

# Fiscal Note

**BILL #** SB 1021

**TITLE:** ROTC cadets; in-state student status

**SPONSOR:** Rogers

**STATUS:** Senate Engrossed

**PREPARED BY:** Grace Timpany

## Description

The bill expands eligibility for in-state student classification to include contracted cadets participating in a Reserve Officer Training Corp (ROTC) program in Arizona.

## Estimated Impact

Based on the estimated number of out-of-state contracted cadets, we estimate the bill would reduce tuition revenues to the universities by between \$812,000 and \$2.4 million per year, depending on the number of cadets participating in the Western Undergraduate Exchange (WUE) Program. Since university General Fund appropriations are not based on enrollment, the bill would not impact the General Fund.

The Arizona Board of Regents (ABOR) did not provide an estimated fiscal impact.

## Analysis

Contracted cadets are students who have entered into a contractual agreement to commission as a Second Lieutenant with a branch of the military upon completion of a ROTC program. Contracts are typically offered to junior students upon completion of summer training after a cadet's sophomore year. In Arizona, all three state universities offer ROTC programs for contracted cadets.

ABOR estimates that there are currently 116 out-of-state contracted cadets, of which 75 attend Arizona State University (ASU), 15 attend the University of Arizona (UA) and 26 attend Northern Arizona University (NAU). Additionally, ABOR states that out-of-state contracted cadets typically receive a scholarship to cover the equivalent of in-state tuitions costs, with the remaining cost of tuition paid by the cadet.

The average non-resident out-of-pocket cost for undergraduate students after federal aid is approximately \$30,000 and the average resident out-of-pocket cost is \$9,000, or a difference of \$21,000 per student. ABOR also states that some out-of-state cadets participate in the Western Undergraduate Exchange (WUE) Program, in which out-of-state students pay 1.5 times the in-state rate. We estimate the average WUE students pays \$16,000 after federal aid, or a difference of \$7,000 per student.

## Local Government Impact

None

3/12/25

