

Department of Planning and Budget 2023 Fiscal Impact Statement

1. Bill Number: SB955

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Ruff

3. Committee: Finance and Appropriations

4. Title: Public institutions of higher education; tuition grants; Virginia National Guard.

5. Summary: Provides that public institutions of higher education may enter into special arrangement contracts with the Virginia Department of Military Affairs for the purpose of providing reduced rate tuition charges for any member of the Virginia National Guard receiving state tuition assistance grants. The bill also provides that in order to be eligible for such state tuition assistance grant a member of the Virginia National Guard must have two years remaining on his service obligation to the Virginia National Guard as of the last day of the last term or semester for which tuition assistance is requested. Current law provides that as a condition of being awarded a tuition assistance grant a member of the Virginia National Guard will incur a two-year service obligation to commence after the last day of the term or semester for which tuition assistance is requested.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: Indeterminate. See Item 8.

8. Fiscal Implications: The fiscal impact of this bill is indeterminate at this time.

As a result of the special arrangement contracts (SACs) between public institutions of higher education and the Virginia Department of Military Affairs (DMA) authorized under this legislative proposal, eligible members of the Virginia National Guard may receive reduced rate tuition. Pursuant to § 23.1-508, Code of Virginia, tuition rates set by SACs cannot be less than in-state tuition rates. Any tuition revenue loss for public higher education institutions depends on the agreed upon rates and the number of eligible students for any SAC initiated between DMA and a public institution of higher education. A large influx of new eligible students is not anticipated as a result of the proposed changes to service obligation under § 23.1-610, Code of Virginia.

This bill may allow DMA to award additional tuition assistance to Virginia National Guard members pursuant to § 23.1-610, as those grants pay for the difference between the full cost of tuition and any other educational benefits for which the member is eligible. Pursuant to

this bill and any established SACs, the full cost of tuition for eligible Virginia National Guard members may be a reduced rate.

9. Specific Agency or Political Subdivisions Affected: Public institutions of higher education, Department of Military Affairs

10. Technical Amendment Necessary: No

11. Other Comments: None