

FISCAL IMPACT STATEMENT ON BILL NO. **S.93**

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TO:	The Honorable John E. Courson, Chairperson, Senate Education Committee		
FROM:	State Budget Division, Budget and Control Board		
ANALYSTS:	Nicole Ford-Jennings		
DATE:	February 19, 2013	SBD:	2013086
AUTHOR:	Senator Young	PRIMARY CODE CITE:	59-112-20
SUBJECT:	Tuition Rates		

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ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

See Below

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**BILL SUMMARY:**

Senate Bill 93 amends Title 59, Chapter 112 of the Code of Laws, 1976, by amending Section 59-112-20 to allow non-resident independent persons or eligible dependents funding their post-secondary education or training with any form of the United States Department of Veterans Affairs GI Bill to receive in-state tuition rates.

**EXPLANATION OF IMPACT:**

Based on the colleges' and universities' individual responses to the Commission on Higher Education (CHE) survey, the legislation would impact tuition and fee revenues collected. Currently, veterans who are non-residents are paying the difference between in-state and out-of-state rates. The GI Bill funds up to a limitation based on the highest cost of attendance for in-state students now at \$18,022, annually (see Special Note). The cost for institutions is the loss of revenue that would be collected from the out-of-state tuition differential applied to non-resident veterans or dependents enrolled and receiving GI bill benefits. If enacted, for the universities, the statewide impact is estimated to approximately \$7 million in foregone revenues (excluding the Technical sector). The loss of revenue across colleges ranged from minimal and a low of about \$70,000 to a high of \$1.7 million.

CHE indicated that the potential revenue loss is anticipated to increase exponentially over time, because the number of veterans using their GI Bill benefits or those assigning a portion or all of the unused benefits to a dependent child is growing every year. However, a specific rate of growth could not be determined.

The state's colleges and universities receive a combination of general fund appropriations and student tuition and fees for support of educational and general operating needs. If any one institution has substantial numbers of eligible students and the loss in revenue resulting from the enactment of the provision is not covered by increased state general funds, an increase to student tuition and fees could be necessary to comply with the legislation. A schedule for the Fiscal Year 2012-2013 in-state and out-of-state tuition and required fees by institution is attached for reference.

**SPECIAL NOTE:**

Cost-of-attendance (as defined by Title IV Regulations) is an estimate of the cost of one year for a full-time student and includes the sum of tuition and fees, living expenses (room and board), books and supplies, transportation, and other expenses such as costs related to disability or dependent care.

Approved by:



Brenda Hart  
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