserved by the Comptroller, no more than \$45,000,000 shall be  
230 transferred for such purposes in any fiscal year.*

231 § 4-5.01 TRANSACTIONS WITH INDIVIDUALS

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

236 b. STUDENT FINANCIAL ASSISTANCE FOR HIGHER EDUCATION:

237 1. General:

238 a) The appropriations made in this act to state institutions of higher education within the Items for  
239 student financial assistance may be expended for any one, all, or any combination of the following  
240 purposes: grants to undergraduate students enrolled at least one-half time in a degree, certificate,  
241 industry-based certification and related programs that do not qualify for other sources of student

242 financial assistance or diploma program; grants to full-time graduate students; graduate assistantships;  
 243 grants to students enrolled full-time in a dual or concurrent undergraduate and graduate program. The  
 244 institutions may also use these appropriations for the purpose of supporting work study programs. The  
 245 institution is required to transfer to educational and general appropriations all funds used for work study  
 246 or to pay graduate assistantships. Institutions may also contribute to federal or private student grant aid  
 247 programs requiring matching funds by the institution, except for programs requiring work. The State  
 248 Council of Higher Education for Virginia shall annually review each institution's plan for the  
 249 expenditures of its general fund appropriation for undergraduate student financial assistance prior to the  
 250 start of the fall term to determine program compliance. The institution's plan shall include the  
 251 institution's assumptions and calculations for determining the cost of attendance, student financial need,  
 252 and student remaining need as well as an award schedule or description of how funds are awarded. For  
 253 the purposes of the proposed plan, each community college shall be considered independently. No  
 254 limitations shall be placed on the awarding of nongeneral fund appropriations made in this act to state  
 255 institutions of higher education within the Items for student financial assistance other than those found  
 256 previously in this paragraph and as follows: (i) funds derived from in-state student tuition will not  
 257 subsidize out-of-state students, (ii) students receiving these funds must be making satisfactory academic  
 258 progress, (iii) awards made to students should be based primarily on financial need, and (iv) institutions  
 259 should make larger grant and scholarship awards to students taking the number of credit hours necessary  
 260 to complete a degree in a timely manner.

261 b) All awards made to undergraduate students from such Items shall be for Virginia students only  
 262 and such awards shall offset all, or portions of, the costs of tuition and required fees, and, in the case of  
 263 students qualifying under subdivision b 2 c)1) hereof, the cost of books. All undergraduate financial aid  
 264 award amounts funded by this appropriation shall be proportionate to the remaining need of individual  
 265 students, with students with higher levels of remaining need receiving grants before other students. No  
 266 criteria other than the need of the student shall be used to determine the award amount. Because of the  
 267 low cost of attendance and recognizing that federal grants provide a much higher portion of cost than at  
 268 other institutions, a modified approach and minimum award amount for the neediest VGAP student  
 269 should be implemented for community college and Richard Bland College students based on remaining  
 270 need and the combination of federal and grant state aid. Student financial need shall be determined by a  
 271 need-analysis system approved by the Council.

272 c)1) All need-based awards made to graduate students shall be determined by the use of a  
 273 need-analysis system approved by the Council.

274 2) As part of the six-year financial plans required in the provisions of Chapters 933 and 945 of the  
 275 2005 Acts of Assembly, each institution of higher education shall report the extent to which tuition and  
 276 fee revenues are used to support graduate student aid and graduate compensation and how the use of  
 277 these funds impacts planned increases in student tuition and fees.

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

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

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

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

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

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

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

301 k) Notwithstanding any other provision of law to the contrary, the Student Aid Index as calculated  
 302 according to federal Title IV financial aid methodology shall be deemed an approved replacement of any

303 mention or use of the precedent federal Expected Family Contribution for purposes of administrating  
 304 state higher education financial aid programs.

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

313 2. Grants To Undergraduate Students:

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

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

320 c) It is the intent of the General Assembly that students eligible under the Virginia Guaranteed  
 321 Assistance Program (VGAP) authorized in Title 23.1, Chapter 4.4:2, Code of Virginia, shall receive  
 322 grants before all other students at the same institution with equivalent remaining need from the  
 323 appropriations for undergraduate student financial assistance found in Part 1 of this act (service area  
 324 1081000 - Scholarships). In each instance, VGAP eligible students shall receive awards greater than  
 325 other students with equivalent remaining need.

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

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

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

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

340 3. Grants To Graduate Students:

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

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

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

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

355 5. Discontinued Loan Program:

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

363 b) An institution of higher education may discontinue its student loan fund established pursuant to

364 Title 23.1, Chapter 4.01, Code of Virginia. The full amount of cash in such discontinued loan fund shall  
 365 be paid into the state treasury into a nonrevertible nongeneral fund account. Prior to such payment, the  
 366 State Comptroller shall verify its accuracy, including the fact that the cash held by the institution in the  
 367 loan fund will be fully depleted by such payment. The loan fund shall not be reestablished thereafter for  
 368 that institution.

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

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

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

380 7. Waivers and Related Stipends

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

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

385 2) Complete the Free Application for Federal Student Aid (FAFSA) or equivalent state financial aid  
 386 application.

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

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

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

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

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

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

406 c. PAYMENTS TO CITIZEN MEMBERS OF NONLEGISLATIVE BODIES:

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

411 d. VIRGINIA BIRTH-RELATED NEUROLOGICAL INJURY COMPENSATION PROGRAM

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

421 2. That this act shall become effective on its passage as provided in § 1-214 of the Code of  
 422 Virginia, but that the provisions of this act shall be applicable for fiscal years beginning on and  
 423 after July 1, 2024.