

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1074-01
Bill No.: SB 296
Subject: Education, Higher
Type: Original
Date: February 21, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government *	(Unknown)	(Unknown)	(Unknown)

* expected to exceed \$100,000.

FISCAL ANALYSIS

ASSUMPTIONS

Officials from the **Office of the Secretary of State** assume this proposal would allow students who meet certain criteria to be eligible for in-state tuition rates. The public institutions of higher education would prescribe rules and regulations for the implementation of this legislation. These rules would be published in the Missouri Register and the Code of State Regulations by our division. Based on experience with other divisions, the rules, regulations and forms issued by the public institutions of higher education could require as many as 4 pages in the Code of State Regulations. The estimated cost of a page in the Code of State Regulations is \$27.00. For any given rule, roughly half again as many pages are published in the Missouri Register as in the Code because cost statements, fiscal notes and the like are not repeated in the Code. The estimated cost of a page in the Missouri Register is \$23.00. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded or withdrawn. $((4 \times \$27) + (6 \times \$23) = \$246)$

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. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

ASSUMPTIONS (continued)

Officials from the **Department of Higher Education** (DHE) assume this proposal could require the promulgation of new rules by the DHE. The impact on the colleges and universities would be determined by the number of eligible students enrolled in a given year, along with the difference in tuition between in-state and out-of-state tuition. DHE indicated an unknown fiscal impact to their organization.

Officials from **Missouri Western State College, Central Missouri State University, Linn State Technical College, Southwest Missouri State University,** and the **University of Missouri** assume this proposal would have no fiscal impact on their organizations.

Officials from the **Metropolitan Community Colleges** (MCC) assume this proposal would affect the residence code of approximately 100 students. Since these students tend to be full-time, these 100 students would generate about 3,000 credit hours per year. The tuition differential between the international rate and the average rate, excluding international students, would be \$123 per credit hour. As a result of this legislation, MCC would lose approximately \$369,000 per year (100 students x 30 credit hours x \$123 = \$369,000).

Oversight assumes this proposal would result in an unknown reduction in tuition for community colleges.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2006 (10 Mo.)	 FY 2007	 FY 2008
COMMUNITY COLLEGES			
<u>Revenue reduction - tuition *</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON COMMUNITY COLLEGES *	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

* expected to exceed \$100,000.

FISCAL IMPACT - Small Business

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

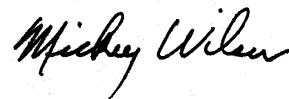
DESCRIPTION

This proposal would make certain students eligible for in-state tuition, regardless of their immigration status.

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

Office of the Secretary of State
Department of Higher Education
University of Missouri
Central Missouri State University
Southwest Missouri State University
Missouri Western State College
Linn State Technical College
Metropolitan Community Colleges



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February 21, 2005