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

PUBLISHED: 2/4/2025 11:33 AM **ORIGINAL**

Bill Number: HB2590H2 **Patron:** Cole
Bill Title: Virginia Student Training Employment Pipeline for U.S. Procurement (STEP UP) Grant Fund and Program established.

Bill Summary: Directs the Department of Education, in collaboration with the State Council of Higher Education for Virginia to establish and administer the Virginia Student Training Employment Pipeline for U.S. Procurement (STEP UP) Program for the purpose of facilitating opportunities for any student enrolled in the eleventh or twelfth grade at a public high school in the Commonwealth or enrolled at a comprehensive community college or historically black college or university in the Commonwealth to enter into an agreement with an entity located in the relevant local school division or region that has a procurement contract with the federal government whereby such entity agrees to provide assistance to the student to obtain, prior to graduation, any federal security clearance at the public trust or national security level and any other education, training, or credential that is necessary for the student to be prepared for employment with such entity upon graduation in exchange for a commitment from the student to accept and remain in such an employment position for an agreed-upon period of time after graduation. The bill requires the Department, in consultation with SCHEV and the Virginia Community College System to establish such rules, policies, processes, and procedures as it deems necessary for the proper administration of the Program.

Budget Amendment Necessary: Yes **Items Impacted:** 117
Explanation: The Department of Education anticipates a need for additional funding to support the administration of the program established in the bill.

Fiscal Summary: The Department of Education anticipates a cost of $20,400 general fund per year to administer the program.

General Fund Expenditure Impact:

Agency	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
201 (DOE)	$0	$20,400	$20,400	$20,400	$20,400	$20,400
TOTAL	**$0**	**$20,400**	**$20,400**	**$20,400**	**$20,400**	**$20,400**

Fiscal Analysis: This bill directs the Department of Education (DOE) to administer the program in collaboration with the State Council for Higher Education for Virginia (SCHEV) and to establish rules, policies, processes, and procedures. DOE anticipates the need for additional contractor support to complete this work. DOE estimates a cost of $20,400 general fund per year beginning in FY26. SCHEV can absorb any impact to collaborate with DOE.

Other: None.