

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 45 Educational Opportunities for Disabled Veterans

SPONSOR(S): Post-Secondary Education & Lifelong Learning Subcommittee, Morales, Benjamin and others

TIED BILLS: None **IDEN./SIM. BILLS:** CS/SB 554

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Local Administration & Veterans Affairs Subcommittee	16 Y, 0 N	Mwakyanjala	Miller
2) Post-Secondary Education & Lifelong Learning Subcommittee	17 Y, 0 N, As CS	Sleap	Kiner
3) Higher Education Appropriations Subcommittee	13 Y, 0 N	Peters	Smith
4) State Affairs Committee			

SUMMARY ANALYSIS

The Post-9/11 Veterans Educational Assistance Act of 2008 (GI Bill) provides up to 36 months of educational benefits to veterans and servicemembers and their dependent children provided certain requirements are met. The percentage of maximum benefits payable under the GI Bill varies and is primarily based on an individual's aggregate length of active duty service.

The bill provides an education benefit to certain disabled veterans who qualify as residents to supplement what is provided from the GI Bill for educational benefits to achieve a 100 percent award for tuition and fees. To qualify, the veteran must have been:

- Determined by the United States Department of Veterans Affairs (VA) to have a service-connected 100-percent total and permanent disability rating for compensation;
- Determined to have a service-connected total and permanent disability rating of 100 percent and have received disability retirement pay from a branch of the U.S. Armed Services; or
- Issued a valid identification card by the Florida Department of Veterans' Affairs (FDVA) that identifies the veteran as having a 100-percent, service-connected permanent and total disability rating for compensation, or who has a service-connected total and permanent disability rating of 100 percent and receives disability retirement pay from a branch of the U.S. Armed Forces.

Beginning with the 2022-2023 academic year, a disabled veteran who is enrolled in a program of education approved for education assistance under the GI Bill and receives a tuition benefit under the GI Bill to attend a state university, Florida College System institution, career center operated by a school district, or charter technical career center, but who does not qualify for the 100-percent eligibility tier federally, is eligible for a waiver of tuition and fees from the institution attended. The award amount is equal to the amount that is the difference between the portion of tuition and fees authorized under federal law and the full amount of tuition and fees charged by the institution attended. The amount awarded by the state must not be determined until after the application of eligible GI Bill benefits.

The bill requires institutions to report the number and value of all fee waivers granted under the program to the Board of Governors and the State Board of Education.

The costs associated with this bill are insignificant and can be absorbed within existing resources. See Fiscal Comments.

The bill has an effective date of July 1, 2022.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Federal Veteran Education Benefits

Post-9/11 Veterans Educational Assistance Act of 2008

Congress enacted the Post-9/11 Veterans Educational Assistance Act (Act) of 2008, also known as the Post-9/11 GI Bill (GI Bill), which took effect August 1, 2009.¹ The Act provides up to 36 months of educational benefits to veterans and servicemembers and their dependent children.² In 2010, Congress amended the GI Bill.

At the time of its passage, it was recognized that veterans and servicemembers would be eligible for U.S. Department of Education (ED) student financial aid benefits such as Pell Grants and Stafford Loans; U.S. Department of Defense (DOD) educational assistance; and various state, local, and other federal benefits in addition to the basic Post-9/11 GI Bill Benefits.³

To qualify for a benefit under the Act, a veteran or servicemember must:

- Serve an aggregate minimum of 90 days active duty on or after September 11, 2001, and continue to serve or be honorably discharged;
- Have been honorably discharged or released from service for a service-connected disability after serving a minimum of 30 continuous days on active duty on or after September 11, 2001;
- Be a Purple Heart recipient for service on or after September 11, 2001, and honorably discharged; or
- Be a dependent child using benefits transferred by a qualifying veteran or servicemember.⁴

The percentage of maximum benefits payable under the GI Bill varies and is primarily based on an individual's aggregate length of active duty service. Duration of service as it relates to the maximum benefit payable by percentage currently includes:⁵

Number of Months Served	Percentage of Maximum Benefit Payable
At least 36 months of active duty	100
At least 30 continuous days active duty and discharged due to service-connected disability	100
Between 30 and up to 36 months active duty	90
Between 24 and up to 30 months active duty	80
Between 18 and up to 24 months active duty	70
Between 6 and up to 18 months active duty	60

¹ Pub. L. No. 110-252, 122 STAT. 2357. The GI Bill was amended in 2010 by Pub. L. 111-377, 124 STAT. 4106. The 2010 bill amended s. 3313 of the GI Bill by adding a new subsection (g) "Programs of Education Other Than Programs of Education Leading to a Degree," in which educational assistance was made payable for an approved program other than a program of education leading to a degree at an institution other than an institution of higher learning (as the term "institution of higher learning" is defined in 38 U.S.C. 3452(f)).

² In addition to tuition and fees, educational benefits include payment for housing, books, and supplies.

³ Cassandra Dortch, Congressional Research Service, *The Post-9/11 GI Bill: A Primer (Updated Sep. 23, 2021)*, pg. 1; <https://fas.org/sgp/crs/misc/R42755.pdf> (last visited Jan. 25, 2022). At that time, members of Congress hoped that a benefit exceeding amounts available under the other GI Bills would mitigate the higher unemployment rate amongst veterans in contrast to non-veterans of the same age group.

⁴ 38 U.S.C., s. 3311; U.S. Dept. of Veterans Affairs (VA), *Post-9/11 GI Bill (Chapter 33)*, <https://www.va.gov/education/about-gi-bill-benefits/post-9-11/> (last visited Jan. 25, 2022).

⁵ 38 U.S.C., s. 3313(c); Dortch, *supra* note 3, at 13-14.

For Federal Fiscal Year 2022, The U.S. Department of Veterans Affairs (VA) estimates the Act will benefit over 600,000 individuals at an expense of almost \$10 billion.⁶

Forever GI Bill STEM Extension

Congress passed the Forever GI Bill STEM Extension Act (STEM Act),⁷ effective August 1, 2019, to encourage veterans to pursue fields typically requiring more than the 36 months of benefits provided under the Post-9/11 GI Bill.⁸ The STEM Act provides an extension of benefits for a veteran pursuing an educational degree in science, technology, engineering, or math (STEM). This extension pays up to nine months of additional benefits, or up to a maximum lump sum of \$30,000.⁹

State Veteran Education Benefits and Residency

Current law defines a “resident for tuition purposes” as a student or, if the student is a dependent, their parent or parents, must have established legal residence in this state and must have maintained legal residence in this state for at least 12 consecutive months immediately prior to enrolling in a postsecondary institution.¹⁰ Each postsecondary institution is required to determine whether an applicant meets the residency requirements.¹¹

A state university, Florida College System institution, or a career center must waive out-of-state fees for a person using VA educational assistance for a quarter, semester, or term, or an honorably discharged veteran of the U.S. Armed Forces, the U.S. Reserve Forces, or the National Guard who physically resides in the state while enrolled in the institution.¹² Florida law waives undergraduate-level tuition for college credit programs and career certificate programs at state universities, Florida College System institutions, and career centers for Florida recipients of the Purple Heart and other combat-related decorations superior in precedence to the Purple Heart, under certain conditions.¹³

During the 2021 Legislative Session, the Legislature created The State University Free Seat Program to encourage nontraditional students, veterans, active duty members of the United States Armed Forces, and active drilling members of the Florida National Guard, to enroll in and attend one of Florida’s state universities.¹⁴ An eligible student is exempt from the payment of tuition and fees for one ‘free’ online course in an online baccalaureate degree program at a state university.¹⁵ For all other program courses, the student is provided a 25 percent discount on tuition, including any tuition differential fee, provided the student remains enrolled at least part-time in the online baccalaureate degree program during each academic year.¹⁶

⁶ U.S. Department of Veterans Affairs, *FY 2022 Budget Submission Vol. 3 of 4, Benefits and Burial Programs and Departmental Administration* (May 2021), pg. 77,

<https://www.va.gov/budget/docs/summary/fy2022VAbudgetvolumeIIIbenefitsBurialProgramsAndDeptmentalAdministration.pdf> (last visited Jan. 25, 2022).

⁷ Pub. L. No. 115-48, 131 STAT. 981. The Act is also known as the Edith Nourse Rogers STEM Scholarship, or the Rogers Scholarship.

⁸ VA, *Edith Nourse Rogers STEM Scholarship*, <https://www.va.gov/education/other-va-education-benefits/stem-scholarship/> (last visited Jan. 25, 2022).

⁹ *Id.* Qualifying degree programs are agriculture science or natural resources science; biological or biomedical science; computer and information science and support services; engineering, engineering technologies, or an engineering-related field; health care or a health-care related field; mathematics or statistics; undergraduate medical residency; physical science; and science technologies or technicians. VA, *supra* note 8, at 2.

¹⁰ S. 1009.21(2)(a), F.S.

¹¹ S. 1009.21(3)(c), F.S.

¹² S. 1009.26(13), F.S.

¹³ S. 1009.26(8), F.S.

¹⁴ S. 1009.26(19), F.S.

¹⁵ S. 1009.26(19)(a), F.S.

¹⁶ S. 1009.26(19)(b), F.S.

Dependent children and spouses of veterans who died from a service-connected disability or who are 100-percent service-connected permanently and totally disabled may receive scholarships through the Scholarships for Children and Spouses of Deceased or Disabled Veterans program.¹⁷ However, there is no State of Florida scholarship for the service-connected 100-percent disabled veteran.

Disabled Veterans in Florida

The Florida Department of Veterans' Affairs (FDVA) may issue an identification card to any veteran who is a permanent resident of the state and who has been determined by the VA to have a 100 percent, service-connected permanent and total disability rating for compensation,¹⁸ or who has been determined to have a service-connected total and permanent disability rating of 100 percent and is in receipt of disability retirement pay from any branch of the U.S. Armed Services. The card may be used as proof of eligibility for any benefit provided by the state.¹⁹

The population of veterans in Florida with a 100 percent disability rating is presently numbered at 55,440 veterans. Counties with the highest population of these veterans are Brevard (2,665), Broward (2,897), Duval (2,900), Hillsborough (4,702), Miami-Dade (2,895), Orange (3,101), and Pinellas (3,012).²⁰

Effect of the Bill

The bill provides an education benefit to certain disabled veterans who qualify as residents, waiving the remaining tuition and fees not covered by the GI Bill for educational benefits. To qualify, the veteran must have been:

- Determined by the VA to have a service-connected 100-percent total and permanent disability rating for compensation;
- Determined to have a service-connected total and permanent disability rating of 100 percent and receives disability retirement pay from a branch of the U.S. Armed Services; or
- Issued a valid identification card by FDVA that identifies the veteran as having a 100-percent, service-connected permanent and total disability rating for compensation or who has a service-connected total and permanent disability rating of 100 percent and receives disability retirement pay from a branch of the U.S. Armed Forces.

Beginning with the 2022-2023 academic year, a disabled veteran enrolled in a program of education approved for education assistance under the GI Bill²¹ who receives a tuition benefit to attend a state university, a Florida College System institution, a career center operated by a school district, or a charter technical career center under the GI Bill, but who does not qualify for the 100-percent eligibility tier federally, is eligible for a waiver of tuition and fees from the institution attended. The waiver amount is equal to the difference between the portion of tuition and fees authorized under federal law and the full amount of tuition and fees charged by the institution attended. The bill requires that any amount awarded by the state to the disabled veteran must not be determined until after the application of eligible GI Bill benefits.

The bill requires institutions to report the number and value of all fee waivers granted under the program to the Board of Governors and the State Board of Education.

¹⁷ S. 295.01, F.S.

¹⁸ The VA assigns a percentage evaluation from 0 percent to 100 percent (in 10-percent increments) for the amount of disability the VA determines the veteran has sustained. The resulting disability percentage rating determines the level of a veteran's monthly. See VA, Office of Public and Intergovernmental Affairs, *Federal Benefits for Veterans, Dependents and Survivors*, https://www.va.gov/opa/publications/benefits_book/benefits_chap02.asp (last visited Jan. 25, 2022).

¹⁹ S. 295.17(1), F.S.

²⁰ *FY 2019 VA Disability Compensation Recipients by County* (January 2021), received from Florida Department of Veterans Affairs (Nov. 8, 2021) (on file with the Local Administration & Veterans Affairs Subcommittee).

²¹ See Dortch, *supra* note 3, at 9-11.

The bill provides that a disabled veteran who receives this waiver must remain compliant with other statutory requirements applying to veterans and other students who receive educational benefits.²²

B. SECTION DIRECTORY:

Section 1. Creates s. 295.011, F.S., defining the term "disabled veteran"; providing that disabled veterans receiving certain federal educational assistance benefits are eligible to receive a waiver for the remaining cost of tuition and fees at certain institutions; providing a calculation for waiver amounts; requiring the amount awarded by the state to be contingent on the application of specified federal benefits; requiring certain institutions to submit an annual report to the Board of Governors and the State Board of Education; requiring the boards to respectively adopt regulations and rules; specifying applicability of other laws.

Section 2. Provides an effective date of July 1, 2022.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

See Fiscal Comments.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill will reduce the costs of tuition and fees for qualifying veterans.

D. FISCAL COMMENTS:

On December 3, 2021, the Revenue Estimating Conference (REC) met and estimated the bill would have a fiscal impact of \$141,402 for Fiscal Year 2022-2023. In calculating its estimate, the REC assumed that for those who do not receive the maximum GI Bill award amount, the average federal award amount covers 70 percent of the tuition and fees. Thus, the REC assumes the institution will provide a tuition and fee waiver to cover the remaining 30 percent. The following table shows the REC's estimated impact to postsecondary institutions:

	Career Centers	Colleges	Universities	Graduate Level
# of Students	9	37	69	17
Cost per Credit Hour	\$82.87	\$105.43	\$211.40	\$408.75
Avg. Credit Hour	18	18	18	18
Avg. Cost per Student	\$1,492	\$1,898	\$3,805	\$7,358

²² S. 295.03, F.S., requires the withdrawal of benefits for a veteran who violates the ordinary and minimum requirements of the institution on discipline and scholarship. S. 295.04(4), F.S., requires a veteran to be in good standing with the institution to receive an educational benefit. S. 295.05, F.S., requires a veteran receiving benefits to be enrolled according to the customary rules and requirements of the institution. S. 1009.40, F.S., provides general requirements for a student (veteran or nonveteran) to be eligible for state financial aid and tuition assistance grants.

Avg, Cost Diff. per Stdnt	\$448	\$569	\$1,142	\$2,207
Institution Total	\$4,032	\$21,053	\$78,798	\$37,519

The costs associated with this bill are insignificant and can be absorbed within existing resources.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. The bill does not appear to affect county or municipal governments.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill authorizes the Board of Governors and the State Board of Education to adopt regulations and rules to administer the tuition and fee waiver.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On January 25, 2022, the Post-Secondary Education & Lifelong Learning Subcommittee adopted one amendment and reported the bill favorably as a committee substitute. The amendment made the following changes:

- corrected the federal law citation to capture the law as subsequently amended by Congress;
- clarified that programs eligible for educational assistance under the GI Bill are eligible for the waiver; and
- requires the application of eligible federal GI Bill benefits before an award amount is paid for by the state.

The bill analysis is drafted to the committee substitute adopted by the Post-Secondary Education & Lifelong Learning Subcommittee.