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## FISCAL IMPACT REPORT

**SPONSOR** Rawson                      **DATE TYPED** 03/16/05                      **HB** \_\_\_\_\_

**SHORT TITLE** In-state Tuition for National Guard Families                      **SB** 921/aHEC

**ANALYST** Williams

### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY05	FY06			
	Indeterminate, but potentially very large reve- nue loss		Recurring	Other State Funds – Institutional Tuition Revenues

(Parenthesis ( ) Indicate Revenue Decreases)

### SOURCES OF INFORMATION

LFC Files  
Commission on Higher Education (CHE)

### SUMMARY

#### Synopsis of HEC Amendment

The House Education Committee amendment clarifies the reduced tuition authorizations are applicable only to active members of the armed forces, or their spouses, children or survivors.

#### Synopsis of Original Bill

The bill authorizes the assessment of in-state resident tuition for various component groups of members of the armed forces and their families. Armed forces is defined as United States Army, Navy, Air Force, Marine Corps or Coast Guard. As well, the bill extends resident tuition to national guard spouses and children.

### FISCAL IMPLICATIONS

Data on the potential size of eligible individuals is not available at this time. However, Section C of the bill which extends in-state tuition to any spouses or children of armed forces members who die or are killed could be very expensive. The fiscal impact would be a reduction in tuition revenue of post-secondary institutions, classified as other state funds.

## OTHER SUBSTANTIVE ISSUES

The legislature may wish to limit the authorizations for in-state tuition to eligible New Mexico residents paying New Mexico income taxes.

The federal Veterans Benefits and Services administer the following educational benefit programs:

- Tuition Assistance “Top-Up”. An amendment to the Montgomery GI Bill – Active Duty education program permits the Veterans Administration to pay a Tuition Assistance Top-up benefit. The amount of the benefit can be equal to the difference between the total cost of a college course and the amount of tuition assistance paid by the military for the course.
- Survivors’ and Dependents’ Educational Assistance Program (DEA). DEA provides education and training opportunity to eligible dependents of veterans who are permanently and totally disabled due to a service-related condition, or who died while on active duty or as a result of a service-related condition. The program offers up to 45 months of education benefits. These benefits may be used for degree and certificate programs, apprenticeship, and on-the-job training. Surviving spouses may take a correspondence course. Remedial, deficiency, and refresher courses may be approved under certain circumstances.

**Aw/lg:rs**