



DOAA

Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

January 20, 2022

Honorable Sandra Scott
State Representative
611-D Coverdell Legislative Office Building
Atlanta, Georgia 30334

SUBJECT: Fiscal Note
House Bill (LC 48 0443)

Dear Representative Scott:

The bill relates to postsecondary education for veterans and potentially impacted the Department of Veterans Service (DVS), University System of Georgia (USG), and Technical College System of Georgia (TCSG). It provides various definitions of what constitutes an applicable veteran, describes postsecondary education benefits available to them and certain family members, and outlines some responsibilities of the DVS related to the support and execution of these benefits. The new educational benefits include a tuition and fee waiver for online degree programs and the application of skills learned and courses undertaken as part of military training toward industry certifications, with a special focus on nursing degrees and licensure.

Impact on the Department of Veteran Services

DVS would incur additional one-time and ongoing expenses resulting from the bill. These costs reflect the staff and equipment necessary to conduct ongoing audits of the applicable institutions throughout the state. Federal law already requires institutions approved to receive VA education benefits to evaluate prior credits and training for applicability to reduce the amount of time necessary to earn a degree. DVS indicated, however, that it does not currently have a system to ensure that institutions are translating military service and awarding transfer credits appropriately. The department stated that these tasks would be performed by the State Approving Agency (SAA) office within the DVS.

While federal funding supports the current responsibilities of the SAA, evaluating the programs and courses of institutions will require state funding. Federal funds currently support salaries, fringe, and administrative expenses for a director, five professional staff, and two support staff. Two additional positions are vacant. To perform the described tasks, SAA would incur an approximate cost of \$654,000 in state funds for the first year and approximately \$563,000 in state funds each subsequent year. One-time expenses of \$91,000 in the first year include purchases such as office furniture, office renovations, and IT equipment for new staff. Ongoing annual costs include salaries for four additional professional staff and one additional support staff member, leases for additional office space, administrative and training expenses, and IT service usage.

Impact on the Higher Education Systems

As written, the bill would have no fiscal impact on either the USG or TCSG.

- *University System of Georgia* – USG indicated that the bill will not have any fiscal impact. USG stated that all provisions in the bill related to veteran eligibility and residency are already covered by either federal law or Board of Regents policies. USG also does not

currently have any exclusively online institutions; therefore, the tuition and fee waivers for that provision would have no impact. Finally, provisions related to the award of course credit based on prior military training are already covered by additional Board policies.

- *Technical College System of Georgia* – While it is unclear if the language related to tuition and fee waivers for online degree institutions is intended to apply to TCSG, the system has no exclusively online institutions. Therefore, the provision would have no impact. Like USG, TCSG has policies that already provide nonresident tuition to the same individuals qualifying under the bill.

While the tuition and fee waivers do not apply to either agency as they currently operate, both noted that the bill did not indicate how a waiver should be applied. The potential cost of a waiver is impacted by the order of its application in relation to other scholarships, grants, or student aid (not loans). A waiver that is applied first would cost more than a waiver of only those costs not already covered by scholarships such as HOPE or GI Bill benefits.

Respectfully,



Greg S. Griffin
State Auditor



Kelly Farr, Director
Office of Planning and Budget

GSG/KF/ab