

Date of Hearing: March 10, 2015

ASSEMBLY COMMITTEE ON VETERANS AFFAIRS
Irwin, Chair
AB 27 (Chávez) – As Introduced December 1, 2014

SUBJECT: Public postsecondary education: exemption from nonresident tuition

SUMMARY: Requires the California State University (CSU), and requests the University of California (UC) to exempt from nonresident tuition a nonresident student who is using, or is intending to use, GI Bill educational benefits while enrolled at a CSU or UC. 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 CSU or UC student. It 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 California Community College (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.

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."

Purpose of this bill. According to the Author, currently the Education Code does not include a waiver to reduce tuition for nonresidents who attend college using G.I. Bill education benefits. If the segments do not comply with the requirements of the Choice Act, not only will they be barred from accepting new students using G.I. Bill educational benefits, but current students will lose their veterans tuition and housing assistance.

According to the Committee on Higher Education:

UC and CSU compliance. UC indicates that it is prepared to admit veterans and their dependents per the new federal law by the July 1, 2015 Choice Act deadline. UC reports that it is on track to identify and document eligibility for new exemptions; and has been fielding

inquiries from non-resident undergraduate applicants who have any indication of a link to the military and is reviewing applicants for eligibility under the terms of the federal law. UC has also updated its webpage to reflect the new eligibility for veterans under the Choice Act. Committee staff understands that CSU intends to comply with the requirements of the Choice Act. However, CSU has not yet formally outlined how the segment plans to achieve compliance.

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 CSU and UC 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 CSU and UC might want to comply but lack the legal authority under California law to do so.

Related legislation. AB 13 (Chávez) requires a CCC to exempt from nonresident tuition a nonresident student who is using, or is intending to use, GI Bill educational benefits while enrolled at a CCC and provides that these students may be reported as full-time equivalent students for purposes of state apportionment. AB 13 is pending before the Assembly Higher Education Committee.

REGISTERED SUPPORT / OPPOSITION:

Support

American Federation of State, County, Municipal Employees, AFL-CIO
Associated Students of Humboldt State University

Opposition

None on File.

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