

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 433** HLS 14RS 1166

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> March 13, 2014 4:12 PM	<b>Author:</b> CARTER
<b>Dept./Agy.:</b> Higher Education/Board of Regents	<b>Analyst:</b> Charley Rome
<b>Subject:</b> Interstate Reciprocity Agreements for Online Instruction	

HIGHER ED/BD REGENTS

EG INCREASE SG RV See Note

Page 1 of 1

Authorizes the Board of Regents to enter into interstate reciprocity agreements relative to online instruction

Proposed law authorizes the Board of Regents to enter into state authorization reciprocity agreements that allow proprietary schools and accredited academic degree-granting institutions located in one state to offer online instruction in other states pursuant to the terms of the reciprocity agreement. The bill also allows institutions or proprietary schools located in La. to apply to the Board of Regents for authorization to offer online instruction in other states pursuant to the terms of such agreements. The legislation requires annual reapplication and authorizes Regents to assess an application fee of up to \$1,500. Any accredited postsecondary academic degree-granting institution approved by another state and offering online instruction to Louisiana residents shall be exempt from licensure and other requirements in L.R.S. 17:1808, subject to the terms of reciprocity agreements. Accredited, degree-granting proprietary schools approved by another state and offering online instruction to Louisiana residents shall be exempt from licensure and other legal requirements for proprietary schools, subject to the terms of reciprocity agreements. Effective upon governor's signature.

<b>EXPENDITURES</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
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>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>REVENUES</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
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.

**REVENUE EXPLANATION**

Self-generated revenues will increase by indeterminable amounts in FY 2014-15 and thereafter. The bill authorizes the Board of Regents to collect an annual registration fee of up to \$1,500 from each institution seeking an interstate reciprocity agreements for online instruction. The Board of Regents is unable to estimate how many applications might be received. As such, there is no way to estimate how much revenue might be collected from the annual registration fees.

- |   |                            |              |  |
|---|----------------------------|--------------|--|
| <u>Senate</u>   | <u>Dual Referral Rules</u> | <u>House</u> | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}                    |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}       |                            |              | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S}                  |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} |                            |              | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

*Evan Brasseaux*  
**Evan Brasseaux**  
**Staff Director**