

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 2** HLS 161ES 37
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: February 22, 2016 12:25 PM	Author: BROADWATER
Dept./Agy.:	Analyst: Greg Albrecht
Subject: Repeal SAVE Program	

TAX CREDITS EG NO IMPACT GF RV See Note Page 1 of 1
 Repeals the Student Assessment for a Valuable Education (SAVE) credit program (Item #14)

Current law established the SAVE (Student Assessment for a Valuable Education) program that re-characterized a portion of higher education means-of-finance from general fund resources to statutory dedication resources.

Proposed law repeals the SAVE provisions.

Effective upon governor's signature

EXPENDITURES	2016-17	2017-18	2018-19	2019-20	2020-21	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2016-17	2017-18	2018-19	2019-20	2020-21	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

The SAVE (Student Assessment for a Valuable Education) program re-characterizes a portion of higher education means-of-finance from general fund resources to statutory dedication resources by decreasing general fund resources and providing a like amount of increased statutory dedication resources through the Higher Education Initiatives Fund. The amount of funding involved in FY16 was \$350 million as appropriated by the legislature from the Higher Education Initiatives Fund, which itself was financed by transfer of a like amount from the state general fund. No such appropriation has been made for FY17 or any subsequent years at this point, and no associated transfers are made until appropriations are made. No anticipation of these actions has been incorporated into the state budget plan for FY17 or beyond. Thus, repeal of the provision has no effect on the state budget means-of-financing for higher education.

Senate Dual Referral Rules House

13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

John D. Carpenter
Legislative Fiscal Officer