2023 Special Session I

Budget Bill - HB6001 (Introduced)

Virginia College Savings Plan

Item 497	First Year - FY2023	Second Year - FY2024
Administrative and Support Services (79900)	**$42,585,338**	**$44,270,249**
General Management and Direction (79901)	$20,835,795	$21,408,896
Investment, Trust and Related Services for Achieving a Better Life Experience (ABLE) Program (79952)	$2,413,769	$2,413,769
Investment, Trust and Related Services for State-Facilitated IRA Savings Program (79953)	$2,000,000	$2,000,000
Investment, Trust and Related Services for Defined Benefit 529 Programs and other Education Savings Programs (79955)	$17,335,774	$18,447,584
Fund Sources:		
Enterprise	$42,585,338	$44,270,249

Authority: Title 23.1, Chapter 7, Code of Virginia.

A. The amounts appropriated to this Item are sufficient to continue funding a comprehensive compensation plan to link pay to performance.

B. Amounts for Investment, Trust and Related Services for Achieving a Better Life Experience (ABLE) Program cover personnel services, variable, and unpredictable costs from nongeneral funds pursuant to § 23.1-701, Code of Virginia.

C. Amounts for Investment, Trust and Related Services for Defined Benefit 529 Programs and other Education Savings Programs cover variable or unpredictable costs from nongeneral funds pursuant to § 23.1-701, Code of Virginia.

D. Included in this appropriation is $2,000,000 the first year and $2,000,000 the second year from nongeneral funds to support SOAR Virginia scholarships. As part of its ongoing review of access and affordability of higher education in Virginia, the Joint Legislative Audit and Review Commission (JLARC) is hereby directed to review (i) evidence of the effectiveness of the SOAR Virginia program and other Virginia College Savings Plan access and affordability efforts involving financial aid-related grants and scholarships, and (ii) whether the net operating revenue of Virginia College Savings Plan can best support higher education access and affordability through SOAR or other state access and affordability programs.

E. The Investment Director position at the Virginia College Savings Plan shall assist the CEO and Board in directing, managing, and administering the Plan's assets. The Investment Director shall serve at the pleasure of the Board and may be removed by a majority vote of the Board.

F. That in accordance with the provisions of Item 4-3.02 of this act and pursuant to the passage of House Bill 2174, 2021 General Assembly, the Virginia College Savings Plan shall receive a non-interest-bearing treasury loan in an amount not to exceed $2 million each year of the biennium to cover the costs of designing and implementing a state-facilitated IRA savings program, until such time as the Program is self-sustaining. Such loan may be renegotiated, as appropriate, and the Plan shall commence repayment with the Program fees and revenues once the Program has achieved at least one year of Program cash flow positivity.

G. Out of this appropriation, $2,867,245 the first year and $4,552,156 the second year from nongeneral funds is for enhanced operations within the Virginia College Savings Plan related to cybersecurity, information technology, and customer service.