

OFFICE OF FISCAL ANALYSIS

Legislative Office Building, Room 5200
Hartford, CT 06106 ◊ (860) 240-0200
<http://www.cga.ct.gov/ofa>

HB-5109

AN ACT PROHIBITING THE CHARGING OF GRADUATION FEES
AT PUBLIC INSTITUTIONS OF HIGHER EDUCATION.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 22 \$	FY 23 \$
Board of Regents for Higher Education	Various - Revenue Loss	95,000 to 140,000	95,000 to 140,000

Note: Various=Various

Municipal Impact: None

Explanation

The bill, which prohibits any constituent unit institution from charging a graduation fee, results in an annual revenue loss to the Board of Regents of approximately \$95,000 to \$140,000, beginning in FY 22. The bill affects Charter Oak State College within the Board of Regents as the other units do not charge a graduation fee.

The annual revenue loss to the Board of Regents is estimated to be \$95,000 to \$140,000 based on Charter Oak's recent numbers of students who have been charged the fee, a graduation fee of \$225 in FY 22 (unchanged in recent years), and enrollment levels. Since Charter Oak enrollment has been volatile, the estimate reflects a range of 429 to 619 students paying the graduation fee, which is ten percent lower and higher than recent numbers of students who have paid the fee.

The elimination of a graduation fee results in approximately a 13 to 20 percent reduction in projected fee revenue, or a total revenue reduction of 0.5 to 1 percent.

Primary Analyst: JS
Contributing Analyst(s):
Reviewer: SB

4/5/21

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to changes in the number of students pursuing graduation.