

Department of Planning and Budget

2018 Fiscal Impact Statement

1. Bill Number: SB27

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

2. Patron: Stanley

3. Committee: Finance

4. Title: Temporary Assistance for Needy Families Scholarship Pilot Program; VCCS shall establish, report.

5. Summary: Directs the Virginia Community College System (VCCS) to establish and administer a two-year Temporary Assistance for Needy Families(TANF) Scholarship Pilot Program (the Program) for the purpose of providing access to postsecondary educational opportunities to students living in poverty. The Program would provide scholarships to select comprehensive community colleges in the maximum amount of \$4,000 per year, to be applied toward the costs of tuition and books, to 200 selected students who meet TANF eligibility requirements. The Program would be funded by the unexpended balance in federal TANF block grant funds. The bill directs VCCS to report to the Governor and the General Assembly no later than December 1 of each year regarding the effectiveness of and other information about the Program. The bill does not become effective unless an appropriation effectuating the purposes of the bill is included in an appropriation act passed in 2018 by the General Assembly that becomes law.

6. Budget Amendment Necessary: Yes.

7. Fiscal Impact Estimates: Preliminary. See Item 8.

8. Fiscal Implications: Assuming the maximum award amount of \$4,000 to 200 selected students per year, the total TANF funds needed would be \$800,000 per year of the pilot. This bill also requires the Virginia Community College System to monitor, record, and analyze the outcomes for student participants in the pilot program and report to the Governor and General Assembly by December 1 of each year of the program. Any administrative costs resulting from this legislation can be absorbed within the current appropriation. If the pilot program evolves into a recurring program, VCCS may require additional resources, including position(s), for ongoing program administration. Currently, adequate TANF funds exist to cover the cost of the program, but if benefit payments or other mandatory services increase in the future, it could require either elimination of the proposed scholarship program or general fund backfill to maintain it.

9. Specific Agency or Political Subdivisions Affected: Virginia Community College System, Department of Social Services.

10. Technical Amendment Necessary: No.

11. Other Comments: Companion bill to HB 285.