

**HOUSE OF REPRESENTATIVES STAFF ANALYSIS**

**BILL #:** HB 255 Community College Student Fees

**SPONSOR(S):** Chestnut and others

**TIED BILLS:** **IDEN./SIM. BILLS:** SB 208

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	<b>REFERENCE</b>	<b>ACTION</b>	<b>ANALYST</b>	<b>STAFF DIRECTOR</b>
1)	State Universities & Private Colleges Policy Committee	11 Y, 1 N	Thomas	Tilton
2)	State Universities & Private Colleges Appropriations Committee	10 Y, 4 N	Howell	Trexler
3)	Education Policy Council	14 Y, 2 N	White	Lowell
4)				
5)				

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**SUMMARY ANALYSIS**

HB 255 authorizes each community college board of trustees to establish a transportation access fee. Revenue generated from the fee may be used only for the provision or improvement of access to transportation services for students enrolled in the community college. The fee may not exceed \$6 per credit hour. An increase in the fee may occur only once each fiscal year and must be implemented beginning with the fall term.

HB 255 also prohibits the transportation access fee from being included in the amount calculated for scholarships under the Bright Futures Scholarship Program.

The fiscal impact of the bill is indeterminate. (See FISCAL COMMENTS)

The effective date provided is July 1, 2010.

## HOUSE PRINCIPLES

Members are encouraged to evaluate proposed legislation in light of the following guiding principles of the House of Representatives

- Balance the state budget.
- Create a legal and regulatory environment that fosters economic growth and job creation.
- Lower the tax burden on families and businesses.
- Reverse or restrain the growth of government.
- Promote public safety.
- Promote educational accountability, excellence, and choice.
- Foster respect for the family and for innocent human life.
- Protect Florida's natural beauty.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

##### **Background**

##### *Community College Fee Authority*

Section 1009.23, F.S., identifies the fees that a student may be charged by a community college for: college credit instruction leading to an associate in arts degree, an associate in applied science degree, an associate in science degree, or a baccalaureate degree; noncollege credit college-preparatory classes; and educator preparation institute (EPI) programs.

Each community college board of trustees has specific statutory authority to establish tuition and out-of-state fees within certain parameters; an activity and service fee; a financial aid fee; a technology fee; and a separate fee for capital improvement, technology enhancements, and equipping student buildings.<sup>1</sup> Tuition and fees may vary among community colleges depending on which fees each community college board of trustees chooses to authorize.

For the 2009-2010 academic year, the amount assessed for these fees varied as follows:

- Tuition (per credit hour amount ranges from \$60.30 to \$67.60);
- Out-of-state fee (per credit hour amount ranges from \$158.81 to \$202.93);
- Activity and service fee (per credit hour amount ranges from \$0.00 to \$6.76);
- Financial aid fee (per credit hour amount ranges from \$2.10 to \$4.73);
- Technology fee (per credit hour amount ranges from \$0.00 to \$3.38); and
- Capital improvement fee (per credit hour amount ranges from \$4.65 to \$6.76).<sup>2</sup>

In addition, each community college board of trustees has specific statutory authority to establish fee schedules for the following user fees and fines:

- Laboratory fees;
- Parking fees and fines;
- Library fees and fines;
- Fees and fines relating to facilities and equipment use or damage;
- Access or identification card fees;

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<sup>1</sup> See Section 1009.23, F.S.

<sup>2</sup> E-mail correspondence with the Department of Education staff dated August 6, 2009.

- Duplicating, photocopying, binding or microfilming fees;
- Standardized testing fees;
- Diploma replacement fees;
- Transcript fees;
- Application fees;
- Graduation fees;
- Late fees related to registration and payment; and
- Distance learning course user fee.<sup>3</sup>

### **Transportation Access Fee Authority**

#### **State Universities**

State universities have specific statutory authority to assess a transportation access fee.<sup>4</sup> Seven state universities currently assess a per credit hour transportation access fee: University of Florida (\$6.79); Florida State University (\$7.40); University of South Florida (\$3.00); University of West Florida (\$1.80); University of Central Florida (\$7.94); University of North Florida (\$3.85); and Florida Gulf Coast University (\$5.25).<sup>5</sup>

The funds generated by the University of Florida (UF) transportation access fee are used to provide UF students with unlimited access to the city bus system. It is estimated that 36,500 weekday student passenger trips occur when school is in session. This is a count of UF students taking a trip on a bus, not a headcount of individual students. Routes are designed based on student requests to visit specific apartment and condominium complexes, businesses, and university sites. In addition, there are eight intra-campus routes allowing students to travel from one part of campus to another.<sup>6</sup>

#### **Community Colleges**

Community colleges do not have statutory authority to charge transportation access fees and are prohibited from charging any fee except as authorized by law or rule of the State Board of Education.<sup>7</sup>

On February 16, 2009, the Santa Fe College Student Government adopted a resolution petitioning the Florida Legislature for a statutory amendment to permit the Santa Fe College Board of Trustees to implement a transportation fee. The resolution proposed that the transportation fee could increase the frequency and length of service of two existing bus routes, add a new route, and provide free ridership on all regular Gainesville Regional Transportation System (RTS) routes for anyone with a valid Santa Fe College ID card.<sup>8</sup> The RTS estimated that these proposed enhancements would cost \$5.54 per credit hour.<sup>9</sup>

### **Effect of Proposed Changes**

HB 255 authorizes each community college board of trustees to establish a transportation access fee. Revenue generated from the transportation access fee may be used only for the provision or improvement of access to transportation services for students enrolled in the community college. The fee may not exceed \$6 per credit hour. An increase in the transportation access fee may occur only once each fiscal year and must be implemented beginning with the fall term.

HB 255 also prohibits the fee from being included in the amount calculated for scholarships under the Bright Futures Scholarship Program.

<sup>3</sup> Section 1009.23(12)(a) and (16)(a), F.S.

<sup>4</sup> Section 1009.24(13)(p), F.S.

<sup>5</sup> E-mail correspondence with the Board of Governors staff dated September 29, 2009.

<sup>6</sup> E-mail correspondence with University of Florida staff dated December 15, 2009.

<sup>7</sup> Section 1009.23(12)(a) & (b), F.S.

<sup>8</sup> Santa Fe Student Government Resolution dated February 16, 2009.

<sup>9</sup> Gainesville RTS Service Adjustment Estimates for Fall 2009.

**B. SECTION DIRECTORY:**

Section 1. Amends s. 1009.23, F.S., authorizing each community college board of trustees to establish a transportation access fee; limiting the amount of the fee; providing a timeframe for a fee increase and implementation of an increase; and prohibiting the inclusion of the fee in calculating the amount a student receives under Florida Bright Futures Scholarship Program awards.

Section 2. Provides an effective date of July 1, 2010.

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

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

1. Revenues:

None.

2. Expenditures:

None. HB 255 prohibits the transportation access fee from being included in the amount calculated for scholarships under the Bright Futures Scholarship Program.

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

1. Revenues:

HB 255 allows each community college board of trustees to assess a transportation access fee, not to exceed \$6 per credit hour. The estimated revenue, should every college choose to impose the fee at the maximum allowable amount, would be \$54.8 million.<sup>10</sup>

According to the Department of Education, contracting for public transportation is not a feasible option for colleges located in predominately rural areas and those located within municipalities that do not currently offer a public transportation service. Therefore, this fee will most likely only be imposed at colleges located in urban or metropolitan areas, thereby reducing estimated revenues.<sup>11</sup>

2. Expenditures:

None.

**C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

See FISCAL COMMENTS.

**D. FISCAL COMMENTS:**

To the extent a community college board of trustees chooses to establish a transportation access fee, the cost to a student attending the community college may increase.

Recipients of a Bright Futures Scholarship would be required to pay the transportation access fee. HB 255 prohibits the transportation access fee from being included in the amount calculated for scholarships under the Bright Futures Scholarship Program.

The Florida Prepaid College Program (Program) does not currently offer a plan to cover a transportation access fee. The two-year Community College Tuition Plan and 2 + 2 Tuition Plan cover

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<sup>10</sup> Department of Education analysis of HB 255 (November 30, 2009).

<sup>11</sup> *Id.*

the required registration fee.<sup>12</sup> The term “registration fee” is defined in law to include tuition and the building, Capital Improvement Trust Fund, and student financial aid fees.<sup>13</sup> The Program is authorized to approve contracts for additional community college fees authorized by s. 1009.23, F.S., and thus may offer a contract to cover the transportation access fee in the future.

### 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:

None.

#### B. RULE-MAKING AUTHORITY:

#### C. DRAFTING ISSUES OR OTHER COMMENTS:

Similar legislation authorizing each community college board of trustees to establish a transportation access fee was passed during the 2009 Regular Session.<sup>14</sup> The Governor vetoed the bill on June 10, 2009. The Governor voiced concerns that the transportation access fee would be charged to all students instead of being charged solely to students who benefit from the fee. Additionally, the Governor stated that he could not support charging students up to an additional \$200 per year fee in challenging economic times for services that a student may or may not utilize.<sup>15</sup>

### IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES

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<sup>12</sup> [http://www.myfloridaprepaid.com/Plans/No\\_Plan/2plus2\\_Tuition\\_Plan.asp](http://www.myfloridaprepaid.com/Plans/No_Plan/2plus2_Tuition_Plan.asp) (last visited December 22, 2009).

<sup>13</sup> Section 1009.97(3)(g), F.S.

<sup>14</sup> See CS/HB 739 (2009).

<sup>15</sup> [http://www.flgov.com/legislative\\_actions\\_all](http://www.flgov.com/legislative_actions_all) (last visited December 16, 2009).