

## Department of Planning and Budget 2012 Fiscal Impact Statement

**1. Bill Number:** SB508

**House of Origin**    ☒ Introduced    ☐ Substitute    ☐ Engrossed  
**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron:** Wagner

**3. Committee:** Senate Committee on Education and Health

**4. Title:** In-state tuition; members of the Virginia National Guard.

**5. Summary:** Provides that any member of the Virginia National Guard residing in Virginia shall be eligible for in-state tuition at a public institution of higher education. This is broader than the current provision, which requires a guard member to be (i) activated or mobilized or on temporary active orders for six months or more, (ii) stationed or assigned by military service to a work location in Virginia, and (iii) residing in Virginia.

**6. Budget Amendment Necessary:** Yes, Governor's amendment has been submitted.  
See line 8.

**7. Fiscal Impact Estimates:** Preliminary (see Item 8)

**8. Fiscal Implications:** The data necessary to definitively calculate the total fiscal impact of this legislation is not available.

The information that is available suggests there are 47 guardsmen, who have out of state addresses, who receive federal tuition assistance with no state tuition assistance. Since the federal tuition assistance does not cover out of state tuition in its entirety, it can be assumed that these 47 guardsmen could receive some benefit from this legislation. Additionally, there are guardsmen who use the Federal GI bill. Since the GI bill pays only up to the state's in-state rate per credit hour, it is reasonable some guardsmen in this category could benefit from this legislation as well. It is not possible to quantify how many Federal GI bill recipients could be impacted by this legislation because state officials do not have access to the federal database.

It can be determined that of the 47 guardsmen referenced above, 21 attend the Virginia Military Institute (VMI). There is a significant difference between in-state and out-of-state tuition for VMI students.

VMI Tuition Rates	
In-State Student Tuition	\$6,622
Out-of-State Student Tuition	\$25,602

As a result of special arrangement contracts, 20 of the 21 guardsmen receive a \$5,000 reduction on VMI's out-of-state tuition rates. Thusly, the fiscal impact of this legislation for VMI would be a reduction in tuition revenue of \$298,580. In his executive amendments to the introduced budget, the Governor included \$298,580 for VMI to offset this loss in revenue.

The remaining 19 guardsmen (of the 47 originally referenced) attend various institutions of higher learning around the Commonwealth as shown in the table below:

<b>College/University</b>	<b>Guardsmen Attending</b>
Central Virginia Community College	1
James Madison University	6
New River Community College	1
Norfolk State University	2
Old Dominion University	4
Radford University	2
Thomas Nelson Community College	1
Tidewater Community College	3
Virginia Commonwealth University	1
Virginia Tech	7

Based on 15 credit hours per semester, the estimated fiscal impact spread between the 10 colleges and universities in the table is approximately \$185,000. Due to a small concentration of guardsmen and a smaller gap between in-state and out-of-state tuition at each institution, it is anticipated the \$185,000 can be absorbed.

**9. Specific Agency or Political Subdivisions Affected:** Department of Military Affairs, Virginia colleges and universities

**10. Technical Amendment Necessary:** No

**11. Other Comments:** Same as HB644

**Date:** January 20, 2012

**Document:** g:\2012 fis\sb508.doc

c: Secretary of Public Safety  
Secretary of Education