

LEGISLATIVE FISCAL OFFICE

Fiscal Note



Fiscal Note On: **SB 100** SLS 05RS 163
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Sub. Bill For.:
 Proposed Amd.:

Date: April 27, 2005 3:22 PM	Author: CRAVINS
Dept./Agy.: Higher Ed - Board of Regents	Analyst: Mark Antoon
Subject: National Guard tuition waiver	

STUDENTS OR -\$307,632 SG RV See Note Page 1 of 1

Provides for an extension of time to claim educational benefits for members of the La. National Guard called to duty from inactive ready reserve status.

Present law provides that any student enrolled or who may enroll in a public institution of higher learning of this state who is 17 years of age or over and who is serving in the Louisiana National Guard (LNG) shall be exempt from all tuition charges imposed by any such institution of higher learning if the applicant is presently domiciled in Louisiana and further provides such applicant may claim the benefit for five separate academic years. Also, present law extends the period in which a student may claim the benefit if he or she is mobilized or called to active duty for a period equal to the amount time served in active duty.

Proposed law retains present law and extends the extension of the period to claim such benefits to include those students who are called to active duty from inactive ready reserve status.

EXPENDITURES	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
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	\$0	\$0	\$0	\$0	\$0	\$0
REVENUES	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	(\$307,632)	(\$317,000)	(\$327,000)	(\$336,000)	(\$346,000)	(\$1,633,632)
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	(\$307,632)	(\$317,000)	(\$327,000)	(\$336,000)	(\$346,000)	(\$1,633,632)

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

Implementation of this legislation will reduce self-generated revenues to the higher education institutions because students who presently pay tuition will be eligible for waivers. Currently, the Board of Regents (BOR) estimates the number of inactive National Guardsmen serving in the LNG is 116. These guardsmen will be eligible for approximately \$300,000 in tuition waivers using \$2,652 as an average tuition. The BOR calculated an average tuition by averaging the most and least expensive tuition and mandatory fees at both two and four year institutions. The average tuition is anticipated to rise in future years as the schools request and the legislature grants tuition and fee increases. However, the LFO cannot predict how much tuition will rise in future years but can note that higher education attendance costs have been increasing faster than inflation annually nationwide. Further, this cost projection assumes that the number of eligible guardsmen will remain constant and all guardsmen who are eligible will participate in the program. Estimates in future fiscal years assume a three percent increase in tuition amounts.

Senate

Dual Referral Rules

House

13.5.1 >= \$500,000 Annual Fiscal Cost

6.8(F) >= \$500,000 Annual Fiscal Cost

13.5.2 >= \$500,000 Annual Tax or Fee Change

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk
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Acting Legislative Fiscal Officer