

LEGISLATIVE FISCAL OFFICE

Fiscal Note



Fiscal Note On: **HB 708** HLS 08RS 833
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 22, 2008	7:22 AM	Author: TRAHAN
Dept./Agy.: HIED		Analyst: Mark Antoon
Subject: Tuition increase ULL		

STUDENT/TUITION OR +\$2,235,342 SG RV See Note Page 1 of 1

Authorizes the Univ. of La. System Bd. of Supervisors to impose an increase in tuition and mandatory attendance fee amounts for students attending the Univ. of La. at Lafayette

Proposed law would authorize the University of Louisiana at Lafayette (ULL) to raise tuition by four percent with the University of Louisiana Board's approval. Passage of this legislation is contingent upon a 2/3 favorable vote by both legislative chambers as required by present law. Effective for the 2008 Fall Semester.

EXPENDITURES	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$2,500,000
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>	<u>\$0</u>
Annual Total	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$2,500,000

REVENUES	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>5 -YEAR TOTAL</u>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$2,235,342	\$2,235,342	\$2,235,342	\$2,235,342	\$2,235,342	\$11,176,710
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>	<u>\$0</u>
Annual Total	\$2,235,342	\$2,235,342	\$2,235,342	\$2,235,342	\$2,235,342	\$11,176,710

EXPENDITURE EXPLANATION

The proposed legislation will result in an increase in State General Fund expenditures of a minimum of \$500,000 annually (depending on the bill's interpretation).

If the full four percent tuition increase is requested by the University of Louisiana at Lafayette (ULL) and approved by the University of Louisiana Board, state expenditures will increase by \$500,000 annually in the TOPS program. This estimate is based on the assumption that the TOPS program covers only tuition and initial TOPS-eligible fees originally identified at the program's inception.

The Board of Regents' interpretation of this bill assumes that all tuition and fee increases are covered by this legislation. If this interpretation is used, the increase in TOPS expenditures is estimated to be \$883,000 annually.

REVENUE EXPLANATION

Provisions of this bill will allow the University of Louisiana at Lafayette (ULL) to raise tuition and mandatory fees up to four percent. The LFO assumes the UL Board will enact the full four percent tuition and fee increase which will generate approximately \$2.2 million annually. A four percent tuition and fee increase would raise the ULL tuition to \$3,556 per year from \$3,419 or an increase of \$137. The LFO used the 2007 Fall FTE of 16,345 multiplied by the annual increase of \$137 per full-time FTE to estimate the increase.

Senate

Dual Referral Rules

House

- 13.5.1 >= \$500,000 Annual Fiscal Cost
- 13.5.2 >= \$500,000 Annual Tax or Fee Change

- 6.8(F) >= \$500,000 Annual Fiscal Cost
- 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

H. Gordon Monk

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Legislative Fiscal Officer