

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 278

STATE OF NEW JERSEY 219th LEGISLATURE

DATED: FEBRUARY 18, 2020

SUMMARY

Synopsis:	Establishes certain rights for students with military obligations attending public institutions of higher education and permits late registration for students with military obligations.
Type of Impact:	Annual revenue increases and decreases to public institutions of higher education.
Agencies Affected:	Public Institutions of Higher Education.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
Net Revenue Impact to Public Institutions of Higher Education	Indeterminate

- The Office of Legislative Services (OLS) concludes that this bill would result in a revenue decrease to public institutions of higher education since those institutions would provide certain refunds to a broader set of students who are unable to complete a course due to deployment, mobilization, reassignment, or other military obligation as a service member.
- The bill may also result in a marginal tuition revenue increase to public institutions of higher education due to the bill’s provision that requires the institutions to permit service members or veterans to register late for courses upon those students’ return from their military obligations. A public institution would experience such a revenue increase to the extent that the bill would cause certain veterans or service members, who otherwise would not have attended the institution, to enroll in the institution.

BILL DESCRIPTION

Current state law provides that a student at a public institution of higher education who is unable to complete a course due to being called to partial or full mobilization for State or federal active duty as a member of the National Guard or a Reserve component of the Armed Forces of

the United States is entitled to certain options with respect to the student's grade for the course, and for the refund of tuition, fees, and room and board. This bill would broaden the scope of the law to benefit a wider military community that includes service members who are unable to complete a course due to deployment, mobilization, reassignment, or other military obligation.

The bill also directs each public institution of higher education to establish policies and procedures to permit the late registration of a student who is a veteran or a service member upon the student's return from deployment, mobilization, reassignment, or other military obligation. Under the bill, the institution cannot charge a late fee or similar penalty on a registration submitted pursuant to the bill's provisions.

Under the bill, "service member" means an individual who is serving on active duty as a member of the Armed Forces of the United States, or as a member of a Reserve component of the Armed Forces of the United States or the National Guard. A "veteran" is defined as an individual who served on active duty in the Armed Forces of the United States, or who served as a member of a Reserve component of the Armed Forces of the United States or the National Guard, and who was honorably discharged or released under honorable circumstances from active service.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that this bill would result in a revenue decrease to public institutions of higher education in the State since those institutions would have to provide certain refunds to a broader set of students who are unable to complete a course due to deployment, mobilization, reassignment, or other military obligation as a service member. Under current law, a student who is unable to complete a course due to being called to partial or full mobilization for State or federal active duty as a member of the National Guard or a Reserve component of the Armed Forces of the United States is entitled to a refund of tuition, fees, and room and board.

The bill may also result in a marginal tuition revenue increase to public institutions of higher education due to the bill's provision that requires the institutions to permit service members or veterans to register late for courses upon those students' return from their military obligations. A public institution would experience such a revenue increase to the extent that the bill would cause certain veterans or service members, who otherwise would not have attended the institution, to enroll in the institution.

While the OLS does not have sufficient information to determine the number of veterans and service members who may be affected by the bill, the office notes that, in the 2017-2018 academic year, there were approximately 5,800 students at public institutions of higher education in New Jersey who received benefits under the federal Post-9/11 GI Bill and about 3,400 students who received benefits under the federal Department of Defense Tuition Assistance Program. These numbers include eligible spouses or dependents of veteran or service member beneficiaries, who would not be subject to benefits provided by the bill. The OLS is not able to determine the portion of benefit recipients who are spouses or dependents.

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).