

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1669-02  
Bill No.: Truly Agreed To and Finally Passed SS for SB 306  
Subject: Military Affairs; National Guard; Elementary and Secondary Education; Higher Education  
Type: Original  
Date: June 11, 2019

Bill Summary: This proposal modifies provisions regarding education for members of military families.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
General Revenue	\$0 or (Unknown, \$647,400 to Could exceed \$3,780,846)	\$0 or (Unknown, \$956,181 to Could exceed \$4,089,627)	\$0 or (Unknown, \$963,901 to Could exceed \$4,097,347)
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0 or (Unknown, \$647,400 to Could exceed \$3,780,846)</b>	<b>\$0 or (Unknown, \$956,181 to Could exceed \$4,089,627)</b>	<b>\$0 or (Unknown, \$963,901 to Could exceed \$4,097,347)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
College and University Funds	\$0 to (\$647,400 to Could exceed \$3,780,846) or Unknown	\$0 to (\$647,400 to Could exceed \$3,780,846) or Unknown	\$0 to (\$647,400 to Could exceed \$3,780,846) or Unknown
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0 to (\$647,400 to Could exceed \$3,780,846) or Unknown</b>	<b>\$0 to (\$647,400 to Could exceed \$3,780,846) or Unknown</b>	<b>\$0 to (\$647,400 to Could exceed \$3,780,846) or Unknown</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 17 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### §§167.020 and 173.1155 - School registration for dependents of military members

**Oversight** notes that the **Department of Higher Education** and **Department of Public Safety - Missouri National Guard** state the proposal would not have a direct fiscal impact on their organizations.

In response to a previous version, Oversight notes **Missouri State University, University of Central Missouri** and **Francis Howell School District** each stated this proposal would not have a direct fiscal impact on their organization.

**Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

In response to a previous version, officials from the **State Technical College of Missouri** stated this bill could have a slight negative fiscal impact.

**Oversight** assumes a slight negative impact can be absorbed; therefore, Oversight will reflect a zero impact in the fiscal note for these sections.

#### §173.900 - Missouri Returning Heroes Education Act

Officials from the **Department of Higher Education** assume the proposal would have no fiscal impact on their organization. However, higher education institutions may have a reduction in revenues as a result of this proposal.

Officials from **Department of Public Safety - Missouri National Guard (MNG)** state Fund 0900 and Fund 0101 will take an additional hit, but the cost of this program if implemented cannot be determined. MNG does not have historical figures on combat veterans who would receive a degree higher than a bachelor degree and use this program. Therefore, the fiscal impact is unknown at this time.

**Oversight** notes the MNG indicated this could impact the Educational Assistance Program if the MNG chose to issue educational assistance grants for graduate level course-work at the reduced rate provided in this proposal. Currently, the Educational Assistance Program is limited to National Guard members seeking undergraduate degrees 11 CSR 10-3.015. Oversight assumes the MNG has existing authority to establish program guidelines for the Educational Assistance

ASSUMPTION (continued)

Program. Oversight assumes this proposal does not change that authority. Oversight will not show an impact to the Missouri National Guard Trust Fund (0900) or the General Revenue Fund (0101) for the Educational Assistance Program.

In response to a similar proposal (HCS for HB 400), officials from **Missouri State University** assumed this proposal will have a negative fiscal impact of more than \$36,000 on the university.

In response to a similar proposal (HCS for HB 400), officials from **University of Central Missouri** assumed a negative fiscal impact that could exceed \$230,000 annually.

Officials from the **University of Missouri System** stated, on average, the proposed legislation will cost the University \$7,100 per combat veteran to implement for graduate programs. The University of Missouri does not have a way to estimate how many will qualify and take part in this; therefore, the cost of this program could exceed \$1,000,000 depending on the number of veterans served.

In response to a similar proposal (HCS for HB 400), officials from the **State Technical College of Missouri** assumed the proposal will have no fiscal impact on their organization.

Officials from the **Department of Public Safety - Missouri Veterans Commission** assume the proposal will have no fiscal impact on their organization.

In response to a similar proposal (HB 400), officials from **Northwest Missouri State University** assumed the negative fiscal impact to the University by expanding the returning hero's program to graduate students is estimated to exceed \$100,000 depending on actual enrollment.

**Oversight** notes this proposal makes changes to the Missouri Returning Heroes' Education Act (Act). The Act currently requires public institutions of higher education in this state to limit the amount of tuition that is paid by combat veterans to no more than \$50 per credit hour. This \$50 per credit hour limit is applied only if the veteran is enrolled in a program leading towards a certificate, associate or baccalaureate degree.

**Oversight** notes this proposal expands the Act to limit the amount that public institutions of higher education can charge for veteran students working toward a graduate degree to no more than 30% of the cost of tuition and fees for those working toward a graduate degree including masters degrees and doctorate degrees.

ASSUMPTION (continued)

Previously, **Oversight** requested from the Department of Higher Education the amount of tuition and number of students whose tuition has been waived in the past under this \$50 per credit hour existing program. The Department stated they do not routinely gather this information. The last time they asked the institutions for this information was 2011. At that time, the institutions reported the one year tuition waiver listed below:

<b>Institution</b>	<b>Tuition Waived</b>	<b>Number of Students</b>
Crowder	\$3,967	11
East Central Community College	not reported	
Harris - Stowe	\$8,094	2
Jefferson College	\$12,215	24
Lincoln University	\$11,977	6
Metropolitan Community College	not reported	
Mineral Area Community College	\$608	1
Missouri Southern State University	\$7,690	10
Missouri State University	\$173,816	40
Missouri Western State University	\$18,311	12
Moberly Area Community College	\$28,935	40
North Central Community College	\$0	0
Northwest Missouri State University	\$9,730	4
Ozark Technical College	\$34,388	87
Southeast Missouri State University	\$84,766	56
St. Charles Community College	\$21,090	37
St. Louis Community College	not reported	
State Fair Community College	\$2,512	10
State Technical College of Missouri	\$33,061	11

<b>Institution</b>	<b>Tuition Waived</b>	<b>Number of Students</b>
Three Rivers Community College	\$4,702	13
Truman State University	\$0	0
University of Central Missouri	\$75,485	22
University of Missouri	\$443,586	207
<b>Total</b>	<b>\$974,933</b>	<b>593</b>

**Oversight** estimates the number of military veterans attending graduate school to be 1,353 based on data from the National Center Education Statistics and the U.S. Census Bureau. Oversight notes the average cost for graduate tuition and fees in Missouri is estimated at \$9,249 per year. If 70% of the graduate tuition and fees were waived, the average amount of waived tuition and fees per year per student would total \$6,474 ( $\$9,249 \times .70$ ). Oversight has no way to narrow the number of military veterans attending graduate school listed above to only those meeting the criteria for ‘combat veterans.’ Below is the estimated cost for the graduate tuition waiver assuming different qualification/participation rates:

<b>Qualifies and Participates Rate</b>	<b>Number of Students</b>	<b>Average Tuition Waived (Per Year)</b>
5%	68	\$440,232
25%	338	\$2,188,212
50%	676	\$4,376,424

According to U.S. Census data, there were 45,086 students in graduate, professional public schools in Missouri in 2016, and 256,181 in college, undergraduate. This equates to approximately 17.6% ( $45,086 / 256,181$ ). Applying this same percentage to the number of reported students that utilized the current program (593), you could reasonably assume that 104 students would utilize the new program and result in approximately \$673,296 in reduced fees and tuition ( $104 \times \$6,474 = \$673,296$ ).

**Oversight** notes both the University of Missouri and Missouri State University reported on their FY 2019 appropriation request, the amount of foregone tuition from the current version of the Missouri Returning Heroes Act:

ASSUMPTION (continued)

	University of Missouri	Missouri State University
Cumulative Tuition Waived	\$5,384,445 (FY 09-FY 18)	\$648,448 (FY 09-FY 18)
# of Unduplicated Students	1,966	183
Avg. Annual Tuition Waived	\$538,445	\$64,845
Avg. Annual # of Students	197	18.3
Undergraduate Enrollment	59,418	17,793
% of Enrolled Students	.3%	.1%

Source: University Appropriation Requests for FY 2020 (MU) and FY 2019 (MSU)

Assuming a similar the rate of participation relative to the total number of students enrolled in graduate, professional public schools in Missouri (45,086), **Oversight** estimates the following costs:

	Number of Participants	Tuition Waived (\$6,474)
High (.3%)	$45,086 * .003 = 136$	\$880,464
Low (.1%)	$45,086 * .001 = 45$	\$291,330
Average (.2%)	$45,086 * .002 = 90$	\$582,660

**Oversight** assumes this proposal expands the program to veterans who served in armed combat in the military prior to September 11, 2001. Oversight assumes this could increase participation in the program and will show a fiscal impact of could exceed \$582,660.

**Oversight** notes §173.900 excludes professional degrees from the definition of graduate degree. Based on education attainment information from the U.S. Census Bureau, of the individuals who received advanced degrees approximately 18.2% received doctorate degrees, 9.1% received professional degrees and 72.7% received master's degrees. Oversight notes if the average number of program participants is reduced by 9.1% (those seeking professional degrees) program participation is estimated at 82 ( $90 - (90 * .091)$ ). Therefore, the impact of the proposal is estimated at could exceed \$530,868 ( $82 * \$6,474$ ).

ASSUMPTION (continued)

Under current statute, the tuition limitation is provided before all other federal and state aid has been applied. **Oversight** notes this proposal would change that requirement to an option. The tuition reduction may be applied before all other aid at the combat veteran's discretion. If a combat veteran opted not to apply the tuition limitation before all other aid, this could result in an in offsetting increase in revenue for universities that would receive tuition at the regular rate from other federal and state benefits for which the veteran is eligible.

In addition, **Oversight** assumes the Educational Assistance Program may see increased costs if the tuition reduction is foregone for federal and other state aid, as appropriated by the State.

**Oversight** will show a range of impact of \$0 (no increase or no appropriation) to an unknown increase in costs to the Educational Assistance Program as appropriated by the State.

**Oversight** assumes the magnitude of the revenue loss for universities from the increased participation in reduced tuition is likely to exceed the revenue increase from the option to forego the tuition reduction for federal and other state aid.

Addendum (Oversight resubmitted a request to all Missouri colleges & universities):

In response to a similar proposal (Updated Perfected HCS for HB 400), officials from **Southeast Missouri State University** stated for the current fiscal year, Southeast had 25 students receive Missouri Returning Hero funds. For the fall 2018-spring 2019, Southeast reports 40 self-reported veterans in graduate level course work. Southeast estimates a negative fiscal impact of approximately \$159,012.

In response to a similar proposal (Updated Perfected HCS for HB 400), officials from the **Moberly Area Community College (MACC)** stated there are 4 students utilizing the Missouri Returning Heroes program for the 2018-2019 school year. MACC assumes there will be no fiscal impact.

In response to a similar proposal (Updated Perfected HCS for HB 400), officials from **Crowder College** stated the following:

Current Participation

Fall 2017	3 students	\$2,280
Spring 2018	4 students	\$4,752
Summer 2018	2 students	\$1,014
Fall 2018	5 students	\$2,425
Spring 2019	1 student	<u>\$ 522</u>
TOTAL		\$40,993



ASSUMPTION (continued)

Estimated Additional Impact if bill had already been passed:

Fall 2017	25 additional students	Additional tuition reduction of \$23,836
Spring 2018	16 additional students	Additional tuition reduction of \$11,180
Summer 2018	7 additional students	Additional tuition reduction of \$2,676
Fall 2018	7 additional students	Additional tuition reduction of \$6,579
Spring 2019	10 additional students	<u>Additional tuition reduction of \$9,289</u>
TOTAL		Additional tuition reduction of \$53,560

Only a small population knew about Missouri Returning Heroes or requested to use it. The part in the new proposal about providing each veteran a notice, would increase participation. Also, not having to be a Missouri resident when entering military service would cause an increase. The grand total impact for prior five semesters is estimated at \$64,553.

In response to a similar proposal (Updated Perfected HCS for HB 400), officials from **State Fair Community College (SFCC)** stated, since 2008, 81 students have utilized \$40,254 in Missouri Returning Heroes Program benefits. SFCC assumed there will be no additional impact.

In response to a similar proposal (Updated Perfected HCS for HB 400), officials from **University of Missouri System** stated the current number of students utilizing the Missouri Returning Heroes Program is 247 (out of 1,273 undergraduate veterans). The number of veterans enrolled in graduate level coursework is 246. It is difficult to estimate the fiscal impact of this bill as additional veterans will likely seek degrees under the proposed language. If the current combat veterans enrolled in bachelors programs continued to masters programs, the cost would be \$1.7 million annually. If all of the veterans currently enrolled in graduate programs were combat veterans, the cost would be \$1.7 million annually.

In response to a similar proposal (Updated Perfected HCS for HB 400), officials from **Northwest Missouri State University** stated 3 students have utilized the Missouri Returning Heroes program for the 2018-2019 school year. Northwest notes 17 graduate students receive GI Bill benefits and 5 students receive Department of Defense Tuition Assistance. Northwest estimates a \$0 to minimal impact from this proposal.

In response to a similar proposal (Updated Perfected HCS for HB 400), officials from **Ozarks Technical Community College (OTC)** stated, in the past 12 months we have had 46 students use the program. If counting repeat users from semester to semester there have been 59 instances of using the program. OTC estimates a 15% increase based on expanded eligibility. We have awarded \$39,191 in tuition waivers under the current Missouri Returning Heroes Act (aggregated

ASSUMPTION (continued)

from the above mentioned 59 instances over 12 months). We can assume increases based on new eligibility criteria found in section 173.900.2, which changes the residency requirement to allow for combat veterans who may not have been Missouri residents at the time they entered service.

In response to a similar proposal (Updated Perfected HCS for HB 400), officials from the **University of Central Missouri (UCM)** stated 49 students currently utilize the Missouri Returning Heroes Program (out of 134 undergraduate veterans) and currently 25 veteran students are taking graduate level courses. The impact for UCM is estimated at \$200,000 per year.

In response to a similar proposal (Updated Perfected HCS for HB 400), officials from **Missouri State University (MSU)** stated the number of MSU students utilizing the Missouri Returning Heroes program in the 2018-19 academic year is 37 (out of 531 undergraduate veterans) totaling \$164,764. We will have a few additional students this summer. MSU has 230 student veterans enrolled in graduate level coursework.

The estimated fiscal impact of the bill is (and always has been, in every iteration) difficult to calculate. On the one hand, it could have a dramatic negative fiscal impact if 230 graduate students are impacted by the bill and they are taking full credit loads (18 credit hours a year is a full credit load for a typical graduate student) and paying full tuition (ranging from \$279 to \$591 per credit hour depending on the program, level of the course, whether the student is in-state or out-of-state, etc.). However, this would be mitigated by a lot of factors like scholarships, waivers, other applicable aid, graduate assistantships, enrollment impacts of the returning heroes act program (which could mitigate the impact, or exacerbate it, depending on how you look at it), etc. Moreover, the complication in calculating the impact is further complicated because the bill would also provide veterans with the opportunity to decide whether to apply the Missouri Returning Heroes aid before or after their federal military benefits. This portion of the bill would likely have a positive fiscal impact, but the amount of that positive impact is difficult (if not impossible) to calculate.

In response to a similar proposal (Updated Perfected HCS for HB 400), officials from **Missouri Southern State University (MSSU)** stated the following:

MO Returning Heroes Expenditures for MSSU

18-19	\$42,948.42	10 students
17-18	\$24,540.08	8 students
16-17	\$36,330.58	14 students
15-16	\$ 3,988.17	3 students
14-15	\$ 369.60	1 student

ASSUMPTION (continued)

Of the students who are currently receiving VA benefits at MSSU, 5 are working on Graduate degrees. Of those 5, only 1 would be eligible for MO Returning Heroes. (The other 4 are either dependents, MO is not home state of record, or never provided their DD214 to determine eligibility.)

Since our graduate programs are new, we assume that a very small percentage of Graduate students would become eligible in the near future for MO Returning Heroes if the bill comes to pass. It is possible that more students would pursue Graduate degrees if they learned that MO Returning Heroes was being extended to Graduate programs going forward.

**Oversight** notes the following participation rates for the existing Missouri Returning Heroes Program:

	Current MO Returning Heroes Participants	Number of Undergraduate Veterans	Participation Rate
UCM	49	134	36.6%
MSU	37	531	7.0%
MU System	247	1,273	19.4%
Weighted Average			17.18%

The responding institutions reported a total of 568 veterans in graduate level course-work. Oversight estimated an additional 16 veterans enrolled in graduate level course-work for the four universities that did not respond for a total of 584. Oversight estimates the following costs assuming different levels of participation in the Missouri Returning Heroes Program at the graduate level.

Number of Participants	Estimated Cost (assuming a tuition reimbursement rate of \$6,474)
100 (584 * .1718 based on weighted average)	\$647,400 (100 x \$6,474)
584 (all veterans in graduate level course-work as estimated above)	\$3,780,846 (584 x \$6,474)

ASSUMPTION (continued)

**Oversight** cannot estimate the potential expansion of the undergraduate program. However, Oversight notes there are 4,393 students receiving Post 9-11 G.I. Bill benefits. The average award amount for the existing undergraduate program is estimated at \$1,371.

If 3,957 G.I. Bill recipients (4,393 GI Bill recipients in Missouri less 436 the current number of students participating in the program) were eligible for the Missouri Returning Heroes program, the cost is estimated at \$5,425,047 (3,957 x \$1,371). If 17.18% of G.I. Bill recipients went on to graduate school and utilized the Missouri Returning Heroes Program, the cost is estimated at \$4,836,078 (747 x \$6,474). These numbers combined are estimated at \$10,261,125. Oversight notes this is an illustration of the upper range of cost. However, Oversight notes this number includes undergraduates, graduates, non-residents and dependents utilizing veteran benefits. Oversight notes this number may also include a duplicate count of students already using the program. Oversight notes the current number of students participating in the program (436) is based on counts from the responding institutions; however, there were four universities and nine colleges that did not respond to Oversight's request for information.

**Oversight** will show a range of loss to colleges and universities from \$647,400 to could exceed \$3,780,846.

**Oversight** notes, currently, the cost of the tuition waiver is assumed by colleges and universities. The state does not reimburse colleges and universities for the foregone revenue. However, Oversight will show a potential cost to general revenue should the state choose to appropriate funds to reimburse colleges and universities that could exceed \$3,780,846 if all veterans in graduate level course-work participated in the Missouri Returning Heroes Program.

§173.234 - Wartime Veterans's Survivor Grant Program

Officials from **Department of Higher Education (DHE)** assume there is no fiscal impact. If re-authorized, it would continue to operate until 2028. For FY 2018, the expenditures were approximately \$215,000. However, at that funding level, the program was not fully funded. DHE anticipates it will spend approximately \$275,000 this year and is asking for a \$13,000 increase for 2020 in order to cover any tuition increases.

Officials from the **Department of Public Safety - Missouri Veterans Commission** assume any costs associated with Veteran Service Officers certifying a survivor's eligibility for a Veteran's Survivor Grant can be absorbed with existing resources.

ASSUMPTION (continued)

Officials from the **Department of Public Safety - Missouri National Guard** assume the proposal will have no fiscal impact on their organization.

In response to a previous version, Oversight notes the **Missouri State University** stated this proposal would not have a direct fiscal impact on their organization.

In response to a similar proposal (SB 283), officials from the **University of Missouri System** assumed this proposal will have no to minimal fiscal impact on the university.

In response to a similar proposal (HB 715), officials from the **University of Central Missouri** assumed this could have a slight negative impact on the university.

**Oversight** notes the program is limited to providing 25 grants annually and once the 25 recipient maximum is reached applicants are placed on a waiting list. FY 2018 was the first year a waiting list was utilized. If the waiting list exceeds 50 applicants, DHE may petition the General Assembly to expand the program. Oversight notes the following expenditures for the Wartime Veterans Survivor Grant program:

	2016	2017	2018	2019 (Projected)	2020 (Requested)
Number of Students	15	23	25	25	25
Expenditure	\$136,655	\$229,836	\$217,472	\$292,212	\$301,250

Source: DHE FY 2020 budget book.

**Oversight** assumes this proposal removes the sunset provision from the Wartime Veterans Survivor Grant program and will show program costs continuing in FY 2021. Oversight will show a cost of \$0 (no appropriations) to could exceed \$308,781 (as adjusted for inflation of 2.5%) beginning in FY 2021 and continuing thereafter, as appropriated by the State.

Bill as a Whole

**Oversight** notes that the **Department of Elementary and Secondary Education** and **Wellsville-Middletown R-1** have stated the proposal would not have a direct fiscal impact on their organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

ASSUMPTION (continued)

**Oversight** only reflects the responses that we have received from state agencies and political subdivisions; however, other school districts and colleges & universities were requested to respond to this proposed legislation but did not. For a general listing of political subdivisions included in our database, please refer to [www.legislativeoversight.mo.gov](http://www.legislativeoversight.mo.gov).

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
<b>GENERAL REVENUE</b>			
<u>Cost</u> - (§173.234) Program continuation (removal of sunset provision - currently set to sunset in FY 2021)	\$0	\$0 to (Could exceed \$308,781)	\$0 to (Could exceed \$316,501)
<u>Cost</u> - MNG (§173.900) Increased cost for the Educational Assistance Program due to optional foregoing of tuition reduction	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Cost</u> - (§173.900) Transfer to Colleges and Universities for tuition reimbursement	<u>\$0 or (\$647,400 to Could exceed \$3,780,846)</u>	<u>\$0 or (\$647,400 to Could exceed \$3,780,846)</u>	<u>\$0 or (\$647,400 to Could exceed \$3,780,846)</u>
<b>ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND</b>	<b><u>\$0 or (Unknown, \$647,400 to Could exceed \$3,780,846)</u></b>	<b><u>\$0 or (Unknown, \$956,181 to Could exceed \$4,089,627)</u></b>	<b><u>\$0 or (Unknown, \$963,901 to Could exceed \$4,097,347)</u></b>

FISCAL IMPACT - State Government                      FY 2020                      FY 2021                      FY 2022  
 (10 Mo.)

**COLLEGE AND UNIVERSITY FUNDS**

Revenue - (\$173.900) optional unreduced tuition received from other federal and state benefits                      \$0 or Unknown    \$0 or Unknown    \$0 or Unknown

Transfer-in - (\$173.900) from General Revenue                      \$0 or \$647,400 to Could exceed \$3,780,846    \$0 or \$647,400 to Could exceed \$3,780,846    \$0 or \$647,400 to Could exceed \$3,780,846

Loss - (\$173.900) to Universities - reduced tuition rate for combat veterans                      (\$647,400 to Could exceed \$3,780,846)    (\$647,400 to Could exceed \$3,780,846)    (\$647,400 to Could exceed \$3,780,846)

**ESTIMATED NET EFFECT ON COLLEGE AND UNIVERSITY FUNDS**                      **\$0 to (\$647,400 to Could exceed \$3,780,846) or Unknown**    **\$0 to (\$647,400 to Could exceed \$3,780,846) or Unknown**    **\$0 to (\$647,400 to Could exceed \$3,780,846) or Unknown**

FISCAL IMPACT - Local Government                      FY 2020                      FY 2021                      FY 2022  
 (10 Mo.)

**\$0**                      **\$0**                      **\$0**

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

## FISCAL DESCRIPTION

### School Registration - §167.020

This act allows remote registration of a student if one or both of the child's parents are being relocated to Missouri under military orders. Proof of residency shall not be required at the time of registration, but shall be required within 10 days of the student's attendance.

### Veteran's Survivors Grant - §173.234

Under current law, the Veteran's Survivor Grant will sunset on August 28, 2020. This act exempts the grant, which provides financial aid for higher education to qualifying military members, from the sunset provision.

### Missouri Returning Heroes' Education Act - §173.900

Current law defines "combat veteran" as a person who served in armed combat in the military after September 11, 2001. Under this act, a "combat veteran" shall mean a person who served in armed combat, which shall be shown through military service documentation that reflects service in a combat theater, receipt of combat service medals, or receipt of imminent danger or hostile fire pay or tax benefits. The term "combat veteran" shall apply to a veteran who is eligible to register to vote in Missouri, or who is eligible to vote in Missouri, or who is a current Missouri resident.

All public institutions of higher education that receive state funds shall limit the amount of tuition such institutions charge to combat veterans to no more than 30% of the cost of tuition and fees. Such limitation shall only be applicable if the combat veteran is enrolled in a program leading to a graduate degree, including master and doctorate degrees. A graduate degree shall not include professional degrees, such as law, medicine or veterinary degrees. Eligibility for a limited tuition amount shall expire 20 years after the date of the veteran's last discharge from service.

Current law requires the tuition limitation to be provided before all other federal and state aid for which the veteran is eligible has been applied. Under this act, the tuition limitation may, at the combat veteran's discretion, be provided before all other aid. The public institution of higher education shall provide each combat veteran with written notice of this option and maintain a copy signed by the veteran in the official file.

### In-State Tuition- §173.1155

This act establishes that the determination of eligibility for in-state tuition rates at public institutions of higher education for dependents of military members stationed in Missouri shall be made at the time the dependent is accepted for admission.



SOURCES OF INFORMATION

Department of Elementary and Secondary Education  
Department of Higher Education  
Department of Public Safety -  
    Missouri National Guard  
    Missouri Veterans Commission  
State Technical College of Missouri  
Missouri State University  
Northwest Missouri State University  
University of Central Missouri  
University of Missouri System  
Francis Howell School District  
Wellsville-Middletown R-1



Kyle Rieman  
Director  
June 11, 2019

Ross Strobe  
Assistant Director  
June 11, 2019