

**COMMONWEALTH OF KENTUCKY STATE FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2017 REGULAR SESSION**

MEASURE

2017 BR NUMBER **0979**

SENATE BILL NUMBER **136**

RESOLUTION NUMBER _____

AMENDMENT NUMBER _____

SUBJECT/TITLE **An ACT relating to in-state tuition for Kentucky National Guard members.**

SPONSOR **Senator Carpenter**

NOTE SUMMARY

FISCAL ANALYSIS: IMPACT NO IMPACT INDETERMINABLE IMPACT

LEVEL(S) OF IMPACT: STATE LOCAL FEDERAL

BUDGET UNIT(S) IMPACT: **Public Postsecondary Institutions**

FUND(S) IMPACT: GENERAL ROAD FEDERAL RESTRICTED AGENCY Tuition OTHER

FISCAL SUMMARY

FISCAL ESTIMATES	2016-2017	2017-2018	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES		(Indeterminable)	(Indeterminable)
EXPENDITURES		Indeterminable	
NET EFFECT		(Indeterminable)	(Indeterminable)

() indicates a decrease/negative

MEASURE'S PURPOSE: The purpose of the measure is to provide an active member of the Kentucky National Guard consideration as a Kentucky resident for tuition purposes even if they are registered as a non-Kentucky resident.

PROVISIONS/MECHANICS: Section 1 amends KRS 164.2844 to require Kentucky public universities to charge tuition at the resident rate for students who are non-resident active members of the Kentucky National Guard beginning with the 2017-2018 academic year.

FISCAL EXPLANATION: The value of the differential between non-resident and resident tuition and fees for a full-time student is \$4,400 per year at Kentucky Community and Technical College System colleges and ranges from \$9,000 and \$15,000 per year at the four year colleges. If each institution were to enroll ten non-resident active Kentucky National Guard members, the total value of the waived tuition would be approximately \$1 million.

The Division of Military Affairs has indicated that there are 550 nonresident members of the Army Guard and 277 nonresident members of the Air Guard. This makes up approximately 10.7% of the Kentucky National Guard force. The number of qualified Kentucky National Guard members that would take advantage of the tuition waiver cannot be determined. As this measure expands opportunity for those going out of state to now attend in-state, it is anticipated to increase enrollment.

Already existing is the Kentucky National Guard Tuition Award administered through the Kentucky Higher Education Assistance Authority. This tuition award is for active members of the Kentucky National Guard. A student must maintain all minimum standards of the selected institution, be eligible for all positive personnel actions and have completed basic training or its equivalent. This award covers in-state tuition for full or part-time study at any Kentucky public institution.

This measure would begin with the 2017-2018 academic year. \$7.4 million has been appropriated through 2016 RS HB 303 for 2017-2018 for the Kentucky National Guard Tuition Award. 2016 RS HB 303 provides that if the appropriated amounts are not sufficient to fully fund the program, then any excess costs shall be deemed a necessary government expense (NGE) and shall be paid from the General Fund Surplus Account or the Budget Reserve Trust Fund Account.

Beginning in FY 19, any fiscal impact resulting from the passage of this measure would be in the form of forgone tuition to the public postsecondary institutions providing the service.

DATA SOURCE(S): Council on Postsecondary Education, Department of Military Affairs, Kentucky Higher Education Assistance Authority

PREPARER: Jennifer Krieger NOTE NUMBER: 60 REVIEW: JRS DATE: 2/14/2017