

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 31 w/CS 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	13 Y, 10 N w/CS	Tilton	Bohannon
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. The bill defines the term "nonresident alien" for purposes of the provisions of the bill. 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 provisions of the bill do not apply to a nonresident of the state who is eligible to apply for residence under the Cuban Adjustment Act of 1966

The fiscal impact of the bill is indeterminate. The bill requires that the amount of student financial assistance provided during fiscal year 2001-2002 by Florida public postsecondary institutions to such students from the specified funds must be reallocated by the institutions to eligible students who are both U.S. citizens and Florida residents. 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. Information regarding the extent to which these students meet the definition of nonresident alien as specified in the CS adopted by the Education K-20 Committee was not available at the time this bill analysis was prepared.

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

STORAGE NAME: h0031c.edk.doc
DATE: April 8, 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:

Background Information

Student Visas

The Immigration and Nationality Act (INA) governs the admission of all people to the United States. A nonimmigrant is someone admitted to the U.S. temporarily for a specific purpose. People who are coming to the United States to pursue full-time academic or vocational studies are usually admitted in one or two nonimmigrant categories. The F-1 category includes academic students in colleges, universities, seminaries, conservatories, academic high schools, other academic institutions, and in language training. The M-1 category includes vocational students.

According to the Immigration and Naturalization Service (INS) website, foreign students seeking to study in the U.S. may enter in the F-1 or M-1 category provided they meet the following criteria:

- The student must be enrolled in an “academic” educational program, a language-training program, or a vocational program;
- The school must be approved by the INS;
- The student must be enrolled as a full-time student at the institution;
- The student must be proficient in English or be enrolled in courses leading to English proficiency;
- The student must have sufficient funds available for self-support during the entire proposed course of study; and
- The student must maintain a residence abroad which he/she has no intention of giving up.

Cuban Adjustment Act of 1966

According to the Bureau of Citizenship and Immigration Services website, The Cuban Adjustment Act of 1966 (CAA) provides for a special procedure under which Cuban nationals or citizens, and their accompanying spouses and children, may obtain a haven in the U.S. as lawful permanent residents. The CAA gives the Attorney General the discretion to grant permanent residence to Cuban nationals or citizens seeking adjustment of status if they have been present in the U.S. for at least one year after admission or parole and are admissible as immigrants. Their applications for adjustment of status may be approved even if they do not meet the ordinary requirements for adjustment of status under section 245 of the INA. Since the caps on immigration do not apply to adjustments under the CAA, it is not necessary for the alien to be the beneficiary of a family-based or employment-based immigration visa petition.

Effect of the bill

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. The bill defines the term "nonresident alien", for purposes of the act, to mean a nonimmigrant student who is not a citizen or national of the U.S. and who has been admitted to the U.S. temporarily for a specific purpose in either the F-1 or M-1 visa categories and who is admitted for duration of status and does not have the right to remain in this country indefinitely. 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 provisions of the bill do not apply to a nonresident of the state who is eligible to apply for residence under the Cuban Adjustment Act of 1966.

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 reallocated by the institutions to eligible students who are both U.S. citizens and Florida residents.

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.

C. SECTION DIRECTORY:

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

Section 2. Creates an unnumbered section to require redirection of certain funds by institutions to eligible students who are both U.S. citizens and Florida residents.

Section 3. Creates an unnumbered section to provide that the bill does not apply to persons eligible to apply for residence under the Cuban Adjustment Act of 1966.

Section 4. 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 fiscal impact of the bill is indeterminate. The bill requires that the amount of student financial assistance provided during fiscal year 2001-2002 by Florida public postsecondary institutions to such students from the specified funds must be reallocated by the institutions to eligible students who are both U.S. citizens and Florida residents. 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. Information regarding the extent to which these students meet the definition of nonresident alien as specified in the CS adopted by the Education K-20 Committee was not available at the time this bill analysis was prepared.

This bill may limit opportunities for individuals or families by eliminating sources of financial assistance that might otherwise have been received. However, the required reallocation of funds may provide additional opportunities for students who are U.S citizens and Florida residents.

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 both U.S. citizens and Florida residents rather than allocating these funds to the Bright Futures Scholarship Program. The bill, as amended, was reported favorably.

On April 7, 2003, the Education K-20 Committee adopted the strike-all amendment recommended by the Subcommittee on Higher Education and reported HB 31 favorable with a CS. The CS more narrowly defines the students who will not be eligible for assistance under the bill, specifically excludes persons eligible to apply for residence under the Cuban Adjustment Act of 1966, and changes how the funds spent for assistance in 2001-2002 are to be redirected.