

**STORAGE NAME:** h0465a.cu.doc  
**DATE:** March 19, 2001

**HOUSE OF REPRESENTATIVES  
COMMITTEE ON  
COLLEGES AND UNIVERSITIES  
ANALYSIS**

**BILL #:** HB 465  
**RELATING TO:** Tuition/Residency/National Guard  
**SPONSOR(S):** Representative(s) Baker  
**TIED BILL(S):** None

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

- (1) COLLEGES AND UNIVERSITIES YEAS 11 NAYS 0
  - (2) EDUCATION APPROPRIATIONS
  - (3) COUNCIL FOR LIFELONG LEARNING
  - (4)
  - (5)
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I. SUMMARY:

House Bill 465 provides that members of the Florida National Guard who meet the requirements for the tuition assistance program at Florida's public postsecondary education institutions must be classified as residents for tuition purposes. The tuition assistance program is administered by the Department of Military Affairs which receives an annual appropriation for the program.

The Department of Military Affairs reports that in 1999-2000, 1,769 members participated in the program, 94 of whom were classified as non-residents for purposes of tuition at state universities. Of the \$1,122,315 appropriation for the tuition assistance program, \$124,728 was the cost for out-of-state tuition and fees for the 94 members. The department estimates that an additional 90 Florida National Guard members could have participated in the tuition assistance program with funds spent for non-resident tuition and fees.

The effective date of the bill is July 1, 2001.

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- |                                   |   |                             |   |
|-----------------------------------|---|-----------------------------|---|
| 1. <u>Less Government</u>         | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. <u>Lower Taxes</u>             | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u>      | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/>            |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/>            | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u>      | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/>            |

For any principle that received a "no" above, please explain:

B. PRESENT SITUATION:

Section 240.1201, F.S., provides that students must be classified as residents or nonresidents for the purpose of assessing tuition fees at state universities and community colleges. A student classified as a "resident for tuition purposes" qualifies for the in-state tuition rate. Section 240.1201, F.S., establishes general residency requirements for such purposes and, additionally, establishes separate categories of persons who must be classified as residents for tuition purposes, including the following: active duty members of the United States Armed Services residing or stationed in this state and their spouses and dependent children; active duty members of the United States Armed Services and their spouses attending a state university or community college within 50 miles of the military establishment where they are stationed, if the military establishment is within a county contiguous to Florida; and others.

In the State University System (SUS) for 2000-2001, total full-time resident cost of matriculation and fees is \$2,347 and the total full-time nonresident cost of matriculation, tuition, and fees is \$9,685. In the State Community College System for 2000-2001, the total full-time cost of resident student fees is \$1,463 and the total full-time cost of nonresident student fees is \$4,566.

Section 250.10(7), F.S., directs the Adjutant General and representatives of the Board of Regents, the State Board of Community Colleges, and the State Board of Education to design and develop a tuition assistance program for members in good standing of the active Florida National Guard who enroll in a public institution of higher learning in the state. Provisions relating to requirements of applicants, eligible participants, and authorized programs of studies are also set forth in s. 250.10 (7), F.S.

The Department of Military Affairs administers the tuition assistance program. Members of the Florida National Guard are exempt from payment of one-half of tuition and fees subject to several limitations. Participation in the program continues until graduation or termination of the full-time or part-time student, but cannot exceed a period of 10 years from the date of enrollment in the tuition assistance program, whichever occurs earlier. Florida National Guard members must be admitted on a space-available basis. Subject to appropriations, the Department of Military Affairs may pay the full cost of tuition and fees for required courses for members of the Florida National Guard if a member is unable to obtain admittance on a space-available basis and, at least on one previous occasion, the member was denied admission to the required course. Subject to appropriations, the

Department of Military Affairs may pay the full cost of tuition and fees for required courses for members of the Florida National Guard who enlist after June 30, 1997.

The Florida National Guard receives an annual appropriation to fund the tuition assistance program. Specific Appropriation 1977 in the FY 1999-2000 General Appropriations Act appropriated \$1,122,315 to the Department of Military Affairs for the tuition assistance program. In 1999-2000, 1,769 Florida National Guard members participated in the tuition assistance program. Of these members, 94 were classified as out-of state students for which the Florida National Guard paid \$124,728. The Florida National Guard reports that payment of in-state rates in all cases would allow more students to be served by the tuition assistance program, thereby having a positive effect on recruitment in Florida.

Section 240.235, F.S., requires the Board of Regents to exempt one-half of all tuition and course-related fees for members of the Florida National Guard who participate in the tuition assistance program. The SUS reports that for 1999-2000, 596 fee waivers valued at \$333,563 were provided to 414 such members. Section 240.35, F.S., requires community colleges to waive fees for members of the Florida National Guard who participate in the tuition assistance program. The State Community College System reports that for 1999-2000, 980 fee waivers valued at \$302,086 were provided to approximately 490 members. The State Community College System reports that Florida National Guard members are classified as Florida residents for purposes of fees; however, some community colleges waive all fees and some community colleges waive one-half of the fees.

**C. EFFECT OF PROPOSED CHANGES:**

The bill allows members of the Florida National Guard who meet the eligibility requirements for participation in the tuition assistance program administered by the Department of Military Affairs to be classified as Florida residents for tuition purposes, thereby qualifying such students for in-state rates at Florida's state universities and community colleges. Such change would enable the Department of Military Affairs to use the amount spent for out-of-state tuition to pay fees for additional members at the lower in-state rate. The Department of Military Affairs reports that the \$124,728 spent by the department for out-of-state tuition in 1999-2000 could have been used to pay in-state rates for an additional 90 students. Typically, the reason that a small number of the members of the Florida National Guard do not qualify as residents for tuition purposes is that they leave the state for active duty and return to school in Florida before they have re-established residency. The Department of Military Affairs reports that by maximizing the appropriation it receives each year, it will be better able to recruit young men and women into the Florida National Guard.

**D. SECTION-BY-SECTION ANALYSIS:**

See above.

**III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:**

**A. FISCAL IMPACT ON STATE GOVERNMENT:**

1. Revenues:

See FISCAL COMMENTS.

2. Expenditures:

See FISCAL COMMENTS.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Based on the FY 1999-2000 appropriation to the Department of Military Affairs for the tuition assistance program, the classification of eligible Florida National Guard members as residents for tuition purposes would have enabled 90 more members to participate in the program.

D. FISCAL COMMENTS:

The change proposed in the bill would not increase appropriations to the Department of Military Affairs for the tuition assistance program, but would increase the number of Florida National Guard members served by the tuition assistance program.

The potential impact on postsecondary education institutions in terms of loss of fee revenues is indeterminate.

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

A. APPLICABILITY OF THE MANDATES PROVISION:

The bill does not require counties or municipalities to spend funds or take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

The bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate.

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

The bill does not reduce the percentage of a state tax shared with counties or municipalities.

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

None

B. RULE-MAKING AUTHORITY:

None

C. OTHER COMMENTS:

None

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VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None

VII. SIGNATURES:

COMMITTEE ON COLLEGES AND UNIVERSITIES:

Prepared by:

Staff Director:

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Anitere Flores

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Betty Tilton