

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: HB 161

SHORT TITLE: Aid to Private Colleges Change

SPONSOR(S): Representative Hall

FISCAL IMPACT: Expenditures: Increase (x) Decrease ()
July 1, 1993

PRINCIPAL DEPARTMENT(S)/PROGRAM(S) AFFECTED: UNC Board of Governors
Related Educational Programs
(a) Legislative Tuition Grants

Revenues: Increase () Decrease ()
No Impact ()
No Estimate Available ()

FUNDS AFFECTED: General Fund (x) Highway Fund () Local Fund ()
Other Fund ()

BILL SUMMARY: For the 1993-95 biennium, increases the amount of aid to private colleges to be disbursed by the UNC Board of Governors under G.S. 116-19 to \$500 per full-time equivalent North Carolina undergraduate student enrolled at at private institution as of October 1 of each year. Increases the amount of additional support per full-time student to either (1) \$2,000 or (2) at least the average amount of General Fund support for nonresident students attending UNC per academic year, whichever is greater.

EFFECTIVE DATE: July 1, 1993

PRINCIPAL DEPARTMENT(S)/PROGRAM(S) AFFECTED: UNC Board of Governors
Related Educational Programs
(a) Legislative Tuition Grants
(b) State Contractual Scholarships

FISCAL IMPACT

	<u>FY 94</u>	<u>FY 95</u>	<u>FY 96</u>	<u>FY 97</u>	<u>FY 98</u>
EXPENDITURES					
RECURRING	\$20,333,000	\$19,222,000	\$19,777,000	\$21,410,000	\$21,999,000
NON-RECURRING					
REVENUES/RECEIPTS					
RECURRING					
NON-RECURRING					

POSITIONS:

ASSUMPTIONS AND METHODOLOGY:

- 1. Estimates assume that policies in the current law regarding calculation of Legislative Tuition Grants for recipients enrolled at off-campus sites or who are in the military will be continued.
- 2. The number of Legislative Tuition Grant recipients will be affected by the number of projected North Carolina high school graduates. Projected changes in the number of recipients are:

93-94	-3%
94-95	-2%
95-96	+1%
96-97	+3%
97-98	+1%

- 3. The ratio of North Carolina full-time equivalent students (used to compute the State Contractual Scholarship Fund allocation) to the total number of students receiving Legislative Tuition Grants will be 98.45%, the average from 1982-83 through 1992-93.
- 4. The average appropriation per non-resident student at UNC will remain below \$2,000 for the next five years.
- 5. (See Attached)

SOURCES OF DATA: Statistical Abstract of Higher Education
 State Education Assistance Authority
 UNC General Administration

TECHNICAL CONSIDERATIONS:

- 1. The bill should be amended to incorporate the language in Section 50, Chapter 689, 1991 Session Laws to continue the policies regarding military recipients and recipients at off-campus sites. If not, these estimates will increase with the policy change.
- 2. The calculation of "the average amount of General Fund support for nonresident students attending the University of North Carolina per academic year" (Section 1(b)) may need clarification since the numbers currently used are based on assumptions of staff, and are subject to interpretation.

FISCAL RESEARCH DIVISION
733-4910

PREPARED BY: Jim Newlin
APPROVED BY: Tom Covington **TomC 3/8/93**
DATE: March 3, 1993

Fiscal Note HB 161

Private College Aid Increase

	<u>92-93</u>	<u>93-94</u>	<u>94-95</u>	<u>95-96</u>	<u>96-97</u>	<u>97-98</u>
# LTG Recipients	25,670	24,900	24,400	24,650	25,385	25,650
Est.Total Cost	\$44,409,100	\$43,077,000	\$42,212,000	\$42,644,500	\$43,916,050	\$44,374,500
Less Current						
Approp.	\$24,218,000	\$24,218,000	\$24,218,000	\$24,218,000	\$24,218,000	\$24,218,000
Add'l. \$ LTG	\$20,191,100	\$18,859,000	\$17,994,000	\$18,426,500	\$19,698,050	\$20,156,500
# SCF FTE	25,140	24,514	24,022	24,268	24,992	25,252
Est.Total Cost	\$12,570,000	\$12,257,025	\$12,010,900	\$12,133,963	\$12,495,766	\$12,626,213
Less Current						
Approp.	\$10,783,400	\$10,783,400	\$10,783,400	\$10,783,400	\$10,783,400	\$10,783,400
Add'l. \$ SCS	\$ 1,786,600	\$ 1,473,625	\$ 1,227,500	\$ 1,350,563	\$ 1,712,366	\$ 1,842,813
Total GF Cost	\$21,977,700	\$20,332,625	\$19,221,500	\$19,777,063	\$21,410,416	\$21,999,313
Max. LT Grant	\$2,000.00					
% Max.Avg.Grant	86.50%					
Ratio SCF to LTG	98.45%					
Max.SCF Allocation	\$500.00					

FISCAL RESEARCH DIVISION

Date

FISCAL NOTE TRANSMITTAL FORM

The attached fiscal note on the bill(s) named above is being transmitted to:

Chief Sponsor, House
Chief Sponsor, Senate
Fiscal Note Requested By

Chairman of the House Committee on

Chairman of the House Subcommittee on

Chairman of the Senate Committee on

Chairman of the Senate Subcommittee on

Speaker of the House, Daniel T. Blue, Jr.

President Pro Tempore, Marc Basnight

Co-Chair of the House Base Budget Appropriations Committee

Representative David Diamont

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House Principal Clerks Office



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