

SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACT (803)734-3780 • RFA.SC.GOV/IMPACTS

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H. 4947 Introduced on February 8, 2022 **Bill Number:**

Jordan Author:

Subject: Francis Marion University Tuition House Education and Public Works Requestor:

RFA Analyst(s): **Tipton**

Impact Date: February 15, 2022

Fiscal Impact Summary

This bill allows Francis Marion University (FMU) to offer in-state tuition to no more than 250 students whose legal residence is in one of the specified border counties in North Carolina, as long as North Carolina continues its NC Promise Tuition Plan.

This bill will have no expenditure impact on FMU, as any additional responsibilities as a result of extending in-state tuition will be managed under existing appropriations.

This bill will have no impact on scholarship expenditures, as the Commission on Higher Education (CHE) reports that students whose primary residence is outside of South Carolina are not eligible for state scholarships.

This bill will reduce FMU's tuition revenue by approximately \$102,000 beginning in FY 2022-23, based on the current number of eligible students. Additional students incentivized by this bill to attend FMU could offset this reduction in tuition revenue, but the number of new students is unknown.

Explanation of Fiscal Impact

Introduced on February 8, 2022 State Expenditure

This bill allows FMU to offer in-state tuition to no more than 250 students whose legal residence is in one of the specified border counties in North Carolina, as long as North Carolina continues its NC Promise Tuition Plan.

FMU indicates that any additional responsibilities as a result of extending in-state tuition will be managed under existing appropriations. Therefore, this bill will have no expenditure impact on FMU.

CHE reports that students whose primary residence is outside of South Carolina are not eligible for state scholarships. Therefore, this bill will have no impact on scholarship expenditures.

State Revenue

This bill allows FMU to offer in-state tuition to no more than 250 students whose legal residence is in one of the specified border counties in North Carolina, as long as North Carolina continues its NC Promise Tuition Plan. The eligible North Carolina counties are Columbus, Robeson, Scotland, Richmond, Anson, Moore, Hoke, Cumberland, Bladen, and Sampson.

FMU reports that there are currently 8 students from the specified counties that would now be eligible for in-state tuition, which would reduce tuition revenue by \$12,750 per student, on average. Therefore, this bill would reduce tuition revenue by approximately \$102,000 for FMU beginning in FY 2022-23.

This bill may incentivize students from the eligible counties in North Carolina to attend FMU who had not previously considered doing so, which could offset this reduction in tuition revenue. However, the number of new students is unknown.

Local Expenditure

N/A

Local Revenue

N/A

Frank A. Rainwater, Executive Director

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