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SENATE BILL NO. 652

AMENDMENT IN THE NATURE OF A SUBSTITUTE
(Proposed by the Senate Committee on Education and Health
on January 31, 2008)

(Patron Prior to Substitute—Senator Hanger)

A BILL to amend and reenact § 23-7.4 of the Code of Virginia, relating to the receipt of in-state tuition benefits by certain individuals at public institutions of higher learning.

Be it enacted by the General Assembly of Virginia:**1. That § 23-7.4 of the Code of Virginia is amended and reenacted as follows:**

§ 23-7.4. Eligibility for in-state tuition charges.

A. For purposes of this section and §§ 23-7.4:1, 23-7.4:2 and 23-7.4:3, the following definitions shall apply:

"Date of the alleged entitlement" means the first official day of class within the term, semester or quarter of the student's program.

"Dependent student" means one who is listed as a dependent on the federal or state income tax return of his parents or legal guardian or who receives substantial financial support from his spouse, parents or legal guardian. It shall be presumed that a student under the age of twenty-four on the date of the alleged entitlement receives substantial financial support from his parents or legal guardian, and therefore is dependent on his parents or legal guardian, unless the student (i) is a veteran or an active duty member of the U.S. Armed Forces; (ii) is a graduate or professional student; (iii) is married; (iv) is a ward of the court or was a ward of the court until age 18; (v) has no adoptive or legal guardian when both parents are deceased; (vi) has legal dependents other than a spouse; or (vii) is able to present clear and convincing evidence that he is financially self-sufficient.

"Domicile" means the present, fixed home of an individual to which he returns following temporary absences and at which he intends to stay indefinitely. No individual may have more than one domicile at a time. Domicile, once established, shall not be affected by mere transient or temporary physical presence in another jurisdiction.

"Domiciliary intent" means present intent to remain indefinitely.

"Emancipated minor" means a student under the age of eighteen on the date of the alleged entitlement whose parents or guardians have surrendered the right to his care, custody and earnings and who no longer claim him as a dependent for tax purposes.

"Full-time employment" means employment resulting in, at least, an annual earned income reported for tax purposes equivalent to fifty work weeks of forty hours at minimum wage.

"Independent student" means one whose parents have surrendered the right to his care, custody and earnings, do not claim him as a dependent on federal or state income tax returns, and have ceased to provide him substantial financial support.

"Special arrangement contract" means a contract between a Virginia employer or the authorities controlling a federal installation or agency located in Virginia and a public institution of higher education for reduced rate tuition charges as described in subsection F of § 23-7.4:2.

"Substantial financial support" means financial support in an amount which equals or exceeds that required to qualify the individual to be listed as a dependent on federal and state income tax returns.

"Unemancipated minor" means a student under the age of eighteen on the date of the alleged entitlement who is under the legal control of and is financially supported by either of his parents, legal guardian or other person having legal custody.

"Virginia employer" means any employing unit organized under the laws of Virginia or having income from Virginia sources regardless of its organizational structure, or any public or nonprofit organization authorized to operate in Virginia.

B. To become eligible for in-state tuition, an independent student shall establish by clear and convincing evidence that for a period of at least one year immediately prior to the date of the alleged entitlement, he was domiciled in Virginia and had abandoned any previous domicile, if such existed.

To become eligible for in-state tuition, a dependent student or unemancipated minor shall establish by clear and convincing evidence that for a period of at least one year prior to the date of the alleged entitlement, the person through whom he claims eligibility was domiciled in Virginia and had abandoned any previous domicile, if such existed. If the person through whom the dependent student or unemancipated minor established such domicile and eligibility for in-state tuition abandons his Virginia domicile, the dependent student or unemancipated minor shall be entitled to such in-state tuition for one year from the date of such abandonment.

In determining domiciliary intent, all of the following applicable factors shall be considered: continuous residence for at least one year prior to the date of alleged entitlement, state to which income

60 taxes are filed or paid, driver's license, motor vehicle registration, voter registration, employment,
61 property ownership, sources of financial support, military records, a written offer and acceptance of
62 employment following graduation, and any other social or economic relationships with the
63 Commonwealth and other jurisdictions.

64 Domiciliary status shall not ordinarily be conferred by the performance of acts which are auxiliary to
65 fulfilling educational objectives or are required or routinely performed by temporary residents of the
66 Commonwealth. Mere physical presence or residence primarily for educational purposes shall not confer
67 domiciliary status. A matriculating student who has entered an institution and is classified as an
68 out-of-state student shall be required to rebut by clear and convincing evidence the presumption that he
69 is in the Commonwealth for the purpose of attending school and not as a bona fide domiciliary.

70 Those factors presented in support of entitlement to in-state tuition shall have existed for the
71 one-year period prior to the date of the alleged entitlement. However, in determining the domiciliary
72 intent of active duty military personnel residing in the Commonwealth, or the domiciliary intent of their
73 dependent spouse or children who claim domicile through them, who voluntarily elect to establish
74 Virginia as their permanent residence for domiciliary purposes, the requirement of one year shall be
75 waived if all other conditions for establishing domicile are satisfied.

76 C. A married person may establish domicile in the same manner as an unmarried person.

77 An emancipated minor may establish domicile in the same manner as any other independent student.
78 A nonmilitary student whose parent or spouse is a member of the armed forces may establish domicile
79 in the same manner as any other student.

80 Any alien holding an immigration visa or classified as a political refugee shall also establish
81 eligibility for in-state tuition in the same manner as any other student. However, absent congressional
82 intent to the contrary, any person holding a student or other temporary visa shall not have the capacity
83 to intend to remain in Virginia indefinitely and, therefore, shall be ineligible for Virginia domicile and
84 for in-state tuition charges.

85 The domicile of a dependent student shall be rebuttably presumed to be the domicile of the parent or
86 legal guardian claiming him as an exemption on federal or state income tax returns currently and for the
87 tax year prior to the date of the alleged entitlement or providing him substantial financial support.

88 For the purposes of this section, the domicile of an unemancipated minor or a dependent student
89 eighteen years of age or older may be either the domicile of the parent with whom he resides, the parent
90 who claims the student as a dependent for federal and Virginia income tax purposes for the tax year
91 prior to the date of the alleged entitlement and is currently so claiming the student, or the parent who
92 provides the student substantial financial support. If there is no surviving parent or the whereabouts of
93 the parents are unknown, then the domicile of an unemancipated minor shall be the domicile of the legal
94 guardian of such unemancipated minor unless there are circumstances indicating that such guardianship
95 was created primarily for the purpose of conferring a Virginia domicile on the unemancipated minor.

96 D. It is incumbent on the student to apply for change in domiciliary status on becoming eligible for
97 such change. Changes in domiciliary status shall only be granted prospectively from the date such
98 application is received.

99 A student who knowingly provides erroneous information in an attempt to evade payment of
100 out-of-state fees shall be charged out-of-state tuition fees for each term, semester or quarter attended and
101 may be subject to dismissal from the institution. All disputes related to the veracity of information
102 provided to establish Virginia domicile shall be appealable through the due process procedure required
103 by § 23-7.4:3.

104 E. Notwithstanding any other provision of law, all dependents, as defined by 37 U.S.C. § 401, of
105 active duty military personnel, or activated or temporarily mobilized reservists or guard members,
106 assigned to a permanent duty station or workplace geographically located in Virginia, or in a state
107 contiguous to Virginia or the District of Columbia, who reside in Virginia shall be deemed to be
108 domiciled in Virginia for purposes of eligibility for in-state tuition and shall be eligible to receive
109 in-state tuition in Virginia in accordance with this section. All such dependents shall be afforded the
110 same educational benefits as any other individual receiving in-state tuition pursuant to this section so
111 long as they are continuously enrolled in an undergraduate or graduate degree program of an institution
112 of higher education in Virginia or are transferring between Virginia institutions of higher education or
113 from an undergraduate degree program to a graduate degree program.

114 For the purpose of this subsection:

115 "Date of alleged entitlement" means the date of admission or acceptance for dependents currently
116 residing in Virginia or the final add/drop date for dependents of members newly transferred to Virginia.

117 "Temporarily mobilized" means activated for service for six months or more.

118 F. *Notwithstanding any other provision of law, any person shall be eligible for in-state tuition who:*

119 1. *Has resided with his parent, guardian, or other person standing in loco parentis while attending a*
120 *public or private high school in this state;*

121 2. *Has graduated from a public or private high school in Virginia or has received a General*

Education Development (GED) certificate in Virginia;

3. Has resided in the Commonwealth for at least three years as of the date the individual graduated from high school;

4. Has registered as an entering student in an institution of higher education;

5. Has provided an affidavit to the institution stating that he is a direct or derivative beneficiary of a petition to become a permanent resident of the United States that has been filed with the United States Citizenship and Immigration Services (USCIS), and that he is actively pursuing such permanent residency; and

6. Has submitted evidence that he, or in the case of a dependent student, at least one parent, guardian, or person standing in loco parentis, has filed, unless exempted by state law, Virginia income tax returns for at least three years prior to the date of enrollment.

G. After August 1, 2006, for students who enroll at a public, baccalaureate degree-granting, institution of higher education in Virginia and who have established Virginia domicile and eligibility for in-state tuition in compliance with this section, the entitlement to in-state tuition shall be modified to require the assessment of a surcharge, as defined herein, for each semester that the student continues to be enrolled after such student has completed 125% of the credit hours needed to satisfy the degree requirements for a specified undergraduate program, hereinafter referred to as the "credit hour threshold."

In calculating the 125% credit hour threshold, the following courses and credit hours shall be excluded: (i) remedial courses; (ii) transfer credits from another college or university that do not meet degree requirements for general education courses or the student's chosen program of study; (iii) advanced placement or international baccalaureate credits that were obtained while in high school or another secondary school program; and (iv) dual enrollment, college-level credits obtained by the student prior to receiving a high school diploma.

The relevant public institution of higher education may waive the surcharge assessment for students who exceed the 125% credit hour threshold in accordance with the guidelines and criteria established by the State Council of Higher Education for Virginia. Waiver criteria may include, but shall not be limited to, illness or disability and active service in the armed forces of the United States.

For the purpose of this subsection, "surcharge" shall mean an amount calculated to equal 100% of the average cost of the student's education at the relevant institution less tuition and mandatory educational and general fee charges assessed to a student meeting Virginia domiciliary status who has not exceeded the 125% credit hour threshold.