

TOP STATE *for* TALENT

VIRGINIA HIGHER EDUCATION **IMPACT AGENDA**

**PRIORITIES TO KEEP VIRGINIA ON TOP IN TALENT
AND CREATE PATHWAYS OF OPPORTUNITY FOR ALL**



GROWTH**4VA**
Virginia Business Higher Education Council

GROWTH4VA.COM

About Us

OUR PARTNERSHIP

The Virginia Business Higher Education Council (VBHEC) is a nonprofit, nonpartisan partnership of Virginia's business and higher ed leadership — the most active in any state.

We believe Virginia's standout higher ed system, combined with our leadership on internships and career pathways, sets Virginia apart as the Top State for Talent. Being America's talent leader is the best way to secure a future of growth and opportunity for all Virginians.

GROWTH4VA is VBHEC's advocacy program and brand for promoting investment and innovation in Virginia's higher ed system by mobilizing business, political, and grassroots support. It is supported by all 16 Virginia public colleges and universities, the Council of Independent Colleges in Virginia (CICV), the Virginia Community College System (VCCS), and businesses and donors across Virginia.



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Investing in talent. Prioritizing for impact.

OUR MESSAGE FOR VIRGINIA'S LEADERS

Times of uncertainty call for setting priorities. Nothing more directly affects Virginia's growth, opportunity, and future than securing our Commonwealth's place as the *Top State for Talent*.

Talent is Virginia's chief competitive advantage.

It is our greatest asset in attracting job-creating investment and producing the economic and revenue growth needed to address every other priority.

Talent is Virginians' bridge to opportunity.

Through education and training, it puts young Virginians and career-changing adults on pathways to great jobs and fulfilling careers without leaving our state.

Talent is Virginia's hope for the future.

It is the catalyst for innovation and resilience, problem-solving leadership, and equipping citizens to give back to their communities, commonwealth, and country.

As business and education executives who manage budgets and make difficult choices, we recognize the need to prioritize Virginia's talent investments, focusing the state's limited resources where they will have the greatest impact. In the pages that follow, our Growth4VA Impact Agenda addresses 4 priority categories for action:

**Talent
Pathways &
Internships**

**Affordability
& ROI**

**Innovation &
Entrepreneurship**

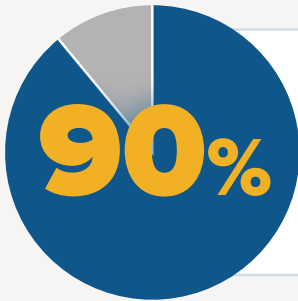
**Solving
Problems &
Strengthening
Communities**

We are deeply grateful to Virginia's leaders for the bipartisan support they give higher ed and for the vision and commitment they have displayed. Our business-education partnership, along with thousands of Virginians who make up our Growth4VA coalition, stands ready to support and assist our forward-looking public servants in achieving the priorities set out in these pages.

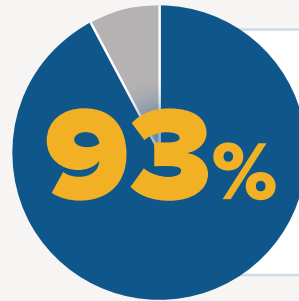
We welcome the ideas, assistance, and support of all Virginians who share our commitment to ensuring that our Commonwealth is — and remains — the *Top State for Talent*.

Why Higher Education?

HERE ARE A FEW BIG REASONS:



of Virginians are proud our state has the top-ranked higher ed system.¹



of Virginians say higher ed is the "most important investment our state can make".¹

Higher ed is our biggest competitive edge in CNBC's annual Top States for Business rankings.



"Virginia's biggest competitive strength is its education system, ranked No. 1 in the nation in the CNBC study."

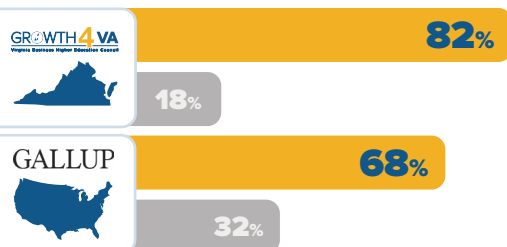
Higher ed drives economic growth & job creation in the Commonwealth.²

\$52B
**IN ECONOMIC ACTIVITY
GENERATED**

188K+
JOBS CREATED

\$3.9B
**IN LONG-TERM
STATE REVENUE**

Compared to national attitudes, Virginians have overwhelming confidence in our higher ed system.



"Please tell me how much confidence you, yourself, have in higher education [in Virginia]?"¹

Confidence
Very Little Confidence

Graduates typically earn more than 2x as much.

"The median income of households headed by someone with a bachelor's degree or higher was \$132,700, more than double ... householders with a high school degree but no college in 2024."³

United States[®]
Census
Bureau

Virginia higher ed is more than just degrees. It's:

- A unique & diverse array of colleges & universities.
- A source of life-changing research & innovation.
- A major employer & driver of local economies.

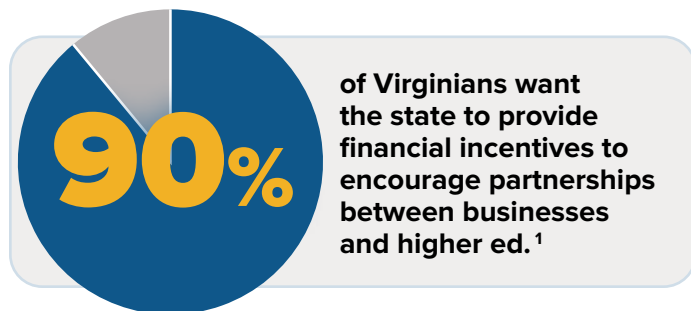
- A catalyst for new business start-ups.
- A magnet for talent – and keeping talent in-state.
- Essential to being the *Top State for Talent*.

Talent Pathways & Internships

AFFORDABLE TALENT PATHWAYS

With our top-ranked higher ed system and robust business-education collaboration as competitive advantages, Virginia can lead, not only in attracting and developing talent, but in providing a diverse array of affordable talent pathways. These pathways help students move cost-effectively from learning to earning, gaining work experience and connections along the way through paid internships and other work-based learning. They enable young Virginians to overcome obstacles to opportunity, stay in our state after graduation, and launch resilient and rewarding careers in a growing state economy.

Business-Education Partnerships. To create an array of talent pathways leading to in-demand jobs, collaboration between and among Virginia's higher ed institutions and major state and regional employers is essential. Aligning workforce needs with academic and training programs is painstaking work that often requires sustained effort by colleges and businesses on an industry-specific and regional basis. State policy should encourage and assist such collaborative public-private initiatives, which promise strong returns for students and employers alike.



Career Coaching. Students cannot efficiently access talent pathways and use them to inform their academic and internship choices if they are unaware of the opportunities, where the pathways lead, and the probable return on their investment. The need for career coaching is essentially universal, but the impact is elevated for students from backgrounds that have afforded little exposure to employers and workplaces. The Commonwealth should make career coaching tied to talent pathways an intrinsic part of the student experience, and employers should be encouraged to partner in the process.

What are talent pathways?

They have 4 key elements:

- ✓ Colleges collaborate with businesses and other employers.
- ✓ Curriculum is aligned to better address employer needs.
- ✓ Students have paid internship experiences or other valuable work-based learning.
- ✓ Leads to full-time job opportunities with a Virginia-based employer.

Targeting In-Demand Credentials. To increase the output of degrees in computer science and other tech fields, the Commonwealth established the Tech Talent Investment Program, which provides funding to higher ed institutions based on incremental increases in the conferral of such degrees. This performance-based funding approach is achieving its purpose. The concept should be utilized to foster talent pathway development and increased degree and credential production in other targeted fields experiencing workforce shortages and in high-growth fields where unmet demand is forecasted.

Streamlining Program Approval. For higher ed institutions to respond in a timely way to the changing workforce needs in Virginia's dynamic economy, new instructional programs should be approved with minimal red tape and delay. Schools should be accountable thereafter for the results in terms of student enrollment in the programs and employment in related fields.

Talent Pathways & Internships

PAID INTERNSHIPS FOR ALL

THE BIG GOAL:

Every student who attends Virginia's colleges and universities will have the opportunity for at least one paid internship in their field of study without extending time to degree.

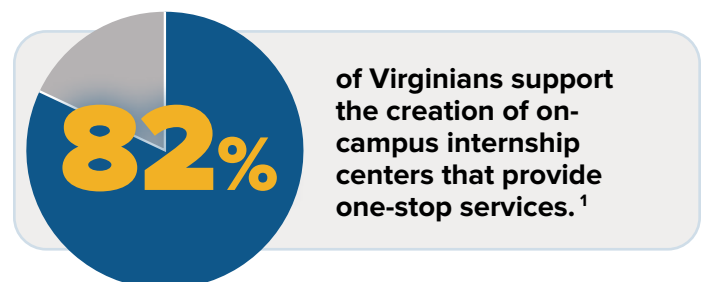
Virginia is **the first state in the nation** to adopt the goal of providing paid internship opportunities for all undergraduate students. This commitment not only sets Virginia apart in the competition for new talent from across the country; it also will pay dividends for the students who develop employer connections and workplace experience earlier, and for the employers who gain access to entry-level talent and employees who are more workforce-ready.

Another major benefit is talent retention. Students who connect with Virginia employers while in college are more likely to stay in the state for employment after graduation. With many graduates currently leaving Virginia for better jobs elsewhere,⁷ increasing internships with Virginia employers is a key strategy for retaining the talent required to meet our state's workforce needs.

Overcoming Obstacles. If internships and other forms of work-based learning make so much sense, why is it so hard for students and employers to find these opportunities? The obstacles are real — and they are mainly informational, logistical, and financial. The good news is: they are *solvable*.

Virginia's Innovative Internship Program is beginning to overcome these obstacles, using resources provided by the legislature to market to employers, provide focused on-campus assistance to students, create an online platform where students and employers connect, and help smaller businesses compensate interns through matching funds. But more must be done.

Campus Internship Centers. Every higher ed campus should have a one-stop location where students can get help obtaining paid internships, and where employers can connect efficiently with prospective interns. Dedicated staff should work to develop durable relationships with employers who hire interns. Internship centers should also coordinate internship preparation to make sure students are work-ready.



Online Matchmaking Platform. Virginians need a one-stop location online for employers to find students for internships and vice versa. Development of this online matchmaking platform will get underway soon, thanks to a recent investment by the General Assembly. The online platform should link to similar sites and yield data on progress made in scaling up internships in Virginia. The state should provide resources to market the online platform effectively to employers and students.

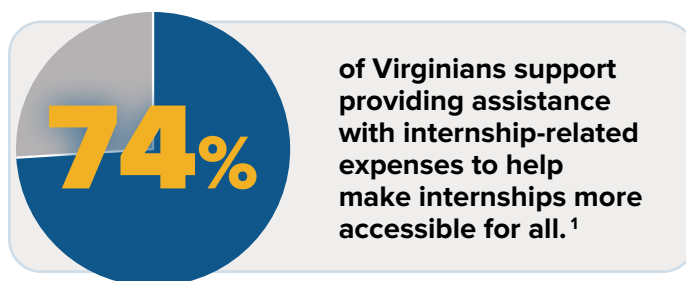


Employer Matching Grants. Virginia recently began offering matching grants to smaller employers to cover up to half of the wages and expenses they pay interns. With most jobs in our economy created by smaller enterprises, these grants can have a big impact on internship availability. In addition to marketing the benefit effectively, the state should consider providing similar matching-grant support to other Virginia employers, such as those in high-demand sectors and those that sharply scale up their intern hiring.



Student Financial Assistance. Students often incur significant out-of-pocket expense for internships, such as for lodging and transportation. The benefits of work-based learning and talent pathways should be accessible and affordable for all students. Wherever possible, internships should result in pay and/or academic

credit. To close the gap, need-based financial aid should be available to help defray expenses that are not covered by employers.



Student Teacher Grants. Recruiting teachers is one of Virginia's top priorities, and classroom experience is vital for aspiring teachers. However, paid internships are rarely an option because public school systems usually cannot afford them. To make the teaching career path more attractive and provide practical experience, the state should establish a student teacher grant program.



Measuring Progress. What gets measured gets better. To ensure that Virginians' investments in internships and talent pathways are paying dividends, the state should provide periodic public reports on progress toward achieving Virginia's goal of internships for all undergraduates.

Talent Pathways & Internships Priorities

- ▶ Business-Education Partnerships
- ▶ Career Coaching
- ▶ Targeting In-Demand Credentials
- ▶ Streamlining Program Approval
- ▶ Campus Internship Centers
- ▶ Online Matchmaking Platform
- ▶ Employer Matching Grants
- ▶ Student Financial Assistance
- ▶ Student Teacher Grants
- ▶ Measuring Progress

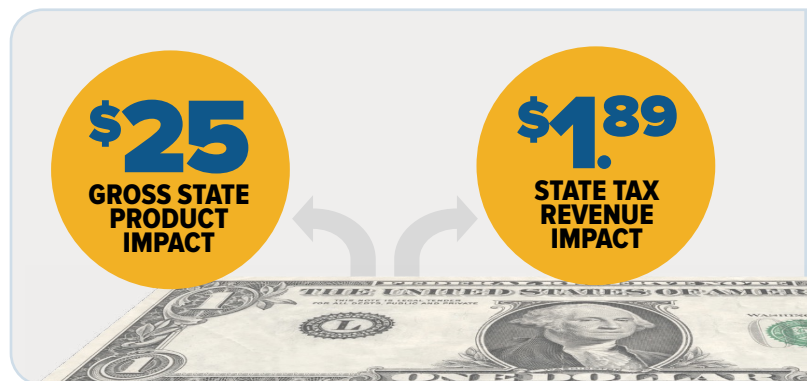
Affordability & ROI

AN INVESTMENT THAT MORE THAN PAYS FOR ITSELF

Higher ed drives Virginia's economy.

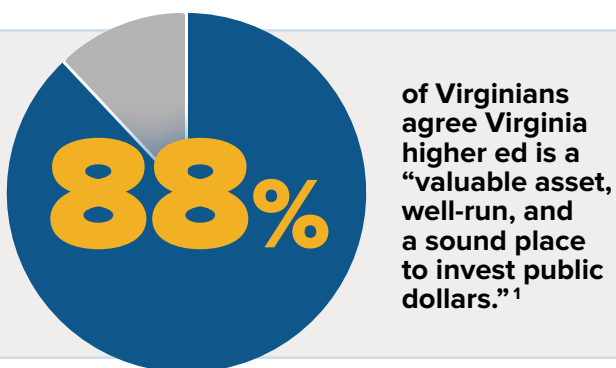
It produces more than \$25 in economic output for every state dollar invested. The investment more than pays for itself, returning nearly \$2 to the state treasury for every \$1 spent.⁴

Virginians recognize a sound investment. Over 80% in both parties agree that Virginia's universities, colleges, and community colleges, are a "valuable public asset, well-run, and a sound place to invest public dollars."¹



The high ROI for Virginia students stands out nationally. Investment website SmartAsset ranked Virginia's higher ed system #1 or #2 in its seven most recent annual rankings. The main reasons: high graduation rates and the exceptional earnings that our graduates receive.

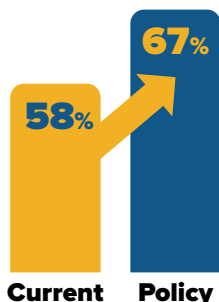
No wonder Virginians overwhelmingly say higher ed here is still a good value, both to create great career opportunities for our young people and to preserve our state's top business rankings.



AFFORDABLE ACCESS FOR ALL VIRGINIANS

Virginians can only benefit from the high ROI if they can afford the investment. That is why it is crucial to keep higher ed affordable by providing state support.

A comprehensive 2024 JLARC study confirmed that recent increases in state support have helped hold the line on tuition and lower the net cost for Virginia students.⁴

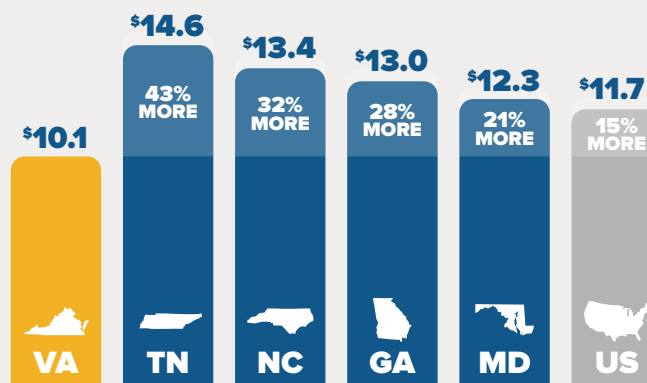


Under Virginia law, the state is supposed to pay 67% of in-state education costs.

But currently the state is paying only 58%, leaving students and their families to cover the other 42%.⁵

Virginia's state investment still lags behind nearby competitors like Tennessee, North Carolina, Georgia, and Maryland — even the national average.⁶

State Support per FTE Student, FY 2024 (In Thousands)⁶



AN ALL-OF-THE-ABOVE APPROACH

To make sure all Virginia students can access the education that best suits their abilities and aspirations, we need a wide array of affordable talent pathways — leading to both traditional degrees and industry-recognized credentials. Employers' needs create opportunities for students across all academic and skill levels.

Higher State Support. Virginia must continue to reinvest in higher ed as a primary affordability strategy. JLARC recently reported that the average net price for Virginia students has gone down at most state institutions over the past 10 years,⁴ thanks to bipartisan support. To maintain this progress and remain competitive with neighboring states, the Commonwealth at a minimum needs to fund operations enough to fully cover inflation and mandated costs.

Financial Aid & TAG. Financial aid directly supports affordability for low-income, middle-income, and first-gen students. Expanding admission of Pell-eligible students should continue. Virginia's private colleges serve many of these students, making support for the Tuition Assistance Grant (TAG) program a high priority.

Workforce Credential Grants. Grants for pursuing industry-recognized credentials benefit young learners and working adults. Virginia should expand the capacity of VCCS's FastForward program, and fund both degree and non-degree pathways at our community colleges.

Military Family Tuition Waivers. Virginia's tuition waiver program honors the sacrifice of service members and their families while expanding access to higher ed. The Virginia Military Survivors & Dependents Education Program (VMSDEP) should serve Virginians and be fully funded so program costs are not shifted onto other students.

Supporting Our HBCUs. Virginia's public historically Black colleges and universities provide affordable access for many Virginians. JLARC found that VSU and NSU programs and facilities are underfunded, making greater state support essential.

Expanding Dual Enrollment. Dual enrollment reduces costs and accelerates degree completion by allowing high schoolers to earn college credit. Cooperative efforts by VCCS and local school systems have expanded access, and bipartisan legislative support is strong. Making dual enrollment available statewide should be a top priority in the years ahead.

Paid Work-Based Learning. Many students must work while pursuing education. An important affordability strategy, providing paid work-based learning opportunities and career coaching to those students provides an alternative that can help meet their financial needs without lengthening the time required to obtain a degree or other credential.

Expanding Business Partnerships & Cost-Saving Collaboration. Studies show that Virginia higher ed is among the most cost-efficient nationally. College leaders should continue to pursue partnerships with business and increase collaboration across institutions to maintain quality and improve affordability.

Restructuring & Performance Funding. The state should continue to prioritize enhanced managerial autonomy for institutions while holding them accountable for measurable outcomes that matter for students and employers, tying funding to performance where practical.

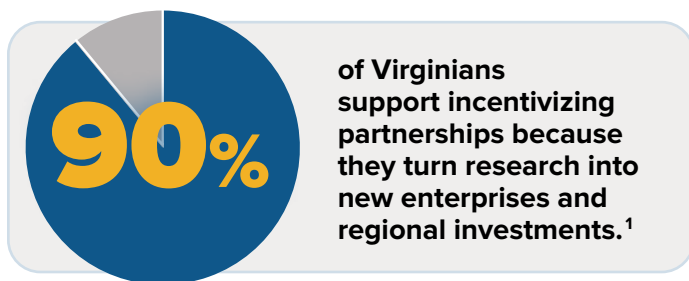
Affordability & ROI Priorities

- ▶ Higher State Support
- ▶ Financial Aid & TAG
- ▶ Workforce Credential Grants
- ▶ Military Family Tuition Waivers
- ▶ Supporting Our HBCUs
- ▶ Expanding Dual Enrollment
- ▶ Paid Work-Based Learning
- ▶ Expanding Business Partnerships
- ▶ Cost-Saving Collaboration
- ▶ Restructuring & Performance Funding

Innovation & Entrepreneurship

Virginia's higher ed system is our state's talent development engine and, as CNBC annually reminds us, our chief competitive advantage for winning top business rankings and attracting job-creating investments. But our colleges and universities' contributions to economic development and personal opportunity go well beyond producing degrees and credentials.

Research Investment Returns. Virginia's higher ed institutions are hubs of innovation and entrepreneurial development. Their research expenditures support more than 13,000 Virginia jobs and are responsible for generating roughly \$1.1 billion in GDP and nearly \$100 million in state revenue annually. The majority of dollars that produce these returns come from out of state, mainly the federal government, magnifying the positive economic impact for the Commonwealth. Virginians turn many of these innovations into new businesses and new products, with business start-ups alone generating more than \$200 million in GDP annually.²



Medical Centers & Health Research. Recent data document the extraordinary impact that biomedical research and other healthcare activities have on our state and regional economies. The University of Virginia and Virginia Commonwealth University medical centers together account for more than 45,000 jobs and contribute nearly \$4.6 billion to GDP and \$356 million in state revenues annually.² Only a decade and a half old, the Fralin Biomedical Research

Institute at Virginia Tech Carilion has generated more than \$1.7 billion in local economic impact and supports nearly 700 personnel.⁸ Even more compelling than the economic impact of Virginia's health-sector innovation is the benefit in saved lives and improved health outcomes.

Game-Changing Capital Investments.

Virginia's leaders have given bipartisan support to capital investments that will expand ground-breaking research and have a transformational impact on the growth of regional economies. Keeping these and other capital projects on track and on time despite fiscal pressures should be among our highest priorities.

Regional Economies & Jobs. Virginia's leaders should continue to prioritize investments in higher ed activities with significant local and regional economic impact. In times of economic and fiscal stress, it is all the more important that policymakers take steps to preserve payrolls and programs that are the economic lifeblood of the communities in which the colleges, universities, and community colleges are located.

Innovation & Entrepreneurship Priorities

- ▶ **Research Investment Returns**
- ▶ **Medical Centers & Health Research**
- ▶ **Game-Changing Capital Investments**
- ▶ **Regional Economies & Jobs**

Solving Problems & Strengthening Communities

Virginia's higher ed institutions are hubs of resilience and practical problem-solving, finding ways to address many of the grand challenges that confront our communities, commonwealth, and country. This crucial role of our colleges, universities, and community colleges often is overlooked.

Robust Liberal Arts. Enhancing the sustainability and efficacy of liberal arts programs is a priority for Virginia's employers and should remain a high priority for Virginia's leaders. Such programs develop the critical thinking skills and ability to work collaboratively in dynamic and diverse environments that are foundational, not only for fulfilling careers, but for contributing citizenship and problem-solving leadership.

Civic Knowledge & Values. The 250th anniversary of American independence — commemorating our “made in Virginia” representative democracy — provides a unique opportunity to renew emphasis on core civic knowledge and values. Constructive citizenship and civic engagement, free expression and respectful discourse, and the ability to disagree without being disagreeable are values that enjoy vast support across the political spectrum. Cultivating them must be a priority.

Community Impact. Our many and varied higher ed institutions in Virginia foster collaborations, produce solutions, and provide a wide array of local programs, services, and amenities that make our communities dynamic, attractive places to live and that improve the quality of life. They also help attract and retain talent, a vital contribution that benefits families and communities across Virginia. Whenever wondering whether higher ed should remain a top priority, just imagine any college community or region without it.

Solving Problems & Strengthening Communities Priorities

- ▶ **Robust Liberal Arts**
- ▶ **Civic Knowledge & Values**
- ▶ **Community Impact**

Sources:

1. **Public Opinion Survey Results.** VBHEC. May 9, 2025. <https://growth4va.com/poll>
2. **Economic Impact Study of Virginia Public Higher Education.** VBHEC. July 1, 2023. <https://growth4va.com/eis>
3. **Income Gap Between Householders With College Degrees and Those With High School Degrees but No College Widened Over Last Two Decades.** U.S. Census Bureau. September 9, 2025. <https://www.census.gov/library/stories/2025/09/education-and-income.html>
4. **Spending and Efficiency in Higher Education.** Pages 9-13, 18-19. Joint Legislative Audit and Review Commission. October 7, 2024. <https://growth4va.com/jlarstudy>
5. **2025-26 Tuition and Fees Report.** Page 1. State Council of Higher Education for Virginia. August 1, 2025. <https://www.schev.edu/research-publications/reports-publications/2025-26-tuition-and-fees-report>
6. **State Higher Education Finance Report, FY 2024.** Page 44, Table 3.2. State Higher Education Executive Officers Association. April 2025. <https://shef.sheeo.org>
7. **Nearly half of Virginia's college graduates leave the state within 5-10 years after they get their diplomas.** Cardinal News. March 4, 2025. <https://cardinalnews.org/2025/03/04/nearly-half-of-virginias-college-graduates-leave-the-state-within-5-10-years-after-they-get-their-diplomas/>
8. **Roanoke's biomedical institute, now an economic engine for the region, started 15 years ago with a single employee.** Cardinal News. September 3, 2025. <https://cardinalnews.org/2025/09/03/roanokes-biomedical-institute-now-an-economic-engine-for-the-region-started-15-years-ago-with-a-single-employee/>

Virginia is the **Top State for Talent** because we have the best higher education system in the country.

By prioritizing investment in this unique asset, Virginia's leaders will:

- ✓ Preserve our chief competitive advantage in attracting job-creating business investment.
- ✓ Drive economic growth throughout the Commonwealth and produce an ROI second to none.
- ✓ Provide all Virginia students paid internships and pathways to excellent jobs and fulfilling careers.
- ✓ Ensure affordable access to high-quality college degrees and industry credentials for young Virginians and career-changing adults.
- ✓ Produce transformative research and innovation, lucrative entrepreneurial opportunities, and dynamic regional economic development.
- ✓ Strengthen local communities, cultivate constructive citizenship, and help find solutions to our most pressing problems.
- ✓ Preserve and enhance Virginia's standout reputation as America's *Top State for Talent*.

Scan below or visit GROWTH4VA.com for resources like:

