

FISCAL NOTE

| | FY 2027 | FY 2028 | FY 2029 |
|--|-----------|-----------|-----------|
| NON-ADMINISTRATIVE IMPACT | | | |
| Anticipated Expenditure increase | | | |
| HATHAWAY SCHOLARSHIP EXPENDITURE ACCOUNT | \$200,000 | \$200,000 | \$200,000 |

Source of expenditure increase:

This bill creates the Hathaway Private Post Secondary Institution Scholarship and provides eligible students a scholarship award to be used to attend private post secondary institutions, resulting in an estimated annual expenditure increase of \$200,000 per year for fiscal year (FY) 2027 through FY 2030, from the Hathaway Scholarship Expenditure Account (Expenditure Account). The Wyoming Department of Education (WDE) shall certify award amounts to the State Treasurer to be paid by the State Treasurer to each private post secondary institution.

Assumptions:

Hathaway Private Post Secondary Institution Scholarship is limited to not more than 200 students graduating school year 2025-2026 through school year 2028-2029. The award amounts are limited to not more than \$500 per semester and not more than eight full-time semesters. It is assumed 200 students will be eligible in fiscal year (FY) 2027, and the maximum award amount will be paid each semester for total annual expenditures of \$200,000. The Hathaway Private Post Secondary Institution Scholarship is repealed July 1, 2029. Based on these assumptions, a maximum of \$800,000 will be expended from the Expenditure Account through FY 2030.

Forecast revenues from the Hathaway Student Scholarship Endowment Fund (Endowment Fund) deposited into the Expenditure Account are anticipated to be sufficient to meet the estimated expenditure increases created by this bill. Forecast revenues are anticipated to exceed expenditures under current law by \$2,600,000 in FY 2027, \$2,100,000 in FY 2028, \$1,600,000 in FY 2029, and \$900,000 in FY 2030. Forecast revenues from the Endowment Fund assume the interest and dividends anticipated in the Consensus Revenue Estimating Group's (CREG) October 2025 Revenue Forecast. While CREG does not forecast realized capital gains or losses, actual realized investment earnings, including capital gains, from the Endowment Fund deposited into the Expenditure Account have not met actual Hathaway Scholarship Program awards in only three years since the Hathaway Scholarship Program began in FY 2007. The remaining years, actual realized investment earnings, including capital gains, have exceeded Hathaway Scholarship Program awards from the Expenditure Account. From FY 2007 to 2025, actual realized investment earnings, including capital gains, from the Endowment Fund averaged \$25,000,000 per year.

The WDE indicates there is an indeterminable administrative impact due to the unknown number of applicants and eligible private post secondary institutions electing to participate and receive Hathaway Private Post Secondary Institution Scholarship awards.

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(Information provided by Trent Carroll, Department of Education, 777-7720)