

GOVERNOR'S VETO
AB 264 (Carrillo)
As Enrolled August 30, 2026
2/3 vote

SUMMARY

This bill eliminates the prohibition on a child of a veteran, an unmarried surviving spouse of a veteran, or spouse of a disabled veteran from receiving a tuition waiver from the state while also accessing other state or federal educational benefits.

Governor's Veto Message

"While I support the author's goal of expanding access to higher education for dependents of veterans, this bill would result in General Fund ongoing costs in the millions of dollars annually and should be considered as part of the annual budget process.

In partnership with the Legislature this year, my administration has enacted a balanced budget that recognizes the challenging fiscal landscape our state faces while maintaining our commitment to working families and our most vulnerable communities. With significant fiscal pressures and the federal government's hostile economic policies, it is vital that we remain disciplined when considering bills with significant fiscal implications that are not included in the budget, such as this measure.

For this reason, I cannot sign this bill."

COMMENTS

1) *College Fee Waiver for Veteran Dependents*. The California Department of Veterans Affairs (CalVet) administers the College Fee Waiver for Veteran Dependents, which waives mandatory system-wide tuition and fees at any California Community College (CCC), California State University (CSU), or University of California (UC) campus. This program does not cover the expense of books, parking, or room and board. There are four plans under which dependents of veterans may be eligible, Plans A, B C, and D.

a) *Plan A* is restricted to:

The unmarried child of a veteran who is totally service-connected disabled or whose death was officially rated as service-connected is eligible. The child must be over 14 and under 27. If the child is a veteran, the age limit is extended to 30.

The spouse of a wartime veteran who is totally service-connected disabled is eligible. There are no age limit restrictions.

The unmarried surviving spouse of a wartime veteran whose death has been rated as service-connected is eligible. There are no age limit restrictions.

Any dependent of any veteran who has been declared missing in action, captured in the line of duty by hostile forces, or forcibly detained or interned in the line of duty by a foreign government or power is eligible.

The veteran must have served at least one day of active duty during a period of war as declared by the U.S. Congress, or during any time the veteran was awarded a campaign or expeditionary medal. Concurrent receipt of benefits under Plan A and the U.S. Department of Veterans Affairs (VA) Chapter 35 is prohibited.

- b) *Plan B* covers the child of a veteran who has a service-connected disability, or had a service-connected disability at the time of death, or died of service-related causes. The child's annual income, which includes the child's adjusted gross income, plus the value of support provided by a parent, may not exceed the annual income limit. The current academic year entitlement is based on the previous calendar year's annual income.
 - c) Under Plan B, wartime service is not required and there are no specific age requirements. Children are the only dependents eligible under this plan. There is no prohibition against receiving concurrent VA Chapter 35 benefits.
 - d) *Plan C* covers any dependent of any member of the California National Guard, who in the line of duty while on active service to the state, was killed, died of a disability resulting from an event that occurred while in active service to the state, or is permanently disabled as a result of an event that occurred while in the service to the state is eligible. Surviving spouses who have not remarried are also eligible. "Active service to the state," for the purpose of this benefit, means a member of the California National Guard activated pursuant to Section 146 of the Military and Veterans Affairs Code.
 - e) *Plan D* covers Medal of Honor recipients and children of Medal of Honor recipients under the age of 27 may qualify. Benefits under Plan D are limited to undergraduate studies only, and applicants are subject to both income and age restrictions. There is no prohibition against receiving concurrent VA Chapter 35 benefits.
- 2) *Federal Benefits.* The VA administers education benefits for veterans' dependents and survivors. Two main programs offer educational assistance to veterans' survivors and dependents. The Marine Gunnery Sergeant John David Fry Scholarship (Fry Scholarship) is for children and spouses of active duty servicemembers who died in the line of duty on or after September 11, 2001, or members of the Selected Reserve who died from a service-connected disability on or after September 11, 2001.

The Fry Scholarship provides up to 36 months of benefits, including money for tuition (full in-state tuition costs at public schools and up to \$28,937.09 per year for training at private or out-of-state schools), housing, and books and supplies.

The Dependents' Educational Assistance (DEA) program, also called Chapter 35, offers education and training to qualified dependents of veterans who are permanently and totally disabled because of a service-related condition, or who died while on active duty or as a result of a service-related condition. DEA recipients receive a monthly payment to help cover the cost of college or graduate degree programs, career training certificate courses, educational and career counseling, apprenticeships, and on-the-job training. The current funding rate for DEA recipients is \$1,536 per month for 36 months.

The Fry Scholarship is *not* subject to the concurrent benefit prohibition, while the DEA is.

According to the Author

"Currently, the spouses and children of disabled veterans are eligible for both the California College Tuition Fee Waiver and Survivors' and Dependents' Educational Assistance (DEA). Veterans have earned these benefits through the severity of their injuries during their time of service. Due to inflation, rising tuition rates, and the economic impact of the COVID-19 pandemic, there is an exacerbated need to have the ability to access both programs simultaneously. California has seen the positive impact that higher educational programs have had on the lives of veterans and their families, and there isn't a clear justification for denying access to both forms of aid concurrently. By repealing this outdated prohibition, we honor our veterans and their time of service while making tangible differences in the lives of those who sacrificed greatly for our nation."

Arguments in Support

The Peace Officers' Research Association of California (PORAC) writes in support that the current law provides educational benefits to dependents of veterans who were killed during military service or are totally disabled. Currently, dependents are prohibited from accessing state benefits if they qualify for specific federal educational benefits. This bill would repeal that restriction, allowing dependents to access the full range of educational support available to them. PORAC supports this bill because families of disabled veterans have made extraordinary sacrifices, and overlapping benefits should not limit access to education. Ensuring these dependents can fully pursue their educational goals honors the service and sacrifice of their loved ones and strengthens our communities. The California Association of County Veterans Service Officers, also in support, states this bill takes a needed step toward outdated restrictions that prevent qualified dependents of deceased or disabled service members from fully accessing state educational benefits. Under current law, dependents are prohibited from receiving these state benefits if they are concurrently eligible for certain federal educational benefits or other governmental assistance deemed duplicative.

Arguments in Opposition

None on file.

FISCAL COMMENTS

According to the Assembly Appropriations Committee:

- 1) CalVet anticipates no additional costs to the department.
- 2) Costs to each of the following:
 - a) UC estimates ongoing General Fund costs of \$1.2 million annually, with incremental cost increases as tuition rises each year, to provide additional fee waivers under the California College Tuition Fee Waiver program. This estimate is based on the number of new undergraduates, continuing undergraduates, and graduate students receiving Chapter 35 benefits who do not currently qualify for the program. The increases in demand for the federally-funded DEA program would not have an impact on the state.
 - b) The CCC Chancellor's Office estimates ongoing Proposition 98 General Fund costs of an unknown amount to provide additional fee waivers to newly eligible students. The Chancellor's Office indicates it is difficult to predict the number of additional CalVet fee waivers that will be issued, but asserts this bill would only affect a small population of

students, and that these students may already be receiving a California Promise Grant available to students with financial need, regardless of military status.

- c) CSU indicates that the cost to provide additional fee waivers as a result of this bill is difficult to determine since the number of students that will utilize the benefit is unknown.

VOTES

ASM MILITARY AND VETERANS AFFAIRS: 7-0-1

YES: Schiavo, Davies, Ávila Farías, Jeff Gonzalez, Michelle Rodriguez, Sharp-Collins, Valencia

ABS, ABST OR NV: Carrillo

ASM APPROPRIATIONS: 14-0-1

YES: Wicks, Arambula, Calderon, Caloza, Dixon, Elhawary, Fong, Mark González, Hart, Pacheco, Pellerin, Solache, Ta, Tangipa

ABS, ABST OR NV: Sanchez

ASSEMBLY FLOOR: 70-0-9

YES: Addis, Aguiar-Curry, Ahrens, Alanis, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Calderon, Caloza, Carrillo, Castillo, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Stefani, Ta, Valencia, Wallis, Wicks, Wilson, Zbur, Rivas

ABS, ABST OR NV: Alvarez, Bryan, Chen, Nguyen, Sharp-Collins, Solache, Soria, Tangipa, Ward

SENATE FLOOR: 40-0-0

YES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNeerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Reyes, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener

UPDATED

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