

STORAGE NAME: h3205a.ca

DATE: March 5, 1998

**HOUSE OF REPRESENTATIVES
AS REVISED BY THE COMMITTEE ON
COMMUNITY AFFAIRS
BILL RESEARCH & ECONOMIC IMPACT STATEMENT**

BILL #: HB 3205

RELATING TO: National Guard

SPONSOR(S): Representative Wiles and others

COMPANION BILL(S): SB 534 (i)

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) COMMUNITY COLLEGES AND CAREER PREP YEAS 10 NAYS 0
 - (2) COMMUNITY AFFAIRS YEAS 5 NAYS 0
 - (3) FINANCE & TAXATION
 - (4) EDUCATION APPROPRIATIONS
 - (5)
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I. SUMMARY:

This bill deletes a date restriction created by HB 255 as passed by the 1997 Florida Legislature. The bill deletes the date which restricts eligibility for members of the Florida National Guard to receive an exemption of one-half of tuition and fees to those members who were enlisted prior to June 30, 1997. This bill allows those Florida National Guard members enlisted after June 30, 1997 to receive at least an exemption of one-half of tuition and fees, in the event that an appropriation providing for a full cost exemption is not made.

The fiscal impact is contingent upon the appropriation amount in the 1998 General Appropriations Act. The Department of Military Affairs (DMA) has requested approximately \$331,000 for this fiscal year.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

Under the provisions of section 250.10, Florida Statutes, the FNG operates a tuition-assistance program for degree- or competency-seeking members which provide for payment of one-half of tuition and fees on a space-available basis. In 1997, the Legislature limited this assistance program by adopting HB 255. The effect of this bill limited the assistance program to those enrolled in the FNG by June 30, 1997. HB 255 also provided that, subject to legislative appropriation, the Department of Military Affairs may pay the full cost of tuition and fees for new recruits (those who enlist in the National Guard after June 30, 1997).

An eligible FNG member must meet normal admission standards, satisfy age and state residency requirements, maintain satisfactory academic progress, and maintain membership in the Guard for three years following completion of studies for which the exemption was granted. Repayment penalties are assessed for failure to participate in FNG activities, leaving the FNG prior to the three-year term, or ceasing to maintain satisfactory academic progress.

Eligibility is disallowed for FNG members with baccalaureate degrees, with at least fifteen years of service creditable toward retirement, and members who have not completed basic training. All courses for which tuition assistance is applied must lead toward a degree or satisfy vocational-technical training. An upper limit of 1,000 members of the FNG is annually authorized.

Global political factors during the current decade have visited their own effects upon National Guard units in the fifty states. The FNG has had to cope with an increasingly competitive civilian labor market and an active service component which, while smaller, can offer more lucrative incentives for professional commitment and advancement. For the first time, the FNG has fallen short of its force requirements. The states of Hawaii, Louisiana, West Virginia, and Alabama have offered full, rather than partial, educational assistance programs and have managed to achieve their force complements in spite of cutbacks. Essentially such a program acts as a civilian GI Bill for FNG personnel who have a full-time civilian commitment and only a part-time state military service obligation.

There is a concern that the appropriation for the full cost of tuition and fees may not always be available. Because of the date restriction added by HB 255, members who joined after June 30, 1997 will not be eligible to receive the one-half of tuition and fees exemption. Presently, if no appropriation is made for the full payment of tuition and fees, the new recruits are excluded from receiving the one-half of tuition and fees exemption. The FNG contends that if the appropriation is cut, their ability to recruit new members will be severely affected.

B. EFFECT OF PROPOSED CHANGES:

The date restriction for the one-half of tuition and fees exemption is removed so that at a minimum, all guard members could access this benefit. This bill allows new recruits to receive an exemption of one-half of tuition and fees, in the event that an appropriation is not made to support the full tuition and fee exemption. The provision added by HB 255

for the full payment of tuition and fees for new recruits, subject to legislative appropriation, remains intact.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

N/A

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

N/A

(3) any entitlement to a government service or benefit?

Allows new recruits of the Florida National Guard to receive at least a one-half of tuition and fees exemption, in the absence of a legislative appropriation providing for a full exemption.

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

No.

b. Does the bill require or authorize an increase in any fees?

No.

c. Does the bill reduce total taxes, both rates and revenues?

No.

d. Does the bill reduce total fees, both rates and revenues?

No.

e. Does the bill authorize any fee or tax increase by any local government?

No.

3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

N/A

b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

N/A

4. Individual Freedom:

a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

This bill allows new recruits of the Florida National Guard to receive an exemption of at least one-half of tuition and fees.

b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

N/A

5. Family Empowerment:

a. If the bill purports to provide services to families or children:

(1) Who evaluates the family's needs?

N/A

(2) Who makes the decisions?

N/A

(3) Are private alternatives permitted?

N/A

(4) Are families required to participate in a program?

N/A

(5) Are families penalized for not participating in a program?

N/A

b. Does the bill directly affect the legal rights and obligations between family members?

N/A

c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

D. STATUTE(S) AFFECTED:

Amends s. 250.10, F.S.

E. SECTION-BY-SECTION RESEARCH:

Section 1. Amends paragraphs (a) and (b) of subsection (8) of section 250.10, F.S., by removing the date restriction on eligibility for the tuition assistance program.

Section 2. Provides that the act take effect upon becoming law.

III. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

None

2. Recurring Effects:

None

3. Long Run Effects Other Than Normal Growth:

N/A

4. Total Revenues and Expenditures:

None

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

N/A

2. Recurring Effects:

N/A

3. Long Run Effects Other Than Normal Growth:

N/A

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

N/A

2. Direct Private Sector Benefits:

Members of the Florida National Guard benefit by having, at a minimum, 50% of their tuition and fees paid for by the state.

3. Effects on Competition, Private Enterprise and Employment Markets:

N/A

D. FISCAL COMMENTS:

According to the Department of Military Affairs, the costs of this bill have been budgeted for the next three years.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

N/A

B. REDUCTION OF REVENUE RAISING AUTHORITY:

N/A

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

N/A

V. COMMENTS:

This bill allows the purpose of HB 255 (1997) to be achieved since it increases the number of FNG members which may benefit from the one-half tuition and fees assistance program. The purpose of the tuition assistance program was to allow the FNG to compete with the civilian labor market and the active service component in order to achieve its force requirements. By eliminating the date restriction, the FNG is able to offer the educational incentive to new recruits exempting, at a minimum, one-half tuition and fees.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VII. SIGNATURES:

COMMITTEE ON COMMUNITY COLLEGES AND CAREER PREP:

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