



**LEGISLATIVE FISCAL OFFICE  
Fiscal Note**

Fiscal Note On: **HB 391** HLS 22RS 700  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> March 29, 2022 11:28 AM	<b>Author:</b> BRYANT
<b>Dept./Agy.:</b> Higher Education	<b>Analyst:</b> Tim Mathis
<b>Subject:</b> Tuition at Postsecondary Education Institutions	

HIGHER EDUCATION OR DECREASE SG RV See Note Page 1 of 2  
 Provides relative to tuition for certain nonresident postsecondary students

Present law provides for the powers and duties of public postsecondary management boards to establish tuition and fee amounts applicable to nonresident students attending institutions under their jurisdiction.

Proposed law requires nonresident students who are children of graduates of postsecondary institutions be considered resident students at those institutions for purposes of determining tuition and fee amounts. Applies to both public and nonpublic four-year postsecondary institutions.

<b>EXPENDITURES</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						
<b>REVENUES</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on governmental expenditures as a result of this measure. To the extent the SGR revenue loss is significant, institutions may require additional SGF appropriations in order to maintain instructional and other services as a result of non-resident students receiving the fee waiver.

**REVENUE EXPLANATION**

There will be decreased self-generated revenues (SGR) for postsecondary institutions that do not currently offer tuition and/or fee waivers for nonresident students who are children of graduates to be classified as resident students for purposes of determining tuition and mandatory fee amounts. Actual costs are indeterminable and will vary for each institution based on the number of nonresident students who are children of graduates that attend or will attend, current non-resident fee amounts, as well as the number of credit hours taken by individual students. To the extent an institution already provides the waiver or does not enroll a significant number of students that meet the eligibility for the waiver, there will be little to no costs. Other institutions report they are unable to determine potential costs as they do not have information on whether students are children of graduates; costs are indeterminable for those institutions.

The Louisiana State University (LSU) system reports that LSU A&M estimates the waiver will result in a SGR decrease of \$5.3 M. LSU A&M currently offers non-resident students who are children of graduates a waiver equal to 10% of the \$16,677 annual non-resident fee for a full-time undergraduate student, or \$1,667. By waiving the remaining 90% of the non-resident fee, or \$15,010 per year for an estimated 356 students, LSU A&M would experience a SGR decrease of \$5,343,560. The SGR impact for the LSU Health Sciences Centers in New Orleans and Shreveport is indeterminable but potentially significant on a per student basis; current annual non-resident fees for the Schools of Medicine are \$28,177 and \$31,822, respectively. The The LSU system reports that other institutions do not have data on the number of students that would be eligible for the waiver.

The Southern University (SU) system reports that institutions either do not have data on the number of students that would be eligible for the waiver, or already provide the waiver contained in the proposed legislation; however, the system estimates the Southern University of New Orleans will experience a \$100,000 SGR decrease as a result of the waiver.

The University of Louisiana (UL) system reports that institutions either do not have data on the number of students that would be eligible for the waiver, or already provide the waiver contained in the proposed legislation; however, the system estimates that UL Lafayette will experience a \$672,672 SGR decrease as a result of the waiver.

Senate Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Evan Brasseaux*  
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**Evan Brasseaux**  
 Interim Deputy Fiscal Officer



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**CONTINUED EXPLANATION from page one:**  
**REVENUE EXPLANATION CONTINUED FROM PAGE ONE.**

There is no impact of proposed legislation on Louisiana Community and Technical College System (LCTCS); the LCTCS Board of Supervisors eliminated non-resident fees for all students, beginning with the fall 2020 semester.

The SGR impact in future fiscal years is indeterminable and will depend on institution fees and student enrollment patterns. To the extent the waiver results in more out-of-state students choosing to enroll at LA public postsecondary institutions than would otherwise occur, some institutions may experience increased SGR revenues; although the net impact is indeterminable it is not anticipated to offset the overall revenue loss associated with the waiver.

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

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