

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.)

Prepared By: The Professional Staff of the Military Affairs, Space, and Domestic Security Committee

BILL: SB 164

INTRODUCER: Senator Fasano

SUBJECT: Resident Status for Tuition Purposes

DATE: September 20, 2011 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Fleming	Carter	MS	Favorable
2.	_____	_____	HE	_____
3.	_____	_____	BC	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

This bill allows veterans of the U.S. Armed Services who physically attend a public college, university or institution of higher learning in Florida, to be automatically classified as a resident of the state for tuition purposes. This bill essentially waives the current one year requirement for veterans to establish residency in the state before they can qualify for in-state tuition rates.

This bill substantially amends section 1009.21 of the Florida Statutes.

II. Present Situation:

Florida Law on Resident for Tuition Purposes Status

Florida law classifies postsecondary students as residents or nonresidents to determine the applicable tuition rate at higher education institutions within the Florida College System and the State University System of Florida (SUS). A “resident for tuition purposes” is a student who qualifies for in-state tuition.¹

A student who is not a dependent qualifies for in-state tuition if the following requirements are met:

- The student must have established and maintained in-state legal residence for a minimum of 12 consecutive months immediately prior to the student’s initial enrollment; and
- The student must make a statement that residency was established to maintain a bona fide domicile rather than to set up a temporary residence just to qualify for in-state tuition.

¹ s. 1009.21(1)(g), F.S.

To establish in-state status, non-dependent applicants must produce at least two documents evidencing residency, including at least one of the following:

- A voter's registration card;
- A driver's license;
- An identification card;
- A vehicle registration;
- Proof of a permanent home occupied as a primary residence by the student;
- Proof of homestead exemption;
- High school transcripts if the diploma or GED is from the last 12 months; or
- Proof of permanent full-time employment for a duration of 12 months.²

To show in-state residency, the applicant may produce:

- A declaration of domicile;
- A state professional or occupational license;
- State incorporation;
- A document evidencing family ties in the state;
- Evidence of membership in state-based charity or professional organization;
- Other documentation that evidences residency, such as energy bills or a lease agreement with demonstrated 12-month payments; or
- An official state, federal, or court document showing legal ties to the state.³

Section 1009.21(10) F.S., provides eleven categories in which individuals who meet certain criteria are automatically considered residents of the state for tuition purposes and are exempt from the 12-month residency requirement. As it relates to service in the U.S. Armed Services, persons who qualify as the following are considered residents for tuition purposes in Florida:

- active duty members of the U.S. Armed Services residing or stationed in Florida and their spouses and dependent children, and active drilling members of the Florida National Guard; and
- active duty members of the U.S. Armed Services and their spouses and dependents attending a public college or state university within 50 miles of the military establishment where they are stationed, if such military establishment is within a county contiguous to Florida.

Currently, veterans of the U.S. Armed Services are not eligible to obtain resident status for tuition purposes based on their status as a veteran. Veterans qualify as residents for tuition purposes through the standard document review process outlined in s. 1009.21, F.S.

Veterans in Florida

Section 1.01(14), F.S., defines the term veteran as:

“a person who served in the active military, naval, or air service and who was discharged or released therefrom under honorable conditions only or who later received an upgraded discharge under honorable conditions,

² s. 1009.21(2)(c)1., F.S.

³ s. 1009.21(2)(c)2., F.S.

notwithstanding any action by the United States Department of Veterans Affairs on individuals discharged or released with other than honorable discharges.”

Florida has the third largest population of veterans in the nation with more than 1.6 million. Only California and Texas have larger populations of veterans.⁴ The Florida Department of Veterans’ Affairs estimates that there are roughly 200,000 Operation Enduring Freedom, Operation Iraqi Freedom, and Operation New Dawn service members and veterans who claim Florida as their home of record. The proportion of veterans and active duty service members that constitute the 200,000 estimate cannot be determined.

Nationwide the number of veterans enrolling in college is increasing with approximately 800,000 veterans using the GI Bill in 2010, which is up 40 percent from 2009.⁵ Likewise, there is a large student veteran presence in public universities and colleges in Florida. For the 2010 academic year, there were 7,047 veterans who attended a SUS institution. As of December 2010, there were 17,517 students within the Florida College System who utilized GI Bill benefits.⁶

Post-9/11 GI Bill

The United States Department of Veteran Affairs provides financial assistance programs to eligible veterans pursuing a post-secondary degree. The most recent version of the GI Bill, the Post-9/11 GI Bill,⁷ provides qualified veterans⁸ with the cost of tuition and fees, not to exceed the most expensive in-state undergraduate tuition at a public institution in the state in which the veteran is attending school.⁹ Currently in Florida, a veteran who is not classified as a resident for tuition purposes and wishes to apply the Post-9/11 GI Bill benefits towards a degree program at a public higher education institution in Florida, will be billed as a non-resident student. Since the Post-9/11 GI Bill only covers the highest in-state undergraduate tuition, the veteran would be responsible for the costs that exceed the in-state tuition amount.¹⁰

III. Effect of Proposed Changes:

This bill amends s. 1009.21, F.S., to allow veterans of the U.S. Armed Services who physically attend a public college, university or institution of higher learning in Florida, to be automatically classified as a resident of the state for tuition purposes.

⁴ Florida Department of Veterans’ Affairs. 2009-10 Annual Report. Available at: http://www.floridavets.org/pdf/ann_rprt_10.pdf

⁵ USA Today article: *Vets Go From Combat to Campus* by Trevor Hughes. April 12, 2011. Available at: www.usatoday.com/news/education/2011-04-11-college-vets_N.htm

⁶ E-mail correspondence with Florida College System staff. July 5, 2011.

⁷ For more information about the Post-9/11 GI Bill visit: http://www.gibill.va.gov/benefits/post_911_gibill/index.html.

⁸ To qualify for the Post-9/11 GI Bill benefit, an individual must have served an aggregate 90 days of aggregate active duty service after September 10, 2001, or must have been honorably discharged with a service-connected disability after 30 days of continuous service. The period of eligibility ends 15 years from the date of the last discharge or release from active duty service.

⁹ The Post-9/11 GI Bill also provides a monthly housing allowance and a yearly stipend for books and supplies.

¹⁰ The Post-9/11 GI Bill can also be applied to vocational/technical training, on-the-job training, flight training, correspondence training, licensing and national testing programs, and tutorial assistance.

A veteran who does not meet the standard Florida residency requirements for tuition purposes will be immediately classified as resident for tuition purposes and therefore, will be entitled to the in-state tuition rate at all public universities and colleges in Florida.

This bill provides an effective date of July 1, 2012.

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:

Veterans who do not meet the standard Florida residency requirements for tuition purposes would pay less in tuition with the immediate entitlement to in-state tuition rates. In addition, veterans who utilize the Post-9/11 GI Bill and are not considered residents of Florida for tuition purposes would not be liable for the excess out-of-state tuition costs and fees that would otherwise not be covered by the federal benefit.

For the 2011-2012 academic year, the average SUS undergraduate cost for tuition and fees for two semesters is \$5,531 for residents and \$20,434 for non-residents. At the graduate level, the average cost for two semesters is \$9,287 for residents and \$24,829 for non-residents.

C. Government Sector Impact:

Based on student veteran enrollment for the 2010 summer and fall semesters,¹¹ the SUS estimates that a tuition revenue loss of \$3,859,809 at the undergraduate level and \$6,859,396 at the graduate level would result from non-resident veterans reclassifying as residents for tuition purposes.¹²

¹¹ There were 259 and 193 non-resident undergraduate and graduate student veterans, respectively, that attended an SUS institution during the 2010 summer and fall semesters.

¹² E-mail correspondence with SUS staff. September 13, 2011.

The Florida College System acknowledges that Florida colleges would experience a potential funding loss due to the reclassification of non-resident student veterans to resident status, but lacked the data needed to provide an estimate of the fiscal impact.¹³

Additionally, the number of veterans who currently reside out of state who relocate to Florida to take advantage of in-state tuition rates is indeterminate.

VI. Technical Deficiencies:

The intent of stipulating that a non-resident veteran must attend the “physical location” of a public institution in order to be eligible for in-state tuition rates is not clear. It is unclear if in-state tuition rates for non-resident veterans would only apply to traditional face-to-face courses, or if the in-state tuition rate can be applied to distance learning courses as long as a non-resident veteran has enrolled in at least one face-to-face course.

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:

None.

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

¹³ E-mail correspondence with Florida College System staff. September 13, 2011.