

FISCAL NOTE
Requested by Legislative Council
04/19/2013

Amendment to: HB 1272

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2011-2013 Biennium		2013-2015 Biennium		2015-2017 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$(515,000)		\$(555,000)
Expenditures						
Appropriations			\$515,000		\$555,000	

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2011-2013 Biennium	2013-2015 Biennium	2015-2017 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Expands the definition of resident for tuition purposes for veterans. Senate amendments merge HB1104 (which has already been passed and signed by the Governor), adding NDUS benefitted employees, but does not make other substantive changes.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Expands the number of students eligible for resident tuition rate, thereby reducing revenues due to the assessment of a reduced rate (charge the resident instead of higher non-resident rates). The engrossed and re-engrossed versions, while still increasing the eligible pool, are likely to be a net reduction in the eligible pool, when compared to the original bill as introduced. No changes to the fiscal note have been made to reflect the merger of HB1104, as HB1104 did not have a dollar impact.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

Reduces tuition revenue collections due to the assessment of lower resident rate instead of non-resident rates. The fiscal note assumes approximately 120 students systemwide based on current limited experience and information, at various non-resident, MN, contiguous, etc.) tuition rate categories. However, it is difficult to predict the number of increased enrollments that may materialize as a result of this change. HB1104, which has been merged with 1272 in the Senate amendments, would impact about 25-30 NDUS employees per year, who live outside the state of ND. This change will simply reduce the number of waivers currently being recorded for NDUS employees, to reflect the difference between non-resident and resident tuition.

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*
- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

An additional general fund appropriation is necessary to offset the loss of revenue to the NDUS. This was inadvertently missed in other fiscal notes on HB1272. The Senate amendments did not create the need for the additional general fund appropriation, since it should have been reflected in earlier notes.

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