

February 4, 2015

The Honorable Steve Brunk, Chairperson
House Committee on Federal and State Affairs
Statehouse, Room 285-N
Topeka, Kansas 66612

Dear Representative Brunk:

SUBJECT: Fiscal Note for HB 2139 by Representative Rubin, et al.

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2139 is respectfully submitted to your committee.

Under current law, certain individuals are eligible to pay resident tuition and fees rates at postsecondary educational institutions. In this statute, "individual" means a person who:

1. has attended an accredited Kansas high school for three or more years;
2. has either graduated from an accredited Kansas high school or has earned a general educational development (GED) certificate issued within Kansas, regardless of whether the person is or is not a citizen of the United States of America; and
3. in the case of a person without lawful immigration status, has filed with the postsecondary educational institution an affidavit stating that the person or the person's parents have filed an application to legalize such person's immigration status, or such person will file such an application as soon as such person is eligible to do so or, in the case of a person with a legal, nonpermanent immigration status, has filed with the postsecondary educational institution an affidavit stating that such person has filed an application to begin the process for citizenship of the United States or will file such application as soon as such person is eligible to do so.

HB 2139 would no longer allow these students to pay resident tuition and fees.

The Board of Regents reports that based on the fall 2014 enrollment, the average educational expenditures per student for the universities was \$10,178. The average cost per student at the community and technical colleges in FY 2013 was \$11,251. There were 651 students (headcount) enrolled under the provisions of current law. Of the 651, 169 students were enrolled at universities, 476 students were enrolled at community colleges, and 6 students at

technical colleges. The cost of the students' attendance was \$7.1 million; however, overhead costs remain constant as long as no classes are added or removed. The table below illustrates the cost by institution.

	<u>Number of Students</u>	<u>Average Cost of Education</u>	<u>Total Cost</u>
University	169	\$ 10,178	\$ 1,720,082
Community Colleges	476	11,251	5,355,476
Technical Colleges	6	11,251	<u>67,506</u>
			\$ 7,143,064

The following table shows the additional revenue that would be collected if all students continued as non-residents.

	<u>Number of Students</u>	<u>Average Tuition Resident</u>	<u>Total Revenue</u>	<u>Average Tuition Non Res</u>	<u>Total Revenue</u>	<u>Additional Revenue If all students became non-resident</u>
University	169	\$7,075	\$1,195,675	\$18,194	\$ 3,074,786	\$ 1,879,111
Community Colleges	476	2,721	1,295,196	3,983	1,895,908	600,712
Technical Colleges	6	3,774	<u>22,644</u>	3,830	<u>22,980</u>	<u>336</u>
			\$2,513,515		\$ 4,993,674	\$ 2,480,159

The revenue estimate shows a range of an increase in revenue of \$2.4 million assuming 651 students shift from paying resident rates to non-resident rates, and a decrease in revenue of \$2.5 million assuming none of the estimated 651 students who previously met the criteria of KSA 76-731a enroll at a postsecondary educational institution. Any fiscal effect associated with HB 2139 is not reflected in *The FY 2016 Governor's Budget Report*.

Sincerely,



Shawn Sullivan,
 Director of the Budget

cc: Kelly Oliver, Board of Regents