

Date of Hearing: June 18, 2024

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Mike Fong, Chair

SB 916 (Seyarto) – As Amended March 21, 2024

**[Note: This bill is double referred to the Assembly Committee on Military and Veterans Affairs and will be heard by that Committee as it relates to issues under its jurisdiction.]**

**SENATE VOTE:** 37-0

**SUBJECT:** Public postsecondary education: waiver of tuition and fees: veterans: extended education courses

**SUMMARY:** Requires the University of California (UC) and the California State University (CSU) to waive tuition or fees for certain extended education courses for a student who is a dependent of a service-injured veteran, a medal of honor recipient, or a child of a medal of honor recipient. Specifically, **this bill:**

- 1) Requires a campus of the UC and CSU to waive tuition or fees for a student who enrolls in an extended education course if both of the following are met:
  - a) The student meets the eligibility criteria specified in current law for the waiver of mandatory systemwide fees for dependents of veterans, which include a child of any veteran of the United States military who has a service-connected disability, has been killed in service, or has died of a service-connected disability, or an undergraduate student who is a recipient of a Medal of Honor, or a child of a Medal of Honor recipient who is no more than 27 years old, as specified; and,
  - b) The extended education course is being used to meet the requirements of an undergraduate degree program.

**EXISTING LAW:**

*State law.*

- 1) Authorizes the UC and CSU, and requires the California Community Colleges (CCC) to collect fees from students attending those postsecondary education institutions. (Education Code (EDC) Section 89700)
- 2) Prohibits campuses of those segments from charging mandatory systemwide tuition or fees to specified students who apply for a waiver, including a child of any veteran of the United States military who has a service-connected disability, has been killed in service, or has died of a service-connected disability, where the annual income of the child, including the value of any support received from a parent, does not exceed the state poverty level. (EDC Section 66025.3, et seq.)
- 3) Further prohibits UC, CSU and CCC from charging mandatory systemwide tuition or fees to the surviving spouse or child of a deceased law enforcement or fire suppression personnel, as specified and the surviving dependent of any California resident killed in the September 11,

2001 attack, as specified. The fee waivers are limited to undergraduate students who meet the specified financial need requirements. (EDC Sections 68120 & 68121)

- 4) Provides that statutes related to UC (and most other aspects of the governance and operation of UC) are applicable only to the extent that the Regents of UC make such provisions applicable. (EDC Sections 67400 & 68134)
- 5) Establishes various educational benefits for dependents of veterans who were killed during military service or are totally disabled, as specified; defines “dependent of a veteran” to include the spouse of a totally disabled veteran; and prohibits a dependent of a veteran from receiving these educational benefits during the time the dependent is entitled to receive specified federal educational benefits or duplicative duplicate assistance from any other government source. (Military and Veterans Code (MVC) Section 890, et seq.)

#### *Federal law*

- 1) Establishes educational benefits for the spouse and children or both currently serving members of the Armed Forces of the United States and veterans, in such instances where the service member or veteran is permanently and totally disabled due to a service-connected disability, or died while on active duty or as a result of a service-connected disability. (38 U.S. Code Section 3500, et seq.)

**FISCAL EFFECT:** According to the Senate Committee on Appropriations, this bill would have the following fiscal impact:

The magnitude of the bill’s costs for the CSU and UC is unknown. The CSU indicates that if funding for self-supported extended education courses decrease as a result of fee waivers, these programs may no longer continue due to a lack of funding. It could also result in other students absorbing the loss of revenue through increased tuition and student fees necessary to maintain the same level of funding to support the programs.

**COMMENTS:** According to the author, CSUs have created degree programs that, as extended education programs, are excluded from the California Department of Veterans Affairs (CalVet) Fee Waiver Program. The author asserts that “this application of the law is not in keeping with the intent of the CalVet Fee Waiver Program and denies degree opportunities that are not otherwise available.” The author contends that, by requiring that extended education undergraduate degree are covered under the CalVet Fee Waiver, SB 916 should address this issue for CalVet Fee Wavier Program recipients.

*College Fee Waiver for Veteran Dependents.* CalVet administers the College Fee Wavier for Veteran Dependents, which waives mandatory system-wide tuition and fees at any CCC, CSU, or UC campus. This program does not cover the expense of books, parking or room and board. There are four plans under which dependents of Veterans may be eligible, Plans A, B C, and D.

*Plan A* is restricted to:

- 1) The unmarried child of a veteran who is totally service-connected disabled, or whose death was officially rated as service-connected is eligible. The child must be over 14 years old and

under 27 years old to be eligible. If the child is a veteran, then the age limit is extended to 30 years old.

- 2) The spouse of a wartime veteran who is totally service-connected disabled is eligible. There are no age limit restrictions.
- 3) The unmarried surviving spouse of a wartime veteran whose death has been rated as service-connected is eligible. There are no age limit restrictions.
- 4) Any dependent of any Veteran who has been declared missing in action, captured in the line of duty by hostile forces, or forcibly detained or interned in the line of duty by a foreign government or power is eligible.

The veteran must have served at least one day of active duty during a period of war as declared by the U.S. Congress, or during any time in which the veteran was awarded a campaign or expeditionary medal. Concurrent receipt of benefits under Plan A and VA Chapter 35 benefits is prohibited.

*Plan B* covers the child of a veteran who has a service-connected disability, or had a service-connected disability at the time of death, or died of service-related causes is eligible. The child's annual income, which includes the child's adjusted gross income, plus the value of support provided by a parent, may not exceed the annual income limit. The current academic year entitlement is based upon the previous calendar year's annual income.

Under Plan B, wartime service is not required and there are no specific age requirements. Children are the only dependents eligible under this plan. There is no prohibition against receiving concurrent VA Chapter 35 benefits.

*Plan C* covers any dependent of any member of the California National Guard, who in the line of duty while on active service to the state, was killed, died of a disability resulting from an event that occurred while in active service to the state, or is permanently disabled as a result of an event that occurred while in the service to the state is eligible. Surviving spouses who have not remarried are also eligible. "Active service to the state," for the purpose of this benefit, means a member of the California National Guard activated pursuant to Section 146 of the MVC.

*Plan D* covers Medal of Honor recipients and children of Medal of Honor recipients under the age of 27 may qualify. Benefits under Plan D are limited to undergraduate studies only, and applicants are subject to both income and age restrictions. There is no prohibition against receiving concurrent VA Chapter 35 benefits.

*Extended Education.* Courses provided by extended education programs are self-supported, also known as continuing education, extended education, and community service classes.

Self-supported courses typically require students to pay fees that cover the entire cost of the course, without any financial support from the state. In contrast, state-supported programs, which are traditional degree programs, are funded by a mix of state funding and student tuition fees. Self-supported programs include academic courses, professional certificate programs, and personal enrichment courses offered year-around, not necessarily adhering to a traditional academic calendar.

There is variation in course fees across different campuses. The existing waiver for Medal of Honor recipients and dependents of service injured veteran outlined in the background of this analysis pertains to fees linked to state-supported traditional degree programs. This bill aims to provide the same benefit for fees related to self-supported undergraduate degree programs to students who would otherwise qualify for the Medal of Honor or dependents of service injured veteran wavier.

*Arguments in support.* A coalition of supporters representing veterans' services organizations wrote in support of SB 916 (Seyarto), noting that CalVet Fee Wavier "...is a unique benefit for the spouses and children of military veterans in our state, allowing them to attend any [CSU] or [UC] school without the burden of tuition, registration, or enrollment fees. This program has been instrumental in providing educational opportunities to the families of those who have served our nation."

"SB 916 seeks to build on this foundation by expanding the CalVet Fee Waiver to cover extended education courses, which are currently excluded. These programs, often self-sustaining and developed in partnership with local industries, offer specialized degrees and certificates that are crucial for meeting the evolving needs of our workforce, such as Wildfire Science degrees in support of CalFire."

*Arguments in opposition.* The CSU Chancellor's Office wrote in opposition, noting that, "In Fall 2022, the CSU is proud to have enrolled and supported over 9,000 veterans and their dependents under the CalVet program. Our commitment to our students who have served their county in the armed services and their dependents is unwavering."

"SB 916 would provide a waiver for tuition and fees for veterans and their dependents seeking to enroll in the CSU extended education programs. It is important to recognize that CSU extended extension programs are self-support programs. In other words, the funds to pay for these academic programs are 100% paid for by student tuition and fees, as they do not receive support from the state's general fund like the vast majority of the CSU's degree programs. Existing waivers for veterans and their dependents are provided under state-supported programs. Since the state is contributing to those programs, it would be appropriate for the state to provide waivers. However, since the state is not providing any source of funding for extended education programs, any loss of revenue to support the programs adds risks to the sustainability of the programs."

"The CSU and its 23 universities remain absolutely committed to working with our veterans and their families to provide the educational opportunities they desire. Unfortunately, SB 916 would create unintended consequences and jeopardize our university's ability to deliver vital educational programming without the necessary resources to maintain those programs."

*Impact on campuses.* Current law prohibits public postsecondary institutions from applying certain fees to various groups impacted by tragic events. The state does not provide direct reimbursement to CSU or UC for waiving fees for these groups, including the dependents of service-injured veterans.

This bill would establish precedent for requiring the exemption of fees for courses offered by self-supported programs. These programs rely on student fees for course offerings, raising

questions about a campus's ability to cover costs and sustain course offerings. *Committee staff notes that the January 2024 Governor's Budget proposed the deferral of the 2024-25 CSU ongoing compact funding commitment by one year—until fiscal year 2025-26—to help address the state budget shortfall. That proposal would have provided the CSU a 10% ongoing state funding increase in 2025-26. The May Revision modifies the deferral proposal to instead provide the CSU with a 2% ongoing state funding increase in 2025-26. In addition, the revised proposal now contains a one-time, unallocated budget reduction for 2024-25—equivalent to \$75 million.*

*Impact on students.* Expanding waiver eligibility to cover degree applicable extended education courses may ensure access to degree programs with greater schedule flexibility. It would also simplify waiver programs for applicants by eliminating the need to distinguish between state-supported and self-supported degree programs in order to access the benefit. Further, this bill's provisions appear to be in line with the core principles of the original statute, seeking to acknowledge dependents impacted by a military service-related incident by offering a tuition-free degree at a public university or college.

*Related legislation.* AB 1793 (Ta, 2024) extends Cal Grant and Middle Class Scholarship Program to a natural or adopted child, stepchild, or spouse who is a dependent of a member of the Armed Forces of the United States stationed outside of California on active duty but otherwise maintains their residence in California. AB 1793 is pending hearing in the Senate Committee on Education.

## **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

American Legion, Department of California  
AMVETS, Department of California  
California Association of County Veterans Service Officers  
California State Commanders Veterans Council  
Military Officers Association of America, California Council of Chapters

### **Opposition**

California State University, Office of the Chancellor

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