

**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: SB 944

INTRODUCER: Senators Richter and Gaetz

SUBJECT: Out-of-state Fee Waivers for Active Duty Service Members

DATE: February 17, 2016

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

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Graf	Klebacha	HE	<b>Favorable</b>
2.	Smith	Elwell	AED	<b>Recommend: Favorable</b>
3.			AP	

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**I. Summary:**

SB 944 provides for out-of-state fee waivers for active duty members of the United States Armed Forces who reside or are stationed outside of Florida. The bill specifies that tuition and fees charged to such students must not exceed the tuition and fees charged to resident students.

Additionally, the bill requires rulemaking to administer the fee waivers to the active duty members of the United States Armed Forces and reporting to maintain a record of the number and value of all such fee waivers granted.

The impact on institutional fee revenues is insignificant.

The bill takes effect July 1, 2016.

**II. Present Situation:**

The Florida Legislature has enacted laws to provide members of the Armed Forces access to public postsecondary education in the state.

**Tuition and Fees**

The term “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> An “out-of-state fee” is the additional fee for instruction provided by a public postsecondary educational institution charged to a student who does not qualify for the in-state tuition rate.”<sup>2</sup>

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

A student who is classified as a “resident for tuition purposes” is a student who qualifies 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.

Current law affords in-state tuition benefits to members of the United States military through either fee waivers or resident status for tuition purposes.

## **In-state Tuition**

### ***Fee Waivers***

Florida law affords waivers<sup>5</sup> from fees to certain students who meet specified criteria including, but not limited to, certain members of the United States military. For instance, state universities, Florida College System (FCS) institutions, and technical centers must waive tuition for undergraduate college credit programs and career certificate programs, as applicable, for recipients of a Purple Heart or another combat decoration superior in precedence.<sup>6</sup> Additionally, honorably discharged veterans of the United States Armed Forces, the United States Reserved Forces, or the National Guard who meet certain conditions are eligible for out-of-state fee waiver benefits through the Congressman C.W. “Bill” Young Veteran Tuition Waiver Program.<sup>7</sup>

### ***Resident Status for Tuition Purposes***

Active duty members of the Armed Services of the United States residing or stationed in Florida, and their spouses and dependent children, and active drilling members of the Florida National Guard are considered Florida residents for tuition purposes<sup>8</sup> and accordingly receive in-state tuition and student financial aid benefits. Such benefits also apply to active duty members of the Armed Services of the United States and their spouses and dependents attending an FCS institution or state university within 50 miles of the military establishment where they are stationed, if such military establishment is within a county contiguous to Florida.<sup>9</sup>

## **III. Effect of Proposed Changes:**

SB 944 waives the out-of-state fee for active duty members of the United States Armed Forces who reside in or are stationed outside of Florida. In effect, the bill extends in-state tuition benefits, through a fee waiver approach, to the specified United States Armed Forces members. The out-of-state fee waivers may apply to undergraduate and graduate degree programs.

Additionally, similar to the Congressman C.W. “Bill” Young Veteran Tuition Waiver Program requirements, the bill requires:

- Tuition and fees charged to a student who qualifies for the out-of-state fee waiver for the specified active duty members of the United States Armed Forces must not exceed the tuition and fees charged to a resident student.

<sup>3</sup> Section 1009.21(1)(g), F.S.

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

<sup>5</sup> Section 1009.26, F.S.

<sup>6</sup> Section 1009.26(8), F.S.

<sup>7</sup> Section 1009.26(13), F.S.

<sup>8</sup> Section 1009.21(10)(a), F.S.

<sup>9</sup> Section 1009.21(10)(b), F.S.

- Each state university, Florida College System institution, and technical center to report to the Board of Governors (BOG) and the State Board of Education (SBE), as applicable, the number and value of all fee waivers granted to the active duty members of the United States Armed Forces.
- The BOG and the SBE to adopt regulations and rules, respectively, to administer the out-of-state fee waivers for active duty members of the United States Armed Forces.

This waiver will primarily affect active duty members of the Armed Forces who enroll in distance learning courses while stationed outside of Florida on military establishments farther than 50 miles from an FCS institution or state university, if the military establishment is not in a county contiguous to Florida.

The bill takes effect July 1, 2016.

#### **IV. Constitutional Issues:**

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

#### **V. Fiscal Impact Statement:**

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

SB 944 provides for out-of-state fee waivers for active duty members of the United States Armed Forces who reside or who are stationed outside of Florida. Students who qualify for this waiver will experience cost savings associated with their programs of study at state universities, Florida College System (FCS) institutions, and technical centers. This waiver applies to both undergraduate and graduate education. At a state university system institution, an average of \$465.59 will be saved for each undergraduate credit hour and an average of \$599.07 will be saved for each graduate credit hour taken by eligible servicemembers.<sup>10</sup>

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<sup>10</sup> Board of Governors, 2016 Agency Legislative Bill Analysis for SB 944 (Jan. 13, 2016), at 2, on file with the Appropriations Subcommittee on Education staff.

**C. Government Sector Impact:**

State universities, Florida College System institutions, and technical centers will potentially forgo out-of-state fee revenue for the specified students. The Florida Board of Governors estimates the state universities could potentially see a decrease of \$248,000 in tuition revenues.<sup>11</sup> According to the Florida Department of Education, FCS institutions and technical centers may see a reduction in out-of-state tuition and fee revenues generated by non-resident students, but the amount is indeterminable at this time.<sup>12</sup>

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends section 1009.26 of the Florida Statutes.

**IX. Additional Information:****A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

**B. Amendments:**

None.

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This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

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<sup>11</sup> Board of Governors, 2016 Agency Legislative Bill Analysis for SB 944 (Jan. 13, 2016), at 2-3, on file with the Appropriations Subcommittee on Education staff.

<sup>12</sup> Department of Education, 2016 Agency Legislative Bill Analysis for SB 944 (Feb. 10, 2016), at 4, on file with the Appropriations Subcommittee on Education staff.