

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



**CORRECTED
FISCAL NOTE**

HB 2736 - SB 2872

March 16, 2020

SUMMARY OF BILL: Adds online course fees to the list of eligible tuition and fee waivers available to full-time state employees at the state's public institutions of higher education and the Tennessee Foreign Language Center. Replaces obsolete reference to the Regents Online Degree Program with TN eCampus.

ESTIMATED FISCAL IMPACT:

On March 9, 2020, a fiscal note was issued for this legislation estimating a fiscal impact as follows:

*Decrease State Revenue – \$19,200/FY20-21 and Subsequent Years/
University of Tennessee
\$122,100/FY20-21 and Subsequent Years/
Locally Governed Institutions
\$1,000/FY20-21 and Subsequent Years/
Tennessee Board of Regents*

Information provided by the University of Tennessee (UT) was inaccurate. Based on new information provided by UT, the estimated fiscal impact has been corrected as follows:

(CORRECTED)
**Decrease State Revenue – \$76,000/FY20-21 and Subsequent Years/
University of Tennessee
\$122,100/FY20-21 and Subsequent Years/
Locally Governed Institutions
\$1,000/FY20-21 and Subsequent Years/
Tennessee Board of Regents**

Corrected Assumptions:

- Pursuant to Tenn. Code Ann. § 8-50-114(a)(1), full-time state employees are currently authorized to use a tuition waiver for a maximum of four courses per academic year, that covers the cost of tuition charges, maintenance fees, student activity fees, registration fees or online course fees for courses taken through the Regents Online Degree Program (RODP).
- Online and alternative delivery fees for courses taken through the TN eCampus, formally known as the RODP, are currently covered by the tuition waiver.

- The proposed legislation adds online course fees for courses not taken through TN eCampus as eligible for the tuition and fee waiver.
- Online fees vary across institutions, but average \$42 per credit hour.
- Based on information provided by the University of Tennessee (UT), the decrease in state revenue to UT in FY20-21 and subsequent years is estimated to be \$76,000.
- Based on information provided by the state's Locally Governed Institutions (LGI's), the decrease in state revenue to LGI's in FY20-21 and subsequent years is estimated to be \$122,100
- Based on information provided by the Tennessee Board of Regents (TBR), the decrease in state revenue to the TBR in FY20-21 and subsequent years is estimated to be \$1,000.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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