

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 1194

PRINTER NO. 1758

AMOUNT

No Fiscal Impact

FUND

Educational Assistance Program Fund

DATE INTRODUCED

April 11, 2022

PRIME SPONSOR

Senator Mensch

DESCRIPTION

Senate Bill 1194 amends Chapter 32 of Title 51 (Military Affairs) of the Pennsylvania Consolidated Statutes to establish a Military College Educational Assistance Program.

This legislation amends Chapter 32 by adding a new Subchapter C entitled "Military College Educational Assistance Program." This new subchapter provides for the following:

- The Military College of Pennsylvania Educational Assistance Program (program) is established for the purpose of providing benefits to eligible members. The program shall begin no later than the 2023-2024 academic year;
- Requires that money in the Educational Assistance Program Fund shall be used to provide benefits under this subchapter and may not be used for any other purpose or be transferred or diverted to any other purpose by administrative action;
- Establishes eligibility requirements that allow an eligible member to apply for participation in the program if the eligible member does or meets all of the following:
 - 1) Has been a satisfactory participant in Pennsylvania National Guard (PANG) activities for a minimum service period established by the Adjutant General or is a former eligible member and has received a discharge other than a dishonorable discharge;
 - 2) Accepted an obligation to serve in the PANG for a period of at least eight years and has not accepted an obligation under Subchapter A (relating to Educational Assistance Program) or Subchapter A.1 (relating to Military Family Education Program) for the same service period. The service obligation to the PANG shall be two years as a cadet in the military college and six years as a commissioned officer;
 - 3) Serves as a Simultaneous Membership Program cadet in the PANG and accepts a PANG commission upon graduation from the military college;
 - 4) Provides proof of United States citizenship;

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- 5) Provides proof of meeting physical standards required to be considered to serve in the United States Army;
 - 6) Provides proof of meeting academic standards required to be considered to serve in the United States Army as a commissioned officer;
 - 7) Provides a letter of intent;
 - 8) Provides a military college Professor of Military Science letter of recommendation; and
 - 9) Provides a letter of acceptance into the Early Commissioning Program.
- Defines “eligible member” as a full-time student who is a member of the Pennsylvania National Guard, is selected as a cadet, serves as a Simultaneous Membership Program cadet in the Pennsylvania National Guard and accepts a Pennsylvania National Guard commission upon graduation from the military college;
 - Provides for program participation for selection of candidates, discharge for disability incurred in the line of duty, academic or military disqualification standards and conditional release from Simultaneous Membership Program;
 - Clarifies that from money appropriated for the purposes of the program, benefit payments shall be provided to the military college or approved institution of higher learning on behalf of eligible members and requires an eligible member to sign a promissory note obligating the eligible member to repay the full amount of the benefit if they fail to fulfill the service obligation;
 - Limits an eligible member to not more than five academic years or their equivalent, as determined by the Pennsylvania Higher Education Assistance Agency (PHEAA);
 - Provides for the recoupment of benefit payments for an eligible member who fails to meet the eight-year service obligation and holds the eligible member liable for repayment of all or part of benefit payments made; however, PHEAA shall forgive recoupment if the Adjutant General determines that the eligible member’s failure to fulfill the eight-year service obligation is the result of one of the following:
 - 1) Death of the eligible member;
 - 2) Discharge was a result of disability incurred in the line of duty;
 - 3) Because of medical determination that the eligible member is medically unfit for duty if the medical condition is outside the eligible member’s control and is not due to the eligible member’s misconduct; or
 - 4) Existence of other compelling circumstances that warrant forgiveness.
 - Requires the Department of Military and Veterans Affairs to issue guidelines to implement and administer the program.

This act shall take effect in 60 days.

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FISCAL IMPACT:

According to the Pennsylvania Department of Military and Veterans Affairs (department) it is estimated that approximately 20 cadets would participate in the program at one time (ten at each grade level), when the program is fully implemented, at an estimated cost of \$700,000. The department anticipates approximately two or three cadets participating in the program during the startup.

The department believes that the startup costs for the program would be nominal and capable of being accomplished within the current funding for the Educational Assistance Program Fund, although additional funding may be needed as cadet participation increases.

The FY 2021-22 General Appropriation Act transferred \$12.5 million from the General Fund to the Educational Assistance Program Fund for the purposes of National Guard Education and Military Family Education programs. The Governor's executive budget for FY 2022-23 proposes \$13.2 million for these programs.