

Department of Planning and Budget 2016 Fiscal Impact Statement

1. Bill Number: SB576ES

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

2. Patron: Ruff

3. Committee: Education

4. Title: Grants for earning workforce training credentials; New Economy Industry Credential Assistance Training Grants

5. Summary: Establishes the New Economy Workforce Credential Grant Fund and program. Provides that any eligible student who enrolls in a noncredit workforce training program offered by an eligible institution pursuant to the Program may apply for and be awarded a grant to cover two-thirds of the cost of the noncredit workforce training program, provided that at the time of enrollment the eligible student pays one-third of the cost of the noncredit workforce training program and signs an agreement to complete the noncredit workforce training program or pay an additional one-third of the program cost in the event of non-completion. Upon the presentation of satisfactory proof of completion of the noncredit workforce training program by the eligible student, the State Council of Higher Education for Virginia shall reimburse the institution in an amount equal to one-third of the cost of the program. Upon the presentation of satisfactory proof of the attainment of a noncredit workforce credential by the eligible student, the Council shall reimburse the institution in an amount equal to one-third of the cost of the program. However, the Council shall not reimburse any eligible institution more than \$3,000 per completed noncredit workforce training program per eligible student pursuant to the Program.

6. Budget Amendment Necessary: No, based on the Senate and House budget actions.

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

8. Fiscal Implications: This legislation could provide up to \$3,000 per student for costs associated with enrolling in workforce training through the New Economy Industry Credential Assistance Training Grants program. The fiscal impact will be dependent on what funding is provided by the General Assembly for this program. The Senate has provided \$13 million in general fund support for this program and the House \$12 million. Unless otherwise provided, some of this funding will likely need to support administrative overhead costs at the State Council of Higher Education for Virginia.

9. Specific Agency or Political Subdivisions Affected: The Virginia Community College System, State Council of Higher Education for Virginia, the Institute for Advanced Learning and Research, New College Institute, Roanoke Higher Education Center, Southern Virginia

Higher Education Center, Southwest Virginia Higher Education Center and the Workforce Development Boards.

10. Technical Amendment Necessary: None.

11. Other Comments: It should be noted that the Institute for Advanced Learning and Research, New College Institute, Roanoke Higher Education Center, Southern Virginia Higher Education Center, and Southwest Virginia Higher Education Center are not degree/certificate granting institutions. Programs offered at these centers are through a third party provider, including the community colleges. Because of this, these institutions do not need to be included in this legislation to allow student's attending these institutions to be eligible for the grants provided under this proposal. HB66 is the companion bill.