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HOUSE BILL NO. 837

Offered January 10, 2018

Prefiled January 9, 2018

A *BILL to amend the Code of Virginia by adding a section numbered 53.1-6.1, relating to the establishment of the First Chance Trust Fund and First Chance Program.*

Patron—Bagby

Referred to Committee on Education

Be it enacted by the General Assembly of Virginia:**1. That the Code of Virginia is amended by adding a section numbered 53.1-6.1 as follows:****§ 53.1-6.1. First Chance Trust Fund and First Chance Program.**

A. There is hereby created in the state treasury a special nonreverting fund to be known as the First Chance Trust Fund, referred to in this section as "the Trust Fund." The Trust Fund shall be established on the books of the Comptroller. All funds appropriated for such purpose; any gifts, donations, grants, bequests, and other funds received on its behalf; and a percentage of the value of certain public contracts, as set forth in subsection B, shall be paid into the state treasury and credited to the Trust Fund. Interest earned on moneys in the Trust Fund shall remain in the Trust Fund and be credited to it. Any moneys remaining in the Trust Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Trust Fund. Moneys in the Trust Fund shall be used solely for the purposes of awarding scholarships and grants pursuant to the First Chance Program, as set forth in subsection C. Expenditures and disbursements from the Trust Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the Director.

B. The Department shall withhold payment on any public contract, as that term is defined in § 2.2-4301, that it enters into pursuant to the Virginia Public Procurement Act (§ 2.2-4300 et seq.) and that exceeds \$5,000,000 annually an amount equal to one percent of the total annual value of such public contract and annually pay such withheld amount into the state treasury to be credited to the Trust Fund, provided, however, that the Department may waive such requirement for any such public contract with the prior approval of the Board. Any other agency of the Commonwealth may withhold payment on any public contract, as that term is defined in § 2.2-4301, that it enters into pursuant to the Virginia Public Procurement Act (§ 2.2-4300 et seq.) and that exceeds \$5,000,000 annually an amount equal to one percent of the total annual value of such public contract and annually pay such withheld amount into the state treasury to be credited to the Trust Fund.

C. There is hereby established the First Chance Program (the Program). The Board shall administer the Program by expending moneys from the Trust Fund to award:

1. A scholarship to attend a public institution of higher education in the Commonwealth to any student who attends a public high school that is located in a region of the Commonwealth that has a high school dropout rate, poverty rate, or incarceration rate that is higher than the relevant average rate in the Commonwealth; and

2. A grant to any private, nonprofit social services organization that is located in a region of the Commonwealth that has a high school dropout rate, poverty rate, or incarceration rate that is higher than the relevant average rate in the Commonwealth.

D. The Board shall establish such regulations and guidelines for the administration of the Program as it deems necessary, including regulations and guidelines for scholarship and grant applications, awards, and renewals.

E. No later than October 1 of each year, the Board shall report to the Chairmen of the House Committee on Appropriations, the House Committee on Courts of Justice, the Senate Committee on Courts of Justice, and the Senate Committee on Finance on (i) the revenues of and expenditures from the Trust Fund in the prior fiscal year and (ii) the number, amount, type, and recipients of scholarships and grants made pursuant to the Program in the prior fiscal year.

INTRODUCED

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