

OFFICE OF FISCAL ANALYSIS

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HB-5544

AN ACT CONCERNING FEE WAIVERS FOR VETERANS
ATTENDING PUBLIC INSTITUTIONS OF HIGHER EDUCATION.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 22 \$	FY 23 \$
Board of Regents for Higher Education	Tuition Fund - Revenue Loss	1.7 million to 2 million	1.7 million to 2 million
UConn	Tuition Fund - Revenue Loss	800,000 to 1 million	800,000 to 1 million

Municipal Impact: None

Explanation

The bill, which waives certain constituent unit fees for veterans, results in an annual revenue loss to the constituent units, beginning in FY 22, estimated at \$2.5 million to \$3 million. Of the total annual revenue loss, approximately \$1.7 million to \$2 million will be experienced by the Board of Regents, while the University of Connecticut will have an estimated revenue loss of \$800,000 to \$1 million.

The revenue loss estimates are based on annual veteran fee revenue data provided by the constituent units for FY 19 through FY 21. As the bill waives these fees for veterans, this revenue will be lost. At the four Connecticut State Universities, annually 385 to 471 veterans paid an estimated \$1.5 million to \$1.6 million in mandatory, programmatic, optional, and extension fees. At the 12 community colleges, annually 608 to 1,080 veterans paid an estimated \$290,000 to \$320,000 in these fees. Finally, at UConn, annually 224 to 242 veterans paid an estimated

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\$870,000 to \$920,000. The estimate considers enrollment volatility at the Board of Regents institutions.

The estimate assumes that all fees except room and board are waived by the bill. If the bill is interpreted to include room and board fees, then the revenue loss will increase substantially. For example, FY 21 data from the University of Connecticut indicates that the room and board revenue loss could reach approximately \$1.1 million if all eligible veterans choose to take advantage of the waiver.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to changes in fee levels and the number of enrolled veterans who are eligible for the fee waiver.