



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2011 Biennium

<b>Bill #</b>	SB0248
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<b>Title:</b>	Resident benefits for nonresident members of Montana National Guard
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<b>Primary Sponsor:</b>	Brueggeman, John
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<b>Status:</b>	As Introduced
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|---|---|--|
| <input type="checkbox"/> Significant Local Gov Impact     | <input checked="" type="checkbox"/> Needs to be included in HB 2  | <input type="checkbox"/> Technical Concerns              |
| <input type="checkbox"/> Included in the Executive Budget | <input checked="" type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

### FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
<b>Expenditures:</b>				
General Fund	\$10,947	\$22,770	\$35,521	\$49,256
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
<b>Net Impact-General Fund Balance:</b>	<u>(\$10,947)</u>	<u>(\$22,770)</u>	<u>(\$35,521)</u>	<u>(\$49,256)</u>

### Description of fiscal impact

The increase in fee waivers at the campuses increases the general fund cost to fund higher education.

### FISCAL ANALYSIS

#### Assumptions:

1. New language in Section 1(2)(c)(iv) SB 248 waives tuition and fees for Montana residents who have served with the military reserves. The waivers have been addressed in the Montana Board of Regents of Higher Education's Policy and Procedures Manual in their tuition waivers policy 940.13, A(6)(f)(i)(1) and (3). It is assumed that Montana military reserves would be funded through the Veterans Educational Assistance Program (VEAP) and must first use this program's federal funds before state funds are used. Therefore, there will be no fiscal impact required for this section of SB 248.
2. New language in Section 1(2)(f) allows a fee waiver of the non-resident fees of qualifying non-resident members of the National Guard. These members will pay resident student tuition. It is assumed that there is one out-of-state National Guard member per year attending a Montana university or college.

3. Starting with one participant in FY 2010, it is assumed participants will attend two semesters, full-time (no less than 12 credits) every year.
4. Non-resident tuition for attending a Montana university, with a 4% tuition increase, is \$16,924.
5. Resident tuition (4% tuition increase is included) for attendance at a Montana University is \$5,977.
6. It is assumed that there will be an additional \$10,947 ( $\$16,924 - \$5,977 = \$10,947$ ) tuition cost per year, per participant qualifying under Section 1(2) (f).
7. It is assumed there will be a 4% tuition increase for all students attending a Montana university in FY 2010 through FY 2013. Note the Board of Regents controls the level of tuition.
8. Starting in FY 2010, one participant will attend a Montana University for four years. One additional participant will be attending, for a maximum of four participants in FY 2013 and thereafter.

<b>National Guard Participants</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>
New Participants	1	1	1	1
Total Participants	1	2	3	4
<b>Tuition &amp; Fees/Participant:</b>				
Participant 1	10,947	11,385	11,840	12,314
Participant 2		11,385	11,840	12,314
Participant 3			11,840	12,314
Participant 4				12,314
<b>Annual Tuition &amp; Fees</b>	<b>10,947</b>	<b>22,770</b>	<b>35,521</b>	<b>49,256</b>

	<b><u>FY 2010</u></b> <b><u>Difference</u></b>	<b><u>FY 2011</u></b> <b><u>Difference</u></b>	<b><u>FY 2012</u></b> <b><u>Difference</u></b>	<b><u>FY 2013</u></b> <b><u>Difference</u></b>
<b><u>Funding of Expenditures:</u></b>				
General Fund (01)	\$10,947	\$22,770	\$35,521	\$49,256
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
General Fund (01)	(\$10,947)	(\$22,770)	(\$35,521)	(\$49,256)

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*Sponsor's Initials*

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*Date*

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*Budget Director's Initials*

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*Date*