

JBC Staff Fiscal Analysis
Senate Appropriations Committee

Concerning a tuition waiver for dependents of qualified veterans.

Prime Sponsors:

Senator Sullivan
Representative Clifford

Date Prepared:

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Fiscal Impacts

Appropriation Required, Amendments in Packet

General Fund Impact

Fiscal Note Status

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/30/26.

No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill.

Amendments in This Packet

- J.001 Staff-prepared appropriation amendment
- L.003 Bill Sponsor amendment – changes fiscal impact and eliminates appropriation

Current Appropriations Clause in Bill

The bill requires but does not contain an appropriation clause.

Description of Amendments in This Packet

J.001

Staff amendment **J.001** (attached) appropriates a total of \$40,932 General Fund to the Department of Military and Veterans Affairs for FY 2026-27. The appropriation reflects 0.5 FTE.

L.003

Bill Sponsor amendment **L.003** (attached) narrows the definition of "qualified veteran" to one who is 100 percent permanently service-connected disabled and receiving the highest level of special monthly compensation. This substantially reduces the eligible population of dependents of qualified veterans and correspondingly lowers projected state costs for the tuition waiver program.

Amendment **L.003** is expected to reduce undergraduate tuition and fee revenue to institutions of higher education by approximately \$418,000 annually beginning in FY 2026–27. It will also create a minimal, absorbable workload increase for DMVA to update application processes and coordinate with institutions and the U.S. Department of Veterans Affairs. No change in appropriations is required. JBC Staff and Legislative Council Staff agree on the fiscal impact of the amendment.

If the Committee adopts **L.003**, it should not adopt **J.001**.

Points to Consider

The Joint Budget Committee has proposed a budget package for FY 2026-27 based on the March 2026 Office of State Planning and Budgeting (OSPB) revenue forecast. The budget package includes \$57.3 million in set-asides for legislation outside of the package (see table below). The budget package accounts for the 13.0 percent reserve associated with the placeholders.

General Fund Appropriation Placeholders for Other 2026 Legislation

Item	FY 2026-27
SB 26-149 (Pathways for Individuals with Mental Health Disorders)	23,222,868
Competency services	20,000,000
Potential prison capacity supplemental	5,900,000
Applied Behavioral Analysis Licensing	5,000,000
County Administration shared services	3,100,000
Medicaid Working Group	500,000
HB 26-1331 (Modify 2026 Interim Committees)	-396,469
Total - Placeholders for other legislation	\$57,326,399

General Fund Impact

This bill requires a General Fund appropriation of \$40,932 for FY 2026-27, reducing the \$57.3 million set aside by the same amount.

Sponsor amendment **L.003** eliminates the appropriation and General Fund impact.