



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

HB0288 - Revise laws related to tuition waivers for American Indian students (Windy Boy, Jonathan)

Status: As Introduced

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
Other (Current Unrestricted Fund)	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Other (Current Unrestricted Fund)	(\$4,793,233)	(\$4,923,393)	(\$5,056,607)	(\$5,192,943)
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: This bill would reduce the amount of tuition revenue collected within the Montana University System by changing the requirements for eligibility for tuition waivers for American Indians.

FISCAL ANALYSIS

Assumptions:

- For Fall 2022, the MUS had 2,389 students that indicated they were American Indian. Of the 2,389 students, 1,955 are resident students. Of the 1,955 resident students, 681 received the American Indian Waiver.
- It is assumed, that under the revised eligibility criteria in HB 288 that the remainder of American Indian resident students (1,274) would be eligible for a tuition waiver.
- American Indian enrollment has increased 2% per year over the past five years.
- Resident American Indian waivers have increased 1% per year over the past five years.
- The average amount of tuition waived when a student receives this waiver is \$3,565.
- If all 1,274 resident American Indian students received a tuition waiver, under the parameters of this bill, the estimated decreased tuition revenue (waived) would be \$4,793,233 in FY 2024.

7. With the growth rates in assumptions 3 and 4 applied, tuition waived would be \$4,923,393 in FY 2025, \$5,056,607 in FY 2026, and \$5,192,943 in FY 2027.

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
FTE	0.00	0.00	0.00	0.00
<u>Expenditures:</u>				
Personal Services	\$0	\$0	\$0	\$0
Operating Expenses	\$0	\$0	\$0	\$0
TOTAL Expenditures	\$0	\$0	\$0	\$0
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
TOTAL Funding of Exp.	\$0	\$0	\$0	\$0
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
Other (Current Unrestricted)	(\$4,793,233)	(\$4,923,393)	(\$5,056,607)	(\$5,192,943)
TOTAL Revenues	(\$4,793,233)	(\$4,923,393)	(\$5,056,607)	(\$5,192,943)
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0
Other (Current Unrestricted)	(\$4,793,233)	(\$4,923,393)	(\$5,056,607)	(\$5,192,943)


Sponsor's Initials

1-25-23
Date


Budget Director's Initials

1-25-23
Date