

Department of Planning and Budget 2017 Fiscal Impact Statement

1. Bill Number: SB838

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

2. Patron: Stanley

3. Committee: Rehabilitation and Social Services

4. Title: Temporary Assistance for Needy Families Scholarship Pilot Program; DSS to establish and administer.

5. Summary: Directs the Department of Social Services (the Department) to establish and administer a three-year Temporary Assistance for Needy Families (TANF) Scholarship Pilot Program (the Program) for the purpose of providing access to postsecondary educational opportunities to students living in poverty. The Program would provide prepaid scholarships to select community colleges in the amount of \$2,000 per year, to be applied toward the costs of tuition and books, to 50 to 75 selected students who meet TANF eligibility requirements. The Program would be funded by the unexpended balance in federal TANF block grant funds. The bill directs the Commissioner of the Department of Social Services to report to the Governor and the General Assembly no later than December 1 of each year regarding the effectiveness of and other information about the Program.

6. Budget Amendment Necessary: Yes. Item 342.

7. Fiscal Impact Estimates: Preliminary. See Item 8.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2017	-	-	-
2018	\$150,000	0	nongeneral
2019	\$150,000	0	nongeneral
2020	\$150,000	0	nongeneral
2021	-	-	-
2022	-	-	-

8. Fiscal Implications: This legislation directs the Department of Social Services to establish a three year TANF scholarship pilot program to be paid using unexpended federal TANF block grant funds. The bill limits the scholarships to \$2,000 per student for 50-75 students. From July 2016 to September 2016, there was a monthly average of 21,528 TANF recipients aged 18 and over who could possibly qualify for the program based on age. The 50-75 scholarships to be awarded represent a small fraction of the possible number of recipients; therefore, it is expected

that the full allowable number of 75 students will participate in the program. The total cost of this legislation is \$150,000 (\$2,000 x 75 students).

Any administrative costs resulting from this legislation can be absorbed within the current appropriation.

9. Specific Agency or Political Subdivisions Affected: Department of Social Services,
Virginia Community Colleges

10. Technical Amendment Necessary: No

11. Other Comments: