

Department of Planning and Budget

2023 Fiscal Impact Statement

1. Bill Number: SB1448

House of Origin	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input checked="" type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Lucas

3. Committee: Education

4. Title: Norfolk State University and Virginia State University; reduced rate tuition charges.

5. Summary: Permits Norfolk State University, Virginia State University, or other qualifying institutions, whose proportion of full-time equivalent undergraduate non-Virginia students' enrollment is less than 20 percent, to charge lower tuition and fees to out-of-state students who have completed 30 credit hours of coursework and who are enrolled in a data science and technology, science and engineering, health care, or education program.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: Indeterminate. See Item 8.

8. Fiscal Implications: The fiscal impact is indeterminate. The bill exempts Norfolk State University (NSU), Virginia State University (VSU), and any public institution of higher education where the proportion of undergraduate, non-Virginia student enrollment is less than 20 percent from certain requirements in the Appropriation Act regarding out-of-state tuition levels. This would allow such institutions to set lower tuition levels for out-of-state students enrolled in the designated "high-demand fields." While NSU and VSU may not charge full out-of-state tuition rates to students enrolled in these programs, thus potentially reducing their revenues, they may attract increased student enrollment in these programs, potentially increasing revenues. Assuming both schools charge in-state tuition to these students, using the difference between both institutions' 2022-2023 school year tuition rates for in-state and out-of-state undergraduates, multiplied by out-of-state undergraduate enrollment in STEM programs alone, there is an estimated \$6.7 million tuition revenue loss for NSU and \$4.2 million tuition revenue loss for VSU. Any additional revenue generated from increased student enrollment as a result of this bill is indeterminate.

9. Specific Agency or Political Subdivisions Affected: Norfolk State University, Virginia State University, Specific public institutions of higher education

10. Technical Amendment Necessary: No

11. Other Comments: This bill is identical to HB2272H2.