

# HOUSE BILL REPORT

## SB 5778

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**As Reported by House Committee On:**  
Higher Education  
Appropriations

**Title:** An act relating to modifying the definition of resident student to comply with the federal requirements established by the veterans access, choice, and accountability act of 2014.

**Brief Description:** Modifying the definition of resident student to comply with the federal requirements established by the veterans access, choice, and accountability act of 2014.

**Sponsors:** Senators Wilson and Zeiger.

**Brief History:**

**Committee Activity:**

Higher Education: 3/21/17, 3/22/17 [DPA];

Appropriations: 4/1/17, 4/4/17 [DPA(HE)].

**Brief Summary of Bill**  
**(As Amended by Committee)**

- Provides residency status to students entitled to transferred Post-9/11 Educational Assistance for the purpose of in-state tuition.
- Removes certain qualifications from when a student entitled to the Marine Gunnery Sergeant John David Fry Scholarship may qualify as a resident student for in-state tuition purposes.

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### HOUSE COMMITTEE ON HIGHER EDUCATION

**Majority Report:** Do pass as amended. Signed by 9 members: Representatives Hansen, Chair; Pollet, Vice Chair; Holy, Ranking Minority Member; Van Werven, Assistant Ranking Minority Member; Haler, Orwall, Sells, Stambaugh and Tarleton.

**Staff:** Megan Mulvihill (786-7304).

**Background:**

The Federal Veterans Access, Choice, and Accountability Act.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

The Veterans Access, Choice, and Accountability Act (Act) was enacted in 2014. Under the Act, public institutions of higher education are required to provide in-state tuition to eligible veterans and dependents by July 1, 2015, in order for the institution to remain eligible to receive payments under the All-Volunteer Force Education Assistance Program (Montgomery GI-Bill) and Post-9/11 Educational Assistance (Post-9/11 GI Bill).

#### Resident Student Qualifications for Veterans.

In 2015 the Legislature updated the definition of resident student for in-state tuition purposes to maintain statewide eligibility for the Montgomery and Post-9/11 GI Bills. The updated language allows a student to qualify as a resident student for in-state tuition purposes if he or she meets any of the following criteria:

- has separated from the uniformed services with any period of honorable service after at least 90 days of active duty service, is eligible for benefits under the Montgomery GI-Bill, Post-9/11 GI Bill, or other federal Veteran Administration Educational Assistance Benefits (Veteran Education Benefits), and he or she enters an institution of higher education in Washington within three years of their date of separation from the uniformed services;
- is entitled to Veteran Education Benefits based on his or her relationship as a spouse, former spouse, or child to an individual who has separated from the uniformed services with any period of honorable service after at least 90 days of active duty service, and who enters an institution of higher education in Washington within three years of the service member's date of separation from the uniformed services; or
- is entitled to the Marine Gunnery Sergeant John David Fry Scholarship (Fry Scholarship) based on his or her relationship with a deceased member of the uniformed services who completed at least 90 days of active duty service and died in the line of duty, and he or she enters an institution in Washington within three years of the service member's death.

A qualifying student who remains continuously enrolled at an institution retains resident student status. These definitions of resident student do not apply to students who have a dishonorable discharge from the uniformed services, unless the student is receiving Veteran Education Benefits.

#### Modification of Veterans Access, Choice and Accountability Act.

In December 2016, Congress passed Public Law 114-315 which modified 38 U.S.C. 3679(c). Individuals using the Fry Scholarship are no longer required to enroll in an institution within three years of the service member's death, and the requirement that the deceased service member must have served on active duty for at least 90 days before their death in the line of duty was removed. In addition, a new category of individuals was added, consisting of people using transferred Post-9/11 GI Bill benefits while the transferor is on active duty.

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#### **Summary of Amended Bill:**

Students who are entitled to a transferred Post-9/11 GI Bill, based on their relationship as a spouse, former spouse, or child to an individual on active duty in the uniformed services, qualify as a resident student for in-state tuition purposes. In addition, those students entitled

to the Fry Scholarship because of their relationship with a deceased member of the uniformed services who died in the line of duty qualify as resident students for in-state tuition purposes, regardless of whether the service member completed at least 90 days of active duty service and regardless of when the student enters an institution of higher education after the service member's death.

**Amended Bill Compared to Original Bill:**

The subsection regarding students entitled to transferred Post-9/11 GI Bill benefits is referenced in two residency provisions which state that: (1) as long as the student remains continuously enrolled in the institution of higher education, he or she must be considered a resident student; and (2) residency does not apply to students who are the spouse, former spouse, or child of an individual who had a dishonorable discharge from the uniformed services, unless that student is receiving Veterans Education Benefits.

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**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date of Amended Bill:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

**Staff Summary of Public Testimony:**

(In support) This is a simple but important bill to bring the state into compliance with the federal requirement. The Department of Veteran Affairs (VA) notified the Student Achievement Council near the beginning of session that Washington needed to align the state's residency statutes with federal law to remain in compliance. There is some urgency to get this done because the VA could start disapproving schools from receiving GI Bill payments. Ultimately, this helps people who paid the ultimate price, and it helps the state's institutions avoid losing GI Bill payments.

(Opposed) None.

**Persons Testifying:** Senate Wilson, prime sponsor; and Maddy Thompson, Washington Student Achievement Council.

**Persons Signed In To Testify But Not Testifying:** None.

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**HOUSE COMMITTEE ON APPROPRIATIONS**

**Majority Report:** Do pass as amended by Committee on Higher Education. Signed by 32 members: Representatives Ormsby, Chair; Robinson, Vice Chair; Chandler, Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Stokesbary, Assistant Ranking Minority Member; Bergquist, Buys, Cody, Condotta, Fitzgibbon, Haler, Hansen,

Harris, Hudgins, Jinkins, Kagi, Lytton, Manweller, Nealey, Pettigrew, Pollet, Sawyer, Schmick, Senn, Springer, Stanford, Sullivan, Taylor, Tharinger, Vick, Volz and Wilcox.

**Staff:** Lily Sobolik (786-7157).

**Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Higher Education:**

No new changes were recommended.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date of Amended Bill:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

**Staff Summary of Public Testimony:**

(In support) A similar bill came before the committee a couple of years ago to align residency statutes with federal law. The Department of Veteran Affairs notified Washington in January of the changes to the federal law and that Washington institutions of higher education might become ineligible for GI Bill payments if state law was not updated. State law is overly restrictive regarding recipients of the Fry Scholarship due to the 90-day service requirement and requiring the student to enter an institution within three years. With this update, recipients who are children under the age of 15 would still qualify when they get to college age. This is an important bill, and there is a sense of urgency due to the potential impact to GI Bill payments.

(Opposed) None.

**Persons Testifying:** Maddy Thompson, Washington Student Achievement Council.

**Persons Signed In To Testify But Not Testifying:** None.