

February 20, 2012

The Honorable Jean Schodorf, Chairperson
Senate Committee on Education
Statehouse, Room 236-E
Topeka, Kansas 66612

Dear Senator Schodorf:

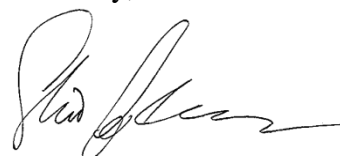
SUBJECT: Fiscal Note for SB 401 by Senator Holland, et al.

In accordance with KSA 75-3715a, the following fiscal note concerning SB 401 is respectfully submitted to your committee.

Under current law, military personnel, their spouses and dependents are allowed to pay resident fees at state universities, if they have been in the state for two years during their military service and established a residence in Kansas within 30 days of their discharge. SB 401 would allow persons in military service, persons who are domiciliary residents of the state at the time of enrollment, were in active military service for at least three years before becoming domiciliary resident of the state, and have been discharged or retired from military service under honorable conditions to pay resident tuition rates.

SB 401 would increase the number of individuals eligible for in-state tuition. Although spouses and dependents would not be immediately eligible to begin their postsecondary education until residency was established, the program would be open to all military personnel and not just the ones who had two years of military service in the state. The Board of Regents states that under current law in FY 2011, the universities waived \$4.0 million in out-of-state tuition for persons qualifying under the military waiver program. SB 401 would open the waiver program to anyone who has served in the military service, while closing it to the spouses and dependents of discharged military personnel. The cost of the tuition waiver could increase; however, it is not possible to predict how many people would take advantage and the subsequent effect on the state universities. Any fiscal effect associated with SB 401 is not reflected in *The FY 2013 Governor's Budget Report*.

Sincerely,



Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Kelly Oliver, Board of Regents