

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 373 Tuition Waivers
SPONSOR(S): Harrell and others
TIED BILLS: None **IDEN./SIM. BILLS:** SB 122

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Military & Veteran Affairs Committee	8 Y, 0 N	Marino	Cutchins
2) Community Colleges & Workforce Committee		Thomas	Ashworth
3) Education Appropriations Committee			
4) State Administration Council			
5) _____			

SUMMARY ANALYSIS

HB 373 establishes a new tuition fee waiver for recipients of the Purple Heart in s. 1009.26, F.S. Section 1009.26, F.S. specifically provides fee waivers for universities and community colleges.

HB 373 allows state universities and community colleges to waive undergraduate tuition for a recipient of a Purple Heart who:

- Is admitted as a full-time, part-time, or summer-school student in an undergraduate program of study leading to a degree or certificate.
- Is currently a Florida resident and at the time of the military action that resulted in them receiving the Purple Heart was a Florida resident.
- Submits documentation verifying that they are a recipient of the Purple Heart to the community college or university.

The Purple Heart is awarded to any member of the Armed Forces or any civilian national under the United States who has been wounded in combat. The U.S military recognizes order of precedence of awards and the Purple Heart is listed in the 16th position. The Purple Heart is unique in that an individual is not recommended for, but rather is entitled to this decoration when wounded in combat. The Florida Department of Veterans Affairs reported that 2,482 Purple Heart recipients have membership with the Florida Chapter of the Military Order of the Purple Heart and currently reside in Florida. All recipients are not members in the Military Order of the Purple Heart. They are unable to provide an actual number of recipients or how many resided in Florida at the time they were awarded the Purple Heart.

There appears to be no fiscal impact on 2006-2007 since this benefit begins in the 2007-2008 academic year. However, the fiscal impact in 2007-2008 could be as high as approximately \$5,329,102.

The bill would take effect July 1, 2006.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Ensure Lower Taxes – This bill would waive undergraduate tuition fees for Purple Heart recipients in Florida.

Empower Families – This bill would increase the opportunity for recipients of the Purple Heart who return home wounded to learn a new skill to support family and find self worth.

B. EFFECT OF PROPOSED CHANGES:

Present Situation:

Fee Waivers

Section 1009.26, F.S., lists fee waivers for postsecondary educational institutions. School districts, community colleges, university boards of trustees, the State Board of Education, and state universities may waive certain fees, such as tuition or application fees, charged to students and, in some cases, only on a space-available basis.

Those eligible for certain fee waivers under this section can include: persons who supervise student interns for a state university; full-time university employees; Florida residents 60 years of age or older; graduate students enrolled in certain state-approved school psychology training programs; certain out-of-state nondegree-seeking students; certain spouses of deceased state employees; and some active members of the Florida National Guard (FNG). Section 1009.26(8), F.S., specifically mentions the fee waiver for certain members of the FNG and references s. 250.10(8), F.S., which establishes the State Tuition Exemption Program (STEP) program. The Florida Department of Education reports that 82¹ community college students used the National Guard Fee Waiver in 2004-2005.

Purple Heart

The Purple Heart was established by General George Washington during the Revolutionary War. The Purple Heart is awarded to any member of the Armed Forces or any civilian national of the United States who has been wounded in combat. A wound can be an injury to any part of the body from an outside force or agent. Injuries which clearly justify receiving the Purple heart include, but are not limited to, injury caused by mine or trap, or enemy released chemical, biological, or nuclear agent. A person will not be eligible for the Purple Heart for certain wounds or injuries such as battle fatigue, heat stroke, or disease not directly caused by enemy agents. The Purple Heart is unique among other military awards, in that an individual is not recommended for, but rather is entitled to the decoration.

The U.S. military recognizes order of precedence of awards. Each award carries a level of significance and its own eligibility requirements. The Purple Heart is 16th in order of precedence according to Army Regulation 670-1, updated February 2005. The awards in precedence from Medal of Honor to the Purple Heart are:

- (1) Medal of Honor (Army, Navy, Air Force);
- (2) Distinguished Service Cross;
- (3) Navy Cross;
- (4) Air Force Cross;
- (5) Defense Distinguished Service Medal;
- (6) Distinguished Service Medal (Army, Navy, Air Force, Coast Guard);
- (7) Silver Star;

¹ Florida Department of Education correspondence. January 13, 2006.

- (8) Defense Superior Service Medal;
- (9) Legion of Merit;
- (10) Distinguished Flying Cross;
- (11) Soldier's Medal;
- (12) Navy and Marine Corps Medal;
- (13) Airman's Medal;
- (14) Coast Guard Medal;
- (15) Bronze Star Medal; and
- (16) Purple Heart.

The Florida Department of Veterans Affairs reported that 2,482 Purple Heart recipients are registered members of the Florida Chapter of the Military Order of the Purple Heart and currently reside in Florida. They are unable to provide an actual number of recipients who are not registered or how many resided in Florida at the time they were awarded the Purple Heart.

Effect of Proposed Changes:

HB 373 establishes a new tuition fee waiver for recipients of the Purple Heart in s. 1009.26, F.S. Section 1009.26, F.S. specifically provides fee waivers for universities and community colleges.

HB 373 allows state universities and community colleges to waive undergraduate tuition for recipient of a Purple Heart who:

- Is admitted as a full-time, part-time, or summer-school student in an undergraduate program of study leading to a degree or certificate.
- Is currently a Florida resident and, at the time of the military action that resulted in receipt of the Purple Heart, was a resident of the State of Florida
- Submits documentation verifying that they are a recipient of the Purple Heart to the community college or university.

HB 373 would take effect July 1, 2006, although the fee waiver would not be available to Purple Heart recipients until the 2007-2008 academic year.

C. SECTION DIRECTORY:

Section 1: Creates 1009.26(9), F.S., establishing a Purple Heart recipient undergraduate tuition waiver for state universities or community colleges beginning in the 2007-2008 academic year under certain circumstances.

Section 2: Provides an effective date of July 1, 2006.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None

2. Expenditures:

The impact on state expenditures in 2007-2008 is indeterminate since it is unknown how many received the Purple Heart and resided in Florida at the time they received the award. It is also unknown how many will use the benefit in this bill.

In the community college funding process, these waivers would be deducted from student fees from the Community College Program Fund and would eventually be funded by the state.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The chart shows the average savings per semester for a full-time, part-time, and summer student under this bill based on average credit hours².

	Community College \$47.72 per credit hour	State University \$71.57 per credit hour
Full-time (12.48 avg. Credit Hours)	\$595.55	\$893.19
Part-time (6.02 avg. Credit Hours)	\$287.27	\$430.85
Summer (5.9 avg. Credit Hours)	\$281.55	\$422.26

D. FISCAL COMMENTS:

According to the 2005-2006 General Appropriations Act, the costs per credit hour for community colleges and state universities for the 2005-2006 fall/spring terms are \$47.72 and \$71.57 respectively.

The calculations in this analysis are based on the 2005-2006 GAA figures; however, the waiver created in this bill would not go into effect until the 2007-2008 academic year.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds. This bill does not reduce the percentage of a state tax shared with counties or municipalities. This bill does not reduce the authority that municipalities have to raise revenues.

2. Other:

None

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES

² Florida Department of Education correspondence. January 12, 2006.