

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5739-02
Bill No.: Perfected HCS for HB 2155
Subject: Veterans; Education, Higher; Military Affairs
Type: Original
Date: February 23, 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 over \$100,000)	(Unknown over \$100,000)	(Unknown over \$100,000)
Total Estimated Net Effect on <u>Other</u> State Funds	(Unknown over \$100,000)	(Unknown over \$100,000)	(Unknown over \$100,000)

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 notes this proposal allows members of the Missouri National Guard or reserve service members whose home of record is Missouri, to have student resident status at any in-state higher education institution. This tuition limitation is applied before 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 or reserve 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 over \$100,000.

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.

Officials at the **Office of the Adjutant General** assume there is no fiscal impact from this proposal.

Officials at the **University of Missouri** assume the approximate cost would be \$250,000 at the Columbia campus assuming the numbers stay about the same with roughly 45 eligible students. At University of Missouri- St. Louis there are 36 eligible students and their cost would be \$0. At the Missouri University of Science and Technology report that their cost would be \$34,650. UMKC assumes this proposal would result in additional students being eligible.

Officials at the **State Technical College of Missouri** each assume this would have a negative fiscal impact but the impact can not be determined at this time.

Officials at the **Missouri State University** assume this would have an unknown negative impact.

Officials at the **Metropolitan Community College, Missouri Western State University, State Fair Community College, St. Louis Community College** and the **University of Central Missouri** each assume there is no fiscal impact from this proposal to their respective institution.

ASSUMPTION (continued)

Officials at the **Joint Committee on Administrative Rules** assume there is no fiscal impact from this proposal.

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 \$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>	(Unknown over <u>\$100,000</u>)	(Unknown over <u>\$100,000</u>)	(Unknown over <u>\$100,000</u>)
ESTIMATED NET EFFECT ON COLLEGE & UNIVERSITY FUNDS	(Unknown over <u>\$100,000</u>)	(Unknown over <u>\$100,000</u>)	(Unknown over <u>\$100,000</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.

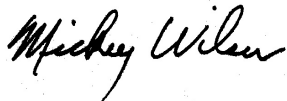
FISCAL DESCRIPTION

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
Metropolitan Community College
Missouri State University
Missouri Western State University
Office of the Adjutant General
Office of the Secretary of State
State Fair Community College
State Technical College of Missouri
St. Louis Community College
University of Central Missouri



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February 23, 2016

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February 23, 2016