

Department of Planning and Budget 2003 Fiscal Impact Statement

1. Bill Number HB1868

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☒ Enrolled

2. Patron O'Bannon

3. Committee Passed Both Houses

4. Title Amend the Senior Citizens Higher Education Act.

5. Summary/Purpose: This bill removes the income eligibility restriction cap of \$15,000 for senior citizens to qualify for free tuition and fees (except fees established for course materials). This provision includes an emergency clause and will be in force from the date of its passage.

6. No Fiscal Impact

7. Budget amendment necessary: No

8. Fiscal implications: Chapter 521, the Senior Citizens Higher Education Act, was enacted during the 2002 Session. This chapter increased the income eligibility threshold from \$10,000 to \$15,000, and prohibited the charging of any fee for the request for the benefit of the Senior Citizens Higher Education Act. It should be noted that as enacted during the 2002 Session, the Senior Citizens Higher Education Act required the institutions to cover the costs, from existing appropriations, for any senior citizen who participated in the program. The data used to estimate the costs associated with Chapter 521 (Senior Citizens Higher Education Act) could not distinguish among the taxable income levels of these individuals over age 60. The fiscal implications from last year's fiscal impact statement estimated a worst-case cost impact of approximately \$1.5 million each year (FY03 and FY04) would result due to changing the income eligibility threshold from \$10,000 to \$15,000.

Thus, regardless of whether the bill contains the income eligibility clause or not (as the current proposed legislation states), the fiscal impact provided during the 2002 Session remains accurate for the current fiscal year and fiscal year 2004.

9. Specific agency or political subdivisions affected: State supported institutions of higher education

10. Technical amendment necessary: In order to be technically correct, it was previously suggested that the patron of the bill should seek amending §23-38.56: Attendance at state institutions; conditions, as this section was also amended last session to add the income cap of \$15,000.

11. Other comments: None

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