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## HOUSE BILL NO. 1499

## AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Health and Human Services  
on February 8, 2024)

(Patron Prior to Substitute—Delegate Willett)

A BILL to amend and reenact §§ 32.1-122.7, 32.1-122.7:1, 32.1-122.7:2, 54.1-3600, and 54.1-3606 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 54.1-3606.3, relating to Virginia Health Workforce Development Authority.

Be it enacted by the General Assembly of Virginia:

1. That §§ 32.1-122.7, 32.1-122.7:1, 32.1-122.7:2, 54.1-3600, and 54.1-3606 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding a section numbered 54.1-3606.3, as follows:

§ 32.1-122.7. Virginia Health Workforce Development Authority; purpose.

A. There is hereby created as a public body corporate and as a political subdivision of the Commonwealth the Virginia Health Workforce Development Authority (the Authority), with such public and corporate powers as are set forth in § 32.1-122.7:2. The Authority is hereby constituted as a public instrumentality, exercising public and essential governmental functions with the power and purpose to provide for the health, welfare, convenience, knowledge, benefit, and prosperity of the residents of the Commonwealth and such other persons who might be served by the Authority. The Authority is established to move the Commonwealth forward in achieving its vision of ensuring a quality health workforce for all Virginians.

B. The mission of the Authority is to facilitate the development of a statewide health professions pipeline that identifies, educates, recruits, and retains a diverse, appropriately geographically distributed, and culturally competent quality workforce. The mission of the Authority is accomplished by: (i) providing the statewide infrastructure required for health workforce needs assessment and planning that maintains engagement by health professions training programs in decision making and program implementation; (ii) serving as the advisory board and setting priorities for the Virginia Area Health Education Centers Program; (iii) coordinating with and serving as a resource to relevant state, regional, and local entities, including the Department of Health Professions Workforce Data Center, the Joint Legislative Audit and Review Commission, the Joint Commission on Health Care, the Behavioral Health Commission, the Southwest Virginia Health Authority, or any similar regional health authority that may be developed; (iv) informing state and local policy development as it pertains to health care delivery, training, and education; (v) identifying and promoting evidence-based strategies for health workforce pipeline development and interdisciplinary health care service models, particularly those affecting rural and other underserved areas; (vi) supporting communities in their health workforce recruitment and retention efforts and developing partnerships and promoting models of participatory engagement with business and community-based and social organizations to foster integration of health care training and education; (vii) setting priorities for and managing primary care graduate medical education programs overseen by the Commonwealth; (viii) advocating for programs that will result in reducing the debt load of newly trained health professionals; ~~(viii)~~ (ix) identifying high priority target areas within each region of the Commonwealth and working toward health workforce development initiatives that improve health measurably in those areas; ~~(ix)~~ (x) fostering or creating innovative health workforce development models that provide both health and economic benefits to the regions they serve; ~~(x)~~ (xi) developing strategies to increase diversity in the health workforce by examining demographic data on race and ethnicity in training programs and health professional licensure; ~~(xi)~~ (xii) identifying ways to leverage technology to increase access to health workforce training and health care delivery; and ~~(xii)~~ (xiii) developing a centralized health care careers roadmap in partnership with the Department of Health Professions that includes information on both licensed and unlicensed professions and that is disseminated to the Commonwealth's health care workforce stakeholders to raise awareness about available career pathways.

§ 32.1-122.7:1. Board of Directors of the Virginia Health Workforce Development Authority.

The Virginia Health Workforce Development Authority (the Authority) shall be governed by a Board of Directors. The Board of Directors shall have a total membership of ~~15~~ 19 members that shall consist of three legislative members, nine nonlegislative citizen members, and ~~three~~ seven ex officio members. Members shall be appointed as follows: two members of the House of Delegates, to be appointed by the Speaker of the House of Delegates in accordance with the principles of proportional representation contained in the Rules of the House of Delegates; one member of the Senate, to be appointed by the Senate Committee on Rules; and nine nonlegislative citizen members, three of whom shall be representatives of health professional educational or training programs, five of whom shall be health professionals or employers or representatives of health professionals, and one of whom shall be a

60 representative of community health, to be appointed by the Governor. The Commissioner of Health or  
61 his designee, the Chancellor of the Virginia Community College System or his designee, and the  
62 Director of the Department of Health Professions or his designee, the Chief Workforce Development  
63 Officer for the Commonwealth, the Director of the State Council of Higher Education for Virginia, the  
64 Chairman of the House Committee on Appropriations, and the Chairman of the Senate Committee on  
65 Finance and Appropriations or their designees shall serve ex officio with voting privileges. Members  
66 appointed by the Governor shall be citizens of the Commonwealth.

67 Legislative members and ex officio members shall serve terms coincident with their terms of office.  
68 All appointments of nonlegislative citizen members shall be for two-year terms following the initial  
69 staggering of terms. Appointments to fill vacancies, other than by expiration of a term, shall be for the  
70 unexpired terms. Legislative and citizen members may be reappointed; however, no citizen member shall  
71 serve more than four consecutive two-year terms. The remainder of any term to which a member is  
72 appointed to fill a vacancy shall not constitute a term in determining the member's term limit. Vacancies  
73 shall be filled in the same manner as the original appointments.

74 The Board of Directors shall elect a chairman and vice-chairman annually from among its members.  
75 A majority of the members of the Board of Directors shall constitute a quorum.

76 The Board of Directors shall report biennially on the activities and recommendations of the Authority  
77 to the Secretary of Health and Human Resources, the Secretary of Education, the Secretary of  
78 Commerce and Trade, the Chief Workforce Development Advisor Secretary of Labor, the State Board of  
79 Health, the State Council of Higher Education for Virginia, the Joint Commission on Health Care, the  
80 Chairman of the House Committee on Appropriations, the Chairman of the Senate Committee on  
81 Finance and Appropriations, the Governor, and the General Assembly. In any reporting period where  
82 state general funds are appropriated to the Authority, the report shall include a detailed summary of how  
83 state general funds were expended.

84 The accounts and records of the Authority showing the receipt and disbursement of funds from  
85 whatever source derived shall be in a form prescribed by the Auditor of Public Accounts. The Auditor  
86 of Public Accounts, or his legally authorized representative, shall examine the accounts of the Authority  
87 as determined necessary by the Auditor of Public Accounts. The cost of such audit shall be borne by the  
88 Authority.

89 **§ 32.1-122.7:2. Powers and duties of the Virginia Health Workforce Development Authority;**  
90 **exemptions.**

91 A. The Virginia Health Workforce Development Authority (the Authority) is authorized to serve as  
92 the incorporated consortium of allopathic and osteopathic medical schools in Virginia as required by  
93 federal statute to qualify for the receipt of Area Health Education Centers programs, legislatively  
94 mandated under the Public Health Service Act as amended, Title VII, Section 751, and 42 U.S.C.  
95 § 294a, and to administer federal, state, and local programs as needed to carry out its public purpose and  
96 objectives. The Authority is further authorized to exercise independently the powers conferred by this  
97 section in furtherance of its corporate and public purposes to benefit citizens and such other persons  
98 who might be served by the Authority.

99 B. The Authority is authorized to monitor, collect, and track data pertaining to health care delivery,  
100 training, and education from Virginia educational institutions and other entities as needed to carry out its  
101 public purpose and objectives in areas where such data efforts do not already exist. The Authority is  
102 further authorized to request and seek data for program evaluation purposes and may partner with  
103 other agencies and institutions to help manage and analyze health workforce data. The Authority shall  
104 assist in the coordination of data from various sources, including the Department of Education, the  
105 Department of Health Professions, the Department of Health, the Virginia Office of Education  
106 Economics, and the George Mason University Center for Health Workforce.

107 C. The Authority shall have the authority to assess policies, engage in policy development, and make  
108 policy recommendations.

109 D. The Authority shall have the authority to apply for and accept federal, state, and local public and  
110 private grants, loans, appropriations, and donations; hire and compensate staff, including an executive  
111 director; rent, lease, buy, own, acquire, and dispose of property, real or personal; participate in joint  
112 ventures, including to make contracts and other agreements with public and private entities in order to  
113 carry out its public purpose and objectives; and make bylaws for the management and regulation of its  
114 affairs.

115 E. The Authority shall be exempt from the provisions of Chapters 29 the Virginia Personnel Act  
116 (§ 2.2-2900 et seq.) and 43 the Virginia Public Procurement Act (§ 2.2-4300 et seq.) of Title 2.2.

117 F. The exercise of powers granted by this article and the undertaking of activities in the furtherance  
118 of the purpose of the Authority shall constitute the performance of essential governmental functions.  
119 Therefore, the Authority shall be exempt from any tax or assessment upon any project or property  
120 acquired or used by the Authority under the provisions of this article or upon the income therefrom,  
121 including sales and use taxes on tangible personal property used in the operation of the Authority. This

exemption shall not extend to persons conducting business for which local or state taxes would otherwise be required.

**§ 54.1-3600. Definitions.**

As used in this chapter, unless the context requires a different meaning:

"Applied psychologist" means an individual licensed to practice applied psychology.

"Board" means the Board of Psychology.

"Certified sex offender treatment provider" means a person who is certified to provide treatment to sex offenders and who provides such services in accordance with the provisions of §§ 54.1-3005, 54.1-3505, 54.1-3611, and 54.1-3705 and the regulations promulgated pursuant to these provisions.

"Clinical psychologist" means an individual licensed to practice clinical psychology.

"Practice of applied psychology" means application of the principles and methods of psychology to improvement of organizational function, personnel selection and evaluation, program planning and implementation, individual motivation, development and behavioral adjustment, as well as consultation on teaching and research.

"Practice of clinical psychology" includes, but is not limited to:

1. "Testing and measuring" ~~which that~~ consists of the psychological evaluation or assessment of personal characteristics such as intelligence, abilities, interests, aptitudes, achievements, motives, personality dynamics, psychoeducational processes, neuropsychological functioning, or other psychological attributes of individuals or groups.

2. "Diagnosis and treatment of mental and emotional disorders" ~~which that~~ consists of the appropriate diagnosis of mental disorders according to standards of the profession and the ordering or providing of treatments according to need. Treatment includes providing counseling, psychotherapy, marital/family therapy, group therapy, behavior therapy, psychoanalysis, hypnosis, biofeedback, and other psychological interventions with the objective of modification of perception, adjustment, attitudes, feelings, values, self-concept, personality, or personal goals, the treatment of alcoholism and substance abuse, *the treatment of disorders of habit or conduct, as well as of the psychological aspects of physical illness, pain, injury, or disability.*

3. "Psychological consulting" ~~which that~~ consists of interpreting or reporting on scientific theory or research in psychology, rendering expert psychological or clinical psychological opinion, *or* evaluation, or engaging in applied psychological research, program or organizational development, *or* administration, supervision, or evaluation of psychological services.

"Practice of psychology" means the practice of applied psychology, clinical psychology, or school psychology.

The "practice of school psychology" means:

1. "Testing and measuring" ~~which that~~ consists of psychological assessment, evaluation, and diagnosis relative to the assessment of intellectual ability, aptitudes, achievement, adjustment, motivation, personality, or any other psychological attribute of persons as individuals or in groups that directly relates to learning or behavioral problems that impact education.

2. "Counseling" ~~which that~~ consists of professional advisement and interpretive services with children or adults for amelioration or prevention of problems that impact education. Counseling services relative to the practice of school psychology include but are not limited to the procedures of verbal interaction, interviewing, behavior modification, environmental manipulation, and group processes.

3. "Consultation" ~~which that~~ consists of educational or vocational consultation or direct educational services to schools, agencies, organizations, or individuals. Psychological consulting as ~~herein defined~~ *relative to the practice of school psychology* is directly related to learning problems and related adjustments.

4. Development of programs such as designing more efficient and psychologically sound classroom situations and acting as a catalyst for teacher involvement in adaptations and innovations.

*"Psychological practitioner" means a person licensed pursuant to § 54.1-3606.3 to diagnose and treat mental and emotional disorders by providing counseling, psychotherapy, marital therapy, family therapy, group therapy, or behavioral therapy and to provide an assessment and evaluation of an individual's intellectual or cognitive ability, emotional adjustment, or personality, as related to the treatment of mental or emotional disorders.*

"Psychologist" means a person licensed to practice school, applied, or clinical psychology.

"School psychologist" means a person licensed by the Board of Psychology to practice school psychology.

**§ 54.1-3606. License required.**

A. In order to engage in the practice of applied psychology, school psychology, or clinical psychology, *or to engage in practice as a psychological practitioner*, it shall be necessary to hold a license.

B. Notwithstanding the provisions of subdivision 4 of § 54.1-3601 or any Board regulation, the

Board of Psychology shall license, as school psychologists-limited, persons licensed by the Board of Education with an endorsement in psychology and a master's degree in psychology. The Board of Psychology shall issue licenses to such persons without examination, upon review of credentials and payment of an application fee in accordance with regulations of the Board for school psychologists-limited.

Persons holding such licenses as school psychologists-limited shall practice solely in public school divisions; holding a license as a school psychologist-limited pursuant to this subsection shall not authorize such persons to practice outside the school setting or in any setting other than the public schools of the Commonwealth, unless such individuals are licensed by the Board of Psychology to offer to the public the services defined in § 54.1-3600.

The Board shall issue persons, holding licenses from the Board of Education with an endorsement in psychology and a license as a school psychologist-limited from the Board of Psychology, a license which notes the limitations on practice set forth in this section.

Persons who hold licenses as psychologists issued by the Board of Psychology without these limitations shall be exempt from the requirements of this section.

**§ 54.1-3606.3. Licensure of psychological practitioners; independent practice.**

*A. It is unlawful for any person to practice or hold himself out as a psychological practitioner in the Commonwealth or use the title of psychological practitioner unless he holds a license issued by the Board.*

*B. The Board shall establish criteria for licensure as a psychological practitioner, which shall include the following:*

*1. Documentation that the applicant received a master's degree in psychology or counseling psychology from a program accredited by the American Psychological Association, from a program equivalent to those accredited by the American Psychological Association as determined by the Board, or from a program accredited by another national accrediting body approved by the Board; and*

*2. Documentation that the applicant successfully completed the academic portion of a national exam recognized by the Board.*

*C. Every psychological practitioner who meets the requirements of subsection B shall practice under the supervision of a clinical psychologist unless the requirements of subsection D are met. The Board shall determine the requirements and procedures for such supervision.*

*D. A psychological practitioner may practice without supervision upon:*

*1. Successful completion of the clinical portion of a national exam recognized by the Board; and*

*2. Completion of one year of full-time experience, as determined by the Board, of practice under the supervision of a clinical psychologist.*

*Upon receipt of documentation of such examination and experience requirements and a fee as established by the Board, the Board shall issue to the psychological practitioner a new license that includes a designation indicating that the psychological practitioner is authorized to practice independently.*

*E. The Board shall determine appropriate standards of practice for psychological practitioners.*

*F. The Board shall promulgate such regulations as may be necessary to implement the provisions of this section.*

**2. That the Board of Psychology shall promulgate regulations to implement the provisions of the first enactment of this act in Title 54.1 to be effective no later than January 1, 2025. The Board of Psychology's initial adoption of regulations necessary to implement the provisions of the first enactment of this act shall be exempt from the Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia), except that the Board of Psychology shall provide an opportunity for public comment on the regulations prior to adoption of such regulations.**

**3. That the Board of Nursing shall amend its regulations to add or remove the following requirements related to educational requirements for nursing faculty: (i) for baccalaureate degree and prelicensure graduate degree programs, add requirements that every clinical nursing faculty member hold a graduate degree in nursing, or hold a baccalaureate degree in nursing and be enrolled in a graduate degree program, or hold a baccalaureate degree in nursing and hold alternative credentials, and that clinical faculty members with a graduate degree other than in nursing be required to hold a baccalaureate degree in nursing; (ii) for associate degree and diploma programs, remove requirements that the majority of the members of the nursing faculty hold a graduate degree, preferably with a major in nursing, and that all members of the nursing faculty hold a baccalaureate degree with a major in nursing; (iii) for associate degree and diploma programs, add requirements that the didactic members of the nursing faculty hold a graduate degree, preferably with a major in nursing, or hold a baccalaureate degree and be actively enrolled in a graduate degree program and that the clinical members of the nursing faculty hold a baccalaureate degree in nursing or an associate degree in nursing and be actively enrolled in a baccalaureate degree program in nursing; (iv) for practical nursing programs, remove the**

requirement that the majority of the members of the nursing faculty hold a baccalaureate degree, preferably with a major in nursing; and (v) for practical nursing programs, add a requirement that the nursing faculty hold a baccalaureate degree, preferably with a major in nursing, or hold an associate degree and be actively enrolled in a baccalaureate degree program.

4. That the Board of Nursing shall promulgate regulations to implement the provisions of the third enactment of this act to be effective no later than January 1, 2025. The Board of Nursing's initial adoption of regulations necessary to implement the provisions of the third enactment of this act shall be exempt from the Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia), except that the Board of Nursing shall provide an opportunity for public comment on the regulations prior to adoption of such regulations.

5. That the Virginia Health Workforce Development Authority, in collaboration with the Department of Labor, the Department of Health Professions, the Department of Education, the Virginia Community College System, the State Council of Higher Education for Virginia, the Department of Health, and representatives from for-profit and private not-for-profit health care providers, educational institutions, research centers, and the regional Area Health Education Centers shall develop an employer-led collective impact program (the program) to align, coordinate, and integrate resources and efforts across the Commonwealth to strengthen the health and health sciences workforce. Implementation of the program shall meet the following processes and goals:

A. The program shall promote early engagement with life sciences, rigorous and intentional course selection, experiential learning, transferable credits, and stackable credentials. The program shall allow for paid educational opportunities in order to promote career mobility.

B. The implementation of the program shall be modeled after the Blue Ridge Partnership for Health Sciences Careers program that is designed to bridge the gap between educational institutions, health care providers, and industry stakeholders, fostering a synergy that drives innovation and addresses the evolving needs of the health care sector.

C. The purpose of the program is to create a streamlined and effective pathway for individuals pursuing careers in health sciences, ensuring that education and training are directly aligned with the current and future demands of the health care industry. The program shall emphasize practical, hands-on experience and continuous professional development, ensuring a skilled workforce that is adaptable to the rapid advancements in health care technology and practices.

D. The program shall ensure that students receive relevant training that directly translates to skills needed in the health and health sciences workforce. Additionally, the program shall emphasize ongoing professional development and retraining opportunities, adapting to the evolving landscape of health care technology and practices.