

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

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

Prepared By: Education Appropriations Committee

BILL: CS/SB 2034

INTRODUCER: Education Appropriations Committee and Senator Baker

SUBJECT: Educational Opportunities/Children and Spouses of Deceased and Disabled Veterans

DATE: April 4, 2006

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Vickers	Yeatman	CA	Favorable
2.	Riti	Newman	EA	Fav / CS
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

This committee substitute extends certain state-sponsored educational benefits currently available to the children of deceased and disabled veterans to the spouses of such veterans. It establishes eligibility criteria and use restrictions governing this program. The committee substitute limits the benefits to 110% of the required hours for the initial baccalaureate or certificate program in which a spouse is enrolled, and clarifies that the age restrictions in section 295.02, Florida Statutes, do not apply to qualifying spouses.

This committee substitute substantially amends sections 295.01, 295.02, 295.03, and 295.05 of the Florida Statutes.

II. Present Situation:

Section 295.01, F.S., establishes eligibility requirements for post-secondary scholarships for dependents of certain military veterans. Currently, this section provides financial assistance for the dependent children of veterans whose parent either died from service-connected injuries, disease, or disability while on active-duty, or was determined to have a 100 percent permanent and total service-connected disability. In order to qualify for this scholarship the parents of such children must have been residents of the state of Florida for one year immediately preceding the death or occurrence of the disability.

The chart below tracks the appropriations, expenditures, and number of participating students from fiscal year 2000-01 to estimated figures for 2005-06 for the Scholarships for Children of Deceased or Disabled Veterans program.

TABLE 1: Scholarships for Children of Deceased or Disabled Veterans

Year	Students Awarded	Average Award	Expended Funds	Appropriations
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
2004-05	149	\$2,105	\$313,691	\$333,250
2005-06 (estimated)	174	\$2,203	\$383,250	\$383,250

Florida Department of Education, *Office of Student Financial Assistance*.

Student Eligibility for Children of Deceased or Disabled Veterans

Eligible students must:

- Meet Florida’s residency requirement for receipt of student financial aid.
- Not owe repayment under any state or federal grant or scholarship program unless satisfactory arrangements to repay have been made.
- 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.
- Be a dependent child of a qualified veteran or service member, verified by the Department of Veteran’s Affairs.
- Be between the ages of 16 and 22.
- Meet Florida’s eligibility requirements for receipt of state aid.
- Enroll in an undergraduate degree or certificate program.
- Enroll for a minimum of six credit hours, or the equivalent, per term at an eligible postsecondary institution.
- Submit a completed Florida Financial Aid Application by April 1.

Federal Law

Under current federal legislation, the United States 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 may also be taken.

Effective October 1, 2004, the rate of compensation is \$803 per 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, although extensions may be granted.

III. Effect of Proposed Changes:

This committee substitute amends 295.01, F.S., to include spouses of deceased or disabled veterans and servicemembers as eligible recipients of educational benefits at state expense. Such spouses must meet the following requirements:

An unremarried spouse of a deceased servicemember qualifies if:

- The spouse and servicemember were residents of the state for 1 year preceding the servicemember's death; and
- The unremarried spouse applies to use the benefit within 5 years after the servicemember's death.

A dependent spouse of a disabled servicemember qualifies:

- If the dependent spouse is married to the servicemember for 1 year;
- If the 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-related 100 percent permanent and total disability, as determined by the United States Department of Veterans Affairs; and
- Only during the duration of the marriage and up to the point of termination of the marriage by dissolution or annulment.

This committee substitute limits educational benefits to qualifying spouses to 110% of the required credit hours for the initial baccalaureate or certificate program in which a spouse is enrolled.

The committee substitute clarifies that language in s. 295.02, F.S., pertaining to age limitations for children of deceased or disabled veterans scholarship participants, does not apply to qualifying spouses under this program. Further, funds appropriated to carry out these provisions may only be used for tuition and registration fees at state-supported institutions, including community colleges and career centers.

The committee substitute also amends ss. 295.03 and 295.05, F.S., to conform these sections to changes implemented in s. 295.01, F.S.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The committee substitute would enable an unknown number of spouses of deceased and disabled servicemembers to receive post-secondary scholarships.

C. Government Sector Impact:

As depicted in Table 1, 174 students are estimated to receive an average award of \$2,203 for the current fiscal year under the Scholarships for Children of Deceased and Disabled Veterans program. Florida's Department of Veterans Affairs reports an estimated 19 deceased soldiers from Operation Enduring Freedom, and an additional 96 deceased soldiers from Operation Iraqi Freedom, for a total of 115 deceased soldiers from these two recent conflicts. In addition, the department estimates that there are another 370 servicemembers/veterans that qualify as 100 percent disabled who are between the ages of 20-44, and are living in Florida who were also residents at the time of their disability.

According to United States Census 2000 data, the marital rate for Florida males ages 18-44 is 49.3%¹. Assuming that unremarried and dependent spouses of soldiers involved in these recent conflicts are those most likely to participate in this tuition waiver program, and based on the amount currently paid to participating children of deceased or disabled veterans, and a marital rate of 49.3%, annual costs for the tuition waivers could reach \$526,759, at 100% utilization. This figure is a ceiling and many factors (e.g. changes in marital situation, or relocation) would serve to reduce this amount. The most likely cost impact will be somewhat lower at the present time. Further or escalating military conflicts could increase costs of this program.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

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

¹ United States Census 2000, Table PCT 7 (Summary Table 3).

VIII. Summary of Amendments:

None.

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