

Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

PUBLISHED: 2/12/2026 10:42 AM

ORIGINAL

Bill Number: HB1001H1

Patron: Tran

Bill Title: Commonwealth Savers Plan; State Council of Higher Education for Virginia; Virginia College Access and Affordability Scholarship Fund established; work group; report.

Bill Summary: Directs the transfer of actuarial surplus defined benefit prepaid tuition contract funds from the Commonwealth Savers Plan (the Plan) Fund into a DB529 Fund established by the bill to be deposited into the Virginia College Access and Affordability Scholarship Fund (the Access Fund) established by the bill. Under the bill, the DB529 Fund and the Access Fund operate as subfunds of the Commonwealth Savers Plan Fund. The Joint Legislative Audit and Review Commission shall no less than biennially complete an independent evaluation and risk assessment of the Plan's risk assessment model, assumptions, and other measures employed by the Plan related to the DB529 Fund and the Access Fund.

Funds in the Access Fund shall be used to establish a scholarship program that is managed and administered by the State Council of Higher Education for Virginia (the Council). The scholarship program provides scholarship awards to students enrolled in an eligible education program, defined in the bill, and a portion of the funds are to be devoted to college access resources or programs to assist low-income students, first generation college students, students from underrepresented communities, or other at-risk students with their introduction to the higher education system in Virginia, college applications, financial aid applications, and resources assisting with a successful transition from high school to college. The Council is required to report on the Access Fund and scholarship program no later than December 31 of each year.

Finally, the bill (i) directs the Council to establish a work group of higher education stakeholders to make recommendations on allocations of funds available through the Access Fund and scholarship program and directs the work group to report to the House Committees on Education and Appropriations and Senate Committees on Education and Health and Finance and Appropriations no later than November 1, 2026, and (ii) prohibits the Plan from implementing or taking part in any initiatives relating to the aforementioned college access programs on or after July 1, 2026, except for existing access programs related to a prepaid tuition contract entered into on or before June 30, 2026, and existing program offerings made available for SOAR Virginia and GEAR UP Virginia.

The substitute bill clarifies that as soon as practicable after July 1, 2026, the Commonwealth Savers Plan (the Plan) shall deposit an amount equal to \$586 million from the access fund established and currently set aside by the Plan into the Virginia College Access and Affordability Scholarship Fund. The substitute bill also directs the Plan to make deposits from the DB529 Fund to the Access Fund beginning in the fiscal year immediately following the fiscal year after the initial \$586 million deposit in annual increments over a period not less than three fiscal years and in amounts that would maintain or exceed an annual funded status of current and future actuarial surplus of 125 percent.

Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

execute the stipulated distributions and additional nongeneral fund appropriation would be needed to accommodate the indeterminate incremental deposits following FY27.

CSP indicates the funding process for disbursements from the Fund would require coordination with SCHEV. However, CSP and SCHEV have established history with other scholarship programs, such as GEARUP Virginia, whereby funds are contributed and withdrawn as needed for scholarship payouts by SCHEV and investments are managed by CSP. If existing processes are utilized, costs may be minimized.

CSP expects an indeterminate nongeneral fund impact for administrative costs, costs to support SCHEV's initiatives for access programs, and separate investment management of the new Access Fund. While initial internal personnel costs might be absorbed within CSP's current operating expenses, the accounting, administration, and reporting for both funds could lead to increased investment management and financial accounting expenses, necessitating additional personnel. Moreover, CSP indicates that professional services, including additional actuarial and risk consulting services are needed to evaluate the financial health of both the remaining DB529 Fund and the Access Fund.

Other: None.