

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 Fiscal Policy

BILL: CS/HB 339

INTRODUCER: Local Administration, Federal Affairs & Special Districts Subcommittee and Representative Yarkosky and others

SUBJECT: Education of Dependents of Deceased or Disabled Servicemembers, Prisoners of War, and Persons Missing in Action

DATE: April 24, 2023

REVISED: _____

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. <u>Brown</u>	<u>Yeatman</u>	<u>FP</u>	<u>Pre-meeting</u>

I. Summary:

CS/HB 339 changes a requirement for qualification of certain educational benefits provided to a dependent child or spouse of a disabled or deceased servicemember through the Children/Spouses of Deceased or Disabled Veterans scholarship program (CSDDV) and expands availability of this benefit to include spouses and dependent children of a member of the Florida National Guard or the United States Reserve Forces.

The bill removes the requirement of a 1-year residency and substitutes other factors, which include Florida being listed as the servicemember's official home of record in the Defense Enrollment Eligibility Reporting System (DEERS) database immediately preceding the death or disability of the servicemember, or that the child or spouse qualifies as a resident for tuition purposes (RFTP). Qualifying as a RFTP means that the child or spouse is a dependent for purposes of tax filings as is the basis for RFTP.

The bill may have an indeterminate negative fiscal impact to the Department of Education (DOE) should the number of applicants to the CSDDV increase. See Section V. Fiscal Impact Statement.

The bill takes effect July 1, 2023.

II. Present Situation:

Residency for Tuition Purposes

Students are classified as residents or nonresidents for the purpose of assessing tuition in postsecondary educational programs at charter technical career centers or career centers operated by school districts, Florida College System institutions, and state universities.¹

¹ Section 1009.21(1), F.S.

A dependent child is a person, whether or not living with a parent, who is eligible to be claimed by a parent as a dependent under the federal income tax code.²

Educational Benefits to Dependent Children and Spouses of Servicemembers

The CSDDV provides a higher education benefit to a qualifying child or spouse of a member of the Armed Forces.³ As defined in the CSDDV, a member of the Armed Forces means a member of the United States Army, Navy, Air Force, Marine Corps, Space Force, and Coast Guard.⁴

If a dependent child or a spouse of a servicemember of the Armed Forces is enrolled at a public institution, and qualifies, the child is eligible for full payment of tuition and registration fees.⁵ CSDDV recipients may also use the award for room and board, and books and supplies.⁶ If the dependent is enrolled at a private qualifying institution, the award is based on the average of the cost required at a public institution for tuition and registration fees.⁷ A dependent enrolled part time shall receive a reduced award by either one-half or three-fourths of the maximum award, depending on the level of fees assessed.⁸ The DOE must, if funds are insufficient to award all eligible applicants, prorate awards.⁹

In addition, the DOE must notify students and institutions of the student's award eligibility.¹⁰

Contingent upon funding through the General Appropriations Act, the award is available to:

- Children or spouses of deceased or severely disabled veterans or servicemembers if the child's parents have been residents of the state for 1 year immediately preceding the death or disability of the servicemember;¹¹
- Children of prisoners of war or persons missing in action if the child's parents had been residents of the state for 1 year;¹²
- Children of servicemembers who died or became disabled in Operation Eagle Claw¹³
- Children of servicemembers who died or became disabled in the Lebanon and Grenada military arenas;¹⁴
- Children of servicemembers who died in the Newfoundland air tragedy;¹⁵

² Section 1009.21(1)(a), F.S.

³ Florida Dep't of Veterans Affairs, *Children and Spouses of Deceased or Disabled Veterans (CSDDV) Scholarship Program*, PowerPoint, available at <https://floridavets.org/wp-content/uploads/2020/11/FDVA-CSDDV-Slides-004.pdf> (last visited April 24, 2023).

⁴ Section 250.01(4), F.S.

⁵ Section 295.04(3)(a), F.S.

⁶ Section 295.02(1), F.S.

⁷ Section 295.04(3)(b), F.S.

⁸ Fla. Admin Code R 6A-20.019(6) (2008), available at <https://www.flrules.org/gateway/ruleno.asp?id=6A-20.019&Section=0> (last visited Mar. 24, 2023).

⁹ *Id.*

¹⁰ *Id.*

¹¹ Section 295.01, F.S.; ch. 20966, s. 1, Laws of Fla.

¹² Section 295.015, F.S.; ch. 72-346, s. 2, Laws of Fla.

¹³ Section 295.016, F.S.; ch. 81-275, s. 1, Laws of Fla.

¹⁴ Section 295.017, F.S.; ch. 86-177, s. 1, Laws of Fla.

¹⁵ Section 295.018, F.S.; ch. 86-177, s. 2, Laws of Fla.

- Children of deceased or disabled military personnel who died or became disabled in Operation Enduring Freedom or Operation Iraqi Freedom;¹⁶
- Children of servicemembers who died in U.S.S. Stark Attack;¹⁷ and
- Children of servicemembers who died or became disabled in the Mideast Persian Gulf military arena during hostilities with Iraq or in the military action in Panama known as Operation Just Cause.¹⁸

CSDDV Historical Participation and Funding

Fiscal Year	Participants	Total Disbursed (millions)
2020-21	2,301	\$ 9.6 ¹⁹
2021-22	2,756	\$ 11.4 ²⁰
2022-23	3,376	\$ 13.5 ²¹
2023-24 (Estimate)	3,897 ²²	To Be Determined

Defense Enrollment Eligibility Reporting System

The DEERS database, maintained by the United States Department of Defense (DoD) provides personal information on each active duty or former servicemember, a member of a reserve component, a DoD contractor, or a person otherwise connected to the military and their family members.²³ Information maintained on DEERS includes name, gender, date of birth, social security number, names of family members, and official home of record.²⁴

The ability to change your home of record in DEERS is very limited. In most cases, individuals will not be allowed to change their home of record. However, a change is allowed if:

- The home of record was originally recorded incorrectly; or

¹⁶ Section 295.0185, F.S.; ch. 2002-279, s.1, Laws of Fla.

¹⁷ Section 295.019, F.S.; ch. 88-290, s. 32, Laws of Fla.

¹⁸ Section 295.0195, F.S.; ch. 91-166, s. 2, Laws of Fla.

¹⁹ Florida Dep’t of Education, Office of Student Financial Assistance, *End of Year Report 2020-21, Scholarships for Children/Spouses of Deceased or Disabled Veterans (CSDDV)*, available at https://www.floridastudentfinancialaidsg.org/PDF/PSI/CSDDV_2020_2021.pdf (last visited April 24, 2023).

²⁰ Florida Dep’t of Education, Office of Student Financial Assistance, *End of Year Report 2021-22, Scholarships for Children/Spouses of Deceased or Disabled Veterans (CSDDV)*, available at https://www.floridastudentfinancialaidsg.org/PDF/PSI/CSDDV_2021_2022.pdf (last visited April 24, 2023).

²¹ Office of Economic and Demographic Research, Florida Legislature, *Education Estimating Conference on Student Financial Aid, Executive Summary* (Feb. 17, 2023), available at <http://edr.state.fl.us/Content/conferences/financialaid/ExecSummary.pdf> (last visited April 24, 2023). Line 66, 2022-2023 GAA.

²² Office of Economic and Demographic Research, Florida Legislature, *Education Estimating Conference on Student Financial Aid, Executive Summary* (Feb. 17, 2023), available at <http://edr.state.fl.us/Content/conferences/financialaid/ExecSummary.pdf> (last visited April 24, 2023).

²³ Dep’t of Defense, Defense Manpower Data Center, *About DEERS*, available at https://milconnect.dmdc.osd.mil/milconnect/public/faq/DEERS-About_DEERS (last visited April 24, 2023).

²⁴ Dep’t of Defense, Defense Manpower Data Center, *Updating and Correcting DEERS Data*, available at https://milconnect.dmdc.osd.mil/milconnect/public/faq/DEERS-Updating_and_Correcting_DEERS_Data (last visited April 24, 2023).

- A servicemember is reinstated, reappointed, or reenlisted if there is a break in service of more than 1 full day.²⁵

If the home of record was originally recorded incorrectly, a change can be authorized. The individual must provide supporting documentation to justify the change, and in every case the burden is on the individual to justify a change to the home of record to file.²⁶

State of Legal Residence vs. Home of Record

A servicemember's home of record in DEERS is the place from which he or she entered the military. It is not necessarily where the servicemember says he or she is from. For example, if a servicemember is from Maryland, but went to college in Florida and entered the military in Florida, then Florida would be the home of record. Home of records don't change unless information was entered incorrectly, or a servicemember leaves the military and then rejoins with a break in service. Homes of record are used for certain travel allowances, particularly when leaving military service.²⁷

A state of legal residence, or domicile or legal domicile, is the place where the servicemember thinks of as home, the state where he or she intends to live after leaving the military. A state of legal residence may change throughout a servicemember's life.

III. Effect of Proposed Changes:

The bill defines the terms "Armed Forces" and "servicemember" by cross-referencing the definition provided in s. 250.01, F.S. In addition, the bill changes a requirement for qualification of certain educational benefits provided to a dependent child or spouse of a disabled or deceased servicemember through the CSDDV scholarship program and expands availability of this benefit to include family of a member of the Florida National Guard or the United States Reserve Forces.

The bill clarifies that the definition of "dependent child" for the purpose of the scholarship program is the same as the definition of a dependent child for tuition purposes.

The bill replaces the one-year residency requirement with two methods to prove residency, by showing either:

- Immediately preceding the occurrence of the servicemember's death or disability, Florida was listed as the servicemember's official home of record in DEERS; or
- The child or spouse qualifies as a resident for tuition purposes under s. 1009.21, F.S., and the servicemember is a resident of this state.

²⁵ 7th Army Training Command, *7th Army Training Command Legal Assistance Information – Home of Record Change*, available at https://www.7atc.army.mil/Portals/17/Documents/SJA/Home_of_Record_Change_NEW.pdf (last visited April 24, 2023).

²⁶ *Id.*

²⁷ Military.com, *Residence vs. Home of Record*, available at <https://www.military.com/paycheck-chronicles/2015/02/27/residence-vs-home-record> (last visited April 24, 2023).

The bill makes similar conforming changes to provisions concerning dependent children of prisoners of war, persons missing in action, or persons who died or were disabled during the military operations of Operation Eagle Claw, Operation Urgent Fury, Operation Enduring Freedom, Operation Iraqi Freedom, Operation Desert Shield, or Operation Just Cause.

The bill takes effect July 1, 2023.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

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

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

By expanding CSDDV eligibility, the bill will provide qualifying students increased access to postsecondary education opportunities at reduced costs.

C. Government Sector Impact:

The bill has an indeterminate fiscal impact. On February 17, 2023, the Education Estimating Conference on Student Financial Aid projected there will be 3,897 CSDDV scholarship recipients utilizing the program in FY 2023-2024, which is an increase of recipients by 15.7 percent. To the extent the provisions of the bill expand eligibility for

the program, additional funding may be required, or, if insufficient, the Department of Education will have to prorate awards.²⁸

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 295.01, 295.015, 295.016, 295.017, 295.0185, 295.0195, and 295.02.

IX. Additional Information:

A. Committee Substitute – Statement of 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.

²⁸ Office of Economic and Demographic Research, Florida Legislature, *Education Estimating Conference on Student Financial Aid, Executive Summary* (Feb. 17, 2023), available at <http://edr.state.fl.us/Content/conferences/financialaid/ExecSummary.pdf> (last visited April 24, 2023). The proration of awards is specified in administrative rule. Fla. Admin Code R 6A-20.019(7) (2008), available at <https://www.flrules.org/gateway/ruleno.asp?id=6A-20.019&Section=0> (last visited April 24, 2023).