

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION**

**April 21, 2023**

**TO:** Honorable John Kuempel, Chair, House Committee on Higher Education

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB2596** by Frazier (Relating to eligibility of certain current or former members of the Texas National Guard or the Texas Air National Guard for tuition and fee exemptions at public institutions of higher education.), **As Introduced**

The fiscal implications of the bill cannot be determined at this time. The bill would expand the eligibility for veterans' educational benefits to Texas National Guard or Texas Air National Guard members, which could have a significant fiscal impact on institutional funds for institutions of higher education. However, because it is unknown how many eligible students would utilize the benefits, applicable waived tuition and fee revenue cannot be estimated.

The bill would amend the Education Code relating to tuition and fee exemptions for certain veterans and their dependents. Tuition and fee exemptions in this section of the Education Code, also known as the Hazlewood Act, primarily provide benefits for veterans; children and spouses of certain deceased, disabled, or missing-in-action veterans; and dependents transferred the unused credit hours of an eligible veteran through the Legacy Program. The exemption applies to statutory tuition, designated tuition, and certain fees at public institutions of higher education, including general academic institutions, health related institutions, public community/junior colleges, and other two-year institutions.

The bill would expand eligibility for tuition and fee exemptions at public institutions of higher education to include all current members of the Texas National Guard or the Texas Air National Guard who had served on active state duty, excluding training, for more than 180 days, and all members of either service who were honorably discharged after serving for the same period. The bill's provisions would apply beginning with the 2023 fall semester.

Institutions of higher education indicate the bill could impact institutional funds due to the foregone tuition and fee revenue for eligible participants. However, the fiscal implications of this bill cannot be determined at this time because it is unknown how many individuals would qualify for Hazlewood benefits under the bill's provisions and utilize such benefits at a public institution of higher education.

**Local Government Impact**

The fiscal implications of the bill cannot be determined at this time.

**Source Agencies:** 403 Veterans Commission, 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, 775 Texas Woman's University System, 781 Higher Education Coordinating Board, 783 University of Houston System Administration, 978 San Jacinto College

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