

BILL SUMMARY
1st Session of the 57th Legislature

Bill No.:	HB 1320
Version:	INT
Request Number:	7373
Author:	Rep. Albright
Date:	2/8/2019
Impact:	Estimated \$33million annually

Research Analysis

HB1320, as introduced, relates to the exemption of certain veterans from tuition payment. HB1320 requires public higher education institutions to exempt certain veterans, veterans' spouses, veterans' children, and wartime nurses from payment of tuition, fees, and other requires charges. HB1320 does not require exemption from student services fees and lodging fees. Tuition payment exemption shall not exceed 150 credit hours. HB1320 further directs the Oklahoma Veterans Commission to create an exemption application. HB1320 states that this exemption shall not apply to individuals receiving federal educational benefits exceeding the benefits of the exemption, and that a combination of benefits shall not exceed the cost of tuition and fees. HB1320 makes ineligible for the exemption individuals in default on an educational loan. HB1320 directs higher education institutions to report to the Oklahoma State Regents for Higher Education on individuals receiving exemptions on January 31, June 30, and September 30 each year. HB1320 prohibits higher education institutions from considering exemption eligibility in admissions decisions. Finally, HB1320 allows the Oklahoma Veterans Commission to promulgate procedures regarding unused credit hours, waivers of the exemptions, and designation of exemption from parent to child.

Prepared By: Anna Rouw

Fiscal Analysis

Per OSRHE:

- While it is certain this would have an adverse fiscal impact, given that the number of children of veterans who may use it is unknown, it is difficult to have a precise figure.
- Based on extrapolating the FY 15 Hazlewood Act (Texas) participation data, it is estimated that this would cost State System institutions around \$33 million annually
 - Using 13% (The percent of Oklahoma's total population in relation to the total population of Texas) of 38,822 (the number of individuals who used the Hazlewood Act in Texas in a 2015 report) it is estimated that 5,046 students in Oklahoma would utilize this program.
 - This may be a conservative estimate because Oklahoma actually has a higher proportion of veterans compared to Texas.
 - The 5,046 estimated population was subsequently disaggregated by institution according to the percentage of GI Bill representation at each

institution in relation to the total number of State System institution GI Bill recipients (e.g, OU had 21.2% of all the students using veteran benefits at State System institutions).

- With no additional money from the legislature, it is anticipated that this would force multiple institutions to lose millions of dollars each year.
- Based on this extrapolation, it is estimated that:
 - OU would lose approximately \$12.1 million annually
 - OU's state appropriation was \$112.4 million, so this could be comparable to an 11% cut from the state.
 - OSU would lose approximately \$5.8 million annually
 - Cameron would lose approximately 3.0 million annually
 - CU's state appropriation was \$16.4 million, so this could be comparable to an 18% cut from the state.
 - UCO would lose approximately \$2.7 million annually

Prepared By: Cole Stout

Other Considerations

- The additional compliance requirements will significantly increase the workload of VA certifying offices, financial aid/scholarship offices, and bursar offices.
- This will likely create a need to hire more employees at a time in which institutions cannot afford it and are currently operating with lower staffing levels than previous years based on declined state support.