



influences companies in their choice of location is the presence of a well-educated workforce in a state. States that have a well-educated workforce will often advertise that fact to high-technology businesses, because businesses are more likely to locate in a state with a pool of qualified workers. Encouraging the study of academic disciplines related to high-tech industries at a state's universities and colleges is an efficient way of ensuring the presence of a qualified and educated workforce for those industries within the state.

### **III. Effect of Proposed Changes:**

SB 1810 creates the "Innovation Florida Scholarships for Developing High-Tech Jobs Program." This program would provide need-based scholarships to Florida high school graduates who enroll in certified degree programs that provide training for certain specified industries. The program would be administered by the Department of Education (DOE) according to rules and procedures established by the State Board of Education (SBE). The DOE would certify degree programs at colleges and universities for participation in the scholarship program.

Industries targeted by the scholarship program include advanced manufacturing, life sciences, information technology, and high-technology logistics. "Advanced manufacturing" is defined in the bill to include automotive and electronics, aerospace technology, robotics, and engineering design technology. "Life sciences" will include orthopedics or medical devices, biomedical research or development, pharmaceutical manufacturing, agribusiness, and nanotechnology or molecular manufacturing. "Information technology" is defined to include informatics, certified network administration, software development, and fiber optics. "High-technology logistics" is defined to include high-technology distribution; efficient flow and storage of goods, services or information; and intermodal ports.

As noted above, the DOE would certify degree programs, and private as well as public institutions located in Florida would potentially be eligible to participate in the scholarship program. Only degree programs related to the targeted business areas would be eligible for certification by the DOE. Eligible degree programs would also include an internship component as described in the bill.

To be eligible for an initial scholarship award, a student must:

- Be a Florida resident;
- Have earned a standard Florida high school diploma or its equivalent, with certain exceptions;
- Have a cumulative grade point average of 3.0 or its equivalent in high school courses designated by the DOE;
- Be accepted by and enroll in a Florida postsecondary educational institution identified by the DOE within 3 years following high school graduation;
- Be enrolled for at least 6 semester credit hours or the equivalent;
- Not have been found guilty of, or pleaded nolo contendere to, a felony charge, with certain exceptions; and
- Apply for the scholarship by the date of his or her high school graduation.

The bill provides for graduated amounts of awards to be given to students who are enrolled for less than full time. Students may accept renewal awards for 7 years following high school graduation. Students will be eligible for renewal awards if they maintain a grade point average of 2.75, continue their eligibility for financial assistance in accordance with the section, and participate in an internship program, for at least 160 hours, during their college years that is relevant to one of the business areas targeted by the section. Employers must pay students in an internship program a wage of at least 20 percent above the federal minimum wage. Employers with whom students are placed may receive \$500 per student per summer, apparently to partially offset students' wages.

The bill provides that funds for the scholarships must be appropriated annually, and provides for an initial appropriation of \$30 million for the program in FY 2003-2004. If appropriated funds are not sufficient to cover awards, then awards are to be prorated equally among participants. If all funds allocated for the program are not used in any fiscal year, up to 20 percent of the allocation may be carried forward and used for awards in the subsequent year.

Awards would be made for a student's demonstrated unmet up to an amount equal to the average prior academic year's cost of tuition, fees and assigned books and supplies at state universities, or such other amount specified in the General Appropriations Act. The DOE will pay funds directly to the postsecondary institutions. These institutions are required to certify to the DOE the eligibility status of each student who receives an award and make refunds if appropriate. Institutions must also certify to the DOE the amount of funds disbursed to each student and return to the DOE any undisbursed advances within 60 days after the end of regular registration.

Institutions receiving funds through the program must provide an annual report, including an annual financial audit, to the DOE. The DOE may also conduct its own audit of an institution's administration of the program. The DOE may suspend or revoke an institution's eligibility to participate in the program if it finds that an institution has not complied with the requirements of the section.

As noted above, one of the most efficient ways of ensuring the presence in Florida of an educated workforce for specified industries is to encourage the study of disciplines related to those industries at Florida's colleges and universities. The complementary presence of both high-technology jobs in Florida and a steady flow of qualified workers from Florida colleges and universities would benefit businesses, college and university graduates, and the state overall.

The program proposed by the bill also would augment other Florida initiatives to attract high-technology businesses to the state. One such initiative that would be enhanced by the scholarship program proposed in SB 1810 is the Florida Technology Development Initiative to create university-based Centers of Excellence, the goal of which is to increase technology research at state universities and to recruit world-class professionals in high-technology industries to come to Florida.

**IV. Constitutional Issues:**

## A. Municipality/County Mandates Restrictions:

None.

## B. Public Records/Open Meetings Issues:

None.

## C. Trust Funds Restrictions:

None.

**V. Economic Impact and Fiscal Note:**

## A. Tax/Fee Issues:

None.

## B. Private Sector Impact:

None.

## C. Government Sector Impact:

Because the number of scholarships to be awarded under the program is not known, data are not available to estimate the cost of the program for the current fiscal year or in future years. The bill does not provide a cap on the number of scholarships to be offered under the program, but does provide that the costs to be covered by the scholarships may be varied as specified in the General Appropriations Act. The bill provides for an appropriation in the amount of \$30 million to cover the costs of the program for fiscal year 2003-2004.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Amendments:**

None.