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Sam Brownback, Governor

March 1, 2012

The Honorable Steve Brunk, Chairperson House Committee on Federal and State Affairs Statehouse, Room 149-S Topeka, Kansas 66612

Dear Representative Brunk:

SUBJECT: Fiscal Note for HB 2522 by House Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2522 is respectfully submitted to your committee.

HB 2522 would repeal current law which allows certain individuals to pay resident tuition and fee rates at postsecondary educational institutions, which includes state universities, municipal university, community colleges and technical colleges. In this statute, "individual" means someone who has:

- 1. 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, 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.

Under current law, the Regents system enrolled 500 students (headcount) under the provisions of KSA 76-731a. Of those students, 101 students were enrolled at universities, 396 students were enrolled at community colleges and three students were enrolled at technical colleges.

Revenues from the average undergraduate resident tuition and required fees at the state universities for academic year 2012 (two semesters) total \$6,085 and the undergraduate non-resident

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tuition and required fees averages \$15,927, which is a difference of \$9,842. The average undergraduate resident tuition and required fees at the community colleges for academic year 2012 (two semesters) total \$2,407 and the undergraduate non-resident tuition and required fees average \$3,632, which is a difference of \$1,225. Residency statutes at the technical colleges allow non-resident students to be considered residents for tuition purposes on the first day of classes; therefore, the tuition and fee schedules at the technical colleges typically have the same rates for resident and non-resident students. The average undergraduate resident tuition and required fees at the technical colleges for academic year 2012 (two semesters) total \$3,105 and the undergraduate non-resident tuition and required fees averages \$3,167, which is a difference of \$62.

It is not possible to predict how many students would continue to enroll as out-of-state students. The revenue estimate shows that a maximum increase in revenue would be \$1,479,328 assuming the 500 students shift from paying resident rates to non-resident rates ($$9,842 \times 101=$994,042 + $1,225 \times 396=$485,100 + $62 \times 3=$186.$) If none of these students would enroll as out-of-state students, no additional revenue would be received. Any fiscal effect associated with HB 2522 is not reflected in *The FY 2013 Governor's Budget Report*.

Sincerely,

Steven J. Anderson, CPA, MBA Director of the Budget

cc: Kelly Oliver, Board of Regents