

Department of Planning and Budget 2008 Fiscal Impact Statement

1. Bill Number: HB 1526

House of Origin	<u> X </u>	Introduced	<u> </u>	Substitute	<u> </u>	Engrossed
Second House	<u> </u>	In Committee	<u> </u>	Substitute	<u> </u>	Enrolled

2. Patron: Byron

3. Committee: General Laws

4. Title: Virginia Career Readiness Certification Program; creation; report.

5. Summary: HB 1526 creates the Virginia Career Readiness Certification Program to certify the workplace and college readiness skills of Virginians, in order to better prepare them for continued education and workforce training, successful employment, and career advancement. The Virginia Workforce Council, in consultation with the P-16 Education Council, shall promulgate regulations necessary to implement and administer the Program. Funding shall come from the Workforce Investment Act state set-aside funding in the amount of \$1 million.

6. Fiscal Impact Estimates:

6a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2009	\$1,000,000		NGF

7. Budget Amendment Necessary: No, the funds are appropriated in Item 216 of HB/SB 30

8. Fiscal Implications: It is not known how the figure of \$1,000,000 was determined.

The third enactment clause of the bill requires funding for the career readiness certification program to come from the Commonwealth's allocation of Section 191 of the Workforce Investment Act. During the week of January 14, 2008, the federal government reduced by one-half, the allocation for the uncommitted portion of the WIA fund to the Commonwealth of Virginia and several other states. For Virginia, the reduction is estimated at or near \$3.75 million for the next 18 months. The funding earmarked in this bill would come from the fund that was reduced. As a result of the revenue reduction, the Governor has to reprioritize all commitments against the fund and deny the lower priority items.

The federal government reports it will share the final determination of the reductions by mid-February.

9. Specific Agency or Political Subdivisions Affected:

Virginia Community College System
Local entities competing for Workforce Investment Act funds

10. Technical Amendment Necessary: No

11. Other Comments: None

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cc: Senior Advisor for Workforce Development
Secretary of Education