

Department of Planning and Budget 2007 Fiscal Impact Statement

1. **Bill Number** HB 2436

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. **Patron** Frederick

3. **Committee** Education

4. **Title** Community College Transfer Grant Program

5. **Summary/Purpose:** This program establishes the Community College Transfer Grant Program for the purpose of providing higher education grants to domiciles of Virginia who have successfully completed an associate degree program at a Virginia community college and have been admitted to an accredited nonprofit public or private institution of higher education in the Commonwealth. The State Council of Higher Education for Virginia (SCHEV) would be responsible for promulgating the necessary and appropriate regulations for its administration.

6. **Fiscal Impact Estimates are:** Preliminary.

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Students Served</i>	<i>Fund</i>
2007-08	\$ 14,528,636	3202	General Fund
2008-09	\$ 16,161,655	3298	General Fund
2009-10	\$ 17,978,224	3397	General Fund
2010-11	\$ 19,998,977	3499	General Fund
2011-12	\$ 22,246,862	3604	General Fund
2012-13	\$ 29,114,599	4367	General Fund

7. **Budget amendment necessary:** Yes, Item 143.

8. **Fiscal implications:** The programmatic requirement for students are: (i) have received an associate degree at a Virginia community college, and (ii) have enrolled in a Virginia four-year public or private not for profit institution of higher education by the fall following the award of the associate degree. Eligible students must have maintained a cumulative grade point average of at least 3.0 on a scale of 4.0 or its equivalent while enrolled in an associate degree program. The grant is limited to 70 credit hours.

Three other bills have been introduced with the similar language, HB1872, HB 1681, and SB 749. However, this bill does not specify income requirements; the fiscal impact was based on 85 percent of eligible students submitting for the scholarship.

9. Specific agency or political subdivisions affected: All

10. Technical amendment necessary: No

11. Other comments: The fiscal impact is based on information provided by the Virginia Community College System and makes the following assumptions:

- The analysis includes actual student enrollment from 2003-2004 academic year to 2005-2006.
- Projections of eligible students include a three percent growth rate annually.
- Projections consider that 85 percent of students enrolled in the transfer degree program, and have a 3.0 grade point average or better will matriculate at four year institutions
- The analysis assumes the average award would be \$4,685, based on tuition costs for FY 2006-2007 with incremental tuition increases of five percent annually.

C: Secretary of Education