

**LEGISLATIVE FISCAL ESTIMATE**  
**SENATE, No. 1817**  
**STATE OF NEW JERSEY**  
**220th LEGISLATURE**

DATED: MAY 25, 2022

**SUMMARY**

- Synopsis:** Permits spouses and dependents of military service members to qualify for in-State tuition in event that service member is transferred to another state.
- Type of Impact:** Annual State revenue loss for public institutions of higher education.
- Agencies Affected:** Public Institutions of Higher Education.

**Office of Legislative Services Estimate**

<b>Fiscal Impact</b>	<b><u>Year 1</u></b>	<b><u>Year 2</u></b>	<b><u>Year 3</u></b>
<b>Public Institutions of Higher Education Revenue Loss</b>	\$6.2 million to \$45 million per year		

- The Office of Legislative Services (OLS) concludes that the bill will result in a loss of revenue for public institutions of higher education ranging between \$6.2 million and \$45 million each year.

**BILL DESCRIPTION**

Under current law, United States military personnel and their dependents who are living in New Jersey and are attending public institutions of higher education in New Jersey are regarded as residents of the State for the purpose of determining tuition. This bill amends that law to provide that:

- the in-State tuition classification applies to the military service member's spouse; and
- in the event that the military service member is relocated out of the State due to the service member's continued military service, the service member's spouse or dependent will not lose their in-State tuition classification provided that: (1) the spouse or dependent was enrolled in a public institution of higher education in New Jersey prior to the service member's relocation; and (2) the spouse or dependent maintains continuous enrollment at the public institution of higher education.

## FISCAL ANALYSIS

### *EXECUTIVE BRANCH*

None received.

### *OFFICE OF LEGISLATIVE SERVICES*

The OLS concludes that the bill will result in a loss of revenue for public institutions of higher education ranging between \$6.2 million and \$45 million each year.

According to the latest United States Census Bureau data, approximately 40 percent of New Jersey residents who are at least 25 years of age have a college degree. The Department of Military and Veteran Affairs estimates that there are 3,993 active-duty military spouses in the State. The department also estimates that there are 7,670 National Guard and Reserve spouses, for a total of 11,663 military spouses. Applying the percentage of New Jersey residents at-large who have a college degree to the number of military personnel spouses, the OLS estimates that 4,665 spouses may qualify for the in-State tuition rate under the bill.

According to the Office of the Secretary of Higher Education (OSHE), the average in-State tuition for a full-time student attending a county college is \$6,632, and the average out-of-State tuition for a full-time student attending a county college is \$7,959 – a difference of \$1,327.

Also according to the OSHE, the average in-State tuition for a full-time student attending a senior public college is \$12,816, and the average out-of-State tuition for a full-time student attending a senior public college is \$22,472 – a difference of \$9,656.

Multiplying the number of military spouses likely to attend college, and who would qualify for in-State tuition under the bill (4,665), by the range of the in-State/out-of-State tuition differential for both the county colleges (\$1,327) and the senior public colleges (\$9,656) results in a loss of revenue to public institutions of higher education between \$6.2 million and \$45 million each year. The OLS notes that this estimate assumes that the military spouses subject to the provisions of the bill do not already qualify for in-State tuition. To the extent that any military spouses qualify for in-State tuition by virtue of establishing residency under normal circumstances, then the loss of revenue experienced by public institutions of higher education under the bill will be decreased.

*Section: Education*  
*Analyst: Adrian Crook*  
*Lead Research Analyst*  
*Approved: Thomas Koenig*  
*Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).