



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #691

Tribal College Reimbursement Program (Veterans Affairs -- Departmentwide, Veterans Programs, and Museums)

[LFB 2013-15 Budget Summary: Page 487, #3]

CURRENT LAW

The Veterans Education (VetEd) grant program provides tuition and fee reimbursements after a veteran successfully completes a semester at any UW System institution or center, state technical college, private school approved by the Educational Approval Board, private or public high school, or similar institution with a tuition reciprocity agreement with Wisconsin.

Tuition reimbursement credit limitations are based on the length of active duty service for the veteran. Veterans who were on active duty for at least 90 days but no more than 180 days may be reimbursed for up to 30 credits or two semesters. Veterans with at least 181 days of active duty service but no more than 730 days are eligible for reimbursement of up to 60 credits or four semesters. Veterans with more than 730 days of active duty service may be reimbursed for up to 120 credits or eight semesters of study.

Veterans may receive tuition and fee reimbursement only for credits begun prior to the 10-year anniversary of their separation from active duty. After the 10-year anniversary, the veteran may only be reimbursed for up to 60 of the credits for which they are eligible. For all semesters started after May 27, 2010, eligible veterans may be reimbursed for up to 11 credits per semester regardless of whether the student is full- or part-time, for up to 60 credits past the delimiting date. All applications for the veteran education grant program must be received by DVA within 60 days following the end of the semester for which reimbursement is sought. A veteran may not be reimbursed by the Department if he or she has an undergraduate degree.

Part-time students may be reimbursed by DVA for courses taken at out-of-state institutions, if the course is not offered within 50 miles of the veteran's residence, and the course is taught at an institution within 50 miles of the state boundary, or a correspondence course is not

offered in this state.

Eligibility for DVA reimbursement is restricted to veterans with incomes of \$50,000 or less (plus \$1,000 for each dependent in excess of two). A veteran may not be reimbursed in any semester in which the veteran failed to achieve at least a 2.0 grade point average, or a "C" average. Spouses, unremarried spouses, widows and dependents are not eligible for tuition and fee re-imbursement, unless they also qualify as veterans.

In 2011-12, DVA awarded 479 veterans education grants, totaling \$986,300.

GOVERNOR

Provide \$405,000 PR (tribal gaming revenue) annually to fund a new tuition reimbursement program for veterans that attend tribal colleges.

Definitions. Define "tribal college" to mean either the College of the Menominee Nation or Lac Courte Oreilles Ojibwa Community College. Define "tuition" to include the amount charged to a student to enroll in a degree credit course, but not fees of the cost of room and board, books, supplies or equipment.

Application and Eligibility. Provide that any veteran enrolled in a tribal college may apply to DVA for tuition reimbursement, on a form prescribed by DVA. Specify that the application would contain information, as determined by DVA, establishing the applicant's eligibility for tuition reimbursement.

Provide that a veteran is eligible for tuition reimbursement if he or she meets all of the following conditions: (a) the veteran is enrolled as a member of a federally-recognized American Indian tribe or band in the state; (b) the veteran's annual household income does not exceed \$50,000 plus \$1,000 for each dependent in excess of two dependents; (c) the veteran is a resident of the state at the time of application; (d) the veteran was a resident at the time of his or her entry into service or was a resident of the state for any consecutive 12-month period after entry into service and before the date of application, with the provision that if a veteran meets the 12-month residency requirement, DVA could not require the veteran to reestablish that he or she meets that residency requirement when he or she later applies for any other state veterans benefit for which that residency requirement applies; and (e) the veteran does not have a bachelor's or higher degree from an institute of higher education.

Benefits. Require DVA to reimburse qualified applicants the total amount of the applicant's tribal college tuition. Funding for this purpose would be supported with tribal gaming revenue from the same appropriation that funds tribal veterans services offices, which would be modified to reflect the creation of this program.

Provide that if, in any fiscal year the total amount of reimbursement payments exceeds the money available, DVA would be required to prorate the available moneys among the applicants for reimbursement in proportion to the approved reimbursement amounts.

Limitations. Prohibit DVA from reimbursing a veteran for more than the following number of credits or semesters at a tribal college: (a) if a veteran served on active duty, except service on active duty for training purposes, for 90 to 180 days, 30 credits or two semesters; (b) if the veteran served on active duty, except service on active duty for training purposes, for 181 to 730 days, 60 credits or four semesters; (c) if the veteran served on active duty, except service on active duty for training purposes, for more than 730 days, 120 credits or eight semesters, except that, for courses a veteran begins later than 10 years after the veteran's separation for service, DVA may not reimburse a veteran for more than 60 credits or four semesters.

Prohibit DVA from providing reimbursement to a veteran who is delinquent in child support or maintenance payments or who owes past child support, medical expenses, or birth expenses, as established by appearance of the veteran's name on the statewide support lien docket, unless the veteran provides DVA with one of the following: (a) a repayment agreement that the veteran has entered into, that has been accepted by a county child support agency, and has been kept current for the six-month period immediately preceding the date of the application; and (b) a statement that the veteran is not delinquent in child support or maintenance payments and does not owe past support, medical expenses, or birth expenses, signed by the Department of Children and Families or its designee within seven working days before the date of application.

Prohibit DVA from providing reimbursement for any semester in which the veteran is eligible for, or received, educational benefits as a National Guard member, off-duty training or education for Reserve members, or benefits under DVA's tuition reimbursement program. Similarly, prohibit a National Guard member from receiving educational benefits from the Department of Military Affairs for any semester that he or she receives tuition reimbursement under the new program.

Prohibit DVA from providing reimbursement for any semester in which the veteran fails to receive at least a 2.0 grade point average or an average grade of "C."

Direct DVA to reduce the reimbursement amount by any amount of any grant or scholarship the veteran receives specifically for the payment of college tuition.

Rules. Require DVA to promulgate rules to implement these provisions. Authorize DVA to promulgate these rules as emergency rules, without providing evidence that the emergency rule is necessary for the preservation of the public peace, health, safety, or welfare, or without providing a finding of emergency for the rule. Provide that these emergency rules would remain in effect until July 1, 2014, or the date on which permanent rules take effect, whichever is sooner.

DISCUSSION POINTS

1. The funding in the bill reflects the administration's estimates that approximately 30 veterans at Lac Courte Oreilles Ojibwa Community College near Hayward would receive an average reimbursement of approximately \$4,500 per academic year (\$135,000), and that approximately 45 veterans at the College of the Menominee Nation in Keshena and Green Bay

would receive an average reimbursement of approximately \$6,000 per year (\$270,000). These schools are currently the only two tribal colleges in Wisconsin.

2. Veterans who attend these two colleges are not eligible for tuition and fee reimbursement under the VetEd grant program because these colleges do not meet the current qualifying criteria under that program. The tribal college reimbursement program that would be created in the bill would be identical to the current VetEd program except for the provision that requires the veteran to be an enrolled member of a federally-recognized Native American tribe or band in the state. By creating this program, Native American veterans who attend these schools would be provided the same benefits under the VetEd grant program as veterans who attend other schools receive.

3. The percentage of Native Americans who serve in the armed forces has been, and remains today, greater than the percentage of any other racial group. A 2006 USDVA report, American Indian and Alaska Native Veterans: Lasting Contributions indicated that, in 2005, Native Americans represented approximately 2% of the U.S. active duty force. According to 2010 Census Data, American Indians/Alaska natives comprise approximately 0.9% of the U.S. population.

The administration believes it is important for the state to recognize this fact and permit Native American veterans to attend the college of their choice and receive tuition reimbursement just as they would at a state college in the current VetEd program. Further, it could be argued the program would be an appropriate use of tribal gaming revenues, as it would provide direct benefits to tribal members. For these reasons, the Committee could approve the Governor's recommendations (Alternative 1).

4. The tribal college reimbursement program would be funded with tribal gaming revenues. All tribal gaming revenue that is not budgeted for specific programs, including this one, is deposited to the general fund. Reducing the amount of funding budgeted from this source for state programs increases the amount of tribal gaming revenue deposited to the general fund. Similarly, increasing the amounts budgeted from this source reduces the amount of tribal gaming revenue deposited to the general fund.

5. The amount of funding in the bill that would be available for tuition reimbursement is based on the current number of veterans at the College of the Menominee Nation and Lac Courte Oreilles Ojibwa Community College. The creation of the program may lead to an increase in Native American veterans seeking tuition reimbursement. However, like the current VetEd program, the amount of tuition reimbursement provided to eligible Native Americans would be determined in part by the amount of funding provided. DVA would be required to prorate the amount of the reimbursement to stay within the program's budget authority.

6. To the extent that some of the Native American veterans who receive tuition reimbursement would have attended these colleges with or without the tuition reimbursement, the tribal college reimbursement program would replace some of the veteran's personal or student loan financing for their tuition. In other cases, the availability of the program may enable some Native American veterans to attend these colleges who would not have been able to do so otherwise.

ALTERNATIVES

1. Approve the Governor's recommendation.
2. Delete the provision and reduce funding by \$405,000 PR annually. Increase estimates of funding deposited to the general fund by \$405,000 annually.

ALT 2	Change to Bill	
	Revenue	Funding
GPR-Earned	\$810,000	
PR		- \$810,000

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