

## Department of Planning and Budget 2018 Fiscal Impact Statement

**1. Bill Number:** HB643

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

**2. Patron:** Hope

**3. Committee:** Education

**4. Title:** Reduced tuition for first responders or children of first responders

**5. Summary:** The proposed legislation requires each public institution of higher education to reduce, by a rate of five percent, the tuition charged to any enrolled student who is a first responder or the child of a first responder, regardless of the domicile of any such individual.

The bill defines "first responder" as any emergency medical services agency employee, firefighter, law-enforcement officer, member of a search and rescue organization, member of a regional hazardous materials emergency response team, member of a community emergency response team, or member of a medical reserve corps who responds to and provides assistance during an emergency.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** Preliminary. See Line 8.

**8. Fiscal Implications:** It is difficult to determine the number of first responders and/or first responders with children that may take advantage of the reduction that would be applied to the tuition and mandatory fees included in this legislation. Institutions set tuition rates by whether a student is an in-state or out-of-state student and by level of student, whether the student is considered an undergraduate, graduate, or first professional. These charges do not include room and board fee which are not addressed in this legislation. The chart below provides an estimate of the tuition reduction at various levels of student and domicile.

**Average Tuition and Mandatory Fee Charges for Four-Year Institutions**

<b>FY 2017-2018</b>	<b>Amount</b>	<b>5% Reduction</b>
Full-time In-State Undergraduate Student Charges	\$12,702	\$635.10
Full-time Out-of-State Student Undergraduate Charges	\$26,588	\$1,329.40
Full-time In-State Graduate Student Charges	\$10,210	\$510.50
Full-time Out-of-State Graduate Student Charges	\$24,112	\$1,205.60
In-State First Professional Student Charges - Law	\$35,365	\$1,768.25
In-State First Professional Student Charges - Medicine	\$37,369	\$1,868.45
Out-of-State First Professional Student Charges – Law	\$44,494	\$2,224.70
Out-of-State First Professional Student Charges - Medicine	\$52,399	\$2,619.95

The potential reduction in tuition and fee revenue to an institution would approximate the five percent reduction amount noted in the table times the number of first responders or children of first responders taking advantage of the reduction in tuition and fees at the institution. If the revenue reduction is sufficiently large due to the number of eligible individuals, the institution would either need to reduce its operating costs, raise tuition and fees, or seek additional state funds to maintain its operations.

The proposed legislation directs the governing boards of each institution of higher education to establish policies to implement the five percent tuition reduction for first responders and/or children of first responders.

**9. Specific Agency or Political Subdivisions Affected:**

Public institutions of higher education

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.