

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 61** HLS 15RS 443

Bill Text Version: **RE-REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: June 2, 2015 12:31 PM	Author: CARMODY
Dept./Agy.: Higher Education	
Subject: Exempts Tuition/Fees Increases from 2/3 Vote	Analyst: Charley Rome

STUDENT/TUITION RR SEE FISC NOTE SG RV See Note Page 1 of 1
(Constitutional Amendment) Exempts public postsecondary education tuition and fees from requirements for imposing a new or increasing an existing fee and provides relative to the authority to set tuition and fees

Present constitution requires that all new fees or increases of existing fees imposed by the state or any board, department, or agency of the state be enacted by a two-thirds vote of the legislature. This provision of present constitution applies to tuition and fees charged to students attending public institutions of postsecondary education. Proposed constitutional amendment exempts new or increased tuition and fees charged to students attending public institutions of postsecondary education from the two-thirds voting requirement of the legislature. Present constitution provides for the management of public institutions of postsecondary education by four management boards. Proposed constitutional amendment retains the general authority of these management boards, but specifically excludes from their constitutional authority the ability to establish or raise tuition and fees and, instead, provides that such authority is as provided in law. Provides for submission of the proposed amendment to the voters at the statewide election to be held Oct. 24, 2015. If ratified by the electors, the provisions of the amendments become effective on Jan. 1, 2016.

EXPENDITURES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The proposed constitutional amendment will be considered by voters at the statewide election to be held on October 24, 2015. The Secretary of State may incur minimal ballot printing costs associated with this measure. However, as a regular practice, the Secretary of State typically budgets for up to 10 constitutional amendments for the fall statewide elections.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. This constitutional amendment itself does not directly affect tuition and mandatory fees at higher education institutions, it simply removes the 2/3 vote requirement for passage of tuition/fee authority provided in law. HB 66 is the instrument tied to this constitutional amendment that establishes specific authorities for tuition and fees under law and is contingent upon the passage of this legislation. If this constitutional amendment passes and HB 66 does not pass, management boards will have no authority to establish or raise tuition and fees because this instrument removes such authority.

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| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 Rev. Red. to State {H & S} |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | | | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

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