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SENATE BILL NO. 605

AMENDMENT IN THE NATURE OF A SUBSTITUTE
(Proposed by the Senate Committee on Education and Health
on February 2, 2012)

(Patron Prior to Substitute—Senator McWaters)

A BILL to amend and reenact § 23-7.4 of the Code of Virginia, relating to eligibility for in-state tuition; military personnel.

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 24 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 (i) mere transient or temporary physical presence in another jurisdiction or (ii) the establishment and maintenance of a place of residence in another jurisdiction for the purpose of maintaining a joint household with an active duty United States military spouse.

"Domiciliary intent" means present intent to remain indefinitely. *For the purposes of this section, the intent to attend a public institution of higher education in the Commonwealth shall be deemed sufficient to establish domiciliary intent for active duty or retired military personnel, residing in the Commonwealth, or veterans.*

"Emancipated minor" means a student under the age of 18 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 50 work weeks of 40 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 18 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.

"Veteran" means an individual who has served in the active military, naval or air service and who was discharged or released therefrom under conditions other than dishonorable.

"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, except in the event of the establishment and maintenance of a place of residence in another jurisdiction for the purpose of maintaining a joint household with an active duty United States military spouse; state to which income taxes are filed or paid; driver's license; motor vehicle registration; voter registration; employment; property ownership; sources of financial support; military records; a written offer and acceptance of employment following graduation; and any other social or economic relationships with the Commonwealth and other jurisdictions.

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

Those factors presented in support of entitlement to in-state tuition shall have existed for the one-year period prior to the date of the alleged entitlement. However, in determining the domiciliary intent of active duty military personnel residing in the Commonwealth, retired military personnel residing in the Commonwealth at the time of their retirement, or veterans, or the domiciliary intent of their dependent spouse or children who claim domicile through them, who voluntarily elect to establish Virginia as their permanent residence for domiciliary purposes, the requirement of one year shall be waived if all other conditions for establishing domicile are satisfied. *Additionally, in determining the domiciliary intent of active duty military personnel residing in the Commonwealth, retired military personnel residing in the Commonwealth at the time of their retirement, and veterans the intent to attend a public institution of higher education in the Commonwealth shall be deemed sufficient. Any out-of-state students granted in-state tuition pursuant to this subsection shall be counted as in-state students for the purposes of determining college admissions, enrollment, and tuition and fee revenue policies.*

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

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

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

The domicile of a dependent student shall be rebuttably presumed to be the domicile of the parent or legal guardian claiming him as an exemption on federal or state income tax returns currently and for the tax year prior to the date of the alleged entitlement or providing him substantial financial support. The spouse of an active duty military service member, if such spouse has established domicile and claimed the dependent student on federal or state income tax returns, shall not be subject to minimum income tests or requirements.

For the purposes of this section, the domicile of an unemancipated minor or a dependent student 18 years of age or older may be either the domicile of the parent with whom he resides, the parent who claims the student as a dependent for federal or Virginia income tax purposes for the tax year prior to the date of the alleged entitlement and is currently so claiming the student, or the parent who provides the student substantial financial support. If there is no surviving parent or the whereabouts of the parents are unknown, then the domicile of an unemancipated minor shall be the domicile of the legal guardian of such unemancipated minor unless there are circumstances indicating that such guardianship was created primarily for the purpose of conferring a Virginia domicile on the unemancipated minor.

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

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

122 by § 23-7.4:3.

123 E. Notwithstanding any other provision of law, all dependents, as defined by 37 U.S.C. § 401, of
124 active duty military personnel, or activated or temporarily mobilized reservists or guard members,
125 assigned to a permanent duty station or workplace geographically located in Virginia, or in a state
126 contiguous to Virginia or the District of Columbia, who reside in Virginia shall be deemed to be
127 domiciled in Virginia for purposes of eligibility for in-state tuition and shall be eligible to receive
128 in-state tuition in Virginia in accordance with this section. All such dependents shall be afforded the
129 same educational benefits as any other individual receiving in-state tuition pursuant to this section. Such
130 benefits and in-state tuition status shall continue so long as they are continuously enrolled in an
131 institution of higher education in Virginia or are transferring between Virginia institutions of higher
132 education or from an undergraduate degree program to a graduate degree program, regardless of any
133 change of duty station or residence of the military service member.

134 For the purpose of this subsection:

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

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

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

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

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

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