

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7124

BILL NUMBER: HB 1271

DATE PREPARED: Jan 3, 2000

BILL AMENDED:

SUBJECT: Tuition exemption for veterans' children.

FISCAL ANALYST: Mark Goodpaster

PHONE NUMBER: 232-9852

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill provides that the tuition exemption for children of certain veterans who attend state educational institutions includes mandatory fees rather than fees paid into the general fund of the institution. It provides that the Commission for Higher Education shall define mandatory fees in consultation with the State Student Assistance Commission. It adopts standard terminology to refer to collectively to all state educational institutions.

Effective Date: July 1, 2000.

Explanation of State Expenditures: Students who are children of certain military veterans qualify for fee remissions when they enroll in either state universities or Ivy Tech. The amount of the fee remission varies between campuses depending on how each institution defines the fees that are paid into the general fund. Any changes to the fee remissions to which the students are entitled will depend on the actions of both the Commission for Higher Education and the State Student Assistance Commission.

The university's general fund absorbs the costs of fee remissions. Universities must provide statutory remissions first; the remainder of the money is discretionary. As statutory requirements increase, the level of discretionary dollars decreases.

The Department of Veterans Affairs currently certifies the number of students who qualify for this fee remission.

The following table shows the number of students in FY 1998 and FY 1999 whom state-supported institutions either report or estimate will receive fee remissions under the current Children of Disabled Veterans statute. As the table shows, the average award that students receive varies considerably from campus to campus.

	1997-98 (actual)			1998-99 (estimated)		
	<u>awards</u>	<u>amount</u>	<u>avg. award</u>	<u>awards</u>	<u>amount</u>	<u>avg. award</u>
Ball State	489	\$1,046,915	\$2,141	495	\$1,120,199	\$2,263
Indiana State	218	\$400,609	\$1,838	225	\$430,000	\$1,911
Indiana University	4,261	\$2,995,787	\$703	4,608	\$3,181,193	\$690
Ivy Tech	1,592	\$1,188,493	\$747	1,765	\$1,317,975	\$747
Purdue University	814	\$1,840,935	\$2,262	854	\$1,941,800	\$2,274
University of Southern Indiana	209	\$249,728	\$1,195	209	\$251,137	\$1,202
Vincennes	<u>190</u>	<u>\$219,958</u>	<u>\$1,158</u>	<u>200</u>	<u>\$250,000</u>	<u>\$1,250</u>
Statewide Totals	7,773	\$7,942,425	\$1,022	8,356	\$8,492,304	\$1,016

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Commission for Higher Education, State Student Assistance Commission

Local Agencies Affected:

Information Sources: Table VIII of State Appropriation Requests for 1999-2001 for Indiana University, Ball State University, Indiana State University, Indiana University, Ivy Tech, Purdue University, University of Southern Indiana, Vincennes University.