

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5056-01  
Bill No.: HB 2276  
Subject: Higher Education  
Type: Original  
Date: March 10, 2020

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Bill Summary: This proposal allows dependents of military personnel to receive in-state tuition at public institutions of higher education if the military personnel resides or is stationed in the state.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
<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 2021	FY 2022	FY 2023
University Funds	(Unknown)	(Unknown)	(Unknown)
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(Unknown)</b>	<b>(Unknown)</b>	<b>(Unknown)</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</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 2021</b>	<b>FY 2022</b>	<b>FY 2023</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 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>
<b>Local Government</b>	<b>(Unknown)</b>	<b>(Unknown)</b>	<b>(Unknown)</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Higher Education and Workforce Development** assume the proposal will have no fiscal impact on their organization.

Officials from the **University of Missouri System** assume this proposal could result in lost student revenue to the University of an undetermined amount depending on the number of students that would receive this benefit. We know with current pricing the average full-price tuition and required fees per Missouri Resident student for our four universities is \$10,667 per academic year. And current pricing the average full-price tuition and required fees for Non-Resident students for our four universities is \$28,323 per academic year.

Official from **State Technical College of Missouri** assume there would be a negative fiscal impact, but based on current information, then impact would be minimal.

Officials from **Northwest Missouri State University** assume the proposal will have no fiscal impact on their organization.

**Oversight** assumes there could be a loss in revenue for public institutions of higher education from the extension of in-state tuition to dependents of military personnel that are residents of the state.

**Oversight** received a limited number of responses from Colleges & Universities related to the fiscal impact of this proposal. Oversight has presented this fiscal note on the best current information available. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

**Oversight** only reflects the responses that we have received from state agencies and political subdivisions; however, other Colleges & Universities were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in our database is available upon request.

<u>FISCAL IMPACT - State Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023
<b>UNIVERSITY FUNDS</b>			
<u>Revenue (Loss) - extension of in-state tuition to dependents of military personnel</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON UNIVERSITY FUNDS</b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023
<b>COMMUNITY COLLEGES</b>			
<u>Revenue (Loss) - extension of in-state tuition for dependents of military personnel</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON COMMUNITY COLLEGES</b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This bill extends in-state tuition at public institutions of higher education to the dependents of military personnel, as defined in the bill, that are residents of the state of 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 and Workforce Development  
University of Missouri System  
State Technical College of Missouri  
Northwest Missouri State University



Julie Morff  
Director  
March 10, 2020



Ross Strope  
Assistant Director  
March 10, 2020