

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 Committee on Appropriations

BILL: CS/SB 554

INTRODUCER: Military and Veterans Affairs, Space, and Domestic Security Committee and Senator Cruz and others

SUBJECT: Educational Opportunities for Disabled Veterans

DATE: February 25, 2022 **REVISED:** _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Brown</u>	<u>Caldwell</u>	<u>MS</u>	<u>Fav/CS</u>
2.	<u>Grace</u>	<u>Elwell</u>	<u>AED</u>	<u>Recommend: Favorable</u>
3.	<u>Grace</u>	<u>Sadberry</u>	<u>AP</u>	<u>Pre-meeting</u>

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 554 provides an education benefit to certain veterans who are residents and enrolled in a program of education approved by the federal educational assistance program. The bill would increase what is provided in federal law 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 to have a service-connected total and permanent disability rating of 100 percent 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 United States Armed Services; or
- Issued a valid identification card by the state Department of Veterans' Affairs which 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 United States Armed Forces.

Beginning with the 2022-2023 academic year, a disabled veteran 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 Post-9/11 Veterans Educational Assistance Act of 2008, but who does not qualify for the 100 percent eligibility tier federally, is eligible for tuition and fees. The monetary award 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 specifies that the amount awarded by the state is not to be determined until after federal benefits are applied.

Each educational institution included in this bill must annually report to the Board of Governors of the State University System and the State Board of Education, as appropriate, the number and value of all fee waivers granted.

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

The bill does not have an impact on state revenues or expenditures. *See* Section V. Fiscal Impact Statement.

The bill takes effect July 1, 2022.

II. Present Situation:

Post-9/11 Veterans Educational Assistance Act of 2008 (38 U.S.C. 3313)

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 at a program of education to veterans and servicemembers and their dependent children.²

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 after September 10, 2001;
- Have been honorably discharged or released for a service-connected disability after serving a minimum of 30 continuous days on active duty after September 10, 2001; or
- Be a Purple Heart recipient for service after September 10, 2001, and have been honorably discharged.

¹ Pub. L. No. 110-252, 122 STAT. 2323. The GI Bill has since been amended by the Post-9/11 Veterans Assistance Improvements Act of 2010.

² In addition to tuition and fees, educational benefits include payment for housing, books, supplies, and other education-related expenditures.

³ Cassandra Dortch, Congressional Research Service, *The Post-9/11 GI Bill: A Primer (Updated Sept. 23, 2021)*, pg. 1; available at <https://fas.org/sgp/crs/misc/R42755.pdf> (Last visited Dec. 9, 2021). 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.

A qualifying veteran or servicemember may transfer the education benefits to a dependent child.⁴

The Congressional Research Service estimates in FY2022, the program will benefit over 600,000 individuals and expend almost \$10 billion.

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 30 continuous days active duty and discharged due to service-connected disability, or	100
At least 36 months of active duty	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
Between 90 days and up to 6 months active duty	50

Amendments to the Post-9/11 Veterans Educational Assistance Act of 2008

Since it was enacted, the Post-9/11 Veterans Educational Assistance Act of 2008 has been amended multiple times. Two of these amending acts are detailed below.

Post-9/11 Veterans Educational Assistance Improvements Act of 2010

The Post-9/11 Veterans Educational Assistance Improvements Act of 2010 (Act) amended the Post-9/11 Veterans Educational Assistance Act of 2008 to, in part:

- Revise the method used by an institution to report the net cost of tuition and fees;
- Expand the definition of “active duty” to include certain servicemembers;
- Expand applicability to include certain dependents and spouses; and
- Expand payment of tuition and fees for programs other than degreed programs, including those pursued on a half-time basis or less, resident training, distance learning, apprenticeships or other on-the-job training, flight training, or correspondence.⁶

Forever GI Bill Stem Extension

Congress passed the Forever GI Bill Stem Extension Act (Act)⁷, effective August 1, 2019, to encourage veterans to pursue fields that typically require greater than the 36 months of benefits

⁴ U.S. Dept. of Veterans Affairs, *Post-9/11 GI Bill (Chapter 33)*, available at <https://www.va.gov/education/about-gi-bill-benefits/post-9-11/> (last visited Dec. 9, 2021).

⁵ Cassandra Dortch, Congressional Research Service, *The Post-9/11 GI Bill: A Primer (Updated Sept. 23, 2021)*, pg. 1; available at <https://fas.org/sgp/crs/misc/R42755.pdf> (Last visited Jan. 14, 2022).

⁶ Pub. L. No. 111-377 (Jan. 4, 2011).

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

provided under the Post-9/11 GI Bill. The Act provides an extension of benefits for a veteran pursuing an educational degree in science, technology, engineering, or math. This extension will pay up to 9 months of additional benefits, or up to a maximum lump sum of \$30,000.⁸

Disabled Veterans in Florida

The population of veterans in Florida with a 100 percent disability rating is numbered at 55,440 veterans, as of the latest data from 2019. 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).⁹

Residency

Section 1009.21, F.S., defines the term “legal resident,” for determination of in-state tuition, a person who has maintained his or her residence in the state for the preceding year, has purchased a home occupied as a residence, or has established domicile in the state.¹⁰ To prove domicile, a person must file a sworn statement with the clerk of the circuit court attesting that either he or she resides in and maintains a place of abode in the county intending to maintain it as a permanent home, or that he or she has established a domicile in the state but maintains at least an additional abode out-of-state; that the place of abode in the state constitutes the predominant and principal home; and that he or she intends to continue it permanently. The sworn statement establishing domicile must include a statement that the person is a bona fide resident of the state, along with the address of residence, prior residence, and the place or places where he or she maintains another abode.¹¹

III. Effect of Proposed Changes:

This bill provides an education benefit to certain veterans who are residents and enrolled in a program of education approved by the federal educational assistance program, pursuant to 38 U.S.C. 3313. The bill would increase what is provided in federal law 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 to have a service-connected total and permanent disability rating of 100 percent 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 United States Armed Services; or
- Issued a valid identification card by the state Department of Veterans’ Affairs which 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

⁸ U.S. Department of Veterans Affairs, *Edith Nourse Rogers STEM Scholarship*, available at <https://www.va.gov/education/other-va-education-benefits/stem-scholarship/> (last visited Dec. 10, 2021).

⁹ Department of Veterans Affairs, *2022 Agency Legislative Bill Analysis, SB 554* (Dec. 9, 2021) (on file with the Senate Committee on Military and Veterans Affairs, Space and Domestic Security).

¹⁰ Section 1009.21(1)(d), F.S.

¹¹ Section 222.17(3), F.S.

disability rating of 100 percent and receives disability retirement pay from a branch of the United States Armed Forces.

Beginning with the 2022-2023 academic year, a disabled veteran 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 Post-9/11 Veterans Educational Assistance Act of 2008, but who does not qualify for the 100 percent eligibility tier federally, is eligible for an award of tuition and fees. The award 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 specifies that the amount awarded by the state is not to be determined until after federal benefits are applied.

Each educational institution included in this bill must report annually to the Board of Governors of the State University System and the State Board of Education, as appropriate, the number and value of all fee waivers granted.

The bill requires the Board of Governors and the State Board of Education to, as appropriate, adopt regulations and rules to administer these provisions.

A disabled veteran who receives this award must remain in compliance with other statutory requirements applying to veterans and other students who receive educational benefits.¹²

The bill takes effect July 1, 2023.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

¹² Section 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. Section 295.04(4), F.S., requires a veteran to be in good standing with the institution to receive an educational benefit. Section 295.05, F.S., requires a veteran receiving benefits to be enrolled according to the customary rules and requirements of the institution. Section 1009.40, F.S. provides general requirements for a student (veteran or nonveteran) to be eligible for state financial aid and tuition assistance grants.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

The bill is expected to reduce the costs of tuition, fees, and other education benefits for qualifying veterans.

C. Government Sector Impact:

The Department of Education provides that public postsecondary institutions are expected to incur an increase in expenditures which will be the difference between the Post-9/11 GI benefits and full tuition and fee charges.¹³

Specifically, the expenditure is estimated to cost \$100,000 in cash and recurring dollars starting in Fiscal Year 2022-2023.¹⁴

A cost may also result from public postsecondary institutions having to adjust their process for applicants and include this waiver in financial aid packages. These costs would be absorbed by each institution.

The Department of Education expects a technological impact to the agency due to having to compile and maintain a record of eligible veterans for purposes of the reporting requirement. Any impact would be absorbed by the agency.¹⁵

The Department of Veterans Affairs expects a minimal fiscal impact based on the new requirement of the department having to certify a veteran as 100-percent disabled.¹⁶

VI. Technical Deficiencies:

None.

¹³ Department of Education, *2022 Agency Legislative Bill Analysis, HB 0045 identical*, (Dec. 20, 2021)(on file with the Senate Committee on Military and Veterans Affairs, Space, and Domestic Security).

¹⁴ Office of Economic and Demographic Research, *2022 Regular Session Revenue Estimating Conference, Impact Conference Results* (on file with the Senate Committee on Military and Veterans Affairs, Space, and Domestic Security).

¹⁵ Department of Education, *2022 Agency Legislative Bill Analysis, HB 0045 identical*, (Dec. 20, 2021)(on file with the Senate Committee on Military and Veterans Affairs, Space, and Domestic Security).

¹⁶ Department of Veterans Affairs, *2022 Agency Legislative Bill Analysis, SB 554* (Dec. 9, 2021) (on file with the Senate Committee on Military and Veterans Affairs, Space and Domestic Security).

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill creates section 295.011 of the Florida Statutes.

IX. Additional Information:

- A. **Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Military and Veterans Affairs, Space, and Domestic Security on January 11, 2022:

The CS:

- Replaces the term “Post-9/11 Veterans Educational Assistance Act” with “38 U.S.C. 3313” to incorporate changes to federal law, as it is amended;
- Specifies that the veteran must be participating in a program of education approved under the federal educational assistance program; and
- Requires that the federal payment be applied before the state cost is determined, to prevent a partial payment of tuition and fees by the state.

- B. Amendments:

None.