

## Department of Planning and Budget 2008 Fiscal Impact Statement

**1. Bill Number:** HB506

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

**2. Patron:**        Hamilton

**3. Committee:** Education

**4. Title:**        Virginia Teaching Scholarship Loan Program.

**5. Summary:** Expands the teaching scholarship program to award scholarships to community college students pursuing prerequisites for an approved teacher education program leading to an endorsement in career and technical education.

**6. Fiscal Impact Estimates:** Preliminary, see Item 8.

**7. Budget Amendment Necessary:** Yes, Item 139.

**8. Fiscal Implications:** Currently, the Virginia Teaching Scholarship Loan Program provides scholarships to 150 students at \$3,720 per year (\$558,000 general fund budgeted per year.\*) Including students attending Virginia's community colleges would reduce the award to other students, should additional funding not be provided through this legislation. The cost of attending Virginia's community colleges is approximately \$2,452 annually. Given this, if additional funding is provided, the cost for every 100 community college students would be \$245,200. The Department of Education would be responsible for tracking the students through the transfer process to four-year institutions, insuring the students' commitment to the program is met.

**9. Specific Agency or Political Subdivisions Affected:** Department of Education, all state and private not for profit colleges and universities.

**10. Technical Amendment Necessary:** Yes. Language in the appropriation act dedicates the present funds for the Virginia Teaching Scholarship Loan Program to students beyond the sophomore year. Clarification might be needed to allow greater flexibility in the program for consistency between community college students receiving this funding and freshman and sophomore students in four-year schools.

**11. Other Comments:** Under the Community College Transfer Grant Program, students enrolling in education degree programs are eligible for up to \$2,000 in grant award when transferring to a four year institution. Qualifying students could be eligible for both programs.

\* Chapter 847, 2007 Acts of Assembly provided \$708,000 in FY 2008 of general fund support for this program as a one-time increase.

**Date:** 1/28/2008/rsa

**C:** Secretary of Education

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