

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4287-01  
Bill No.: HB 1704  
Subject: Education, Higher; Higher Education Department  
Type: Original  
Date: February 14, 2014

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Bill Summary: This proposal creates the Missouri Tuition Equity Act.

**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Higher Education (DHE)** assume this proposed legislation would require the governing boards of institutions of higher education in Missouri to consider individuals that graduate from a Missouri high school (having attended a Missouri high school for two years) to be Missouri residents unless they establish residency in another state. Individuals that are not citizens or permanent residents need only provide confirmation of their intent to apply for permanent residency as soon as possible.

DHE assumes this bill applies only to public colleges and universities since nonpublic institutions usually do not differentiate tuition by residency status. Since the bill only requires governing boards of institutions to determine the specified individuals as residents and then only for tuition, fees, and admission, it is assumed the intent was not to include state student aid programs in this requirement. As a result, there would be no fiscal impact on the DHE or the state aid programs it administers. It could have an unknown fiscal impact on public colleges and universities due to the resulting loss of tuition revenue.

Officials from the following colleges and universities assume no fiscal impact to their institutions as a result of this proposal: **Missouri State University, Linn State Technical College, University of Missouri System, University of Central Missouri, and Northwest Missouri State University.**

**Oversight** assumes, based on responses from colleges and universities, that this proposal will have no fiscal impact on colleges and universities.

Officials from the following colleges and universities: Crowder, East Central Community College, Harris-Stowe, Jefferson College, Kansas City Metro Community College, Lincoln University, Moberly Area Community College, Missouri Southern State University, Missouri Western State University, Southeast Missouri State University, State Fair Community College, St. Charles Community College, St. Louis Community College, Three Rivers Community College, and Truman State University did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2015  
(10 Mo.)

FY 2016

FY 2017

\$0

\$0

\$0

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

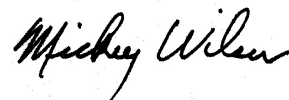
The proposed legislation appears to have no direct fiscal impact.

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  
Colleges and Universities

Missouri State University  
Linn State Technical College  
University of Missouri System  
University of Central Missouri  
Northwest Missouri State University



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February 14, 2014

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