

FISCAL NOTE

HB 730 - SB 1094

March 18, 2005

SUMMARY OF BILL: Authorizes a HOPE scholarship eligible student who chooses to attend regionally accredited out-of-state postsecondary institution for first semester of freshman year or for freshman year to transfer to eligible postsecondary institution for second semester of freshman year or for sophomore year and receive HOPE scholarship as a sophomore, but not retroactively, provided that such student has the required college grade point for continuation of a scholarship and meets all other applicable requirements for the scholarship.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact - Increases the expenditure of lottery proceeds earmarked for scholarships and grants by an amount estimated to be approximately \$819,000 in FY05-06 and approximately \$1,227,000 in FY06-07.

Assumptions:

- Fewer than 250 students from the class of 2003 exercised the option to return to Tennessee from out-of-state institutions.
- In year one (FY05-06), the number of out-of-state students allowed to return is estimated to be 273.
- In year two (FY06-07), staff projects only 409 students will be impacted by this change.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director