

Date of Hearing: March 10, 2015

ASSEMBLY COMMITTEE ON VETERANS AFFAIRS

Irwin, Chair

AB 13 (Chávez) – As Amended March 4, 2015

SUBJECT: Public postsecondary education: community colleges: exemptions from nonresident tuition.

SUMMARY: Requires a California Community College (CCC) to exempt from nonresident tuition a nonresident student who is a covered individual as defined pursuant to section 702 of the federal Veterans Access, Choice, and Accountability Act of 2014, Public Law 113-143, who is using, or intending to use GI Bill education benefits while living in California and enrolled at a community college. This bill defines "GI Bill educational benefits" to mean any educational benefit administered by the US Department of Veterans Affairs pursuant to Title 38 of the United States Code that is designed to help eligible veterans or other eligible persons with a relationship to a veteran to cover the costs associated with enrollment as a CCC student. It provides that these students may be reported as full-time equivalent students for purposes of state apportionment. This bill contains an urgency clause.

EXISTING LAW:

- 1) Establishes uniform residency requirements for the purposes of determining the amount of fees to be paid by students attending public institutions of higher education in California and requires CCC districts, California State University (CSU) and University of California (UC) to charge a tuition fee to nonresident students; and, provides for specified exceptions to residence determination for current and former members of the Armed Forces meeting specified requirements.
- 2) Requires the CCC, CSU, and requests UC, (the higher education "segments") to update and adopt policies no later than July 1, 2015, regarding tuition rates for eligible veterans and their eligible dependents to ensure conformity to, and compliance with, the federal Veterans Access, Choice, and Accountability Act of 2014 ("Choice Act", Public Law 113-143) and the requirements of California law.
- 3) Exempts specified California nonresidents from paying nonresident tuition if they attended a California high school for three or more years (or equivalent), graduated from a California high school (or equivalent degree), registered or attended an accredited California higher education institution not before the fall of the 2001-02 academic year, and filed an affidavit, if without lawful immigration status, stating that the student has filed an application to legalize their immigration status or will file such an application as soon as eligible to do so.
- 4) Authorizes CCC districts to admit a nonresident student and requires that these students be charged a nonresident tuition fee, with certain specific exemptions, including nonresidents who enroll for six or fewer units; any nonresident who is both a citizen and resident of a foreign country, if the nonresident has demonstrated a financial need for the exemption; and, a special part-time student admitted pursuant to California statutes governing concurrent enrollment of elementary and secondary school pupils;

- 5) Requires CCC districts to exempt from the nonresident fee a nonresident student, under specified circumstances, a United States citizen who moved abroad as a result of his/her parent's deportation.

Federal requirements. The U.S Department of Veterans Affairs (VA) administers the federal G.I. Bill to provide education and training benefits to eligible veterans and their eligible dependents. The G.I. Bill specifically states that it will pay all public school in-state tuition and fees. On August 7, 2014, President Obama signed the Choice Act. Among the numerous provisions, the law requires public institutions to provide in-state tuition to specified veterans and eligible dependents in order for the institution to remain eligible to receive G.I. Bill education payments. The following “covered individuals” are eligible for in-state tuition under the Choice Act:

- 1) A veteran who lives in the state (regardless of formal in-state residence status) in which the higher education institution is located and enrolls within three years of discharge from a period of active duty service of 90 days or more.
- 2) A spouse or child using transferred benefits who lives in the state (regardless of formal in-state residence status) in which the higher education institution is located and enrolls within three years of the transferor’s discharge from a period of active duty service of 90 days or more.
- 3) A spouse or child using benefits under the Marine Gunnery Sergeant John David Fry Scholarship who lives in the state (regardless of formal in-state residence status) in which the higher education institution is located and enrolls within three years of the servicemember’s death in the line of duty following a period of active duty service of 90 days or more.

FISCAL EFFECT: Unknown at this time.

COMMENTS: This bill is coming to the Veterans Affairs Committee after first receiving a hearing in the Higher Education Committee. Rather than focus on the issues pertaining to the Higher Education aspects of this bill, for those issues have been expertly analyzed in the Higher Education analysis, this analysis will narrow in focus to the Veterans Affairs aspects of this bill.

On signing the GI Bill in 1944, then President Franklin Roosevelt said:

This bill, which I have signed today... gives servicemen and women the opportunity of resuming their education or technical training after discharge, or of taking a refresher or retrainer course, not only without tuition charge up to \$500 per school year, but with the right to receive a monthly living allowance while pursuing their studies...

With the signing of this bill a well-rounded program of special veterans' benefits is nearly completed. It gives emphatic notice to the men and women in our armed forces that the American people do not intend to let them down.

...This bill therefore and the former legislation provide the special benefits which are due to the members of our armed forces -- for they "have been compelled to make greater economic sacrifice and every other kind of sacrifice than the rest of us, and are entitled to definite action to help take care of their special problems." While further study and experience may

suggest some changes and improvements, the Congress is to be congratulated on the prompt action it has taken. [Emphasis added.]

These words ring true in 2015. Not unlike in 1944 our country has been in a protracted military conflict. Many of the men and women who have served in the armed forces interrupted their civilian lives to serve and sacrifice for the country and are now in transition back to civilian life.

Much has changed, however, since 1944. We are for the most part a nation of mobile people, most Americans own cars, and air and rail travel is relatively accessible and affordable. Air and rail travel are well-developed and sophisticated, it is quite possible to fly from Sacramento, California to Sydney, Australia in less than 24 hours. We travel, we move, and often our families are spread across the country. The kind of work and jobs, indeed some entire large industries, are very different today than they were back then. And, reviewing the \$500 tuition benefit in the GI Bill of 1944, the price of things has certainly changed. For example, estimated tuition and fees at the University of California system for 2015-16 are \$14,500 for residents and \$38,024 for non-residents.

The GI Bill of today would pay, in the example above, the UC resident amount, but not anything more than that for a non-resident GI Bill student. For many, this additional amount is cost-prohibitive. California has several state laws that permit some non-resident GI Bill students to receive the resident rate. The Choice Act takes the step of saying that, in general, schools that wish to continue receiving any GI Bill benefits must no longer charge any GI Bill student non-resident tuition if that student enrolls within three years of discharge from the armed forces.

As stated by the Higher Education Committee analysis, "Arguably, a segment could conform to ...[the Choice Act] through discontinuing participation in the federal program. Committee staff understands, however, it is unlikely this approach would be used to achieve compliance."

However, according to the author, CCC districts do not currently have appropriate authority to reduce tuition for nonresident veterans in compliance with federal law. The author argues, if CCC districts do not comply with the Choice Act, not only will they be barred from accepting new students using GI Bill educational benefits, but current students will lose their federal GI Bill educational tuition assistance and housing allowance.

From the veterans affairs perspective, regardless of whether there is disagreement or clarity about the state of the existing state law and whether this bill is legally essential for the CCC to comply, the scenario contemplated by the author should be avoided. Unless we as a state intend to maintain our current cost structure at the consequence of loss of GI Bill benefits for current and future students, this bill does no harm and resolves any risk that the CCC might want to comply but lack the legal authority under California law to do so.

Related legislation. AB 27 (Chávez) would require CSU, and request UC, exempt nonresident students using GI Bill education benefits from paying nonresident tuition while enrolled as a student of that segment.

REGISTERED SUPPORT / OPPOSITION:

Support

American Federation of State, County, Municipal Employees, AFL-CIO
American Legion- Department of California
AMVETS, Department of California
California Association of County Veterans Service Officers
California Community College Chancellor's Office
California Catholic Conference, Inc.
Kern Community College District
Los Rios Community College District
Military Officers Association- California Council of Chapters
Peralta Community College District
Rural County Representatives of California
San Diego Community College District
Kern Community College District
Veterans of Foreign Wars- Department of California
Vietnam Veterans of America- California State Council
Yosemite Community College District

Opposition

None on File.

Analysis Prepared by: John Spangler/V.A./ (916) 319-3550