



Report of the Subcommittee on  
Higher Education

Senate Finance &  
Appropriations Committee  
Virginia General Assembly

February 16, 2020



SENATE OF VIRGINIA

Senate Finance & Appropriations Committee

## 2020 Report of the Higher Education Subcommittee

The Honorable Mamie E. Locke, Chair

February 16, 2020

Madam Chair and Members of the Committee:

Your Subcommittee has reviewed the Governor's proposed biennial budget for Higher Education. This budget, with our recommended amendments, is focused on targeted student affordability and completion in our strong and diverse system of institutions across the Commonwealth. We endorse the following items:

- \$96.7 million over the biennium for a new “last dollar plus” community college workforce initiative (“G3”). This program is focused on low-income students pursuing applied degrees in high demand areas. Students can expect to earn 60 percent more after gaining these skills. The program will provide businesses with needed workers in skilled trades, health care, law enforcement, and early childhood education.
- We include: \$60.6 million for additional undergraduate need-based financial aid.
- We approve: \$14.5 million for new pilot affordability programs at VSU and NSU. These programs can go *beyond* tuition support, to also help students with the additional costs of attendance that are often barriers to completion.
- We offer: \$13.3 million additional for Tuition Assistance Grants (TAG) for students attending Virginia private colleges.

Our prioritization of targeted student aid, combined with strategic support for all institutions, is what is needed over the long-term to meet our education attainment goal of being the best educated state by 2030. The Subcommittee recommendations attempt to reflect the differences in mission and market of our institutions, and to meet our fiscal charge to efficiently allocate limited state general fund dollars.

One size does not fit all. State funding for across-the-board tuition freezes, while simple, often simply perpetuates the past. Our recommendations *instead* provide, along with the student aid investments, more enrollment management flexibility, the annual Tech Talent commitments, compensation funding, and base operating support, with a focus this year on institutions that serve more “Pell-eligible” students.

We hope it will be the pleasure of the Committee to adopt our amendments.

Respectfully Submitted,

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The Honorable Mamie E. Locke, Chair

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The Honorable Janet D. Howell

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The Honorable Richard L. Saslaw

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The Honorable Thomas K. Norment, Jr.

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The Honorable Frank M. Ruff, Jr.

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The Honorable John S. Edwards

**Report of the Subcommittee on Higher Education**  
**(Recommended Amendments to SB 29 and SB 30, As Introduced)**

Amendment	SB 29, GF	SB 30, General Fund		
	FY 2020	FY 2021	FY 2022	Biennium
<b>1 State Council of Higher Education for Virginia</b>				
2 Virginia Space Grant Consortium - Earth System Science		\$ 220,375	\$ 220,375	\$ 440,750
3 Innovative Internship Fund		\$ 300,000	\$ 1,300,000	\$ 1,600,000
4 Guidance to Post-Secondary Success		\$ 250,000	\$ 250,000	\$ 500,000
5 Office of the Qualified Loan Ombudsman		\$ 100,000	\$ 50,000	\$ 150,000
6 Tuition Assistance Grant		\$ 7,310,000		\$ 7,310,000
7 Transfer Workforce Credential Grant Increase to G3		\$ (4,000,000)	\$ (4,000,000)	\$ (8,000,000)
8 Financial Aid Award Policies Study		Language		\$ -
9 Higher Education Cost Study		\$ 150,000	\$ 150,000	\$ 300,000
<b>10 Institutions</b>				
11 CNU - Undergraduate Need-Based Financial Aid		\$ 124,800		\$ 124,800
12 CNU - Senate Higher Education Equity Base Operating Support		\$ 452,300	\$ 452,300	\$ 904,600
13 CNU - Additional Operations & Maintenance Support		\$ 450,000	\$ 450,000	\$ 900,000
14 CWM - Undergraduate Need-Based Financial Aid		\$ 66,500		\$ 66,500
15 CWM - Graduate Aid (Research)		\$ 79,400	\$ 119,300	\$ 198,700
21 VIMS - Graduate Aid (Research)		\$ 53,400	\$ 80,000	\$ 133,400
22 VIMS - Manage Aquatic Diseases		\$ 225,000	\$ 225,000	\$ 450,000
23 GMU - Undergraduate Need-Based Financial Aid		\$ 3,472,500		\$ 3,472,500
24 GMU - Graduate Aid (Research)		\$ 53,400	\$ 80,000	\$ 133,400
25 JMU - Undergraduate Need-Based Financial Aid		\$ 639,700		\$ 639,700
26 JMU - Senate Higher Education Equity Base Operating Support		\$ 1,514,500	\$ 1,514,500	\$ 3,029,000
27 JMU - Transfer Montpelier Funding		\$ (1,000,000)	\$ (1,000,000)	\$ (2,000,000)
28 UMW - Undergraduate Need-Based Financial Aid		\$ 235,200		\$ 235,200
29 UMW - Senate Higher Education Equity Base Operating Support		\$ 713,200	\$ 713,200	\$ 1,426,400
30 UMW - 2+2 Workforce Development Initiative		\$ 270,000	\$ 332,000	\$ 602,000
31 LU - Undergraduate Need-Based Financial Aid		\$ 393,700		\$ 393,700
32 LU - Senate Higher Education Equity Base Operating Support		\$ 752,600	\$ 752,600	\$ 1,505,200
33 NSU - Undergraduate Need-Based Financial Aid		\$ 816,100		\$ 816,100
34 NSU - VCAN Affordability Initiative			\$ (1,413,175)	\$ (1,413,175)
35 ODU - Undergraduate Need-Based Financial Aid		\$ 2,668,500		\$ 2,668,500
36 ODU - Graduate Aid (Research)		\$ 165,800	\$ 248,600	\$ 414,400
37 ODU - Base Operating Support		\$ (3,000,000)	\$ (3,600,000)	\$ (6,600,000)
16 RB - Undergraduate Need-Based Financial Aid		\$ 77,200		\$ 77,200
17 RB - Senate Higher Education Equity Base Operating Support		\$ 233,800	\$ 233,800	\$ 467,600
18 RB - Audit Compliance		\$ 708,000	\$ 708,000	\$ 1,416,000

**Report of the Subcommittee on Higher Education**  
**(Recommended Amendments to SB 29 and SB 30, As Introduced)**

	Amendment	SB 29, GF	SB 30, General Fund		
		FY 2020	FY 2021	FY 2022	Biennium
19	RB - Technical Amendment		\$ 20,326	\$ 20,326	\$ 40,652
20	RB - Technical Amendment		\$ (20,326)	\$ (20,326)	\$ (40,652)
38	RU - Undergraduate Need-Based Financial Aid		\$ 1,269,200		\$ 1,269,200
39	RU - Senate Higher Education Equity Base Operating Support		\$ 2,257,800	\$ 2,257,800	\$ 4,515,600
40	UVA - Undergraduate Need-Based Financial Aid		\$ 160,200		\$ 160,200
41	UVA - Graduate Aid (Research)		\$ 222,800	\$ 334,200	\$ 557,000
42	UVA - Focused Ultrasound Center		\$ (1,000,000)	\$ (1,000,000)	\$ (2,000,000)
43	UVA - Foundation for the Humanities		\$ (500,000)	\$ (500,000)	\$ (1,000,000)
44	UVA-Wise - Undergraduate Need-Based Financial Aid		\$ 201,400		\$ 201,400
45	UVA-Wise - Senate Higher Education Equity Base Operating Support		\$ 429,300	\$ 429,300	\$ 858,600
46	VCU - Undergraduate Need-Based Financial Aid		\$ 2,319,200		\$ 2,319,200
47	VCU - Graduate Aid (Research)		\$ 140,400	\$ 210,700	\$ 351,100
48	VCU - Senate Higher Education Equity Base Operating Support		\$ 5,700,000	\$ 5,700,000	\$ 11,400,000
49	VCU - Massey Cancer Center	1,500,000	\$ (5,000,000)	\$ (5,000,000)	\$ (10,000,000)
50	VCCS - Undergraduate Need-Based Financial Aid		\$ 1,135,500		\$ 1,135,500
51	VCCS - Last Dollar Plus Workforce Initiative ("G3")		\$ (25,205,953)	\$ (23,205,953)	\$ (48,411,906)
52	VCCS - VWCC Healthcare Programs			\$ 385,177	\$ 385,177
53	VCCS - Minority and Women Business Enterprise Collaboration		\$ 386,746	\$ 386,746	\$ 773,492
54	VCCS - LFCC Hub for Innovation, Virtual Reality, and Entrepreneurship		\$ 1,000,000		\$ 1,000,000
55	VCCS - CVCC Bedford Campus		Language		\$ -
56	VCCS - Regional Advanced Technology and Workforce Center Plan		Language		\$ -
57	VMI - Undergraduate Need-Based Financial Aid		\$ 13,400		\$ 13,400
58	VMI - Senate Higher Education Equity Base Operating Support		\$ 121,900	\$ 121,900	\$ 243,800
59	VMI - Math Education and Academic Centers		\$ 122,500	\$ 126,000	\$ 248,500
60	VMI - Core Leadership Course		\$ 100,047	\$ 103,048	\$ 203,095
61	VSU - Undergraduate Need-Based Financial Aid		\$ 738,500		\$ 738,500
62	VSU - VCAN Affordability Initiative			\$ (1,099,275)	\$ (1,099,275)
63	VT - Undergraduate Need-Based Financial Aid		\$ 811,600		\$ 811,600
64	VT - Graduate Aid (Research)		\$ 284,800	\$ 427,200	\$ 712,000
65	<b>Online Virginia Network</b>				
66	Add James Madison University		\$ 1,000,000	\$ 1,000,000	\$ 2,000,000
67	<b>New College Institute</b>				
68	Personnel Staffing		\$ 95,000	\$ 95,000	\$ 190,000
69	<b>Institute for Advanced Learning and Research</b>				
70	Personnel Staffing		\$ 95,000	\$ 95,000	\$ 190,000

**Report of the Subcommittee on Higher Education**  
(Recommended Amendments to SB 29 and SB 30, As Introduced)

Amendment		SB 29, GF		SB 30, General Fund		
		FY 2020		FY 2021	FY 2022	Biennium
71	<b>Roanoke Higher Education Authority</b>					
72	Academic Student Success Center			\$ 213,254	\$ 146,356	\$ 359,610
73	Safety and Security			\$ 98,817	\$ 47,944	\$ 146,761
74	<b>Southern Virginia Higher Education Center</b>					
75	Training Equipment and Personnel			\$ 293,972	\$ 95,000	\$ 388,972
76	<b>Southwest Virginia Higher Education Center</b>					
77	Personnel Staffing			\$ 95,000	\$ 95,000	\$ 190,000
78	Rural Information Technology Apprenticeship Grants			\$ 1,000,000	\$ 1,000,000	\$ 2,000,000
79	<b>Southeastern Universities Research Association</b>					
80	Jefferson Lab			\$ (3,000,000)	\$ (3,000,000)	\$ (6,000,000)
81	<b>Subtotal, Higher Education (also see Higher Education Compensation below)</b>					
				\$ 96,358	\$ (22,882,357)	\$ (22,785,999)
82						
83	<b>Other Education Agencies</b>					
84	Virginia Commission for the Arts - Grants to Arts Organizations			\$ (2,500,000)	\$ (1,500,000)	\$ (4,000,000)
85	Library of Virginia - State Aid for Public Libraries			\$ 1,000,000	\$ 1,000,000	\$ 2,000,000
86	Jamestown-Yorktown - 2019 Commemoration Close Out			\$ 442,870	\$ 8,702	\$ 451,572
87	Jamestown-Yorktown - Education Services and Partnerships			\$ 491,200	\$ 345,100	\$ 836,300
88	Jamestown-Yorktown - Marketing and Tourism Promotion			\$ 208,000	\$ 245,000	\$ 453,000
89	Science Museum of Virginia - Security			\$ 210,000	\$ 210,000	\$ 420,000
90	Virginia Museum of Fine Arts - Storage Lease Costs			\$ 200,000	\$ 200,000	\$ 400,000
91	<b>Subtotal, Other Education</b>					
				\$ 52,070	\$ 508,802	\$ 560,872
92						
93	<b>CENTRAL APPROPRIATIONS</b>					
94	Workforce Case Management System Integration			\$ (5,050,000)	\$ 800,000	\$ (4,250,000)
95	<b>Compensation and Benefits Adjustments</b>					
96	Classified Staff - 3% Bonus in FY 2021, 3% Increase in FY 2022			Classified Included with State Employees Amount		
96	Faculty - 3% Bonus in FY 2021, 3% Increase in FY 2022			\$ 27,316,245	\$ 27,991,827	\$ 55,308,072
97	Adjuncts - 3% Bonus in FY 2021, 3% Increase in FY 2022			\$ 2,290,800	\$ 2,290,800	\$ 4,581,600
98	<b>Subtotal, Higher Education Compensation</b>					
				\$ 29,607,045	\$ 30,282,627	\$ 59,889,672
99						
100	<b>PART 4 -</b>					
101	Enrollment Management Flexibility		Language	Language		
102	NCI - Salary Table		Language	Language		
103	Adjust Merit Increase Language		Language			
104	Various Language Amendments			Language		

Item 150 #2s

**SCHEV - Tuition Assistance Grant Program**

<b>Education</b>	<b>FY20-21</b>	<b>FY21-22</b>
State Council of Higher Education for Virginia	\$7,310,000	\$0 GF

**Language:**

Page 172, line 42, strike "\$100,198,559" and insert "\$107,508,559".

Page 173, line 8, strike the first instance of "\$74,098,303" and insert "\$81,408,303".

Page 174, strike lines 22 and 23 and insert:

"11. In the first year, students enrolled in an online education or distance learning program are eligible to receive awards of up to \$3,400. Beginning in the second year, students enrolled in an online education or distance learning program are not eligible to receive awards from the Tuition Assistance Grant Program."

**Explanation:**

(This amendment restores eligibility for Tuition Assistance Grants for students enrolled in fully online programs in the first year of the budget, up to \$3,400 per student, but maintains the position in the budget as introduced in the second year.)

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Item 156 #2s

**CNU - Base Operating Support**

<b>Education</b>	<b>FY20-21</b>	<b>FY21-22</b>
Christopher Newport University	\$452,300	\$452,300 GF

**Language:**

Page 180, line 33, strike "\$81,019,468" and insert "\$81,471,768".

Page 180, line 33, strike "\$81,019,468" and insert "\$81,471,768".

**Explanation:**

(This amendment provides base operating support in both years. This is one of a series of amendments intended to provide additional base operating support funding for institutions based on the following variable levels: based on at least \$300 per in-state undergraduate student for those institutions with between 30 and 50 percent of students who are Pell grant recipients; based on \$200 for those with between 20 and 29 percent; and based on \$100 for those with under 20 percent, or in certain cases provide



additional enrollment management flexibility of up to one percentage point increase in the ratio of nonresident students over the prior year.)

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Item 161 #1s

**CWM - Graduate Aid (Research)**

<b>Education</b>	<b>FY20-21</b>	<b>FY21-22</b>	
The College of William and Mary in Virginia	\$79,400	\$119,300	GF

**Language:**

Page 184, line 7, strike "\$49,158,276" and insert "\$49,237,676".

Page 184, line 7, strike "\$49,224,776" and insert "\$49,344,076".

**Explanation:**

(This amendment provides funding for graduate financial aid based on the State Council of Higher Education for Virginia's recommendations.)

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Item 216 #1s

**VCU - Massey Cancer Center**

<b>Education</b>	<b>FY20-21</b>	<b>FY21-22</b>	
Virginia Commonwealth University	(\$5,000,000)	(\$5,000,000)	GF

**Language:**

Page 217, line 31, strike "\$334,199,678" and insert "\$329,199,678".

Page 217, line 31, strike "\$334,199,678" and insert "\$329,199,678".

Page 217, line 42, strike both instances of "\$20,000,000" and insert "\$15,000,000".

**Explanation:**

(This amendment reflects an increase of \$2.5 million GF each year for support of cancer research at Virginia Commonwealth University, above the amount in FY 2020 of \$12.5 million GF.)

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Item 220 #5s

**VCCS - Advanced Regional Technology and Workforce Academy**

**Education**

Virginia Community College System

Language

**Language:**

Page 221, after line 24, insert:

"T. The Virginia Community College System is requested to work together with the City of Norfolk, Norfolk Public Schools, and other private or nonprofit entities for development of a plan for a possible Advanced Regional Technology and Workforce Academy in the City of Norfolk. The Academy will provide adult and youth workforce and educational services by Tidewater Community College in collaboration with Norfolk Public Schools and other local school divisions. The Virginia Community College System shall submit a proposed governance structure for the Academy and other proposed components of the plan to the Secretary of Education, the Secretary of Finance, and Chief Workforce Development Advisor for consideration."

**Explanation:**

(This amendment requests a plan for an Advanced Regional Technology and Workforce Academy in the City of Norfolk prior to consideration of possible funding for detailed planning.)

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Item 221 #1s

**VCCS - Community College Last Dollar Plus Workforce Initiative**

**Education**

**FY20-21**

**FY21-22**

Virginia Community College System

(\$25,205,953)

(\$23,205,953)

GF

**Language:**

Page 221, line 27, strike "\$155,960,098" and insert "\$130,754,145".

Page 221, line 27, strike "\$157,095,598" and insert "\$133,889,645".

Page 221, strike lines 48 through 55.

Strike page 222.

Page 223, strike lines 1 through 3, and insert:

"D. 1. Out of this appropriation, \$47,334,984 the first year and \$49,334,984 the second year from the general fund is designated for the Get Skilled, Get a Job, Give Back Program. The Program will offer financial assistance to low-income Virginia students who are eligible for in-state tuition pursuant to §23.1, Code of Virginia, and who are enrolled in a program at a

Virginia public associate degree-granting institution that leads to an occupation in a high-demand field and that is approved by the Chief Workforce Development Advisor as advised by the Board of Workforce Development or other council established by the General Assembly or the Governor. Such high-demand field shall mean a discipline or field in which there is a shortage of skilled workers to fill current job vacancies or anticipated additional job openings. The Chief Workforce Development Advisor will update the high demand occupational fields list annually and communicate changes to the governing boards of Virginia public associate degree-granting institutions by April 1 of each year. The governing boards shall develop policies to identify, approve and eliminate eligible programs.

2. In order to be eligible for financial assistance under this Program at a qualified public institution, an applicant shall:

a. Receive a total household income less than or equal to two hundred percent of the Federal Poverty Level or equivalent Expected Family Contribution;

b. Be enrolled or accepted for enrollment as a full-time or part-time student at an approved institution in an approved program specific to a high-demand field and shall be enrolled in a minimum of six credit hours per semester, or in an eligible non-credit program;

c. Have submitted complete applications for federal and state student financial aid programs for which they may be eligible; and

d. Complete and agree to the Community Engagement Agreement. The Community Engagement Agreement shall be developed by the State Council of Higher Education for Virginia and shall require students to complete two hours of work experience, community service or public service—excluding political activities—per each enrolled credit hour of coursework by the end of the academic term. Community service, public service or work experience shall align to work readiness competencies of the institutions.

3. In order to remain eligible for financial assistance under this Program at an approved institution, a participating student shall:

a. Demonstrate reasonable progress to complete their specific program of study to earn an associate degree in three years;

b. Not exceed 150 percent of required credits of certificate or degree;

c. Maintain the required grade point average and satisfactory academic progress established by

federal Higher Education Act of 1965 Title IV requirements and;

d. Fulfill the required hours of work experience, community service or public service—excluding political activities—per each enrolled credit hour of coursework, pursuant to the Community Engagement Agreement.

4. Payments out of this appropriation shall provide (i) grants up to the amount necessary to pay for the last-dollar cost of the enrolled institution's tuition, mandatory fees, and textbook stipend for eligible students after all other qualified federal and state financial aid, (ii) a Student Support Incentive Grant up to \$2,250 per year for eligible students who are enrolled full-time and receive full Federal Pell Grants, and (iii) a Performance Payment to the institution when a Student Support Incentive Grant recipient reaches 30 credits hours and earns a degree.

a. Each Student Support Incentive Grant shall be distributed to eligible students on a semester basis. An eligible student may receive up to \$900 per semester and up to \$450 per Summer Term.

b. From these funds, the Virginia Community College System Office shall provide to each Virginia public associate degree-granting institution a Performance Payment of up to \$500 per eligible student receiving a Student Support Incentive Grant who successfully completes 30 credit hours and an additional \$400 per eligible student receiving a Student Support Incentive Grant that earns an associate degree.

5. a. Funds out of this appropriation may be used for marketing and public awareness efforts to increase participation in the program.

b. By September 1, 2020 the governing boards of Virginia's public associate degree-granting institutions shall develop policies and procedures to ensure that program participation does not exceed budget appropriation, which is based on up to 24,000 students.

c. Funds that are not expended in a given year may be rolled over to the following fiscal year and any remaining balance shall be reported to the General Assembly by October 1.

6. a. No later than September 1 of each year, each Virginia public associate degree-granting institution shall submit to the State Council of Higher Education for Virginia and the Virginia Community College System a report with data from the previous fiscal year on program participation, retention, and completion, including data on what high-demand fields are supported by students at each institution.

b. The Council and System shall work collaboratively to compile the data provided by each public associate degree-granting institution and report such data, in aggregate and by institution annually, to the Governor, the Chairs of the Senate Finance & Appropriations and House Appropriations Committees, the Senate Education and Health Committee, and the House Education Committee. The report must include student enrollment, retention rates between terms and academic years, wage data including median wages prior to enrollment and one year after completion of a credential or degree, wage rates of students who have not enrolled in over a year and did not complete a credential, and a comparison of demand of jobs and completion rates. The report must disaggregate the information above by program of study, college and student income level at start of program."

**Explanation:**

(This amendment provides \$47.3 million GF the first year and \$49.3 million GF the second year for the Get Skilled, Get a Job, Give Back program. Estimated funding is based on up to 24,000 students enrolled in G3-eligible programs, who are income-eligible under 200 percent of the Federal Poverty Level.)

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Item 4-2.01 #1s

**Higher Education Enrollment Management Flexibility**

**Revenues**

Nongeneral Fund Revenues

Language

**Language:**

Page 536, line 10, after "25 percent" insert ", unless: i) such enrollment is intended to support workforce development needs within the Commonwealth of Virginia and ii) the number of in-state undergraduate students does not drop below fall 2018 census levels as certified by the State Council of Higher Education for Virginia."

Page 536, line 11, after "this restriction." insert "Any such increases shall be limited to no more than a one percentage point increase over the prior year."

**Explanation:**

(This amendment allows more flexibility in the mix of in-state and out-of-state undergraduate students in order to address statewide enrollment projections, talent development needs, and institutional stability. This is intended to position Virginia's colleges and universities to leverage high-demand programs that draw talented students to Virginia to grow the state economy. Additional revenue will reduce pressure on in-state tuition rates and be used to support student financial aid, investments in staffing, programs, and other infrastructure purposes aligned with

the Commonwealth's needs.)

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