

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

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Prepared By: The Professional Staff of the Appropriations Subcommittee on Education

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**BILL:** CS/CS/SB 84

**INTRODUCER:** Education Committee, Military and Veterans Affairs, Space, and Domestic Security Committee and Senator Latvala and others

**SUBJECT:** Waivers of Out-of-State Fees for Veterans

**DATE:** January 9, 2014

**REVISED:** \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Ryon/Spaulding</u>	<u>Ryon</u>	<u>MS</u>	<u>Fav/CS</u>
2.	<u>Letarte</u>	<u>Klebacha</u>	<u>ED</u>	<u>Fav/CS</u>
3.	<u>Frye</u>	<u>Elwell</u>	<u>AED</u>	<u>Pre-meeting</u>
4.	_____	_____	<u>AP</u>	_____

**Please see Section IX. for Additional Information:**

COMMITTEE SUBSTITUTE - Substantial Changes

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**I. Summary:**

CS/CS/SB 84 creates the “Congressman C.W. Bill Young Veteran Tuition Waiver Act.” The bill provides an out-of-state fee waiver for honorably discharged veterans of the U.S. Armed Forces, including the National Guard and reserve components thereof, who reside in the state while enrolled at a state university or Florida College System institution. Essentially, the waiver allows qualifying veterans to pay in-state rates for tuition and fees. The waiver covers 110 percent of the credit hours needed to complete the degree or certificate program in which the veteran is enrolled. The bill requires that state universities and Florida College System institutions report to the Board of Governors and the State Board of Education, respectively, the number and value of all fee waivers granted each year. The fiscal impact of the bill on Florida College System institutions cannot be determined; the fiscal impact on the State University System is \$8,196,185, based on academic year 2012-2013 enrollment data for non-resident veterans.

The bill takes effect July 1, 2014.

**II. Present Situation:**

**Tuition and Out-of-State Fees**

Under Florida law, “tuition” is defined as “the basic fee charged to a student for instruction provided by a public postsecondary educational institution in this state.”<sup>1</sup> A student who is classified as a “resident for tuition purposes” is a student who qualifies for the in-state tuition rate.<sup>2</sup>

An “out-of-state fee” is “the additional fee for instruction provided by a public postsecondary education institution in this state, which fee is charged to a student who does not qualify for the in-state tuition rate.”<sup>3</sup> A “non-resident for tuition purposes” is defined as a “person who does not qualify for the in-state tuition rate,”<sup>4</sup> and pays the out-of-state fee in addition to tuition.

Residents for tuition purposes are charged in-state rates for tuition while non-residents pay out-of-state fees in addition to tuition, unless such costs are exempted or waived.<sup>5</sup>

### **Fee Exemptions and Fee Waivers**

Florida law provides fee exemptions<sup>6</sup> and fee waivers<sup>7</sup> to qualified students that meet specified criteria. A number of fee exemptions and fee waivers are permissive<sup>8</sup> while others are mandatory.<sup>9</sup>

Regarding military personnel, Florida law provides a mandatory undergraduate fee waiver for “each recipient of a Purple Heart or another combat decoration superior in precedence” at a state university or Florida College System (FCS) institution.<sup>10</sup> The statute requires that the recipient:<sup>11</sup>

- (1) be in an undergraduate program that results in a certificate or degree;
- (2) currently be a resident of the state and has been a resident at the time of the action that resulted in the awarding of the applicable combat decoration; and
- (3) provide the institution with appropriate documentation of the separation from service and receipt of the combat decoration.

The fee waiver for Purple Heart recipients, and recipients of superior combat decorations, covers 110 percent of the credit hours the recipient needs to complete the applicable degree or

<sup>1</sup> Section 1009.01(1), F.S. Additionally, the definition states that “[a] charge for any other purpose shall not be included within this fee.” *Id.*

<sup>2</sup> Section 1009.21(1)(g), F.S.

<sup>3</sup> Section 1009.01(2), F.S. Adding that “[a] charge for any other purpose shall not be included within this fee.” *Id.*

<sup>4</sup> Section 1009.21(1)(e), F.S.

<sup>5</sup> Sections 1009.23(2)(a) and 1009.24(2), F.S.

<sup>6</sup> Section 1009.25, F.S.; see The Florida College System, *Exemptions and Waivers in The Florida College System*, <http://www.fldoe.org/fcs/OSAS/Evaluations/pdf/FY12012-02Exemptions.pdf> (noting that “[a]n exemption is provided for certain students who are, by statutory definition, exempt from the payment of tuition and fees, including lab fees”).

<sup>7</sup> Section 1009.26, F.S.; see The Florida College System, *Exemptions and Waivers in The Florida College System*, <http://www.fldoe.org/fcs/OSAS/Evaluations/pdf/FY12012-02Exemptions.pdf> (providing that a “waiver occurs when a student has his or her fees, which would otherwise be due, waived or forgiven by an institution”).

<sup>8</sup> Section 1009.25(2), F.S. (authorizing each Florida College System institution to grant additional fee exemptions “up to 54 full-time equivalent students or 1 percent of [an] institution’s total full-time equivalent enrollment, whichever is greater at each institution”); ss. 1009.26(1)-(4), (6), (9), (10), (11), F.S.

<sup>9</sup> Section 1009.25(1)(a)-(g), F.S.; ss. 1009.26(5), (7), (8), F.S.

<sup>10</sup> Section 1009.26(8), F.S.

<sup>11</sup> Section 1009.26(8)(a)-(c), F.S.

certificate program.<sup>12</sup> During 2011-2012, 168 students at FCS institutions received Purple Heart fee waivers totaling \$269,580.<sup>13</sup> At state universities, 46 students received Purple Heart fee waivers totaling \$151,896 during 2012-2013.<sup>14</sup>

Additionally, through one of the permissive fee waivers, the board of trustees at each state university, as well as school districts, and FCS institutions, are authorized to waive fees under certain conditions. The board of trustees of each state university is authorized to “waive tuition and out-of-state fees for purposes that support and enhance the mission of the university.”<sup>15</sup> Similarly, “[s]chool districts and Florida College System institutions may waive fees for any fee-nonexempt student.”<sup>16</sup>

In 2011-2012, FCS institutions provided exemptions and fee waivers for 71,719 students, which totaled \$93,689,726.<sup>17</sup> Fee exemptions and fee waivers, respectively, totaled \$83,926,832 and \$9,762,894 within FCS institutions.<sup>18</sup> A total of \$205,824,039 in fee exemptions and fee waivers were provided by state universities during 2012-2013.<sup>19</sup>

### **Tuition Assistance for Veterans**

States and institutions of higher education across the nation use an array of options and criteria to apply in-state tuition rates to veterans. The differing means of granting in-state tuition to veterans that currently exist, through state law or institutional policy, and the varying eligibility requirements to receive the benefit, create a range of options when providing tuition assistance to veterans. For example, some states:

- Provide for veterans to be charged in-state tuition without a residency requirement.<sup>20</sup>
- Require that a veteran be permanently stationed in the state<sup>21</sup> or be a resident of the state and meet an additional requirement to be a resident for admission and tuition purposes.<sup>22</sup>

<sup>12</sup> Section 1009.26(8), F.S.

<sup>13</sup> Email from the Florida Department of Education (Dec. 11, 2013) (on file with Senate Committee on Education).

<sup>14</sup> Email from the Board of Governors of the State University System of Florida (Dec. 11, 2013) (on file with Senate Committee on Education).

<sup>15</sup> Section 1009.26(9), F.S. (noting that fee waivers under this section must be grounded in policies adopted by the state university board of trustees under regulations adopted by the Board of Governors).

<sup>16</sup> Section 1009.26(1), F.S.

<sup>17</sup> Email from the Florida Department of Education (Dec. 11, 2013) (on file with Senate Committee on Education).

<sup>18</sup> *Id.* The calculation of fee exemptions the exemptions provided under s. 1009.25(2), F.S., which totaled \$7,912,717 for 2,691 students and the exemptions under s. 1009.25(1), F.S. *Id.*

<sup>19</sup> Email from the Board of Governors of the State University System of Florida (Dec. 11, 2013) (on file with Senate Committee on Education).

<sup>20</sup> *E.g.*, MISS. CODE ANN. §37-103-25(2)(b) (requiring that the student need only be a veteran of the Armed Forces); MISS. CODE ANN. §37-103-25(2)(c) (assessing an in-state tuition fee to a nonresident student who is “domiciled in Mississippi no later than six (6) months after . . . separation from service . . . for the purpose of enrolling in a state institution of higher learning or a community or junior college”); *see also* VA. CODE ANN. §23-7.4(B) (waiving the one year residency requirement for “retired military personnel residing in the Commonwealth at the time of their retirement, or veterans, or the domiciliary intent of their dependent spouse or children who claim domicile through them, who voluntarily elect to establish Virginia as their permanent residence for domiciliary purposes”).

<sup>21</sup> *E.g.*, LA. REV. STAT. ANN. §17:2137(D) (establishing that honorably discharged veterans (and their dependents) who were permanently stationed in the state as members of the Armed Forces and continuously reside in the state upon discharge qualify for resident tuition fees).

<sup>22</sup> *E.g.*, ALA. CODE §16-64-2(b)(1)c. (providing residency status for admission and tuition purposes to a veteran who “has become a resident of Alabama and satisfies at least one of the following conditions,” where the veteran has: served on active

- Do not require that residency be demonstrated but may require continuous enrollment and some form of documentation that is relevant to state residency.<sup>23</sup>
- Provide a specific waiver of the in-state residency requirement for residents living out-of-state but within a certain radius of the institution being attended.<sup>24</sup>

Additionally, some laws authorize institutions of higher education to develop policies and criteria that provide fee waivers to eligible veterans.<sup>25</sup>

### **U.S. Department of Veterans Affairs Education Benefit Programs**

The U.S. Department of Veterans Affairs (USDVA) provides financial assistance programs to eligible veterans and dependents pursuing postsecondary education. The USDVA currently administers the following federal educational assistance programs:

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duty for two or more years with an honorable discharge within five years of attending a public school in Alabama; is currently serving in a reserve component of the Armed Forces; or has a service-related disability as determined by the USDVA); LA. REV. STAT. ANN. §17:2137(E) (granting residency for tuition purposes to a veteran of the Armed Forces who resides in the state for the duration of enrollment in a public college or university, except for tuition fees of a veteran who is eligible for the Yellow Ribbon Program; has served for two or more years and was honorably discharged one year prior to enrollment; is in a Reserve Component of the Armed Forces; or has a service-related disability as documented by the USDVA).

<sup>23</sup> ARIZ. REV. STAT. §15-1802(G) (giving automatic in-state student classification to honorably discharged veterans who are continuously enrolled and have: (1) registered to vote in Arizona, and (2) shown intent to become an Arizona resident through: an Arizona driver's license, vehicle registration, employment history, movement of significant banking services to the state, providing a permanent state address on "pertinent documents," or through other documents relevant to residency status); TEX. EDUC. CODE ANN. §54.241(i) (granting an honorably discharged veteran (and the veteran's spouse and dependent children) with in-state costs at a state institution "for any term or semester at a state institution of higher education that begins before the first anniversary of the member's separation from the Armed Forces" and provided that subsection (d) requirements relating to residency are also met); *see also* TEX. EDUC. CODE ANN. §54.241(k) (stating that a person is entitled to in-state tuition rates, regardless of residency, if the individual is eligible for federal veteran education benefits and files a letter of intent with the institution to establish residency in Texas).

<sup>24</sup> *E.g.*, ALA. CODE §16-64-62(b)(1)d. (stating that "an out-of-state veteran who resides within 90 miles of a campus located in Alabama and has enrolled at an institution whose board of trustees has voted to allow nonresident in-state tuition for active and retired military" shall be considered a resident student).

<sup>25</sup> *E.g.*, GA. CONST. art. 8, §7, ¶ IV (authorizing the Board of Regents of the University System of Georgia "to establish programs allowing attendance at units of the University System of Georgia without payment of tuition or other fees . . ."); MISS. CODE ANN. §37-103-25(3)-(4); WASH. REV. CODE §23B.15.621(2) and (3) (providing that the governing boards of universities and colleges "may waive all or a portion of tuition and fees" for national guard members and eligible veterans); University System of Georgia, *Board of Regents Policy Manual*, <http://www.usg.edu/policymanual/section7/C453/>, §7.3.4.1 (last visited Dec. 8, 2013) (creating an out-of-state tuition waiver for recently separated members of the military, and their spouses and dependent children, who enroll and show an intent to become a Georgia resident within 12 months of separation from the military); University of Washington, Veterans Center, Division of Student Life, *Tuition Waivers*, <http://www.washington.edu/students/veteran/waiver.shtml> (last visited Dec. 8, 2013) (giving a waiver of 50 percent of the in-state tuition and fee rate to an honorably discharged veteran, seeking a first baccalaureate degree, for up to 225 college-level credits, who is a "Washington domiciliary," served in a "war or conflict on foreign soil or in international waters[,] or in another location in support of those serving on foreign soil or in international waters," and providing a similar waiver at the graduate and professional level if the individual has not previously received a tuition waiver for veterans from the University of Washington).

- **Montgomery GI Bill – Active Duty Educational Assistance Program (MGIB-AD)**<sup>26</sup>
  - The MGIB-AD provides educational assistance to persons who served on active duty in the Armed Forces.<sup>27</sup> Active duty members make an initial contribution<sup>28</sup> and are subsequently entitled to receive a monthly education benefit<sup>29</sup> once they have completed a minimum service obligation.<sup>30</sup>
- **Montgomery GI Bill – Selected Reserve Educational Assistance Program (MGIB-SR)**<sup>31</sup>
  - The MGIB-SR provides educational assistance to members of the reserve components of the Armed Forces. Reservists must be actively drilling and have a 6-year obligation in the reserves to be eligible.<sup>32</sup>
- **Educational Assistance Survivors’ and Dependents’ Program (DEA)**<sup>33</sup>
  - DEA is a monetary educational benefit payable to eligible dependents and survivors of certain veterans.<sup>34</sup>
- **Veterans Educational Assistance Program (VEAP)**<sup>35</sup>
  - VEAP is an education benefit for veterans who entered service for the first time between December 31, 1976 and July 1, 1985. Although there are still some veterans who use this program, it ended for new enrollees June 30, 1985.<sup>36</sup>
- **Reserve Educational Assistance Program (REAP)**<sup>37</sup>
  - REAP provides educational assistance to National Guard members and reservists who are called to active duty in response to a war, national emergency, or contingency operation as declared by the President or Congress on or after September 11, 2001.<sup>38</sup>
- **Post-9/11 GI Bill Program**<sup>39</sup>
  - The Post-9/11 GI Bill is the newest educational assistance program that provides financial support for education and housing to individuals with at least 90 days of

<sup>26</sup> 38 U.S.C. §§3001-3035.

<sup>27</sup> 38 U.S.C. §3011(a).

<sup>28</sup> 38 U.S.C. §3011(b)(1) (stating that “the basic pay of any individual described in subsection (a)(1)(A) of this section who does not make an election under (c)(1) of this section shall be reduced by \$100 for each of the first 12 months that such individual is entitled to such pay”).

<sup>29</sup> 38 U.S.C. §3014 (providing that the educational assistance is to help meet the costs of an individual’s “subsistence, tuition, fees, supplies, books, equipment, and other educational costs” and that the maximum duration of benefits is 36 months); Department of Veterans Affairs, *The Montgomery GI Bill- Active Duty: Summary of Educational Benefits Under the Montgomery GI Bill – Active Duty Educational Assistance Program*, [http://www.gibill.va.gov/documents/pamphlets/ch30\\_pamphlet.pdf](http://www.gibill.va.gov/documents/pamphlets/ch30_pamphlet.pdf), 17.

<sup>30</sup> 38 U.S.C. §3011(a)(1) (outlining the minimum service obligations depending upon when an individual began active duty).

<sup>31</sup> 10 U.S.C. §§16131-16136.

<sup>32</sup> 10 U.S.C. §§16131(a), 16132(a); Department of Veterans Affairs, *The Montgomery GI Bill-Selected Reserve*, [http://gibill.va.gov/documents/pamphlets/ch1606\\_pamphlet.pdf](http://gibill.va.gov/documents/pamphlets/ch1606_pamphlet.pdf).

<sup>33</sup> 38 U.S.C. §§3500-3566.

<sup>34</sup> 38 U.S.C. §3501(a)(1) (defining an “eligible person” as: the child of an individual who died or has a permanent and total disability as a result of service; the spouse of an individual who died due to service-related disability; the spouse or child of an individual who, for 90 days, is missing in action, captured, or forcibly detained in the line of duty, or who is receiving certain medical care and may be released or discharged due to a service-related disability); Department of Veterans Affairs, *Dependents’ Educational Assistance Program (DEA)*, [http://www.gibill.va.gov/documents/pamphlets/ch35\\_pamphlet\(2\).pdf](http://www.gibill.va.gov/documents/pamphlets/ch35_pamphlet(2).pdf), 3.

<sup>35</sup> 38 U.S.C. §§3201-3243.

<sup>36</sup> 38 U.S.C. §§3201, 3202(1)(A).

<sup>37</sup> 10 U.S.C. §§16161-16166.

<sup>38</sup> 10 U.S.C. §16163(a).

<sup>39</sup> 38 U.S.C. §§3301-3325.

- aggregate service on or after September 11, 2001,<sup>40</sup> or individuals discharged with a service-connected disability after 30 continuous days of active duty service.<sup>41</sup>
- Individuals may be eligible for up to 36 months of education benefits and eligibility generally expires 15 years from the date of the last discharge or release from active duty service.<sup>42</sup>
  - The Post-9/11 GI Bill provides beneficiaries the cost of tuition and fees, not to exceed the most expensive in-state undergraduate tuition at a public higher education institution in the state in which the individual is attending school.<sup>43</sup>
  - An individual is eligible for a fixed percentage of the payments authorized under the Post-9/11 GI Bill based on an individual's amount of creditable active duty service since September 11, 2001.<sup>44</sup>
- **Yellow Ribbon GI Education Enhancement Program (Yellow Ribbon Program)**
    - The Yellow Ribbon Program was created within the Post-9/11 GI Bill program as a means to partially or fully fund tuition and fee expenses that exceed the established thresholds under the Post-9/11 GI Bill.<sup>45</sup>
    - Participation in the Yellow Ribbon Program is limited to veterans entitled to the maximum Post-9/11 GI Bill benefit rate (based on service requirements) or their designated transferees.<sup>46</sup>
    - Both public and private colleges and universities are able to voluntarily participate in the Yellow Ribbon Program through an agreement with the USDVA.<sup>47</sup>

<sup>40</sup> 38 U.S.C. §3311(b)(8).

<sup>41</sup> 38 U.S.C. §3311(b)(2)(B). The Post-9/11 GI Bill, which became effective on August 1, 2009, provides the most comprehensive set of education benefits since the original GI Bill of 1944. USDVA Veterans Benefits Administration, *Annual Benefits Report: Fiscal Year 2011*, [http://www.vba.va.gov/REPORTS/abr/2011\\_abr.pdf](http://www.vba.va.gov/REPORTS/abr/2011_abr.pdf), 37. It is also the most widely utilized of all USDVA education programs. *Id.* at 40 (providing programmatic statistics from 2007-2011 and demonstrating that the Post-9/11 GI Bill program had more beneficiaries than any other program in 2010 and 2011).

<sup>42</sup> 38 U.S.C. §3321(a).

<sup>43</sup> USDVA, *Yellow Ribbon Program*, [http://www.gibill.va.gov/School\\_Info/yellow\\_ribbon/](http://www.gibill.va.gov/School_Info/yellow_ribbon/) (last visited Dec. 8, 2013). The Post-9/11 GI Bill also provides a monthly housing allowance and a yearly stipend for books and supplies. USDVA, *Post-9/11 GI Bill (Chapter 33) Payment Rates for 2012 Academic Year (August 1, 2012-July 31, 2013)*, [http://www.gibill.va.gov/resources/benefits\\_resources/rates/CH33/Ch33rates080112.html#MHA](http://www.gibill.va.gov/resources/benefits_resources/rates/CH33/Ch33rates080112.html#MHA) (last visited Dec. 8, 2013). Post-9/11 GI Bill benefits are allowed to be used for approved training, which includes: graduate and undergraduate degrees, non-college degree programs for vocational and technical training, apprenticeship and on-the-job training, flight training, correspondence training, certification and licensing, national testing programs, entrepreneurship training, and a tutorial assistance program. USDVA, *The Post-9/11 GI-Bill*, [http://www.gibill.va.gov/benefits/post\\_911\\_gibill/index.html](http://www.gibill.va.gov/benefits/post_911_gibill/index.html) (last visited Dec. 8, 2013).

<sup>44</sup> 38 U.S.C. §3313(c)(1)-(7); USDVA, *Post 9/11 GI Bill: It's Your Future*, [http://gibill.va.gov/documents/pamphlets/ch33\\_pamphlet.pdf](http://gibill.va.gov/documents/pamphlets/ch33_pamphlet.pdf), 2.

<sup>45</sup> 38 U.S.C. §3317(a) (defining the purpose of the Yellow Ribbon GI Educational Enhancement Program as a means of covering a portion of the expenses not covered by 38 U.S.C. §3313).

<sup>46</sup> USDVA, *Post 9/11 GI Bill: It's Your Future*, [http://gibill.va.gov/documents/pamphlets/ch33\\_pamphlet.pdf](http://gibill.va.gov/documents/pamphlets/ch33_pamphlet.pdf), 2. Veterans entitled to less than the maximum benefit rate and active duty servicemembers and their spouses are not eligible for this program. USDVA, *Benefits of the Yellow Ribbon Program*, [http://www.gibill.va.gov/benefits/post\\_911\\_gibill/yellow\\_ribbon\\_program.html](http://www.gibill.va.gov/benefits/post_911_gibill/yellow_ribbon_program.html) (last visited Dec. 8, 2013).

<sup>47</sup> 38 U.S.C. §3317(a), (c); see USDVA, *Yellow Ribbon Program Information 2012-2013 School Year* [http://www.gibill.va.gov/gi\\_bill\\_info/ch33/yrp/yrp\\_list\\_2012.htm](http://www.gibill.va.gov/gi_bill_info/ch33/yrp/yrp_list_2012.htm) (select "Florida" in the state list) (last visited Dec. 8, 2013) (providing a list of participating institutions by state, which includes public and private institutions). To participate in the Yellow Ribbon Program, an institution must enter into an official agreement with the USDVA 38 U.S.C. §3317(c). The agreement specifies the maximum amount an institution will contribute per academic year toward each qualified student's tuition and fee expenses that exceed the amount payable under the Post-9/11 GI Bill. 38 U.S.C. §3317(c)(2). The agreement

- The USDVA will match an institution’s contributions, not to exceed 50 percent of the difference.<sup>48</sup>
- Currently, two FCS institutions and four State University System institutions are listed as Yellow Ribbon Program participants.<sup>49</sup>

According to the USDVA, for fiscal year 2011,<sup>50</sup> the state of Florida had the third highest number of USDVA education beneficiaries (using one or more of the federal education assistance programs described above) in the nation with 68,133 beneficiaries, behind Texas (76,878) and California (88,420).<sup>51</sup> The number of USDVA education program beneficiaries in Florida has steadily increased since fiscal year 2000 (see Figure One below).<sup>52</sup> Total USDVA education program payments to Florida beneficiaries for fiscal year 2012 was \$702,492,751.<sup>53</sup>

<b>Figure One USDVA Education Beneficiaries in Florida</b>	
<b>Fiscal Year</b>	<b>Total Florida Beneficiaries</b>
2000	25,556
2001	26,598
2002	28,394
2003	29,551
2004	31,815
2005	31,791
2006	32,193
2007	33,963
2008	36,088
2009	36,394
2010	59,519
2011	68,133

also indicates the maximum number of individuals for whom contributions will be made in any given academic year. 38 U.S.C. §3317(c)(3).

<sup>48</sup> 38 U.S.C. §3317(d)(1).

<sup>49</sup> USDVA, *Florida State Yellow Ribbon Program Information 2013-2014*, [http://www.gibill.va.gov/gi\\_bill\\_info/ch33/yrp/2013/states/fl.htm](http://www.gibill.va.gov/gi_bill_info/ch33/yrp/2013/states/fl.htm) (last visited Dec. 8, 2013). The Florida College System institutions listed as participants are: the State College of Florida, Manatee-Sarasota (providing \$4,320.00 per student per year for a maximum of 20 students) and Gulf Coast State College, which is currently noted as providing \$0.00 per student per year for zero students. *Id.* The State University System institutions listed as participants are: Florida State University (providing an unlimited amount per student per year for an unlimited amount of students); University of Central Florida (providing \$6,000.00 per student per year for 30 undergraduate students; \$6,800.00 per student per year for 10 graduate students; and \$20,000 per student per year for 10 medical students); University of South Florida (providing \$6,000.00 per student per year for 24 undergraduate students; \$6,500.00 per student per year for 10 masters students; and \$2,100.00 per student per year for 4 medicine students); and University of West Florida (providing an unlimited amount per student per year for 250 students from all degree levels). *Id.*

<sup>50</sup> Fiscal year 2011 is the most recent year for which data are currently available regarding the number of USDVA education beneficiaries. USDVA, *Department of Veterans Affairs Education Program Beneficiaries by Geography: FY2000 to FY2011*, <http://www.va.gov/vetdata/Utilization.asp> (select “Benefit Programs” tab; then follow the hyperlink titled “Department of Veterans Affairs Education Program Beneficiaries by Geography: FY2000 to FY2011”) (last visited Dec. 8, 2013).

<sup>51</sup> *Id.*

<sup>52</sup> *Id.*

<sup>53</sup> Email from the National Center for Veterans Analysis and Statistics (Sept. 23, 2013) (on file with Senate Committee on Education).

During fiscal year 2011, there were 42,607 Post-9/11 GI Bill beneficiaries in Florida.<sup>54</sup> The Post-9/11 GI Bill only covers the highest in-state undergraduate tuition,<sup>55</sup> therefore, a non-resident veteran would be responsible for the total costs that exceed the in-state tuition amount, unless the veteran attends an institution that voluntarily participates in the Yellow Ribbon Program.

### III. Effect of Proposed Changes:

Currently, non-residents, including non-resident veterans, must meet the residency requirements of s. 1009.21, F.S., to be charged in-state tuition. Without a specifically authorized fee exemption or waiver, non-resident students pay out-of-state fees in addition to the basic tuition fee rates.

CS/CS/SB 84 amends s. 1009.26, F.S., to create the “Congressman C.W. Bill Young Veteran Tuition Waiver Act” and to provide a mandatory out-of-state fee waiver for honorably discharged veterans of the U.S. Armed Forces, including the National Guard and a reserve component thereof, who reside in the state while enrolled at a state university or Florida College System (FCS) institution. Consistent with a similar fee waiver provision for recipients of a Purple Heart or another combat decoration superior in precedence, the fee waiver authorized by the bill covers 110 percent of the credit hours needed to complete the degree or certificate program in which the veteran is enrolled. State universities and FCS institutions must report to the Board of Governors and the State Board of Education, respectively, the number and value of all fee waivers granted annually under the Congressman C.W. Bill Young Veteran Tuition Waiver Act. In effect, the bill guarantees that qualifying veterans will be charged in-state tuition and fee rates at Florida’s state universities and FCS institutions.

The bill provides an effective date of July 1, 2014.

### IV. Constitutional Issues:

#### A. Municipality/County Mandates Restrictions:

None.

#### B. Public Records/Open Meetings Issues:

None.

#### C. Trust Funds Restrictions:

None.

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<sup>54</sup> USDVA, *Department of Veterans Affairs Education Program Beneficiaries by Geography: FY2000 to FY2011*, <http://www.va.gov/vetdata/Utilization.asp> (select “Benefit Programs” tab; then follow the hyperlink titled “Department of Veterans Affairs Education Program Beneficiaries by Geography: FY2000 to FY2011”) (last visited Dec. 8, 2013).

<sup>55</sup> USDVA, *Yellow Ribbon Program* [http://www.gibill.va.gov/School\\_Info/yellow\\_ribbon/](http://www.gibill.va.gov/School_Info/yellow_ribbon/) (last visited Dec. 8, 2013).



**D. Other Constitutional Issues:**

None.

**V. Fiscal Impact Statement:****A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

Non-resident veterans who qualify for the out-of-state fee waiver under the bill would only pay in-state tuition and fee rates. This would provide a considerable savings to student veterans each semester.

For the 2013-2014 academic year, the average State University System undergraduate cost for tuition and fees for two semesters is \$6,155 for residents and \$21,434 for non-residents.<sup>56</sup> Therefore, this out-of-state fee waiver could potentially save an eligible full-time veteran undergraduate student<sup>57</sup> at a state university approximately \$15,279 per academic year. At the graduate level, the average cost for two semesters is \$10,262 for residents and \$25,138 for non-residents.<sup>58</sup> Therefore, this out-of-state fee waiver could save an eligible full-time veteran graduate student<sup>59</sup> at a state university approximately \$14,876 per academic year.

For the same period, the Florida College System reports the average cost for two semesters is approximately \$3,124 for residents enrolled in lower-level credit programs and \$11,531 for non-residents. Therefore, this out-of-state fee waiver could potentially save an eligible full-time<sup>60</sup> veteran enrolled in a lower-level credit program \$8,407 per academic year. For residents enrolled in the upper-level credit programs the cost for two semesters is \$3,585 and \$15,400 for non-residents.<sup>61</sup> Therefore, this out-of-state fee waiver could potentially save an eligible full-time veteran enrolled in an upper-level credit program \$11,815 per academic year.

**C. Government Sector Impact:**

The Florida Department of Education has stated that the fiscal impact of the bill on the Florida College System institutions cannot be determined because the precise number of

<sup>56</sup> Board of Governors of the State University System of Florida, *Public Colleges and Universities of Florida, Tuition and Required Fees, 2013-14 for New Students in Main Campus*, <http://www.flbog.edu/about/budget/current.php> (select the Excel link for "2013-2014 Fees") (last visited Dec. 8, 2013) (noting that the calculation is for students who are full-time taking 30 credit hours).

<sup>57</sup> Full-time status for undergraduate students is 30 hours.

<sup>58</sup> *Id.* (providing that the calculation is for full-time graduate students taking 24 credit hours).

<sup>59</sup> Full-time status for graduate students is 24 hours.

<sup>60</sup> Full-time status for students in lower-level and upper-level credit programs at Florida College System institutions is 30 hours.

<sup>61</sup> Data provided by the Division of Florida Colleges (on file with Senate Appropriations Subcommittee on Education).

eligible students is unknown.<sup>62</sup> The Board of Governors, based on academic year 2012-2013 enrollment data of non-resident veterans, estimated an unrealized tuition revenue for the State University System in one year would be \$5,057,349 for 331 undergraduate students and \$3,138,836 for 211 graduate students, totaling \$8,196,185.<sup>63</sup>

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends the following section of the Florida Statutes: s. 1009.26, F.S.

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<sup>62</sup> Florida Department of Education, Agency Legislative Bill Analysis for CS for SB 84 (Oct. 9, 2013) (on file with the Senate Appropriations Subcommittee on Education).

<sup>63</sup> Board of Governors of the State University System of Florida, Senate Bill 84 Agency Legislative Bill Analysis (Sept. 19, 2013) (on file with the Senate Appropriations Subcommittee on Education).

**IX. Additional Information:**

- A. **Committee Substitute – Statement of Substantial Changes:**  
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

**CS/CS by Committee on Education on December 10, 2013:**

The committee substitute differs from CS/SB 84 in the following ways:

- Guarantees in-state tuition for qualified veterans, but through a fee waiver rather than classification of “residency” for tuition purposes.
- Establishes the “Congressman C.W. Bill Young Veteran Tuition Waiver Act.”
- Requires state universities and Florida College System (FCS) institutions to waive out-of-state fees for honorably discharged veterans of the Armed Forces, including the National Guard and reserve components thereof, who physically reside in the state while enrolled in such institutions.
- Requires that the tuition and fees charged to a qualifying veteran are the same as the tuition and fees charged to a resident student.
- Provides the fee waiver for 110 percent of the required credit hours for degree or certificate program for which a veteran is enrolled.
- Requires state universities and FCS institutions to report to the Board of Governors and the State Board of Education, respectively, the number and value of all fee waivers granted annually under the Congressman C.W. Bill Young Veteran Tuition Waiver Act.

**CS by Military and Veterans Affairs, Space, and Domestic Security on September 24, 2013:**

The committee substitute:

- Makes a technical change to replace the term “Armed Services” with “Armed Forces.”
- Clarifies that a veteran must be honorably discharged to qualify for in-state residency.
- Clarifies that veterans of the reserve components and the National Guard are eligible for in-state residency.
- Requires a veteran to physically reside in the state while enrolled in an institution of higher education.

- B. **Amendments:**

None.