

Department of Planning and Budget 2004 Fiscal Impact Statement

1. Bill Number HB82

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☒ Enrolled

2. Patron Kilgore

3. Committee Passed Both Houses

4. Title Reduced tuition for Tennessee students attending the University of Virginia's College at Wise

5. Summary/Purpose: The proposed legislation allows the University of Virginia's College at Wise (UVA-Wise) to charge reduced tuition to any person enrolled at the College who lives within a 50-mile radius of the College, is domiciled in, and is entitled to in-state tuition charges in Tennessee institutions, if Tennessee has similar reciprocity provisions for persons domiciled in Virginia.

In addition, the College and its partners or associates offering programs jointly at a regional off-campus center may also charge reduced tuition to any Tennessee resident enrolled in such joint programs who lives within a 50-mile radius of the College and is entitled to in-state tuition charges in Tennessee institutions of higher learning. Any such respective partners or associates shall establish and charge separately tuition rates for their independent classes or programs at such regional centers.

6. Fiscal Impact Estimates are:

6b. Revenue Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2004-05	\$98,149	0	NGF
2005-06	\$176,343	0	NGF
2006-07	\$243,522	0	NGF
2007-08	\$310,700	0	NGF
2008-09	\$293,906	0	NGF
2009-10	\$293,906	0	NGF

7. Budget amendment necessary: No.

8. Fiscal implications: The University of Virginia's College at Wise currently has authorization under §23-7.4:2 F of the Code of Virginia to charge reduced tuition to 11 Kentucky counties whose residents who live within 50 miles of the campus. The proposed legislation would expand the reduced tuition charges to residents in four Tennessee counties (or those within 50 miles of the UVA-Wise campus).

Current tuition and mandatory fee charges for an out-of-state student at UVA-Wise are \$11,568. In addition, there is a \$1,966 student activity fee charged to all students that has not been discounted. The reduced tuition rate of \$9,226 per year is charged to Kentucky freshmen and sophomores, while \$7,844 is charged to Kentucky juniors and seniors. The lower rate for upper classmen is possible because the College has more capacity to handle juniors and senior level students, than freshmen and sophomore students. Similar rates would also apply to any eligible Tennessee students who may enroll at UVA-Wise. The College anticipates the students to be split at 60 percent junior/seniors and 40 percent freshmen/sophomores.

The proposal would cause a loss of tuition (NGF) revenue from the small number of current students who would be eligible for reduced tuition. However, the College expects the loss to be greatly offset by increased numbers of students who would not have attended without the reduced tuition policy. The College expects the number of students enrolled to eventually level out to 35, or 30 more students than enrolled now from Tennessee. Currently, the College has four students from Tennessee.

The fiscal impact estimates assume level tuition at the current charges.

9. Specific agency or political subdivisions affected:

University of Virginia's College at Wise

10. Technical amendment necessary: No

11. Other comments: Senate Bill 283 is identical.

Date: 03/15/04/aps

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cc: Secretary of Education