

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill Number: HB 427

52nd Legislature, 1st Session, 2015

Tracking Number: .199682.1

Short Title: Resident Tuition for Veteran Family Members

Sponsor(s): Representative Stephanie Garcia Richard

Analyst: Travis Dulany

Date: March 12, 2015

Bill Summary:

HB 427 amends provisions in higher education law to specify that a spouse or child of a veteran of the armed forces is entitled to pay in-state tuition and fees, provided that the spouse or child is eligible for benefits pursuant to the federal *Post-9/11 Veterans Educational Assistance Act of 2008* (see “**Background**,” below) or any other federal law authorizing educational benefits for a veteran and the dependents of a veteran.

Fiscal Impact:

HB 427 does not contain an appropriation.

Fiscal Issues:

According to the US Department of Veterans Affairs (USDVA) website:

- Section 702 of the *Veterans Access, Choice, and Accountability Act of 2014* (Choice Act) requires the USDVA to disapprove programs of education for payment of benefits under the *Post-9/11 Veterans Educational Assistance Act* and Montgomery G.I. Bill-Active Duty program (see “**Background**,” below) to public institutions of higher learning if the institutions charge qualifying veterans and dependents tuition and fees in excess of the rate for resident students for terms beginning after July 1, 2015.
- To remain approved for USDVA’s G.I. Bill programs, institutions must charge in-state tuition and fee rates to “covered individuals,” who are defined under the Choice Act as:
 - a veteran who lives in the state in which the institution of higher education is located (regardless of his/her formal state of residence) and enrolls in the institution within three years of discharge from a period of active duty service of 90 days or more;
 - a spouse or child using transferred benefits who lives in the state in which the institution of higher learning is located (regardless of his/her formal state of residence) and enrolls in the institution within three years of the transferor’s discharge from a period of active duty service of 90 days or more; and
 - a spouse or child using benefits under the Marine Gunnery Sergeant John David Fry Scholarship who lives in the state in which the institution of higher learning is located (regardless of his/her formal state of residency) and enrolls in the institution within

three years of the service member's death in the line of duty following a period of active duty service of 90 days or more.

According to Higher Education Department, the new material in HB 427 brings New Mexico statute into accordance with federal law.

The New Mexico Veterans' Services Department (VSD) cites data from the USDVA indicating that New Mexico saw \$67.32 million in federal education assistance come to New Mexico. VSD asserts that, by not enacting the provisions of HB 427, "the USDVA will pull all federal education assistance for active duty members, veterans, and their dependents, costing the state over \$67 million dollars (sic) in federal flow dollars."

Background:

According to the USDVA website:

- The Montgomery G.I. Bill Active Duty program provides education benefits to veterans and service members who have at least two years of active duty service. Eligible service members may receive up to 36 months of education benefits. The monthly benefit is based on the type of training, length of service, category, any college fund eligibility, and participation in a "buy-up" program. Assistance provided through the program may be used for college degree and certificate programs, technical or vocational courses, flight training, apprenticeships or on-the-job training, high-tech training, licensing and certification tests, entrepreneurship training, certain entrance examinations, and correspondence courses. Remedial, deficiency, and refresher courses may be approved under certain circumstances. Benefits are generally payable for 10 years following release from honorable active service.
- The Post-9/11 G.I. Bill program is an educational benefit program for individuals who served on active duty after September 10, 2001. Benefits depend upon the amount of time served on active duty and include tuition and fee payment to higher education institutions on the veteran's behalf, a monthly housing allowance, and a books and supplies stipend. Postsecondary programs eligible for the program include colleges, universities, trade schools, on-the-job training, apprenticeships, flight schools, tutorial assistance, professional licensing, and certification testing.

Committee Referrals:

HGEIC/HAFC/SEC/SPAC

Related Bills:

SB 658 *Military Combat Veteran Scholarship Act*