



**LEGISLATIVE FISCAL OFFICE
Fiscal Note**

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

Date: May 5, 2022 6:48 AM **Author:** BRYANT
Dept./Agy.: Higher Education **Analyst:** Tim Mathis
Subject: Tuition at Postsecondary Education Institutions

HIGHER EDUCATION EG DECREASE SG RV See Note Page 1 of 1
 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 any four-year public postsecondary institution in Louisiana, to be considered resident students at those institutions for purposes of determining tuition and fee amounts. Applies to public four-year postsecondary institutions, except institutions under the LSU Board of Supervisors.

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

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 may be decreased self-generated revenues (SGR) for postsecondary institutions within the Southern University (SU) system and the University of Louisiana (UL) system 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 but anticipated to be minimal on a statewide basis.

The University of Louisiana at Lafayette currently offers the Louisiana Legacy Scholarship to children whose parent or parents graduated from any regionally accredited Louisiana institution, therefore the proposed legislation will result in no impact. The Southern University of New Orleans estimates it will experience a \$100,000 SGR decrease as a result of the waiver. 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. 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 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
 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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