

# HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** HB 881 First Generation Matching Grant Program  
**SPONSOR(S):** Kiar  
**TIED BILLS:** **IDEN./SIM. BILLS:** SB 2140

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REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Committee on Postsecondary Education</u>	_____	<u>Thomas</u>	<u>Tilton</u>
2) <u>Schools &amp; Learning Council</u>	_____	_____	_____
3) <u>Policy &amp; Budget Council</u>	_____	_____	_____
4) _____	_____	_____	_____
5) _____	_____	_____	_____

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### SUMMARY ANALYSIS

HB 881 amends the First Generation Matching Grant Program to permit independent nonprofit colleges or universities who participate in the William L. Boyd, IV, Florida Resident Access Grant Program (FRAG) to participate in the First Generation Matching Grant Program.

Contributions made to independent colleges or universities and pledged to the First Generation Matching Grant Program will be eligible for state matching funds. The Office of Student Financial Assistance (OSFA) is required to reserve a proportionate allocation of the total appropriated funds for qualified independent colleges or universities on the basis of full-time equivalent enrollment.

Each qualified independent college or university must establish an application process, determine student eligibility for initial and renewal awards, identify the amount awarded to each recipient, and notify recipients of the amount of their awards.

First Generation Matching Grant applicants who attend a qualified independent college or university must meet FRAG eligibility requirements.

The bill allocates \$3 million from the General Revenue Fund to the Department of Education for the First Generation Matching Grant Program for fiscal year 07-08 and each fiscal year thereafter to provide state matching funds to independent colleges and universities qualified to participate in the program.

The effective date provided is July 1, 2007.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. HOUSE PRINCIPLES ANALYSIS:

Empower families – The bill provides financial assistance to students who attend FRAG-eligible independent colleges or universities whose parents have not earned a college degree. This may benefit families who do not have the financial means to send a family member to college.

#### B. EFFECT OF PROPOSED CHANGES:

##### **Background**

##### **First Generation Matching Grant Program**

The 2006 Legislature created the First Generation Matching Grant Program (program)<sup>1</sup>. The program is for undergraduate students who attend state universities and demonstrate financial need and whose parents have not earned a baccalaureate degree. The program requires that applicants meet certain additional eligibility requirements to be eligible to receive a grant.

The funds appropriated for the program are allocated by the Office of Student Financial Assistance (OSFA) to match private contributions on a dollar-for-dollar basis. OSFA must reserve a proportionate allocation of the total appropriated funds for each state university on the basis of full-time equivalent enrollment. Funds that remain unmatched as of December 1 will be reallocated to state universities that have remaining unmatched private contributions for the program on the basis of full-time equivalent enrollment. The program was appropriated \$6,500,000 for the 2006-2007 fiscal year.

Each participating state university is required to establish an application process, determine student eligibility for initial and renewal awards in conformance with the eligibility requirements, identify the amount awarded to each recipient, and notify recipients of the amount of their award. The amount awarded to a recipient must be based on the student's need assessment after any scholarship or grant aid has been applied. An award may not exceed the institution's estimated annual cost of attendance for the student to attend the institution. The state university is also required to report to OSFA the eligible students to whom grant monies are disbursed each academic term including the amount of funds disbursed to each student and remit any undisbursed advances by June 1 of each year.

First-generation-in-college students at community colleges may be supported through the Dr. Philip Benjamin Matching Grant Program which allows the community college to receive matching funds for eligible students.

##### **Florida Resident Access Grant (FRAG)**

The William L. Boyd, IV, Florida Resident Access Grant (FRAG) Program provides tuition assistance to Florida undergraduate students attending an eligible private, non-profit Florida college or university. FRAG is a decentralized program, and each participating institution determines application procedures, deadlines, and student eligibility.

##### **Independent Colleges and Universities of Florida (ICUF)**

The Independent Colleges & Universities of Florida (ICUF) is a diverse association of 28 private, not-for-profit, educational institutions all based in Florida and accredited by the Southern Association of Colleges & Schools (SACS). ICUF serves more than 120,000 students at over 180 sites around Florida. Seven of the 28 ICUF institutions have identified approximately 7500 students who meet the qualification requirements for the First Generation Matching Grant Program.<sup>2</sup> ICUF reports First-

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<sup>1</sup> Section 1009.701, F.S.

<sup>2</sup> Independent Colleges and Universities of Florida (ICUF) analysis of House Bill 881

Generation in College (FGIC) students comprise nearly a fifth of the total undergraduate enrollment at those seven institutions.

### **Effect of Proposed Changes**

HB 881 amends the First Generation Matching Grant Program to permit independent nonprofit colleges or universities who participate in the William L. Boyd, IV, Florida Resident Access Grant Program (FRAG) to participate in the First Generation Matching Grant Program.

Contributions made to independent colleges or universities and pledged to the First Generation Matching Program will be eligible for state matching funds. The Office of Student Financial Assistance (OSFA) is required to reserve a proportionate allocation of the total appropriated funds for qualified independent colleges or universities on the basis of full-time equivalent enrollment.

Each qualified independent college or university must establish an application process, determine student eligibility for initial and renewal awards, identify the amount awarded to each recipient, and notify recipients of the amount of their awards.

First Generation Matching Grant applicants who attend a qualified independent college or university must meet FRAG eligibility requirements.

The bill allocates \$3 million from the General Revenue Fund to the Department of Education for the First Generation Matching Grant Program for fiscal year 07-08 and each fiscal year thereafter to provide state matching funds to independent colleges and universities qualified to participate in the program.

#### **C. SECTION DIRECTORY:**

Section 1. Amends s. 1009.701, F.S., including participation in the program by certain independent colleges and universities; providing student eligibility requirements; providing an appropriation.

Section 2. Provides an effective date of July 1, 2007.

## **II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

#### **A. FISCAL IMPACT ON STATE GOVERNMENT:**

1. Revenues:

None

2. Expenditures:

In 2006, the Legislature appropriated \$6.5 million in recurring funds to provide a dollar-for-dollar match for private contributions to state universities. This bill appropriates an additional \$3 million from General Revenue to be allocated to independent colleges or universities to provide a dollar-for-dollar match for the fiscal year 2007-08 and each year thereafter.

#### **B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

If qualified independent colleges or universities raise the required private funds, they will have \$6 million (\$3 million private contributions & \$3 million state match funds) to expend on grants to first-generation-in-college students.

D. FISCAL COMMENTS:

None.

### III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not appear to require a city or county to expend funds or to take any action requiring the expenditure of funds

The bill does not appear to reduce the authority that municipalities or counties have to raise revenues in the aggregate.

This bill does not appear to reduce the percentage of state tax shared with counties or municipalities

2. Other:

B. RULE-MAKING AUTHORITY:

None

C. DRAFTING ISSUES OR OTHER COMMENTS:

None

D. STATEMENT OF THE SPONSOR

The First Generation Matching Grant Program is a wonderful program that provides financial assistance to certain students who are the first generation in their family to attend a state university. The program provides many of our financially needy students with the education that they desperately want and deserve. This good bill would permit students who wish to attend an Independent College and University of Florida to also be eligible for the First Generation Matching Grant Program. The Independent Colleges and Universities of Florida is a diverse association of 28 private, not-for-profit, educational institutions all based in Florida and accredited by the Southern Association of Colleges and Schools. The Independent Colleges and Universities of Florida serve more than 120,000 students at over 180 sites around Florida. So many aspiring college students do not have the grade point average or SAT score to obtain admittance into one of our great state universities. However, many of those same students can obtain admittance into one of our Independent Colleges and Universities but are unable to afford the tuition. This good bill would assist many aspiring students in achieving their dream of being able to receive a college education and would ultimately provide those same students with the tools needed to be productive and successful in their after college professional lives. I would respectfully request a unanimous vote in favor of this bill so that we can assist so many first generation students achieve their dream of receiving a higher education.

### IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES