

The Florida Senate
PROFESSIONAL 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: Higher Education Committee

BILL: CS/CS/SB 446

INTRODUCER: Higher Education Committee; Military Affairs and Domestic Security Committee; and Senator Fasano

SUBJECT: Postsecondary Education Fee Waiver/Veteran

DATE: March 14, 2007

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Pardue</u>	<u>Skelton</u>	<u>MS</u>	<u>Fav/CS</u>
2.	<u>Harkey</u>	<u>Matthews</u>	<u>HE</u>	<u>Fav/CS</u>
3.	_____	_____	<u>HI</u>	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

This bill extends the educational tuition waiver benefit given to Floridians who are recipients of the Purple Heart and higher precedence combat decorations. The extended benefit includes repayment of outstanding undergraduate student loans made prior to receipt of the combat decoration.

The bill provides for an appropriation in an unspecified amount to be used for repaying such outstanding undergraduate student loans in Fiscal Year 2007-2008.

This bill amends section 1009.26 of the Florida Statutes.

II. Present Situation:

Section 1009.26(9), F.S., directs state universities and community colleges to waive undergraduate tuition for enrolled students who are recipients of the Purple Heart or other combat decorations that are superior in precedence. Such higher precedence combat decorations include the Bronze Star, Silver Star, and Medal of Honor.¹

To be eligible for the waiver, a recipient must be enrolled in either a full- or part-time or summer-school program leading to a degree or certificate. Recipients must also be Florida

¹ <http://www.tioh.hqda.pentagon.mil/Awards/Ribbons/OrderofPrecedence.htm>

residents and must provide documentation of the qualifying decoration from a DD-214 form issued at the time of separation from service.

The waiver benefit for recipients of the Purple Heart and higher precedence combat decorations became law in 2006. The Department of Education reports that 6 students attending state universities were awarded a total of \$8,813 and 4 students attending community colleges were awarded approximately \$2,600 in tuition waivers for the Fall 2006 semester.

The waiver benefit is applicable for up to 110 percent of the required credit hours to complete a degree or certificate program.

III. Effect of Proposed Changes:

This bill extends the educational tuition waiver benefit given to a recipient of the Purple Heart and higher precedence combat decorations to include repayment of an outstanding undergraduate student education loan that was certified by a postsecondary institution and that was awarded to the individual before he or she received the combat decoration. To qualify, a recipient's outstanding student loan must be in good standing. The state is required to pay the balance due on such loans on the date the tuition waiver is first granted.

The bill provides for an appropriation of an unspecified amount from the General Revenue Fund to the Department of Education in Fiscal Year 2007-2008 for the purpose of repaying these outstanding student loans.

The effective date of the bill is July 1, 2007.

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:

Floridians who are recipients of the Purple Heart or another combat decoration superior in precedence and who were awarded a student loan prior to their receipt of the combat decoration would be eligible to have the balance due on the student loan repaid by the Department of Education, provided the loan is considered in good standing.

C. Government Sector Impact:

This bill provides for an appropriation of an unspecified amount from the General Revenue Fund to the Department of Education for Fiscal Year 2007-2008. The appropriation is to be used for the purpose of repaying outstanding undergraduate student loans made to Floridians who are decorated combat veterans. While the bill appropriates an indeterminate amount of funding for FY 2007-2008, the DOE would have to repay eligible loans absent a recurring appropriation.

It is not known how many combat-decorated veterans would be eligible for this loan repayment opportunity. The number of Florida service members who were wounded in action or estimated to have been wounded in action in Operation Enduring Freedom and Operation Iraqi Freedom, as of February 17, 2007, are listed in the chart below²:

Operation Enduring Freedom, Wounded in Action	Operation Enduring Freedom Estimated Wounded in Action	Operation Iraqi Freedom, Wounded in Action	Operation Iraqi Freedom, Estimated Wounded in Action	TOTAL
50	12	938	135	1,135

It is not know how many of these service members might have had education loans before they were wounded in combat.

According to the Department of Education, each student has the potential to accumulate up to \$23,000 in undergraduate Federal subsidized and unsubsidized loans. However, students may also accumulate private student loans with no aggregate maximum. This bill currently proposes to cover all student loans.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

This Senate Professional Staff Analysis does not reflect the intent or official position of the bill’s introducer or the Florida Senate.

² U.S. Department of Defense. Defense Manpower Data Center. Statistical Information Analysis Division.

VIII. Summary of Amendments:

None.

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