

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1189

Education of Children of Deceased or Disabled Veterans

SPONSOR(S): Jordan

TIED BILLS:

IDEN./SIM. BILLS: SB 1458

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Military & Veteran Affairs Committee		Marino	Carter
2) Education Appropriations Committee			
3) State Administration Council			
4)			
5)			

SUMMARY ANALYSIS

Since 1941, Florida has provided educational opportunity for dependent children of deceased or totally and permanently disabled veterans of the U.S. Armed Forces through the Scholarships for Children of Deceased or Disabled Veterans (CDDV). For students that qualify, they receive monetary benefits which cover their cost of tuition and registration. The students may participate in this program at any eligible state institution such as public state universities, community colleges, and technical schools, and eligible private colleges, universities, and technical schools that meet licensure and accreditation, and operation standards.

This bill changes the current requirement in law that both parents of the student applying for the CDDV be Florida residents to only the parent of the student who is the deceased or disabled servicemember be a Florida resident at the time of such occurrence as one of the eligibility requirements for the CDDV.

In addition, this bill shifts the residency requirement from five years to one. Under this bill, the deceased or disabled servicemember parent must have been a Florida resident for one year preceding the occurrence of the service-related death or disability.

This bill makes some technical changes regarding the sections of law to which the student beneficiaries of this program are subject. Nothing substantive changes; the language clarifies that sections **295.03, 295.04, 295.05, and 1009.40, F.S.**, apply to the benefits under **s. 295.01, F.S.**

The fiscal impact on state government revenue is indeterminate. However, at the current estimated rate of growth of cost of the program, based on an average of the last five years, and if the number of students taking advantage of this benefit remains constant, the projected amount would be more than the amount appropriated last year, which is incidentally the same as the last five years, by **\$21,222**.

This bill act would take effect July 1, 2005.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Empower families: This bill expands the range of eligibility of educational opportunity for children with parents in the U.S. Armed Forces who had a service-related death or total and permanent disability.

B. EFFECT OF PROPOSED CHANGES:

Present Situation:

Scholarships for Children of Deceased or Disabled Veterans

Since 1941, Florida has provided educational opportunity for dependent children of deceased or totally and permanently disabled veterans of the U.S. Armed Forces through the Scholarships for Children of Deceased or Disabled Veterans (CDDV). For students that qualify, they receive monetary benefits which cover their cost of tuition and registration. The students may participate in this program at any eligible state institution such as public state universities, community colleges, and technical schools, and eligible private colleges, universities, and technical schools that meet licensure and accreditation, and operation standards.

In 2004, 157 students qualified and took advantage of this program, up from 151 in 2003. This chart¹ from the 2003-04 Annual Report to the Commissioner by the Office of Student Financial Assistance in the Florida Department of Education tracks the program's appropriations and cost, and the number of participating students over the last few years:

Year	Students Awarded	Average Award*	Expended Funds	Appropriations
1999-00	142	\$1,513	\$214,861	\$333,250
2000-01	158	\$1,590	\$251,191	\$333,250
2001-02	168	\$1,768	\$297,062	\$333,250
2002-03	151	\$1,961	\$296,130	\$333,250
2003-04	157	\$2,053	\$322,294	\$333,250

* The maximum award differs per student as it is equal to the tuition and fees at a public postsecondary institution.

Student Eligibility for CDDV²

Eligible students are required to:

- Submit a completed Florida Financial Aid Application for Students by April 1.
- Be a dependent child between the ages of 16 years and 22 years of a Florida qualified veteran by the Florida Department of Veterans' Affairs. All military actions and wars from World War I through the Persian Gulf War and Operation Just Cause may qualify program applicants.
- Meet Florida's general eligibility requirements.
- Be enrolled in a baccalaureate degree program.

¹ Office of Student Financial Assistance, Florida Department of Education, "2003-04 Annual Report to the Commissioner," November 2004, page 19.

² *Id.*

- Not owe a repayment or be in default on any state or federal Title IV grant, scholarship, or loan program unless satisfactory arrangements to repay have been made.
- Not have previously received a bachelor's degree.

Florida Statute

Section 295.01, F.S., provides educational opportunity at state expense for children of a member of the U.S. Armed Forces if the military member entered the Armed Forces while a resident of Florida and died from service-related injuries, disease, or disability while on active-duty or was determined by the U.S. Department of Veterans Affairs to have a one hundred percent total and permanent service-related disability. In addition, the parents must have been bona fide residents of Florida for five years preceding the application by the dependent child for these benefits.

Students eligible for this benefit are subject to requirements in the provisions of **ss. 295.03, 295.04, 295.05, and 1009.40, F.S.** **Section 295.03, F.S.**, declares the students must comply with the ordinary and minimum requirements for discipline and scholarship of the institution they are attending in order to keep receiving the monetary benefits of this program, and that such benefits will be withheld until the minimum requirements are met. **Section 295.04, F.S.**, describes that the appropriations for this program shall be in each year's General Appropriations Act and that it is only to cover the amount of tuition and registration fees for the students in the program, who may use these benefits for no more than 12 quarters, 8 semesters, or 8 trimesters. **Section 295.05, F.S.**, states that a student who benefits from this program must go through the customary requirement for enrollment at the institution of their choice and that there is no special enrollment benefit from this particular educational opportunity. Finally, **s. 1009.40, F.S.**, lays out some further residency and scholastic requirements for students who receive educational financial aid from the state.

Effect of Proposed Changes:

This bill amends **s. 295.01, F.S.**, by changing the requirement that both parents of the student applying for the CDDV be Florida residents to only the parent of the student who is the deceased or disabled servicemember be a Florida resident at the time of such occurrence as one of the eligibility requirements for the CDDV.

In addition, this bill shifts the residency requirement from five years to one. Under this bill, the deceased or disabled servicemember parent must have been a Florida resident for one year preceding the occurrence of the service-related death or disability.

This bill makes some technical changes regarding the sections of law to which the student beneficiaries of this program are subject. Nothing substantive changes; the language clarifies that sections **295.03, 295.04, 295.05, and 1009.40, F.S.**, apply to the benefits under **s. 295.01, F.S.**

Finally, this bill provides an effective date of July 1, 2005.

C. SECTION DIRECTORY:

Section 1. Amends **s. 295.01, F.S.**, by decreasing the minimum required length of the parent's residency at the time of military service-related death or total disability.

Section 2. Provides an effective date of July 1, 2005.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

There are no known or expected fiscal impacts on state government revenues.

2. Expenditures:

The fiscal impact on state government revenue is indeterminate. However, even if the number of students awarded under this program stays constant at 157, the necessary amount to be appropriated to cover the estimated growth of the cost of the program would be **\$21,222**.

The appropriation for the CDDV has been fixed at \$333,250 for at least the last five years. Last year the program's total expenditures were \$322,294.

The average cost per student under the CDDV can be estimated at \$2,188 (based on average increase in award per student over the last five years) for 2004-05. So if the number of students awarded under this program stays constant at 157, the expenditures would be higher than the amount appropriated at \$343,516. This is before the possible increase in eligible students is even factored.

It is unknown how many new students would be eligible and apply for this benefit. The Department of Education is unsure how many new students would participate in the CDDV.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

There are no known or expected fiscal impacts on local government revenues.

2. Expenditures:

There are no known or expected fiscal impacts on local government expenditures.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The impact is minimal to the private sector as a whole. However, to the individual student now eligible under this bill and their family, the estimated average \$2,188 in yearly assistance from the program could be significant since the loss of income from a deceased or totally disabled parent could adversely affect their ability to afford higher education.

D. FISCAL COMMENTS:

The average estimated growth of award per student was determined by averaging the difference between award per student over the last five years, as shown in the chart in the Present Situation section of this analysis. The average change was calculated to be \$135 per award per student. This number added to the previous year's average award of \$2,053 results in the estimated average award per student of \$2,188.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds. This bill does not reduce the percentage of a state tax shared with counties or municipalities. This bill does not reduce the authority that municipalities have to raise revenues.

2. Other:

There do not appear to be any constitutional issues with this bill.

B. RULE-MAKING AUTHORITY:

There appear to be sufficient rules in Florida Statute to allow the Department of Education to develop and maintain the educational opportunity program in this bill.

C. DRAFTING ISSUES OR OTHER COMMENTS:

This bill attempts to change a residency requirement regarding the entry of the deceased or disabled servicemember-parent into the U.S. Armed Forces while a resident of Florida in order for their dependent child to be eligible for the CDDV by removing that requirement so that the servicemember-parent need have only been a resident of Florida at the time of the occurrence of death or disability without having had to enter the service while a Florida resident. The bill language, however, does not make this clear.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES

Not Applicable.