

State Fiscal Note for Bill Number: 2023-H-6189

Date of State Budget Office Approval: Wednesday, May 31, 2023

Date Requested: Friday, April 28, 2023

Date Due: Monday, May 8, 2023

Impact on Expenditures		Impact on Revenues	
FY 2023	\$0	FY 2023	N/A
FY 2024	Likely minimal	FY 2024	N/A
FY 2025	Likely minimal	FY 2025	N/A

Explanation by State Budget Office:

This bill would establish a tuition waiver program for youth who are or who have been in foster care to attend the University of Rhode Island (URI), Rhode Island College (RIC), and the Community College of Rhode Island (CCRI). The program would begin with the high school graduating class of 2023 and would be open to youth currently in foster care and to youth who left foster care at age 14 or older for guardianship or adoption, in both cases until the individual reaches the age of 26.

It would cover the costs of tuition and mandatory fees to attain a degree or certificate at URI, RIC, or CCRI. A waiver would be limited to one award per student per year and may cover the cost of up to four years of full-time attendance at one of the institutions, or for the equivalent amount for the recipient student to attend classes on a part-time basis until the attainment of the student's first certificate, associate degree, or bachelor's degree.

The Department of Children, Youth, and Families (DCYF) would annually identify and notify eligible youth and foster parents and would contact the admissions office of the relevant institution at the request of the youth or foster parent. DCYF, in consultation with URI, RIC, and CCRI, would submit an annual report to the Governor and the General Assembly on each November 1, starting in 2024, detailing program expenditures, number of recipients, number of recipient students who made satisfactory academic progress and are on track to graduate on time, and each awardee's unmet need.

Comments on Sources of Funds:

The program would primarily be funded by general revenue appropriations, but charitable donations would be accepted.

Summary of Facts and Assumptions:

The potential impact of this bill is diminished due to overlap with the existing Department of Children, Youth, and Families' Higher Education Opportunity Incentive Grant Program, which this bill does not mention. The existing program is technically a grant program that requires DCYF to recommend participants, but program expenditures have historically not approached the full statutorily required annual appropriation of \$200,000, totaling only \$29,692 in FY 2022 and \$54,372 in FY 2023 through May 29.

DCYF participation data combines the Higher Education Opportunity Incentive Grant Program with the federal Chafee Education and Training Vouchers Program. For both programs in FY 2023, 60 students applied, 44 students were deemed eligible, and 25 students received awards, with six students awarded State incentive

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grants and 24 students awarded Federal grants. The total Federal award amount in FY 2023 is \$223,666. Over the past four full years, each year an average of 322 youth turned 18 and stayed in DCYF foster care for at least one day after age 14.

The existing grant program is only open to youth who are currently in foster care and have been for at least two years or for youth who have reached the age of 18 and aged out of foster care but were in foster care from at least age 16 to age 18 and only runs to the age of 23, while the new program is also open to youth who left foster care at age 14 or older and runs to age 26. The existing grant program is more comprehensive than the new program, also covering room and board charges in addition to tuition and mandatory fees.

It is therefore likely that anyone eligible for both the existing grant program and the new program would choose the existing grant program, which is likely in any given year to have excess funding available based on historical participation rates. It is conceivable that the outreach required for this new program could result in more participants who would have been eligible for the existing grant program. However, absent that, the only way this new program would have a significant fiscal impact would be if there were a significant population of youth who left foster care at age 14 or older for guardianship or adoption and would participate in this program, or if the limitation of funding to four years, with no provisions for part-time attendance, and the age cap of 23 in the existing grant program meaningfully limit participation.

Tuition and mandatory fees for FY 2024 are set to be \$16,408 at URI, \$10,986 at RIC, and \$5,325 at CCRI, but other forms of financial aid such as Pell Grants would likely significantly reduce those costs for most participants.

Summary of Fiscal Impact:

This bill is likely to either have no fiscal impact or a minimal impact beginning in FY 2024.

Budget Office Signature:

Fiscal Advisor Signature:

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