

SOUTH DAKOTA LEGISLATIVE RESEARCH COUNCIL

2025 South Dakota Legislature

FISCAL NOTE 2025-FN1198A

HB1198, An Act to modify the tuition benefit for dependents and spouses of disabled and deceased veterans.

HB 1198 would provide free tuition for any child or spouse of a deceased or disabled National Guard or armed forces member at any educational institution managed by the Board of Regents or the Board of Technical Education. The member must be deceased or suffer from a permanent and total disability while in service of the South Dakota National Guard or the armed forces of the United States. The member must have been in service for at least a year and have been a resident of South Dakota for at least five years preceding to service. The child or spouse would need to apply to the Board of Regents or the Board of Technical Education prior to receiving the tuition benefit.

There is a federal program called the Survivors' and Dependents' Educational Assistance program, also called Chapter 35, where children and spouses of deceased and disabled veterans may receive assistance for education related costs. The requirements for Chapter 35 and the requirements listed in the bill are similar except for the residency requirement in the bill. Assuming most of the people who qualify for Chapter 35 would also qualify for this bill, with 25% not qualifying due to residency requirements.

According to the Board of Regents, there are 456 students attending Board of Regents schools who qualify for Chapter 35. This includes 30 students who already qualify for tuition assistance under SDCL 13-55-6 and would not lose their benefits under this bill. The average student would pay \$8,273 in tuition per year. Approximately 320 students would qualify for tuition assistance under bill. The general fund cost to cover the tuition for these students would be \$2,647,360.

According to the Board of Technical Education, there are 13 students attending Board of Technical Education schools who qualify for Chapter 35. The average student would pay \$3,720 in tuition per year for 30 credits. Approximately 10 students would qualify for tuition assistance under this bill. The general fund cost to cover the tuition for these students would be \$37,200.

The total cost for this bill to cover the tuition cost for both types of students would be \$2,684,560.

APPROVED BY: /s/ John McCullough
Director, Legislative Research Council

DATE: 2/19/2025