

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5739-01
Bill No.: HB 2155
Subject: Veterans; Education, Higher; Military Affairs
Type: Original
Date: February 1, 2016

Bill Summary: This proposal allows individuals currently serving in the Missouri National Guard to have resident student status for admission and tuition purposes at public institutions of higher education.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
College & University	(Unknown)	(Unknown)	(Unknown)
Total Estimated Net Effect on <u>Other</u> State Funds	(Unknown)	(Unknown)	(Unknown)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Oversight was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

Oversight notes this proposal allows members of the Missouri National Guard to have student resident status at any in-state higher education institution. This tuition limitation is applied after all other federal and state aid for which the individual is eligible is applied.

Oversight notes that tuition at the University of Missouri for 14 credit hours is estimated to be \$10,586 for in-state students and \$25,198 for out-of-state students. Oversight notes that the University of Central Missouri charges \$214.85 per credit hour for in-state students and \$429.70 for out-of-state students. Oversight is unable to determine how many Missouri National Guard members pay out-of-state tuition. Additionally, Oversight is unable to determine if the institutions currently have programs that would lower the amount paid by Missouri National Guard members when they enroll as a student. Oversight for the purpose of the fiscal note, will show the higher education institutions may experience a loss of tuition that is currently received. Oversight will show the impact as unknown.

Officials at the **Department of Higher Education** assume this would not fiscally impact the department; though they would need to promulgate rules for the program.

Oversight notes this proposal grants the Coordinating Board for Higher Education the ability to promulgate rules for this program. Oversight assumes that in similar legislation granting rule making authority the **Joint Committee on Administrative Rules** assumed it would have no fiscal impact.

Oversight assumes that in similar legislation granting rule making authority the **Office of the Secretary of State (SOS)** assumed:

Many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than

ASSUMPTION (continued)

\$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
COLLEGE & UNIVERSITY FUNDS			
<u>Loss - Institutions - loss of tuition</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON COLLEGE & UNIVERSITY FUNDS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This bill permits individuals currently serving in the Missouri National Guard to have resident student status for the purpose of admission, in-state tuition at any approved public four-year institution, and in-state, in-district tuition at any approved two year institution in Missouri.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Higher Education
Joint Committee on Administrative Rules
Office of the Secretary of State



Mickey Wilson, CPA
Director
February 1, 2016

Ross Strobe
Assistant Director
February 1, 2016