

Department of Planning and Budget 2024 Session Fiscal Impact Statement

1. Bill Number: SB113

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

2. Patron: Reeves

3. Committee: General Laws and Technology

4. Title: Department of Veterans' Services; Veterans' Fellowship for State Government Pilot Program.

5. Summary: This proposal creates a Veteran's Fellowship for State Government Pilot Program (Fellowship Program) within the Department of Veterans Services (DVS). The Department shall collaborate with Virginia Commonwealth University (VCU) to recruit veterans to participate in undergraduate-level and graduate-level cohorts to assist such veterans in pursuing educational pathways to employment with the Commonwealth. The Department shall report annually to the General Assembly by November 1 regarding the progress of the participants, the return on investment for the Commonwealth, and recommendations for Program enhancements. The bill has an expiration date of July 1, 2027.

6. Budget Amendment Necessary: Yes, Item 456

7. Fiscal Impact Estimates: Preliminary, see Item 8 below.

8. Fiscal Implications: The proposed legislation creates a Veteran's Fellowship for State Government Pilot Program within the Department of Veterans Services. The goal of the Fellowship Program is to assist veterans to transition to employment and to increase skilled workers in the Commonwealth in collaboration VCU.

The pilot program would run for three years, with a cohort of undergraduate students and a cohort of graduate students. The Department of Veteran Services estimates five graduate participants and five undergraduate participants. The estimated cost is \$755,430 for FY 2025 and \$644,815 for FY 2026. Specifically, the cost per undergraduate student is estimated to be \$28,263 the first year and \$29,263 in the second year to cover education expenses and a monthly living stipend for participants. For the graduate student cohort, DVS estimated the cost per graduate student to be \$122,823 the first year and \$99,700 the second year to cover both education expenses as well as state employment costs including salary and benefits. Since the pilot is three years, the third-year costs were estimated to be \$29,263 per undergraduate participant and \$89,600 per graduate participant. Any impact to other state agencies cannot be determined at this time.

The Virginia Commonwealth University does not anticipate any fiscal impact as a result of this bill since tuition waivers and scholarships are not required from the university. Additionally, VCU anticipates it would be able to absorb costs that arise from implementing the program in collaboration with DVS.

9. Specific Agency or Political Subdivisions Affected: Department of Veterans Services, Virginia Commonwealth University, State Agencies who hire graduate participants

10. Technical Amendment Necessary: No.

11. Other Comments: This bill is the companion to HB141.