

FISCAL NOTE
Requested by Legislative Council
01/16/2017

Revised
 Bill/Resolution No.: HB 1353

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2015-2017 Biennium		2017-2019 Biennium		2019-2021 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$(53,100,000)		\$(53,100,000)
Expenditures				\$53,100,000		\$53,100,000
Appropriations				\$53,100,000		\$53,100,000

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2015-2017 Biennium	2017-2019 Biennium	2019-2021 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

HB1353 would provide a full tuition waiver for the senior year, or equivalent time period, for graduates of ND high schools attending ND state institutions of higher education. BND undivided profits would be used to fund the waivers.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The bill provides a waiver of tuition costs related to the senior year, or equivalent time period, of education at a ND state institution of higher education for graduates from ND high schools or home education programs.

Students attending four-year institutions would receive a waiver for no more than two semesters in which the individual is designated a senior. Students in two-year programs would receive a waiver for one-semester. Students in certificate programs would receive a waiver for twenty-five percent of the tuition cost of the program.

The waiver amount must be calculated net of scholarships, grants or other waivers to which the student is entitled.

Students may only receive one waiver under the program.

The State Board of Higher Education (SBHE) is required to develop an application form and procedures to administer the program.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The bill would reduce tuition revenue of state institutions of higher education by an estimated \$53.1 million. The number of ND high school graduates enrolled in certificate and associates degree programs, as well as the number of seniors in bachelor programs, at ND institutions during the 2016 spring, summer and fall semesters served as the basis for the calculation. FY2016-17 tuition rates were used. Scholarships, grants, and waiver dollars received by these students were deducted.

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

BND expenditures would increase by \$53.1 million and would be used to offset the tuition revenue loss.

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

The required special fund appropriation for this bill was not included in the executive recommendation.

Name: Tammy Dolan

Agency: ND University System

Telephone: 328-4116

Date Prepared: 01/17/2017