

- SUBJECT:** Hazelwood veterans' education benefit eligibility and transferability
- COMMITTEE:** Defense and Veterans' Affairs — favorable, without amendment
- VOTE:** 5 ayes — Corte, Chavez, Edwards, Farias, C. Turner
0 nays
4 absent — Vaught, Maldonado, Ortiz, Pickett
- SENATE VOTE:** On final passage, May 7 — 31-0
- WITNESSES:** (*On House companion bill, HB 1550:*)
For — (*Registered, but did not testify:* James Cunningham, Texas Council of Chapters, Military Officers Association of America; Morgan Little, Department of Texas, Reserve Officers Association)

Against — None

On — (*Registered, but did not testify:* Connie Jacksits, Texas Veterans Commission)
- BACKGROUND:** Education Code, sec. 54.203 establishes the Hazelwood exemption for certain veterans and their dependents. Under the Hazelwood program, a veteran or dependent is exempt from some dues and fees at Texas public colleges and universities.
- A veteran's federal education benefits must not exceed the value of the Hazelwood benefits for a term or semester in order to receive the exemption, and a college's governing board can allow veterans to receive the exemption while taking non-funded courses.
- Dependents of veterans who were Texas residents at the time of entering military service and who died or became totally disabled for employability purposes as a result of service-related injury or illness also may receive the Hazelwood exemption if the dependents are Texas residents and are not in default on any education loan made or guaranteed by the state or federal government.

A student who receives a Hazelwood exemption may not apply it to correspondence courses unless the courses were part of the student's degree plan. A student receiving the exemption still must pay any student services or property deposit fees, plus any charges or fees for books, board, lodging, or clothing.

DIGEST:

SB 845 would allow veterans receiving the Hazelwood benefit to be exempt from paying tuition at Texas public colleges and universities, and would expand eligibility for the Hazelwood exemption to include veterans and dependents of veterans who entered military service at a location in Texas and declared the state to be their home of record or were determined to have been residents of Texas at the time they entered military service.

The bill also would allow a veteran receiving the Hazelwood benefit to waive his or her right to any unused portion of the credit hours for which the veteran was exempt and transfer the exemption for those unused credit hours to a dependent. The Texas Higher Education Coordinating Board would be given rulemaking authority over the waiver and transfer process, and would be required to establish a procedure by which a veteran could designate a different dependent to receive the exemption if the previously designated dependent did not use the exemption for all of the unused credit hours.

In order to receive a transferred Hazelwood exemption, a dependent would have to be a Texas resident upon enrollment in a college or university, make satisfactory academic progress in a degree, certificate, or continuing education program, and be age 25 or younger on the first day of the semester or term for which the exemption would be claimed. To be considered a dependent, a person would have to be the biological or adopted child or a stepchild, or be claimed as a dependent on the veteran's federal income tax return for the year in which the dependent would claim the exemption and for the preceding year.

The Higher Education Coordinating Board would be required to prescribe procedures by which a dependent who suffered a severe illness or other debilitating condition that prevented him or her from using the Hazelwood exemption before the age of 25 could be granted an extension. A Texas public college or university could not require a child using a transferred Hazelwood exemption to enroll in a minimum course load.

The provisions of SB 845 would apply beginning with the fall 2009 semester. If a student became eligible to receive the Hazelwood exemption during that semester but had paid tuition or fees, the college student was enrolled would be refunded. A student who received the Hazelwood exemption before the 2009-2010 academic year would continue to be eligible as the eligibility requirements existed on January 1, 2009.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2009.

NOTES:

The House companion bill, HB 1550 by Herrero, was reported favorably, as substituted, by the Defense and Veterans' Affairs Committee on May 4.