



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 934

PRINTERS NO. 1330

PRIME SPONSOR: Christiana

COST / (SAVINGS)

FUND	FY 2014/15	FY 2015/16
General Fund	\$0	See Fiscal Impact

SUMMARY: House Bill 934, Printer's Number 1330, amends the Public Welfare Code to codify the Keystone Education Yields Success (KEYS) Program. This legislation is effective in 60 days.

ANALYSIS: The KEYS program offers career counseling, tutoring and academic supports to individuals eligible for Temporary Assistance for Needy Families (TANF) or Supplemental Nutrition Assistance Program (SNAP) benefits who are enrolled in a degree program at one of the 14 community colleges in PA, a career or technical school registered with the Department of Education or a university in the PA State System of Higher Education. KEYS participants will be allowed to count their education, including class, clinical, labs and study time as set by the school, towards their core TANF work requirement for 24 months. Six-month extensions may be granted if the student meets the following requirements: enrolled in a high-priority occupation; maintained a 2.0 grade point average and made satisfactory progress toward completion of a degree. An individual who, without good cause, does not comply with the terms and conditions of the program shall be terminated from KEYS.

FISCAL IMPACT: The Department of Human Services (DHS) anticipates an increase of 550 KEYS participants as a result of this legislation. Potential costs for the new KEYS participants include: \$142,500 (\$997,500 federal funds) for contracted staff to administer the program; \$276,000 (\$1.924 million federal funds) for supports such as transportation, books and fees; and \$465,000 (\$2.740 million federal funds) for child care for a total potential FY 2015-16 fiscal impact of \$884,000 (\$5.662 million federal funds). The cost could be less depending on the support services and child care that are already being provided to the new KEYS participants.

The expansion of the KEYS program should save state and federal funds in subsequent years as KEYS recipients graduate, obtain employment and become independent. The Center for Law and Social Policy (CLASP) indicates that according to data compiled by KEYS program administrators, the average hour salary of KEYS graduates is \$14.77, compared to under \$8.00 an hour for former and current participants in other DHS programs.

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House Appropriations Committee (R)

DATE: May 4, 2015

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.