Department of Planning and Budget 2025 General Assembly Session State Fiscal Impact Statement

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Bill Number: HB2225 **Patron:** Cousins **Bill Title:** Commonwealth Savers Plan; Access Fund established; report.

Bill Summary: Establishes the Access Fund as a portion of the Fund of the Commonwealth Savers Plan (the Plan), to be managed by the governing board of the Plan (the board) as a part of the Fund but to be accounted for separately from the Fund, into which certain Fund moneys shall be allocated for the purpose of supporting the Plan's goal of enhancing the accessibility, attainability, and affordability of higher education for all citizens of the Commonwealth. The bill directs the board to (i) establish or identify and fund certain programs and partnerships to further the goal of enhancing the accessibility, attainability, and affordability of higher education for all citizens of the Commonwealth, including programs and partnerships that provide scholarships, grants, or mentoring and coaching services to certain identified populations of students; (ii) use certain distributions from the Access Fund, in accordance with the investment objectives and total return spending policy described in the bill and the standard of care set forth in applicable law, to support such programs and partnerships; (iii) appoint an Access Advisory Committee for the purpose of assisting the board by making recommendations relating to any such programs and partnerships for which distributions from the Access Fund could be used; and (iv) submit to relevant committees of the General Assembly and the Joint Legislative Audit and Review Commission by December 1 of each year a report on the Plan's activities relating to the Access Fund for the preceding year. Finally, the bill directs the Audit and Actuarial Committee to, in addition to its other duties set forth in applicable law, assess and make recommendations to the board regarding the availability of Fund moneys for allocation to the Access Fund.

Budget Amendment Necessary: No **Items Impacted:** Item 482

Explanation: A nongeneral fund appropriation is needed to permit any future expenditures within the

Access Fund, but no amount is assumed for distributions to the Access Fund or expenditures

from the Access Fund in this bill.

Fiscal Summary: The fiscal impact from distributions to the Access Fund is unspecified and indeterminate in this bill. Any nongeneral fund fiscal impact would be realized in the Commonwealth Savers Plan's Item 482 of the introduced Appropriation Act.

Fiscal Analysis: The Commonwealth Savers Plan (CSP) indicates the cost to implement this bill can be absorbed by utilizing existing infrastructure and personnel, so there is no fiscal impact associated with increased headcount for agency staff. This bill would authorize CSP to annually execute the spending plan outlined in the bill (4% of the rolling 36-month average of the corpus of the Access Fund as of December 31 of each year).

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Other: HB2225 is similar to SB1065. Additional budget language may be needed to clarify distribution amounts or the authority to make such distributions. If distributions to the access fund are made, the Commonwealth Savers Plan (CSP) would need an appropriation.