

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: June 30, 2011
POSITION: Oppose

BILL NUMBER: AB 882
AUTHOR: P. Cook

BILL SUMMARY: Veterans: Benefits and Services

This bill would provide that Armed Forces members and their dependants are entitled to California resident classification for tuition purposes at California higher learning institutions throughout their continuous enrollment. This bill also would establish the County Veterans Service Center Pilot Program and require the California Department of Veterans Affairs (CDVA) and the Employment Development Department (EDD) to enter into interagency agreements with not more than four counties to operate the pilot program.

FISCAL SUMMARY

The California State University and University of California indicate this bill would have no fiscal impact since the tuition policies proposed by this bill have already been implemented in California. This bill would codify these policies.

The CDVA indicates administrative and facility costs to establish the pilot program could be significant. The EDD indicates costs associated with the pilot program are unknown at the time of this analysis.

COMMENTS

The Department of Finance is opposed to this bill because it could result in General Fund costs to establish the pilot program that are not included in the 2011-12 Budget, and because it is unnecessary to the extent tuition policies pursuant to federal law already have been implemented.

Existing state law sets forth California residency requirements for purposes of determining the tuition paid by students attending California higher learning institutions. Existing federal law prohibits states receiving federal assistance under the Higher Education Opportunity Act from charging higher rates to active duty Armed Forces members stationed in that state and their dependents than those rates charged to residents of that state. Existing federal law also specifies that state residency rates are applicable to Armed Forces members and their dependents throughout their continuous enrollment.

This bill would align state and federal law by providing entitlement to resident classification for tuition purposes to Armed Forces members and their dependents throughout their continuous enrollment at a California higher learning institution.

Existing law establishes the CDVA and its Veterans Services Division within state government and sets forth its powers and duties, including, but not limited to, administration of veterans benefits programs. Existing law also establishes the EDD, which administers the One-Stop Career Centers that provide, among other things, assistance to veterans.

This bill would establish the County Veterans Service Center Pilot Program to facilitate the delivery of complete, efficient information and other services to veterans (employment, job training, education, pension, (continued)

Analyst/Principal (0221) J. Fitzpatrick Date Program Budget Manager Lisa Ann L. Magnat Date

Department Deputy Director Date

Governor's Office: By: Date: Position Approved Position Disapproved

BILL ANALYSIS Form DF-43 (Rev 03/95 Buff)

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**COMMENTS (Cont.)**

home and farm loans, etc.) until January 1, 2016. This bill would require the CDVA and EDD to enter into interagency agreements with not more than four counties by January 1, 2013 to participate in the pilot program, as specified.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							Fund Code
	LA	(Dollars in Thousands)							
	CO	PROP	2011-2012		2012-2013		2013-2014		
RV	98	FC	FC	FC	FC				
7100/EDD	SO	No	-----	See Fiscal Summary	-----			0869	
8955/Vets Affairs	SO	No	-----	See Fiscal Summary	-----			0001	
6610/CSU	SO	No	-----	No/Minor Fiscal Impact	-----			0001	
6440/UC	SO	No	-----	No/Minor Fiscal Impact	-----			0001	
<u>Fund Code</u>	<u>Title</u>								
0001	General Fund								
0869	Consolidated Work Program Fund								