

Department of Planning and Budget 2004 Fiscal Impact Statement

1. Bill Number SB230

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron Lambert

3. Committee House Appropriations

4. Title Creates the Brown v. Board of Education Scholarship Program and Fund

5. Summary/Purpose: The proposed legislation creates the Brown v. Board of Education Scholarship Program and Fund for the purpose of assisting students who were enrolled in the public schools of Virginia between 1954 and 1964, in jurisdictions in which such public schools were closed to avoid desegregation, in obtaining a high school diploma, the General Education Development certificate, career or technical education or training, or an undergraduate degree from a public institution of higher education in Virginia. The Brown v. Board of Education Scholarship Awards Committee, to be established in the legislative branch of state government, will be composed of eleven members - six legislators and five nonlegislative citizen members appointed by the Joint Rules Committee and the Governor. The Committee is authorized to award the scholarships and govern the Program.

The bill also establishes the Brown v. Board of Education Scholarship Fund, a special nonreverting fund, to be established on the books of the Comptroller to receive appropriations from gifts, grants, private donations, or bequests. Also, the bill directs that funds remaining at the end of the fiscal year, including interest shall not revert to the general fund. The State Council of Higher Education is charged with administering this program and fund.

In addition, the bill establishes student eligibility for such scholarships and stipulates that scholarships may be used only for payment of tuition charges. The bill provides that (i) the program does not establish any legally enforceable right or entitlement on the part of any person or any right or entitlement to participation in the Program; and (ii) scholarships must be awarded to the extent funds are made available or as directed by the appropriation act, and (iii) only students who are domiciled residents of Virginia are eligible for awards.

6. Fiscal Impact Estimates are: Preliminary. See line 8.

7. Budget amendment necessary: Yes, Item 165 for the State Council of Higher Education.

8. Fiscal implications: This bill establishes the Brown v. Board of Education Scholarship Fund. This Fund is to be supported from private grants or donations and any funds that may be appropriated to support the scholarship program. According to the State Council of

Higher Education, once the program becomes fully operational, it would need additional resources to support one position to administer this Fund. The costs for this position are estimated at \$75,000 annually beginning in FY2006. The bill has been amended to include an enactment clause stating that the provisions of the bill shall expire on July 1, 2008.

In addition, the bill provides that compensation to the Legislative and nonlegislative members, for performance of their duties, shall be paid from existing Committee appropriations as provided in Section 30-19.12 and Section 2.2-2813, respectively, or if unfunded, shall be approved by the Joint Rules Committee.

9. Specific agency or political subdivisions affected:

State Council of Higher Education
Department of Accounts
Department of the Treasury

10. Technical amendment necessary: No.

11. Other comments: House Bill 846 is similar.

Date: 03/4/2004/aps

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cc: Secretary of Education