

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 6284-01  
Bill No.: HB 2484  
Subject: Education, Higher  
Type: Original  
Date: April 4, 2016

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Bill Summary: This proposal provides that tuition and incidental fees for resident students at the University of Missouri for the 2016-2017 academic year shall not exceed the amount of tuition and incidental fees charged to resident students for the 2015-2016 academic year.

**FISCAL SUMMARY**

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

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
University of Missouri	\$0 or (Could exceed \$1,000,000)	\$0	\$0
<b>Total Estimated Net Effect on Other State Funds</b>	<b>\$0 or (Could exceed \$1,000,000)</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
 This fiscal note contains 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<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>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

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

**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 would prohibit the University of Missouri from charging tuition and incidental fees in the 2016-2017 academic year that are higher than the tuition and fees charged in the 2015-2016 academic year.

Officials at the **Department of Higher Education** assume there is no fiscal impact from this proposal.

**Oversight** notes that the University of Missouri had a total student enrollment in Fall 2015:

Columbia	35,424
Rolla	8,886
Kansas City	16,685
St. Louis	<u>16,738</u>
Total Enrollment =	77,733

**Oversight** notes that the University’s tuition rate and fee rates would be impacted by this proposal. Below is information on the tuition and fee rates for the Columbia campus:

	Unit	Fall 2015	Summer 2016
Tuition	per credit	\$276.20	\$276.20
Nonresident Fee	per credit	\$521.90	\$521.90
Prepaid Health Fee	flat rate	\$101.47	\$82.80
Recreation Facility Fee	flat rate	\$141.80	\$70.90
Student Activity Fee	flat rate	\$171.84	\$85.92
Information Technology Fee	per credit	\$13.10	\$13.10

ASSUMPTION (continued)

In addition to tuition and mandatory fees, the University also assesses additional undergraduate and graduate course fees. For informational purposes, Oversight is showing the undergraduate course fees:

Agriculture, Food and Natural Resources	\$49.10/credit hour
Applied Music	\$236.20 flat rate
Arts and Science	\$30.00/credit hour
Arts and Sciences/School of Medicine	\$30.00/credit hour
Business	\$79.40/credit hour
Education	\$48.00/credit hour
Engineering	\$82.40/credit hour
Health Professions	\$92.40/credit hour
Human Environmental Sciences	\$53.50/credit hour
Journalism	\$74.60/credit hour
Nursing	\$90.00/credit hour

**Oversight** notes that the Board of Curators for the University of Missouri as of March 31, 2016, had not established the tuition and fee schedule for the 2016-2017 academic year. Oversight assumes that should the Board of Curators vote to hold all tuition and fees the same, this proposal would not have a fiscal impact.

However, should the Board of Curators vote to increase tuition or any/all of the fees and this proposal passes, this proposal would have a negative fiscal impact on the University. Oversight notes that should the Curators increase tuition or fees just \$10 per student, the impact to the University System would be \$777,330 (77,733 x \$10).

**Oversight** will show the impact of this proposal to the University of Missouri as \$0 (no fee increase expected) or Could exceed \$1,000,000.

<u>FISCAL IMPACT - State Government</u>	FY 2017	FY 2018	FY 2019
<b>UNIVERSITY OF MISSOURI FUNDS</b>			
<u>Revenue Reduction</u> - holding tuition and fees at 2015-2016 rate	\$0 or (Could exceed <u>\$1,000,000</u> )	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON UNIVERSITY OF MISSOURI FUNDS</b>	<b>\$0 or (Could exceed <u>\$1,000,000</u>)</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2017	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 requires the cost of attending the University of Missouri (all tuition and fees) for Missouri residents for the 2016-17 academic year to not exceed the cost for the 2015-16 academic year.

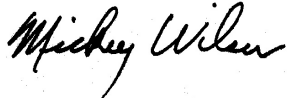
This proposal contains an emergency clause.

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

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SOURCES OF INFORMATION

Department of Higher Education



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April 4, 2016

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April 4, 2016