

## **BILL ANALYSIS**

Senate Research Center  
81R18785 KJM-D

C.S.S.B. 1537  
By: Van de Putte  
Veteran Affairs & Military Installations  
3/27/2009  
Committee Report (Substituted)

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The purpose of the Hazlewood exemption is to provide an educational benefit to honorably discharged or separated Texas veterans by exempting those veterans from paying tuition and some fees at state colleges.

In 2005 and 2006, Texas Attorney General Greg Abbott issued two opinions in which he stated that to receive benefits under Section 54.203 (Veterans, Dependents, etc.) of the Texas Education Code, an eligible veteran is required to have been a United States and Texas citizen at the time he or she entered military service. Last year, the attorney general withdrew those opinions, admitting that his interpretation of Hazlewood to exclude legal permanent resident immigrants, thousands of whom have served this country and state in the military, made the Hazlewood Act unconstitutional. The Texas Higher Education Coordinating Board (THECB) followed the attorney general's withdrawal by adopting temporary rules to provide that veterans are eligible for the Hazlewood exemption whether they were United States citizens or legal residents at the time they entered the military in Texas.

There are many men and women who are legal residents of Texas and who volunteer to enlist and serve in our armed forces; it is only reasonable that veterans who entered the military as legal permanent residents be afforded the same opportunities as those veterans who entered military service as United States citizens.

Additionally, according to Section 54.203(b)(1), Education Code, some children of Hazlewood-qualifying veterans can benefit from the Hazlewood exemption. The children who can benefit from the exemption include those whose military parent are or were killed in action, die or died while in service, are missing in action, or whose death is documented to be directly caused by illness or injury connected with service in the armed forces of the United States.

The intent of this bill is to provide that there is no distinction between citizens and legal residents for purposes of educational benefits granted to veterans, aligning the Hazlewood Act with the withdrawal of the attorney general's opinion, the rules adopted by THECB, and the federal government's G.I. Bill and to clarify provisions relating to a child's eligibility for Hazlewood benefits. C.S.S.B. 1537 also entitles the spouses of fallen service members to the benefits.

C.S.S.B. 1537 requires Texas institutions of higher education to exempt certain military veterans from the payment of tuition, dues, fees, and other required charges, provided the person seeking the exemption entered the service at a location in this state, declared this state as the person's home of record in the manner provided by the applicable military or other service, or would have been determined to be a resident of this state at the time the person entered the service. C.S.S.B. 1537 makes the exemption also applicable to the surviving spouse of certain military members. Finally, C.S.S.B. 1537 requires that to qualify for an exemption, the spouse or child of a qualified veteran must be classified as a resident on the date of the spouse's or child's registration, and provides that for purposes of the exemption, a person is the child of another person if the person is the stepchild or the biological or adopted child of the other person; or the other person claimed the person as a dependent on a federal income tax return filed for the preceding year or will claim the person as a dependent on a federal income tax return for the current year.

## **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

## **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 54.203, Education Code, by amending Subsections (a), (b), (b-1), (d), (g), and (h) and adding Subsections (a-1), (a-2), and (k), as follows:

(a) Requires the governing board of each institution of higher education to exempt certain persons from the payment of tuition, dues, fees, and other required charges, rather than all dues, fees, and charges, provided the person seeking the exemption entered the service at a location in this state, declared this state as the person's home of record in the manner provided by the applicable military or other service, or would have been determined to be a resident of this state for purposes of Subchapter B (Tuition Rates), at the time the person entered the service, rather than provided the persons seeking the exemptions were citizens of Texas at the time they entered the services indicated and have resided in Texas for at least the period of 12 months before the date of registration. Makes nonsubstantive changes.

(a-1) Provides that a person who before the 2009-2010 academic year received an exemption provided by Subsection (a) continues to be eligible for the exemption provided by that subsection as that subsection existed on January 1, 2009, subject to the other provisions of this section other than the requirement of Subsection (a) that the person must have entered the service at a location in this state, declared this state as the person's home of record, or would have been determined to be a resident of this state for purposes of Subchapter B at the time the person entered the service.

(a-2) Provides that the exemptions provided for in Subsection (a) also apply to the surviving spouse of a member of the armed forces of the United States who was killed in action, who died while in service, who is missing in action, or whose death is documented to be directly caused by illness or injury connected with service in the armed forces of the United States; or a member of the Texas National Guard or the Texas Air National Guard who was killed since January 1, 1946, while on active duty either in the service of this state or the United States.

(b) Provides that the exemptions provided for in Subsection (a) also apply to the children of certain members of the armed forces of the United States and the children of certain members of the Texas National Guard and the Texas Air National Guard, rather than that the exemptions provided for in Subsection (a) of this section also apply and inure to the benefit of orphans or children of certain members of the Texas National Guard and the Texas Air National Guard.

(b-1) Requires the spouse or child, to qualify for an exemption under Subsection (a-2) or (b), to be classified as a resident under Subchapter B on the date of the spouse's or child's registration, rather than requiring a person be a citizen of Texas and have resided in the state for at least 12 months immediately preceding the date of the person's registration.

(d) Requires the governing board of each institution of higher education granting an exemption under this section, rather than exemptions, to require every applicant claiming the exemption to submit satisfactory evidence that the applicant qualifies for the exemption, rather than requiring every applicant claiming the benefit of an exemption to submit satisfactory evidence that he fulfills the necessary citizenship and residency requirements.

(g) Authorizes the governing board of a junior college district to provide that the exemptions provided by this section, rather than Subsections (a) and (b), do not apply to a fee for extraordinary costs associated with a specific course or program.

(h) Requires the governing board of each institution of higher education to electronically report the to the Texas Higher Education Coordinating Board the information required by Section 61.0516 (Electronic System to Monitor Tuition Exemptions for Veterans and Dependents), Education Code, relating to each individual receiving an exemption from fees and charges under Subsection (a), (a-2), or (b), rather than Subsection (a) or (b).

(k) Provides that for purposes of this section, a person is the child of another person if the person is the stepchild or the biological or adopted child of the other person, or the other person claimed the person as a dependent on a federal income tax return filed for the preceding year or will claim the person as a dependent on a federal income tax return for the current year.

SECTION 2. Provides that Section 54.203, Education Code, as amended by this Act, applies beginning with the 2009 fall semester. Requires the institution of higher education, if a person who becomes eligible for an exemption in that semester under that section has paid the tuition and other fees for that semester, to refund to the student the amount of the tuition and fees paid by the person in the amount of the exemption. Provides that tuition and fees for a term or semester before the 2009 fall semester are covered by the law in effect immediately before the effective date of this Act, and the former law is continued in effect for that purpose.

SECTION 3. Effective date: upon passage or September 1, 2009.