

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: Education Committee

BILL: CS/SB 1750

INTRODUCER: Education Committee and Senator Lawson

SUBJECT: First Generation Matching Grant

DATE: March 14, 2006

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Carrouth</u>	<u>Matthews</u>	<u>ED</u>	<u>Fav/CS</u>
2.	_____	_____	<u>EA</u>	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

This bill creates the First Generation Matching Grant Program to provide state university and community college matching grants to traditionally underrepresented students who demonstrate financial need and whose parents have not earned a college degree at the baccalaureate level or higher.

Funds appropriated by the Legislature would be allocated by the Office of Student Financial Assistance to match private contributions on a dollar-for-dollar basis. Fifty percent of the appropriated funds would be allocated to the state universities and 50 percent to community colleges. Each institution would receive a proportionate share of funding based on the number of full time equivalent (FTE) students. Funds would not be released to an institution until the total amount of a pledged donation is collected. Funds that are unmatched by December 1 would be reallocated to institutions that have remaining unmatched private contributions for the program based on FTE enrollment.

In order to be eligible, a student must:

- Be a resident for tuition purposes;
- Be a first generation college student;
- Be accepted at a state university or community college;
- Be enrolled as degree-seeking undergraduate student for a minimum of six credit hours per term as a degree-seeking undergraduate student;
- Have demonstrated financial need by completing the Free Application for Federal Student Aid; and
- Meet additional eligibility requirements as established by the community college or university.

The amount of the grant award would be based on the student's need assessment after other awarded scholarship or grant aid is applied. An award may not exceed the institution's estimated annual cost of attendance for the student to attend the institution.

This bill creates the following section of the Florida Statutes: 1009.701.

II. Present Situation:

Governor Bush recently announced the establishment of the Access and Diversity Initiative to provide incentives to traditionally underrepresented students interested in pursuing an education through the state university system.¹ The Governor's Initiative includes an increase in funding of several currently established financial aid programs and proposes the creation of the First Generation Matching Grants Program.

The initiative also creates the Access and Diversity Commission, a 17-member board established to work in conjunction with the Student Affairs Committee of the Board of Governors to identify, discuss, and recommend enhanced enrollment strategies for disadvantaged and traditionally underrepresented students.² The Commission is also tasked to evaluate, advocate, and make recommendations concerning the following:

- Specific accountability and performance measures to be included in each state university's strategic plan regarding underrepresented and disadvantaged students;
- Increased funding for Florida Student Assistance Grants;
- Additional funding for the College Board Partnership to improve college readiness for underrepresented and disadvantaged students;
- Enhanced funding for the Stanley Tate Scholarship Tuition for At-Risk Students (STARS), a program that provides scholarships for at-risk, low-income students who remain drug and crime-free, stay in school, and work with a mentor;
- Increased funding for the College Reach Out Program (CROP) to provide additional after-school and weekend counseling and tutorial services in order to expand enrollment of disadvantaged students in advanced placement and dual enrollment courses, and to purchase computers to provide access to the Florida Virtual School;
- Expanding the University Presidents' Focus on Achievement Mentoring Partnerships to increase postsecondary opportunities for economically disadvantaged and underrepresented students using mentors trained through the Volunteer Florida Foundation; and
- Establishment of the new First Generation Matching Grant Program, to provide grant-based student financial aid for undergraduate students who demonstrate financial need and whose parents have not earned a college degree.

III. Effect of Proposed Changes:

The bill creates the First Generation Matching Grant Program to provide state university and community college matching grants to traditionally underrepresented students, specifically those

¹ www.myflorida.com – Press Release dated January 11, 2006

² Office of the Governor, Executive Order 06-05.

students who demonstrate financial need and whose parents have never graduated from college at the baccalaureate level or higher.

Eligibility

In order to be eligible, a student must:

- Be a resident for tuition purposes;
- Be a first generation college student;
- Be accepted at a state university or community college;
- Be enrolled as degree-seeking undergraduate student for a minimum of six credit hours per term as a degree-seeking undergraduate student;
- Have demonstrated financial need by completing the Free Application for Federal Student Aid; and
- Meet additional eligibility requirements as established by the community college or university.

The bill defines the term “first generation college student” to mean a student whose parents, as defined in s. 1009.21, F.S.³, have not completed a college degree at the baccalaureate level or higher, or, in the case of any individual who regularly resided with and received support from only one parent, if that parent did not earn a college degree at the baccalaureate level or higher.

Funding and Allocation of Appropriated Funds

The bill provides an incentive for private donations for grants for eligible students by requiring the state to match the donation on a dollar-for-dollar basis.

Funds appropriated by the Legislature would be allocated by the Office of Student Financial Assistance to match private contributions on a dollar-for-dollar basis. Fifty percent of the appropriated funds would be allocated to the state universities and 50 percent to community colleges. Each institution would receive a proportionate share of funding based on the number of full time equivalent (FTE) students. Funds would not be released to an institution until the total amount of a pledged donation is collected. Funds that are unmatched by December 1 would be reallocated to institutions that have remaining unmatched private contributions for the program based on FTE enrollment.

Payment of the state matching grant would be transmitted to the president of each participating institution or his or her representative in advance of the official drop-add deadline as defined by the institution.

Application and Amount

The bill requires each university and community college to establish application procedures, determine eligibility as specified in the bill, and identify the amount of each award. The grant award would be based on the student’s need assessment after other awarded scholarship or grant

³ Section 1009.21(d), F.S., defines the term “parent” as the natural or adoptive parent or legal guardian of a dependant child.

aid, if any, is applied. An award may not exceed the institution's estimated annual cost of attendance for the student.

Reporting Requirements

The bill requires each participating institution to report students who have been awarded the grant to the Office of Student Financial Assistance by a date established by the office. Each institution must certify the amount of funds disbursed to each student and remit to the office any undisbursed funds by June 1 of each year.

The bill requires each institution to report the eligibility requirements, aggregate demographics of grant recipients, retention and graduation rates, and a delineation of funds awarded to student recipients, annually by July 1, to the following:

- Executive Office of the Governor;
- President of the Senate;
- Speaker of the House of Representatives;
- State Board of Education for community colleges; and
- Board of Governors for state universities.

Effective Date

The bill takes effect upon becoming law.

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:

The bill would require financial support from private donations in order for a university to receive funding from the state.

The grant would make higher education more affordable for traditionally underrepresented students and their families.

C. Government Sector Impact:

The Governor's Budget Recommendations (Line Item 79) include \$6.5 million from General Revenue for fiscal year 2006-2007 to fund the First Generation Matching Grant Program.

The bill does not include an appropriation for the program.

VI. Technical Deficiencies:

On page 3, lines 2-3, the term "first generation" is hyphenated while the remaining references in the bill are not. It may be advisable to choose one method of reference, either first-generation or first generation.

VII. Related Issues:

None.

VIII. Summary of Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
