

Department of Planning and Budget 2015 Fiscal Impact Statement

1. **Bill Number:** HB2121

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

2. **Patron:** Mason

3. **Committee:** Education

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

5. **Summary:** This bill 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.

6. **Budget Amendment Necessary:** Yes, Item 216.

7. **Fiscal Impact Estimates:** Preliminary. See Item #8.

8. **Fiscal Implications:** This legislation pertains to those out-of-state students who attend Virginia public colleges and universities who are members of the Virginia National Guard.

The data necessary to definitively calculate the total fiscal impact of this legislation is not currently available.

It is known that there are currently 47 Virginia guardsmen who have out-of-state addresses attending Virginia Military Institute (VMI). Other information that is available suggests that there are at least an additional 21 Virginia guardsmen with out-of-state addresses distributed among six other Virginia public universities (Christopher Newport, George Mason, James Madison, Norfolk State, Old Dominion, and Virginia Commonwealth University).

These guardsmen pay at the undergraduate out-of-state tuition rate. This cost may be offset by forms of financial aid such as federal tuition assistance, the Virginia National Guard State Tuition Assistance Program, the GI bill, and various scholarships. There is a significant difference between in-state and out-of-state tuition, particularly for VMI students.

VMI Tuition Rates	
In-State Student Tuition	\$7,498
Out-of-State Student Tuition	\$29,554

The difference between in-state and out-of-state tuition at VMI is \$22,056 per year. VMI currently provides \$100,000 in tuition waivers annually for certain out-of-state cadets in the Virginia National Guard. Thus, the immediate fiscal impact of this legislation for VMI

would be a reduction in annual tuition revenue of \$936,632 beginning in FY 2016. This amount of funding is more than VMI can absorb without impacting the institution's operations, requiring offsetting general fund support.

The estimated fiscal impact spread among the other six universities for the remaining 21 known guardsman would be \$332,243 beginning in FY 2016. It is assumed this potential loss in funding could be absorbed by these institutions.

At VMI, there are currently 711 out-of-state students, including the 47 guardsman. For FY 2016, 719 are projected. There is no way to determine how many additional out-of-state cadets may join the Guard as a result of this legislation.

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

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 1/23/15

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c: Secretary of Education
Secretary of Public Safety