

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1311 Postsecondary Education Fees

SPONSOR(S): Rehwinkel Vasilinda

TIED BILLS: **IDEN./SIM. BILLS:** SB 1230

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Higher Education & Workforce Subcommittee	11 Y, 0 N	Cherry	Bishop
2) Education Appropriations Subcommittee			
3) Education Committee			

SUMMARY ANALYSIS

The bill requires state universities to issue specified fee waivers to qualifying graduate students. The specified fees are:

- Financial aid fees as defined in section 1009.24(7), F.S.;
- Technology fees as defined in section 1009.24(13), F.S.;
- Fees for security, access, or identification cards as defined in section 1009.24(14)(c), F.S.; and
- Any fees or fines relating to the use, late return, and loss or damage of facilities and equipment as defined section 1009.24(14)(p), F.S.

Qualifying students include graduate students who have a 0.25, or greater, full-time equivalent appointment as a graduate assistant, graduate research assistant, graduate teaching assistant, graduate research associate, or graduate teaching associate.

For a fiscal analysis, see FISCAL COMMENTS, *infra*.

The bill provides an effective date of July 1, 2016.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

Florida Statute and Board of Governors Regulation 7.003 grants universities the discretion to assess financial aid fees, technology fees, access and transportation fees and fees or fines relating to the use, late return, and loss or damage of facilities and equipment.¹

Universities must use the revenue collected from these fees for specific purposes. For example, universities must direct a minimum of 75% of the student financial aid fee for use as financial aid based on absolute need.² The revenue from the technology fee is used to enhance instructional technology resources for students and faculty.³

For FY 2015-2016, state universities are authorized to charge specified fees per credit hour. The system averages for the following fees for graduate students are:

- Financial aid fee assessment of \$17.78;
- Technology fee assessment of \$13.44; and
- Access/transportation fee assessment of \$6.22.⁴

The assessment of fees or fines relating to the use, late return, and loss or damage of facilities and equipment are primarily contingent upon the actual use, late return, loss or damage of facilities and equipment by students; therefore, the actual assessment varies based on these individual circumstances.⁵

According to the Board of Governors, universities have the discretion to waive fees and fines.⁶

Effect of Proposed Changes

The bill requires state universities to issue specified fee waivers to qualifying graduate students. The specified fees are:

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- Technology fees as defined in section 1009.24(13), F.S.;
- Fees for security, access, or identification cards as defined in section 1009.24(14)(c), F.S.; and
- Any fees or fines relating to the use, late return, and loss or damage of facilities and equipment as defined section 1009.24(14)(p), F.S.

Qualifying students consist of graduate students who have a 0.25, or greater, full-time equivalent appointment as a graduate assistant, graduate research assistant, graduate teaching assistant, graduate research associate, or graduate teaching associate.

¹ See ss. 1009.24(7), 1009.24(13), 1009.24(14)(c), 1009.24(14)(r) and 1009.24(14)(p), F.S.

² Section 1009.24(7), F.S.

³ Section 1009.24(13), F.S.

⁴ Florida Board of Governors, 2016 Agency Legislative Bill Analysis for HB 925 (Jan. 28, 2016), at 1.

⁵ *Id.*

⁶ Florida Board of Governors Regulation 7.008 (last amended Sept. 3, 2015).

Based on data for fall 2015, graduate student appointments greater than or equal to 0.25 FTE totaled 5,528 FTE. These students accumulated 112,684 graduate student credit hours. Associated fees for 1 graduate FTE amount to approximately \$1,200 annually.⁷

The fee waivers may decrease financial assistance to students, see FISCAL COMMENTS, *infra*.

B. SECTION DIRECTORY:

Section 1. Amends s. 1009.26, F.S., relating to postsecondary education fee waivers.

Section 2. Provides an effective date of July 1, 2016.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

Tuition Revenue

The total 2015-2016 system average fee assessment for the financial aid fee, technology fee, and access fee is \$37.49 per student credit hour. Using the Florida definition of 32 credit hours per year (equal to 1 graduate FTE), the annual fee assessment would be \$1,200 per graduate FTE.

Based on fall 2015 enrollment, the fiscal impact to the state university system would be an estimated \$4.2 million reduction in tuition revenues per semester. The estimated fiscal impact excludes any additional fee assessments associated with fees or fines relating to the use, late return, and loss or damage of facilities and equipment.

Financial Aid

Of the 334,990 full-time and part-time students enrolled in the system, an estimated 141,000 students at the undergraduate and graduate levels of instruction have demonstrated some form of financial need, with 113,000 students receiving at least one need-based award from institutional support, federal support, and state support. For institutional support alone, an estimated 42,000 students receive assistance from financial aid fee collections.⁸

⁷ *Id.* at 2 and 3.

⁸ *Id.*

Waiving the financial aid fee for an estimated 112,684 eligible graduate student credit hours could result in an estimated \$4 million annual reduction in available revenue for financial aid.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

None.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

Not applicable.