

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

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

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Prepared By: The Professional Staff of the Policy and Steering Committee on Ways and Means

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BILL: SB 442

INTRODUCER: Senators Fasano and Wise

SUBJECT: Education Dollars for Duty Program

DATE: April 20, 2009

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Pardue	Skelton	MS	<b>Fav/2 amendments</b>
2.	Harkey	Matthews	HE	<b>Favorable</b>
3.	Carey	Noble	TA	<b>Fav/1 amendment</b>
4.	Carey	Kelly	WPSC	<b>Pre-meeting</b>
5.				
6.				

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**Please see Section VIII. for Additional Information:**

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|------------------------------|-------------------------------------|---|
| A. COMMITTEE SUBSTITUTE..... | <input type="checkbox"/>            | Statement of Substantial Changes        |
| B. AMENDMENTS.....           | <input type="checkbox"/>            | Technical amendments were recommended   |
|                              | <input checked="" type="checkbox"/> | Amendments were recommended             |
|                              | <input type="checkbox"/>            | Significant amendments were recommended |

**I. Summary:**

This bill reorganizes and consolidates the delivery of state education assistance for Florida National Guard members into one consolidated Program to be known as the Educational Dollars for Duty (EDD) program. The bill expands education assistance eligibility for current members of the Guard and give the Adjutant General the sole responsibility for developing and administering the EDD program. The bill authorizes the Adjutant General to adopt rules for the administration of the program.

The bill makes all active drilling members of the Florida National Guard residents for tuition purposes, at Florida public postsecondary institutions.

Funding the Educational Dollars for Duty Program is subject to appropriation by the Legislature. Chapter 2008-152, Laws of Florida, the General Appropriations Act, provided \$1.7 million for National Guard Tuition Assistance.

This bill amends ss. 250.10, 1009.21 and 1009.26, Florida Statutes.

## **II. Present Situation:**

### **Education Assistance for Members of the Florida National Guard**

Section 250.10(7), F.S., directs the Adjutant General of the Florida National Guard (FNG), the Board of Governors of the State University System (BOG), and the State Board of Education (SBE) to develop education assistance programs for active Florida National Guard members who are in good standing and enroll in public institutions of higher learning in the state. In order to qualify for education assistance, at a minimum, applicants must:

- Be 17 years of age or older;
- Be presently domiciled in the state; and
- Complete an agreement to serve for three years after completion of studies.

This section also defines members of the FNG who are ineligible to participate in the program. Such members include, but are not limited to:

- Any member who has a baccalaureate degree;
- Any member who has 15 years or more of total military service creditable toward retirement; and
- Any member who has not completed basic training.

### **The State Tuition Exemption Program (STEP)**

Section 250.10(8), F.S., establishes a tuition exemption program, known as the State Tuition Exemption Program (STEP), for members of the FNG who qualify pursuant to certain requirements or condition. The STEP program provides an exemption of one-half of tuition and fees. Admission is on a space available basis. Members are limited to 10 years of participation in STEP after initial enrollment.

Subject to appropriation, the Department of Military Affairs is authorized to pay one-half of the tuition and fees for required courses if the member is unable to obtain space-available admission and has been previously denied, on at least one occasion, admission to the required course. According to the Board of Governors, only five students received this waiver in the State University System in 2007.

### **The Educational Dollars for Duty Program (EDD)**

Section 250.10(9), F.S., authorizes the Department of Military Affairs, subject to appropriation, to pay the full cost of tuition and fees for FNG members taking required courses. Only members who enlisted after June 30, 1997 are eligible for this benefit. This program is known as the Educational Dollars for Duty program (EDD) and is the primary program for these members. Members may not participate in EDD longer than five years after becoming eligible for the program. Approximately 765 members used the EDD program in 2007-2008.

### **The Southern Association of Colleges and Schools**

The Commission on Colleges of the Southern Association of Colleges and Schools is the recognized regional accrediting body in the eleven U. S. Southern states<sup>1</sup> for those institutions of

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<sup>1</sup> The eleven Southern states are Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Texas, and Virginia.

higher education that award associate, baccalaureate, master's or doctoral degrees. Currently there are 74 public and private institutions in Florida accredited by the commission.<sup>2</sup>

### **III. Effect of Proposed Changes:**

This bill reorganizes education assistance for Florida National Guard members into one consolidated program to be known as the Educational Dollars for Duty (EDD) program. The bill repeals the STEP program and replaces it with the EDD program. The bill places sole responsibility for developing an education assistance program for FNG members with the Adjutant General.

The bill authorizes an FNG member to attend a public or private institution of higher learning in the state which has been accredited by the Commission on Colleges of the Southern Association of Colleges and Schools. The Department of Military Affairs will pay for tuition and fees at a nonpublic postsecondary education institution in an amount equal to the average tuition and fees at a public institution. The bill does not specify which type of public institution would be used to determine the average or at what level the fees would be calculated.

The bill revises program eligibility requirements to:

- Require that a member be an active drilling member in scheduled training and duties and in good standing in the Florida National Guard at the beginning and throughout the entire academic term for which benefits are received;
- Require the member to serve during the period specified in the member's enlistment or reenlistment contract with no additional commitment required;
- Expand eligible courses of study to include graduate studies to the level of a master's degree; and
- Remove limitations prohibiting participation by members with 15 or more years of total military service creditable toward retirement or who have not completed basic training.

Members who leave the FNG during the period specified in their enlistment or reenlistment contract will be required to reimburse the department for all tuition and fee charges paid unless the Adjutant General found that there are extenuating circumstances.

The bill requires the Adjutant General to adopt rules for the administration of the program. The bill repeals the current requirement for the SBE and the BOG to adopt rules together with the Adjutant General, removing the role of these agencies in implementing the program.

The bill amends s. 1009.21, F.S., to make all active drilling members of the FNG "residents" for tuition purposes, not just those who are participating in the STEP and EDD programs. While the statute requires participants in the EDD program to be domiciled in Florida, this statutory change allows all nonresident FNG members to qualify as residents for tuition purposes.

The bill corrects cross-references in s. 1009.26(8), F.S., relating to fee waivers. However, even though the bill eliminates fee waivers as part of the program, amending only the cross-reference

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<sup>2</sup> Commission on Colleges of the Southern Association of Colleges and Schools' website at <http://www.sacscoc.org/index.asp>

leaves an authorization for fee waivers for FNG member in s. 1009.26(8), F.S. Repealing s. 1009.26(8), F.S. would be consistent with the provisions of the bill.

#### **IV. Constitutional Issues:**

**A. Municipality/County Mandates Restrictions:**

None.

**B. Public Records/Open Meetings Issues:**

None.

**C. Trust Funds Restrictions:**

None.

#### **V. Fiscal Impact Statement:**

**A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

The bill allows members of the FNG to attend private postsecondary institutions and receive education assistance for payment of tuition and fees. This provision may increase the opportunity for private sector institutions to enroll additional students. The fiscal impact is indeterminate because it is unknown how many Guard members may choose to avail themselves of this opportunity.

**C. Government Sector Impact:**

The EDD program remains subject to legislative appropriation. The 2008 Legislature appropriated \$1,781,900 in general revenue funds for the EDD program.<sup>3</sup>

The Department of Military Affairs does not anticipate an additional fiscal impact from the provisions of the bill.

Elimination of the STEP program could have a small impact on public postsecondary institutions which would no longer have to waive tuition and fees for program participants. However, the bill makes all active drilling members of the FNG residents for tuition purposes. If any of the 90 active drilling members of the FNG who reside outside the state were to enroll at a public institution, the state would be subsidizing the cost of tuition and fees for non-residents. The fiscal impact could be between \$700,00 and \$1,000,000 in FY 09-10.

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<sup>3</sup> Specific Appropriation # 2992, General Appropriations Act for Fiscal Year 2008-2009, ch. 2008-152, L.O.F.

The bill requires data collection changes for public colleges and universities. The DOE estimates that the cost to colleges could be absorbed within their existing budgets. The BOG estimates little to no expenditures associated with the bill.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Additional Information:**

**A. Committee Substitute – Statement of Substantial Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

**B. Amendments:**

**Barcode 280430 by Transportation and Economic Development Appropriations on April 20, 2009:**

This amendment further defines the authorized course of study to include both public and nonpublic postsecondary education institutions or vocational-technical programs and broadens the scope of institutions to those which have been accredited by an accredited body recognized by the United States Department of Education Colleges and Schools. The substance of the two traveling amendments, Barcode 736754 and 862620 is included in this amendment.

**Barcode 736754 by Military Affairs and Domestic Security on March 31, 2009:**

This amendment further defines courses not eligible for EDD program studies to include “other courses as determined by program definitions.”

**Barcode 862620 by Military Affairs and Domestic Security on March 31, 2009:**

Current law requires that FNG members reimburse the department for the cost of their studies if they fail to complete a post studies service obligation. This amendment requires members to reimburse the department for the cost of their studies, regardless of the date the reimbursement obligation was incurred, if they fail to complete their FNG contracts.