

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**April 3, 2013**

**TO:** Honorable Leticia Van de Putte, Chair, Senate Committee on Veteran Affairs & Military Installations

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** **SB1159** by Van de Putte (Relating to tuition and fee exemptions for certain military personnel and their dependents.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill amends the Education Code in regards to tuition and fee exemptions for certain military personnel and their families. The bill clarifies certain eligibility requirements and clarifies that an individual eligible to receive more than one type of federal benefits that may be used only for the payment of tuition and fees may choose which benefit to apply for that semester or other term. The bill also clarifies the ability of a person waiving their exemption of tuition and fees and designating the exemption to a child to revoke that designation for any unused portion of the assigned credit hours.

In addition, the bill removes the the age requirement of children to be 25 years of age or younger on the first day of the semester or academic term to receive an exemption of tuition and fees for dependents of certain deceased, disabled, or missing in action veterans.

Tuition and fee exemptions in this section of the Education Code primarily provide awards for veterans, awards for children and spouses of certain deceased, disabled, or missing in action veterans, and awards through the Legacy Program by which a veteran assigns the exemption to an eligible child. The exemption applies to statutory tuition, designated tuition, and certain fees at public higher education institutions, including general academic institutions, health related institutions, public community/junior colleges, and other two year institutions.

Based on information provided by the Higher Education Coordinating Board (THECB), it is assumed that the provision of the bill with a fiscal impact is the removal of the age requirement on certain dependents. Removing the age requirement will allow more dependents to meet the eligibility requirements and receive the tuition and fee exemption under this section of the Education Code. Based on an analysis of information provided by THECB, it is estimated that the change in eligibility requirements could result in a loss of tuition and fee revenue across all public institutions of higher education of approximately \$1.0 million to \$1.3 million per fiscal year. The increase in students could also result in an additional cost to general revenue due to increased formula costs beginning in fiscal year 2016. However, it is assumed that these amounts would not be significant across all public institutions of higher education and could be absorbed within existing resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration, 758 Texas State University System, 768 Texas Tech University System Administration, 769 University of North Texas System Administration, 781 Higher Education Coordinating Board, 783 University of Houston System Administration

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