

**REVENUE:** No revenue impact

**FISCAL:** Fiscal statement issued

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<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed and Rescind the Subsequent Referral to the Committee on Ways and Means
<b>Vote:</b>	7 - 0 - 0
<b>Yeas:</b>	Boone, Esquivel, Fagan, Huffman, Parrish, Witt, Matthews
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Elizabeth Edwards, Administrator
<b>Meeting Dates:</b>	2/26, 3/26, 4/2, 4/11

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**WHAT THE MEASURE DOES:** Requires public universities and community colleges to charge in-state tuition to veterans discharged from service under other than dishonorable conditions and enrolled as undergraduates if they meet certain criteria. Permits veteran graduate and undergraduate students discharged under conditions other than dishonorable, but who do not meet certain criteria, to receive in-state tuition plus fees no greater than resident rate plus 50 percent difference between resident and nonresident rate, from Oregon universities. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

- 19 states with in-state tuition for veterans; 14 considering similar legislation
- Variety of possible factors affecting fiscal impact
- Capped versus uncapped enrollment
- Request to review impact of SB 275 from 2011 Regular Session
- Approximately 100 of 2,500 veterans in Oregon University System use non-resident veteran fee remission
- Concern about fiscal analysis and potential fiscal impact
- Intent to have physical presence of student in classroom and not include on-line education
- Impact of economies of scale
- On-line education opportunities at University of Maryland and Marylhurst University
- Additional funding mechanisms
- Importance of taking step forward even though not full in-state tuition
- Funding mechanisms of other states that offer full in-state tuition to veterans and impact
- Attracting veterans to Oregon
- Potential federal legislation to same effect
- Desire to see all veterans access in-state tuition rate but compromise and take incremental step forward
- Fiscal impact focused on first year of nonresident veterans' education

**EFFECT OF COMMITTEE AMENDMENT:** Replaces measure. Charges resident rates to undergraduate veterans discharged under conditions other than dishonorable if they: (1) attended elementary school or secondary school in Oregon during three years immediately prior to receiving high school diploma or leaving school before receiving high school diploma; (2) attended elementary school or secondary school in United States or Commonwealth of Puerto Rico for five years immediately prior to receiving high school diploma or leaving school before receiving high school diploma; and (3) received high school diploma or equivalent in Oregon. Permits veteran graduate and undergraduate students discharged under conditions other than dishonorable, but who do not meet above requirements, to receive in-state tuition plus fees no greater than resident rate plus 50 percent difference between resident and nonresident rate, from Oregon universities and community colleges. Declares emergency, effective on passage.

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*This summary has not been adopted or officially endorsed by action of the committee.*

**BACKGROUND:** Due to the transient lifestyle often required by service in the United States Armed Forces, many veterans have difficulty establishing residency immediately after discharge. Currently, veterans who cannot meet the residency requirement for Oregon's public universities are eligible for a 50 percent reduction of the difference between in-state and out-of-state rates for tuition. Under changes to the Post-9/11 Veterans Education Assistance Improvements Act of 2010, the United States Department of Veterans Affairs covers the "actual net cost for in-State tuition and fees assessed" for veterans studying at public universities and community colleges, whether or not they qualify as residents. As such, out-of-state veterans in Oregon do not receive GI Bill dollars for the 50 percent difference in resident and non-resident rates. Presently there are 193 non-resident veterans enrolled in Oregon universities.

In addition to the 50 percent fee remission, the Oregon University System (OUS) also offers Veterans' Dependent Tuition Waivers to the child or spouse of a member of the U.S. Armed Forces who either died in active duty or became 100 percent disabled in connection with military service. Additionally, the OUS provides the Voyager Aid Program for Oregon residents who were called to active duty with the National Guard or Reserves after September 11, 2001. Oregon Community Colleges generally do not charge out-of-state tuition.

Veterans generally, and especially post-9/11 veterans, experience higher unemployment than the general population. Removing barriers to higher education provides an opportunity for these veterans to be retrained and reintegrate into civilian life more easily. House Bill 2158A requires Oregon's public universities and community colleges to charge undergraduate veterans resident rates if they attended elementary or secondary school in Oregon and received a diploma or equivalent degree from an Oregon high school.