



## FISCAL NOTE

### Senate Bill 196

Committee: ENACTED

Sponsor: Senator Arthur Orr

Analyst: John Friedenreich

Date: 09/09/2025

---

**Senate Bill 196** (Act 2025-412) as enacted will increase the administrative obligations of: (1) the State Board of Education, the Board of Trustees of the Alabama Community College System (ACCS), and the Alabama Commission on Higher Education's (ACHE) Council of Presidents to develop and adopt rules for eligible 11th and 12th grade students to take all coursework at eligible higher education institutions pursuant to the provisions of this act; and (2) the State Department of Education in consultation with ACCS and ACHE's Council of Presidents, to prepare and publish annual reports on the impact of the program, as described in this act, during the previous academic year.

This act creates the Move on When Ready Fund in the State Treasury to be used by the Executive Director of ACHE, subject to legislative appropriation, to pay eligible institutions, on behalf of participating students, the lesser of: (1) the actual cost of tuition, materials, and fees directly related to the courses taken by the student; or (2) the amount that the local school system would have earned from the Foundation Program for a student in the system. Based on the 2024-25 school year, the average annual tuition and required fees for public two-year institutions is \$5,300 and for public four-year institutions is \$11,900; the average state-funded Foundation Program allocation is \$6,400 per Average Daily Membership (ADM).

The provisions of this act will also reduce funding to local boards of education for students in year 2 of the program by an amount equivalent to the amount paid from the Fund to the institution on behalf of the student. However, the reduction in the funding to the local school system would be offset by the \$200 per student records fee authorized by this act for the increase in the administrative obligations of local school systems with participating students.

Additionally, this act: (1) prohibits participating students from receiving any other state student financial aid for courses under this program; and (2) authorizes the State Board of Education to



increase the records fee by up to 4% annually.

Finally, this act could increase receipts to the State General Fund and municipal general funds from fines; increase receipts to the State General Fund, county general funds, municipal general funds, and other funds to which court costs are deposited; and could increase the obligations of the State General Fund, district attorneys, and local jails by an undetermined amount dependent upon the number of persons charged with and convicted of the offenses provided by this act and the penalties imposed.