

Department of Planning and Budget 2016 Fiscal Impact Statement

1. Bill Number: HB568

House of Origin	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

2. Patron: Cox

3. Committee: Education

4. Title: Virginia Guaranteed Assistance Program

5. Summary: Makes several changes to the Virginia Guaranteed Assistance Program (Program), including adding requirements that (i) each student eligible for the Program receive an award from the institution's appropriations for undergraduate student financial assistance before grants are awarded to students with equivalent remaining need, (ii) each eligible student receive an award in an amount greater than other grants awarded to students with equivalent remaining need, (iii) each eligible student receive a Program award in an amount greater than the award of each eligible student with equivalent remaining need in the next-lowest class level, and (iv) each Program award be determined by a proportionate award schedule adopted by each institution and vary according to each student's remaining need and the total of tuition, fees, and other necessary charges, including books.

6. Budget Amendment Necessary: No, unless are funds provided to keep present recipients of student financial assistance at their current award level.

7. Fiscal Impact Estimates: Preliminary, see item 8.

8. Fiscal Implications According to the State Council of Higher Education for Virginia, in order to comply with section D of this legislation, the public colleges and universities would have to create awards by class level and could require the institutions to either reduce the number of the student awards or the amount of the awards. Any new funds needed to meet the requirements of this legislation and keep existing aid recipients at the same aid level would depend on the award differentiation by class-level made by the colleges.

While providing junior and senior students with more financial assistance, the legislation could potentially reduce student financial assistance for students at the freshman and sophomore level and endanger that student population from completing their degree requirements.

9. Specific Agency or Political Subdivisions Affected: State Council of Higher Education for Virginia, all public colleges and universities.

10. Technical Amendment Necessary: No.

11. Other Comments: None.