

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6630

BILL NUMBER: SB 193

NOTE PREPARED: Dec 24, 2022

BILL AMENDED:

SUBJECT: Tuition and Fee Exemptions.

FIRST AUTHOR: Sen. Ford J.D.

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill provides that certain eligible applicants for higher education cost exemptions are entitled to a 100% reduction in educational costs.

Effective Date: July 1, 2023.

Explanation of State Expenditures: *Repeal of Reduction of Fee Exemption Based on Disability Rating* – There will be minimal impact on expenditures for fee exemptions due to this bill in FY 2024 and FY 2025 because very few CVO applicants for financial assistance have parents who enlisted after June 30, 2011. The Indiana Department of Veterans Affairs (IDVA) reports that applicants who fall under the 2011 enlistment rule have thus far had disability ratings of 80% or above and are receiving the same 100% exemption to which they would be entitled under this bill. However, this bill will increase expenditures for CVO fee exemptions in the future as children of veterans who enlisted after June 30, 2011, reach college age and become eligible. The full impact of the proposal will likely occur 10 to 20 years from now, at which point the cost could be significant.

The bill removes the provision which reduces the fee exemption for students based on their parents' disability rating. Current law applies only to students whose parents joined the military after June 30, 2011. Under this bill, all students eligible for a CVO fee remission would be eligible for the full fee remission.

Commission for Higher Education (CHE) – The CHE administers the CVO fee exemptions and would have to make administrative changes based on the provisions of this bill. The provision that removes the reduction of the fee exemption based on the parent's disability rating would simplify administration of the fee exemption, while processing and awarding refunds of tuition and fees paid would represent an increase in

workload for CHE. The bill's requirements should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

Department of Veterans Affairs (IDVA) – Determining whether students are eligible for a fee exemption based on the service connected death or disability of a parent is within the IDVA's routine administrative functions. This bill simplifies the process of determination and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Commission for Higher Education, Indiana Department of Veterans' Affairs.

Local Agencies Affected:

Information Sources: Anthony Weber, IDVA.

Fiscal Analyst: Alexander Raggio, 317-234-9485.