

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 31 Student Financial Assistance
SPONSOR(S): Kravitz
TIED BILLS: None **IDEN./SIM. BILLS:** SB 1760 (i)

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Higher Education (Sub)	6 Y, 0 N	Tilton	Bohannon
2) Education K-20			
3) Judiciary			
4) Education Appropriations (Sub)			
5) Appropriations			

SUMMARY ANALYSIS

This bill prohibits any funds from general revenue, the lottery, or financial aid fee revenues to be used to provide scholarships, fellowships, grants, loans, tuition or fee waivers, or other financial assistance to any nonresident alien student who is enrolled in a Florida public postsecondary educational institution and who is a citizen of any country that has been identified by the United States Department of State as terrorist or supporting terrorism. A student's country of citizenship is to be determined at the time of the student's enrollment. Once a student has been determined ineligible under this provision, the student remains ineligible for such financial assistance while the student is enrolled at a public postsecondary institution unless the student's country of citizenship is removed from the State Department's list of identified countries.

The 2001 annual *Patterns of Global Terrorism* report, released in May 2002 in compliance with Title 22 of the United States Code, Section 2656f(a), designates seven governments as state sponsors of international terrorism. The seven governments include Iran, Iraq, Syria, Libya, Cuba, North Korea, and the Sudan.

The bill further requires that the amount of state-funded student financial assistance provided during fiscal year 2001-2002 by Florida public postsecondary institutions to such students must be allocated annually for fiscal year 2003-2004 and each subsequent year to the Florida Bright Futures Scholarship Program.

The Department of Education reports that during fiscal year 2001-2002 state universities and public community colleges used \$308,717 in funds from general revenue, the lottery, and financial aid fee revenues to provide financial assistance to 822 students classified by state universities and public community colleges as nonresident aliens from the seven countries that the U.S. Department of State has designated as state sponsors of international terrorism. These funds would be redirected to the Bright Futures Scholarship Program.

On March 24, 2003, the Subcommittee on Higher Education adopted a strike-everything amendment that more narrowly defines the group of students who will not be eligible for assistance to nonimmigrant students who are not citizens or nationals of the United States, who have been admitted to the United States temporarily for a specific purpose in either the F-1 or M-1 visa categories, and who do not have the right to remain in this country indefinitely. The amendment also specifically excludes nonresidents of the state who are eligible to apply for residence under the Cuban Adjustment Act of 1966 from the provisions of the bill. Finally, the amendment directs the institutions to reallocate the funds spent for assistance in 2001-2002 to students within the institution who are U.S. citizens and Florida residents rather than allocating these funds to the Bright Futures Scholarship Program.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h0031a.edk.doc
DATE: March 25, 2003

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. DOES THE BILL:

- | | | | |
|--------------------------------------|------------------------------|----------------------------------------|-----------------------------------------|
| 1. Reduce government? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | N/A <input type="checkbox"/> |
| 2. Lower taxes? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. Expand individual freedom? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | N/A <input type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. Empower families? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | N/A <input type="checkbox"/> |

For any principle that received a “no” above, please explain:

The provisions of this bill may increase administrative duties, such as regulation and monitoring, with respect to the disbursement of funds for financial assistance at Florida public postsecondary institutions.

This bill may limit opportunities for individuals or families by eliminating sources of financial assistance that might otherwise have been received.

B. EFFECT OF PROPOSED CHANGES:

This bill prohibits any funds from general revenue, the lottery, or financial aid fee revenues to be used to provide scholarships, fellowships, grants, loans, tuition or fee waivers, or other financial assistance to any nonresident alien student who is enrolled in a Florida public postsecondary educational institution and who is a citizen of any country that has been identified by the United States Department of State as terrorist or supporting terrorism. A student’s country of citizenship is to be determined at the time of the student’s enrollment. Once a student has been determined ineligible under this provision, the student remains ineligible for such financial assistance while the student is enrolled at a public postsecondary institution unless the student’s country of citizenship is removed from the State Department’s list of identified countries.

The 2001 annual *Patterns of Global Terrorism* report, released in May 2002 in compliance with Title 22 of the United States Code, Section 2656f(a), designates seven governments as state sponsors of international terrorism. The seven governments include Iran, Iraq, Syria, Libya, Cuba, North Korea, and the Sudan.

The bill further requires that the amount of state-funded student financial assistance provided during fiscal year 2001-2002 by Florida public postsecondary institutions to such students must be allocated annually for fiscal year 2003-2004 and each subsequent year to the Florida Bright Futures Scholarship Program. The Department of Education reports that during fiscal year 2001-2002 state universities and public community colleges used \$308,717 in funds from general revenue, the lottery, and financial aid fee revenues to provide financial assistance to 822 students classified by state universities and public community colleges as nonresident aliens from the seven countries that the U.S. Secretary of State has designated as state sponsors of international terrorism. These funds would be redirected to the Bright Futures Scholarship Program.

For federal reporting purposes the term “nonresident alien” means a person who is not a citizen or national of the United States and who is in this country on a visa or temporary basis and does not have the right to remain indefinitely.

C. SECTION DIRECTORY:

Section 1. Creates an unnumbered section that prohibits certain funds from being used to provide financial assistance to certain students.

Section 2. Creates an unnumbered section that requires redirection of certain funds to the Florida Bright Futures Scholarship Program.

Section 3. Provides an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

See FISCAL COMMENTS.

2. Expenditures:

See FISCAL COMMENTS.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

See FISCAL COMMENTS.

D. FISCAL COMMENTS:

The Department of Education reports estimated expenditures of \$308,717 from general revenue, lottery, and financial aid fee revenues by public postsecondary institutions to provide financial assistance to students who are citizens of countries designated by the Department of State as terrorist or supporting terrorism. These funds would be redirected to the Florida Bright Futures Scholarship Program.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not require counties or municipalities to spend funds or to take action which requires the expenditure of funds.

2. Other:

Constitutional or legal issues, if any, relating to this bill will be reviewed by the staff of a subsequent committee of reference.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

On March 24, 2003, the Subcommittee on Higher Education adopted a strike-everything amendment that more narrowly defines the group of students who will not be eligible for assistance to nonimmigrant students who are not citizens or nationals of the United States, who have been admitted to the United States temporarily for a specific purpose in either the F-1 or M-1 visa categories, and do not have the right to remain in this country indefinitely. The amendment also specifically excludes nonresidents of the state who are eligible to apply for residence under the Cuban Adjustment Act of 1966. Finally, the amendment directs the institutions to reallocate the funds spent for assistance in 2001-2002 to students within the institution who are U.S. citizens and Florida residents rather than allocating these funds to the Bright Futures Scholarship Program. The bill as amended was reported favorably.