

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** HB 1065 Educational Opportunities for Children and Spouses of Deceased or Disabled Veterans and Servicemembers

**SPONSOR(S):** Jordan

**TIED BILLS:** **IDEN./SIM. BILLS:** SB 2034

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REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Community Colleges &amp; Workforce Committee</u>	<u>6 Y, 0 N</u>	<u>Thomas</u>	<u>Ashworth</u>
2) <u>Military &amp; Veteran Affairs Committee</u>	<u>7 Y, 0 N</u>	<u>Marino</u>	<u>Cutchins</u>
3) <u>Education Appropriations Committee</u>	<u></u>	<u></u>	<u></u>
4) <u>Education Council</u>	<u></u>	<u></u>	<u></u>
5) <u></u>	<u></u>	<u></u>	<u></u>

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### SUMMARY ANALYSIS

House Bill 1065 provides educational opportunity for spouses of deceased or certain disabled service members with the following requirements:

- An unremarried spouse of a deceased servicemember qualifies if:
  - spouse and servicemember were residents of the state for 1 year preceding the servicemember's death; and
  - unremarried spouse applies to use the benefit within 5 years after the servicemember's death.
- A dependent spouse of a disabled servicemember qualifies:
  - if married to the servicemember for 1 year; and
  - if spouse and servicemember were residents of the state for 1 year preceding the occurrence of the servicemember's disability and the disability is a service-connected 100-percent permanent and total disability as determined by the United States Department of Veterans Affairs or its predecessors; and
  - only during the duration of the marriage and up to the point of termination of the marriage by dissolution or annulment.

HB 1065 provides that the funds appropriated for this provision may only be used for tuition and registration fees at state-supported institutions of higher learning, including community colleges and career centers.

The effective date provided is July 1, 2006.

The fiscal impact of HB 1065 is undetermined. Please see "Fiscal Comments" for further information.

# FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

### A. HOUSE PRINCIPLES ANALYSIS:

**Empower families** – The bill allows educational opportunity for spouses of deceased or certain disabled servicemembers.

### B. EFFECT OF PROPOSED CHANGES:

#### Present Situation

#### Scholarships for Children of Deceased or Disabled Veterans

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 100-percent permanent and total service-related disability. In addition, the parents must have been residents of Florida for one year preceding the death or occurrence of such disability.

In 2004, 157 students qualified and took advantage of this program, up from 151 in 2003. The chart below tracks the program's appropriations and cost, and the number of participating students over the last few years<sup>1</sup>.

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 Children of Deceased or Disabled Veterans

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.
- Meet Florida's general eligibility requirements.
- Be enrolled in an undergraduate degree or certificated program.
- Be enrolled for a minimum of six credit hours, 180 clock hours, or the equivalent, per term at an eligible postsecondary institution.
- Not be in default on any federal Title IV or state student loan program unless satisfactory arrangements to repay have been made.
- Not have previously received a bachelor's degree.

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

### Federal Law:

Under current federal legislation, U. S. Department of Veterans Affairs education benefits are available to qualifying spouses and children of veterans who died of a service-connected disability.

Benefits include payment of a monthly education or training allowance and may be awarded for pursuit of associate, bachelor, or graduate degrees at colleges and universities, including independent study, cooperative training and study abroad programs. Funds may be used to cover more than tuition and books.

Courses leading to a certificate or diploma from business, technical or vocational schools also may be taken.

Effective Oct. 1, 2004, the rate of compensation is \$803 a month for full-time school attendance, with lesser amounts for part-time training. A person may receive educational assistance for full-time training for up to 45 months or the equivalent in part-time training.

Payments to a spouse end 10 years from the date the individual is found eligible or from the date of the death of the veteran. Children generally must be between the ages of 18 and 26 to receive education benefits, though extensions may be granted.

### Effect of Proposed Changes:

House Bill 1065 provides educational opportunity for spouses of deceased or certain disabled service members with the following requirements:

- An unremarried spouse of a deceased servicemember qualifies if:
  - spouse and servicemember were residents of the state for 1 year preceding the servicemember's death; and
  - unremarried spouse applies to use the benefit within 5 years after the servicemember's death.
- A dependent spouse of a disabled servicemember qualifies:
  - if married to the servicemember for 1 year; and
  - if spouse and servicemember were residents of the state for 1 year preceding the occurrence of the servicemember's disability and the disability is a service-connected 100-percent permanent and total disability as determined by the United States Department of Veterans Affairs or its predecessors; and
  - only during the duration of the marriage and up to the point of termination of the marriage by dissolution or annulment.

HB 1065 provides that the funds appropriated for this provision may only be used for tuition and registration fees at state-supported institutions of higher learning, including community colleges and career centers.

### C. SECTION DIRECTORY:

Section 1. Amends s. 295.01, F.S.; providing that it is the declared policy of the state to provide educational opportunity at state expense for spouses of deceased or certain disabled servicemembers; providing criteria for qualification for such benefits for unremarried spouses of deceased servicemembers and dependent spouses of certain disabled servicemembers; specifying uses of funds appropriated for such educational opportunities.

Section 2. Amends s. 295.03, F.S.; relating to withdrawal of benefits upon failure to comply with minimum educational requirements; revising terminology.

Section 3. Amends s. 295.05, F.S.; relating to enrollment as a prerequisite to receipt of benefits; revising terminology.

Section 4. Providing an effective date of July 1, 2006.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None

2. Expenditures:

The fiscal impact on state government expenditures is indeterminate. It is unknown how many students would be eligible and apply for this benefit. See Fiscal Comments.

### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

### C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None

### D. FISCAL COMMENTS:

The Department of Education states that for the 2004-05 academic year, 149 students were funded an average award of \$2,105 from an appropriation of \$313,691. The current year appropriation for Children of Deceased or Disabled Veterans is \$383,250, and there are a projected 170 students to be funded.

Using the actual 2004-05 data and assuming that each of the 149 eligible awardees has a parent who is also eligible, the minimum anticipated impact would be 298 participating (149 children and 149 spouses).

Doubling the current year projection of 170 participants would result in a projected new population of 340. No data is available on the number of spouses without children who might also be eligible.

The budget necessary to fund 298 eligible applicants at the 2004-05 average award would be \$627,290; to fund 340 applicants at the same average award would be \$715,700.

It is unknown how many 100-percent permanently and totally disabled veterans entered the military in Florida, were residents for one year preceding disability, or were married at the time of their disability.

## 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:

None

B. RULE-MAKING AUTHORITY:

The State Board of Education currently has rulemaking authority regarding this issue under s. 295.01, F.S.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

#### **IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES**

None.