



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 688

PRINTER'S NO. 1036

PRIME SPONSOR: Rozzi

COST / (SAVINGS)

FUND	FY 2022/23	FY 2023/24
General Fund	\$0	See Fiscal Impact

SUMMARY:

House Bill 688, Printer's Number 1036 establishes the PA Teacher Pipeline Scholarship program.

ANALYSIS:

The bill creates a new scholarship program at the Pennsylvania Higher Education Assistance Agency (PHEAA). Grants will be available to eligible students who are residents of the commonwealth, attend an institution of higher education and study education or another program to prepare students to become a teacher. Grants can be up to \$8,000 per academic year.

Students accepting a grant must agree to work as a teacher within the commonwealth for a public school entity after graduation for one year for each year that they received a grant. If the student does not comply with this requirement, the grant must be repaid.

PHEAA may retain a reasonable amount necessary to pay for direct costs to implement to the program and will submit estimates of its costs within its annual budget submission documents.

The bill takes effect in 90 days.

FISCAL IMPACT:

The bill does not contain any appropriations for the program, so the overall cost of the program would be set within the budget, if the General Assembly chose to fund the program.

According to PHEAA, implementation costs could range between \$750,000 to \$1,000,000, but the amount retained by PHEAA would not be permitted to exceed the 5% cap. Ongoing costs for the agency to administer the program would vary but depend on the conversion rate from grant to repayment based on recipient compliance with the work requirement. PHEAA would incur additional costs to track and recover funds due from recipients who did not comply with the work requirement.

PREPARED BY: Eric Dice
House Appropriations Committee (D)

DATE: May 2, 2023

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