

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

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

---

Prepared By: The Professional Staff of the Committee on Fiscal Policy

---

BILL: CS/SB 960

INTRODUCER: Fiscal Policy Committee and Senator Lee

SUBJECT: Florida Bright Futures Scholarship Program

DATE: April 3, 2015

REVISED: 4/6/2015

---

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Bailey</u>	<u>Klebacha</u>	<u>HE</u>	<b>Favorable</b>
2.	<u>Sikes</u>	<u>Elwell</u>	<u>AED</u>	<b>Favorable</b>
3.	<u>Pace</u>	<u>Hrdlicka</u>	<u>FP</u>	<b>Fav/CS</b>

---

**Please see Section IX. for Additional Information:**

COMMITTEE SUBSTITUTE - Substantial Changes

---

**I. Summary:**

CS/SB 960 allows a student who is eligible for a Florida Bright Futures Scholarship award, but unable to accept the award immediately following high school graduation due to a full-time religious or service obligation lasting at least 18 months, to defer the 2-year initial award period and the 5-year renewal period until the student completes the religious or service obligation.

The bill also modifies student community service requirements for Florida Bright Futures Scholarship Program awards by clarifying that community service work means volunteer service work, expanding the permissible activities that students can participate in to meet the volunteer service work requirement to include civic or professional areas, and placing parameters on such activities.

The bill also repeals obsolete references to past SAT and ACT score requirements, and the requirement that students in home education programs whose parents cannot document college-preparatory curriculum must earn higher SAT or ACT scores to be eligible for the Florida Medallion Scholarship.

The fiscal impact of the provisions related to the award deferment authorized in the bill is likely minimal, but the number of students who could potentially benefit is not known. The fiscal impact of repealing the provision for higher score requirements for certain students in home education programs is between negative \$100,000 and \$300,000 recurring to the General Revenue Fund due to more students qualifying for the Florida Medallion Scholarship.

## II. Present Situation:

The Florida Bright Futures Scholarship Program (program) is a lottery-funded scholarship program to reward a Florida high school graduate who merits recognition for high academic achievement and who enrolls in a degree program, certificate program, or applied technology program at an eligible public or private postsecondary institution in Florida after graduating from high school.<sup>1</sup> The Department of Education (DOE) administers the program in accordance with rules and procedures adopted by the State Board of Education.<sup>2</sup>

The program consists of three types of awards:<sup>3</sup>

- Florida Academic Scholarship (FAS);<sup>4</sup>
- Florida Medallion Scholarship (FMS);<sup>5</sup> and
- Florida Gold Seal Vocational Scholarship (FGSV).<sup>6</sup>

Currently, a student who graduates from high school having met the requirements of a Florida Bright Futures Scholarship award is eligible to accept:

- An initial award for a period of 2 years;<sup>7</sup> and
- A renewal award for 5 years after graduating from high school.<sup>8</sup>

A student who enlists in the United States Armed Forces immediately after high school graduation can defer the 2-year eligibility period for initial award and 5-year renewal period of the award until the student separates from active duty.<sup>9</sup> Also, for a student who receives the scholarship award but discontinues his or her education to enlist in the United States Armed Forces, the remainder of his or her 5-year renewal period commences upon the date of separation from active duty.<sup>10</sup>

To be eligible to receive a program award, students must meet the general eligibility criteria<sup>11</sup> and specific academic and community service work requirements.<sup>12</sup> The FAS and FMS require certain SAT or ACT scores, depending on the academic year. For the 2013-2014 academic year and on, a student must earn a SAT score of 1290 or Act score of 29 for the FAS, and a SAT score of 1170 or ACT score of 26 for the FMS. However, for the FMS, a student in a home

---

<sup>1</sup> Sections 1009.53(1), F.S. and 1009.531(2)(a-c), F.S., specify that a student graduating from high school prior to the 2010-2011 academic year is eligible to accept an initial award for 3 years following high school graduation and to accept a renewal award for 7 years following high school graduation. Each student graduating in the 2010-2011 and 2011-2012 academic school years is eligible to accept an initial award for 3 years following high school graduation and to accept a renewal award for 5 years following high school graduation. In the 2012-2013 academic school year, and thereafter, a student graduating from high school is able to accept an initial award for 2 years following high school and to accept a renewal award for 5 years following high school graduation.

<sup>2</sup> Section 1009.53(3), F.S.

<sup>3</sup> Section 1009.53(2), F.S.

<sup>4</sup> Section 1009.534, F.S.

<sup>5</sup> Section 1009.535, F.S.

<sup>6</sup> Section 1009.536, F.S.

<sup>7</sup> Section 1009.531(2)(c), F.S.

<sup>8</sup> *Id.*

<sup>9</sup> *Id.*

<sup>10</sup> *Id.*

<sup>11</sup> Section 1009.531, F.S.

<sup>12</sup> Sections 1009.534(1), 1009.535(1), and 1009.536(1)(e), F.S.

education program whose parent cannot document a college-preparatory curriculum must earn a SAT score of 1220 or ACT score of 27 to be eligible.<sup>13</sup>

To fulfill the community service work requirements, students graduating in the 2011-2012 academic year and thereafter must complete community service work, identify a social problem of interest, develop a plan for personal involvement in addressing the problem, and reflect on such experience through papers or presentations.<sup>14</sup> The number of community service work hours required differ among the three programs. For FAS, students must perform a minimum of 100 hours of community service work, FMS students must perform a minimum of 75 hours of community service work<sup>15</sup>, and FGSV students must perform a minimum of 30 hours of community service work.<sup>16</sup> The community service work must be approved by the district school board, the administrators of a nonpublic school, or the DOE for home education program students.<sup>17</sup>

### **III. Effect of Proposed Changes:**

#### **Religious or Service Obligation Deferment**

The bill modifies the student eligibility requirements for initial award of the Florida Bright Futures Scholarship (Section 1). The bill allows a student who is eligible for a Florida Bright Futures Scholarship award, but unable to accept the award immediately following high school graduation due to a full-time religious or service obligation lasting at least 18 months, to defer the 2-year initial award period and the 5-year renewal period until the student completes the religious or service obligation.

For the student to be eligible for the deferment, the religious or service obligation sponsoring organization must meet the requirements for nonprofit status under s. 501(c)(3) of the Internal Revenue Code or be a federal government service organization, such as the Peace Corps and AmeriCorps programs. The sponsoring organization must document, in writing, and verify the student's religious obligation or service work on a standardized form prescribed by the Department of Education.

In effect, students that would otherwise forfeit a scholarship due to participation in a religious or service obligation may retain eligibility, similar to the flexibility currently granted to students who enlist in the Armed Forces.

#### **Volunteer Service Requirement**

The bill modifies student community service requirements affecting student eligibility for the Florida Academic Scholarship (Section 2), Florida Medallion Scholarship (Section 3), and Florida Gold Seal Vocational Scholarship (Section 4) awards and clarifies that "community" service work means "volunteer" service work. Specifically, the bill:

---

<sup>13</sup> Section 1009.531(6), F.S.

<sup>14</sup> Sections 1009.534(1), F.S.

<sup>15</sup> Section 1009.535(1), F.S.

<sup>16</sup> Section 1009.536(1)(e), F.S.

<sup>17</sup> *Supra* note 12.

- Expands volunteer service work areas to include a civic issue or a professional area of interest;
- Requires students to develop a plan for personal involvement in addressing the social or civic issue or learning about the professional area, as well as to reflecting on such experience through papers or presentations;
- Provides accountability requirements for a student's service work; and
- Prohibits a student from receiving compensation or academic credit for the volunteer service work, except for credit earned through service-learning courses.<sup>18</sup>

The bill specifies that volunteer service work may include, but is not limited to, the following activities:

- Internship with a business or government entity;
- Work for a nonprofit community service organization; or
- Activity on behalf of a candidate for public office.

The volunteer service hours must be documented in writing and signed by the student, the student's parent or guardian, and a representative of the organization where the student volunteered.

### **General Eligibility Requirements**

The bill repeals obsolete requirements for certain SAT and ACT scores for the FAS and FMS for past academic years (Section 1). The bill also repeals the higher SAT or ACT score required for a student in a home education program whose parent cannot document college-preparatory curriculum to be eligible for the Florida Medallion Scholarship.

The bill takes effect on July 1, 2015.

## **IV. Constitutional Issues:**

### **A. Municipality/County Mandates Restrictions:**

The mandate restrictions do not apply because the bill does not require counties and municipalities to spend funds, reduce counties' or municipalities ability to raise revenue, or reduce the percentage of state tax shares with counties and municipalities.

### **B. Public Records/Open Meetings Issues:**

None.

### **C. Trust Funds Restrictions:**

None.

---

<sup>18</sup> Service-learning courses are adopted pursuant to s. 1003.497, F.S.

**V. Fiscal Impact Statement:****A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

Under the bill more students may remain eligible for the Florida Bright Futures Scholarship award due to the religious or service obligation deferment option. In addition, more students participating in a home education program may be eligible for the Florida Medallion Scholarship due to the repeal of the higher SAT or ACT score requirements. In the 2013-2014 fiscal year, the average Florida Bright Futures Scholarship award was \$1,973.<sup>19</sup>

The bill may encourage more students to participate in religious or service activities after high school graduation because they can remain eligible for a Bright Futures Scholarship award.

**C. Government Sector Impact:**

Approximately 80 percent of students initially eligible for a Florida Bright Futures Scholarship award enroll in a Florida postsecondary institution and receiving funding.<sup>20</sup> The number of students who don't accept an award immediately after high school graduation who could potentially benefit from the award deferment authorized in the bill is not known, but should be nominal.

The fiscal impact of repealing the provision for higher score requirements for certain students in home education programs is between negative \$100,000 and \$300,000 recurring to the General Revenue Fund due to more students qualifying for the Florida Medallion Scholarship.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

The bill authorizes the DOE to prescribe a standardized form to be completed by the student's sponsoring organization.

---

<sup>19</sup> Florida Department of Education, *2013-14 Florida Bright Futures Scholarship Program End-of-Year Report*, available at [https://www.floridastudentfinancialaidsg.org/pdf/EOY\\_Reports/2013-14/BF\\_2013\\_2014.pdf](https://www.floridastudentfinancialaidsg.org/pdf/EOY_Reports/2013-14/BF_2013_2014.pdf) (last visited March 27, 2015).

<sup>20</sup> Staff analysis of Florida Department of Education, *Florida High School Graduates Eligible for and Receiving Bright Futures* (Sept. 2014), available at <http://www.floridastudentfinancialaid.org/SSFAD/PDF/BFstats/BFReportsB.pdf> (last visited March 27, 2015).

**VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 1009.531, 1009.534, 1009.535, and 1009.536.

**IX. Additional Information:****A. Committee Substitute – Statement of Substantial Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

**CS by Fiscal Policy on April 2, 2015:**

The committee substitute:

- Allows a student who is eligible for a Florida Bright Futures Scholarship award, but unable to accept the award immediately following high school graduation due to a full-time religious or service obligation lasting at least 18 months, to defer the 2-year initial award period and the 5-year renewal period until the student completes the religious or service obligation;
- Provides an exception in the volunteer service requirement for a student to earn academic credit for service-learning courses;
- Repeals references to obsolete academic eligibility requirements for the FAS and FMS awards; and
- Repeals the higher SAT or ACT score required for a student in a home education program whose parent cannot document college-preparatory curriculum to be eligible for the Florida Medallion Scholarship.

**B. Amendments:**

None.