

March 23, 2023

The Honorable Troy Waymaster, Chairperson
House Committee on Appropriations
300 SW 10th Avenue, Room 112-N
Topeka, Kansas 66612

Dear Representative Waymaster:

SUBJECT: Fiscal Note for HB 2464 by House Committee on Appropriations

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2464 is respectfully submitted to your committee.

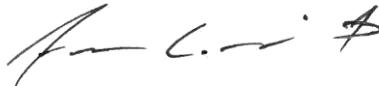
HB 2464 would amend KSA 74-32,233 and 74-32,235, relating to state scholarships by redefining financial need as the difference between a student's available financial resources and the student's total anticipated annual cost of attendance at an eligible institution. The bill would require a student's financial resources to be determined based on the federal methodology of need analysis. HB 2464 would also update the definition of an eligible institution, add the definition of a state educational institution, and define the annual attendance costs as the average cost of in-state tuition and required fees for 30 credit hours of undergraduate instruction across each state educational institution and Washburn University. HB 2464 would also provide that a state scholarship could not exceed the lesser of the actual cost of attendance in any year or 70.0 percent of the annual attendance cost if the state scholar is awarded a state scholarship for any program period, term or semester commencing after July 1, 2023.

The Kansas Board of Regents indicates the enactment of HB 2464 would increase the maximum award that could be given to a state scholar from \$1,000 per year to the actual cost of attendance or \$6,050 per year (70.0 percent of \$8,644 which is the average annual cost of attendance at state institutions and Washburn University) which would be a 505.0 percent increase. The Board indicates this would require to either reduce the number of students that can receive the award or receive an increased allocation to fund the current number of students. The Board further indicates it is unable to determine the amount that would be needed or the number of students that

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would be affected as financial need factors into the amount awarded. Any fiscal effect associated with HB 2464 is not reflected in *The FY 2024 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Proffitt", with a stylized flourish at the end.

Adam Proffitt
Director of the Budget

cc: Becky Pottebaum, Board of Regents