

Date of Hearing: March 3, 2015

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Medina, Chair

AB 13 (Chávez) – As Introduced December 1, 2014

SUBJECT: Public postsecondary education: community colleges: exemptions from nonresident tuition.

SUMMARY: Requires a California Community College (CCC) to exempt from nonresident tuition a nonresident student who is using, or is intending to use, GI Bill educational benefits while enrolled at a CCC. Defines "GI Bill educational benefits" to mean any educational benefit administered by the US Department of Veterans Affairs pursuant to Title 38 of the United States Code that is designed to help eligible veterans or other eligible persons with a relationship to a veteran to cover the costs associated with enrollment as a CCC student. Provides that these students may be reported as full-time equivalent students for purposes of state apportionment.

EXISTING LAW:

- 1) Establishes uniform residency requirements for the purposes of determining the amount of fees to be paid by students attending public institutions of higher education in California and requires CCC districts, California State University (CSU) and University of California (UC) to charge a tuition fee to nonresident students; and, provides for specified exceptions to residence determination for current and former members of the Armed Forces meeting specified requirements.
- 2) Requires the CCC, CSU, and requests UC, (the higher education "segments") to update and adopt policies no later than July 1, 2015, regarding tuition rates for eligible veterans and their eligible dependents to ensure conformity to, and compliance with, the federal Veterans Access, Choice, and Accountability Act of 2014 ("Choice Act", Public Law 113-143) and the requirements of California law.
- 3) Exempts specified California nonresidents from paying nonresident tuition if they attended a California high school for three or more years (or equivalent), graduated from a California high school (or equivalent degree), registered or attended an accredited California higher education institution not before the fall of the 2001-02 academic year, and filed an affidavit, if without lawful immigration status, stating that the student has filed an application to legalize their immigration status or will file such an application as soon as eligible to do so.
- 4) Authorizes CCC districts to admit a nonresident student and requires that these students be charged a nonresident tuition fee, with certain specific exemptions, including nonresidents who enroll for six or fewer units; any nonresident who is both a citizen and resident of a foreign country, if the nonresident has demonstrated a financial need for the exemption; and, a special part-time student admitted pursuant to California statutes governing concurrent enrollment of elementary and secondary school pupils;

- 5) Requires CCC districts to exempt from the nonresident fee a nonresident student, under specified circumstances, a United States citizen who moved abroad as a result of his/her parent's deportation.

FISCAL EFFECT: Unknown.

COMMENTS: *Background.* According to the CCC Chancellor's Office (CCCCO), an estimated 1.8 million veterans reside in California, making California's veteran population the largest in the nation. The CCCCCO notes that many of the veterans returning from Iraq and Afghanistan will look to CCC as the most easily accessible and affordable educational option available, and, in fact, approximately 70,000 veterans and active duty service members enrolled at a CCC in 2013-14. According to the CCCCCO, this is more than six times the combined number of veterans attending UC and CSU.

Federal requirements. The U.S Department of Veterans Affairs (VA) administers the federal G.I. Bill to provide education and training benefits to eligible veterans and their eligible dependents. The G.I. Bill specifically states that it will pay all public school in-state tuition and fees. On August 7, 2014, President Obama signed the Choice Act. Among the numerous provisions, the law requires public institutions to provide in-state tuition to specified veterans and eligible dependents in order for the institution to remain eligible to receive G.I. Bill education payments. The following "covered individuals" are eligible for in-state tuition under the Choice Act:

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- 1) A veteran who lives in the state (regardless of formal in-state residence status) in which the higher education institution is located and enrolls within three years of discharge from a period of active duty service of 90 days or more.
- 2) A spouse or child using transferred benefits who lives in the state (regardless of formal in-state residence status) in which the higher education institution is located and enrolls within three years of the transferor's discharge from a period of active duty service of 90 days or more.
- 3) A spouse or child using benefits under the Marine Gunnery Sergeant John David Fry Scholarship who lives in the state (regardless of formal in-state residence status) in which the higher education institution is located and enrolls within three years of the servicemember's death in the line of duty following a period of active duty service of 90 days or more.

California response. In response to the enactment of the Choice Act, AB 13 (Conway), Chapter 639, Statutes of 2014, required CSU and CCC districts, and requested UC to update and adopt policies no later than July 1, 2015, regarding tuition rates for eligible veterans and their eligible dependents to ensure conformity to, and compliance with, the Choice Act and the requirements of California law. The Choice Act requires that public institutions either comply with the nonresident tuition/fee waiver or discontinue participation in the GI Bill educational benefits programs. AB 13 (Conway, 2014) did not explicitly require that the segments adopt policies that ensure continued participation in GI Bill educational benefit programs. Arguably, a segment could conform to AB 13 through discontinuing participation in the federal program. Committee staff understands, however, it is unlikely this approach would be used to achieve compliance.

Purpose of this bill. According to the Author, notwithstanding the enactment of AB 13, CCC districts do not currently have appropriate authority to reduce tuition for nonresident veterans in compliance with federal law. The author argues, if CCC districts do not comply with the Choice Act not only will they be barred from accepting new students using GI Bill educational benefits, but current students will lose their federal GI Bill educational tuition assistance and housing allowance.

CCC compliance options. Committee staff understands that existing law does expressly authorize a CCC district to waive nonresident tuition for an eligible veteran in compliance with the Choice Act. According to information provided by the CCCCO, at least two CCC districts have taken action to ensure compliance with the Choice Act, but this action may be noncompliant with existing law. Further, existing law does not authorize a CCC district that chooses to provide nonresident tuition waivers to eligible veterans to report the attendance generated by the veterans for state apportionment funding purposes. This bill would explicitly require CCC districts to waive nonresident tuition for students using GI Bill educational benefits, and authorizes claiming these students for state apportionment funding purposes.

Federal waiver. According to information provided by the VA, the VA is in the process of developing waiver criteria for States that are actively pursuing changes to comply with the requirements of the Choice Act. More information regarding the waiver criteria is expected to be released in the coming weeks and will be included in a regulation published in the Federal Register.

Related legislation. AB 27 (Chávez) would require CSU, and request UC, exempt nonresident students using GI Bill education benefits from paying nonresident tuition while enrolled as a student of that segment. AB 27 is pending before the Assembly Higher Education Committee.

Recommended amendments. The Committee may wish to consider the following amendments:

- 1) To provide for consistency with the benefit required pursuant to the Choice Act, the Committee may wish to amend Page 3, lines 31 – 32, to read:

(6) A nonresident student who is a covered individual as defined pursuant to section 702 of the federal Veterans Access, Choice, and Accountability Act of 2014, Public Law 113-143, who is using, or intending to use GI Bill education benefits while living in California and enrolled at a community college.

- 2) To allow for the nonresident tuition exemption authorized by this bill to be in effect as soon as possible, the Author has requested to add an urgency clause so that the provisions take effect immediately upon the bill being chaptered.

REGISTERED SUPPORT / OPPOSITION:

Support

California Community College Chancellor's Office
California Catholic Conference, Inc.

Opposition
None on File

Analysis Prepared by: Laura Metune/HIGHER ED./(916) 319-3960