

HOUSE OF REPRESENTATIVES FINAL BILL ANALYSIS

BILL #: CS/HB 793 **FINAL HOUSE FLOOR ACTION:**

SPONSOR(S): Education Appropriations Subcommittee; O'Toole and others 116 Y's 0 N's

COMPANION BILLS: CS/HB 520 **GOVERNOR'S ACTION:** Approved

SUMMARY ANALYSIS

CS/HB 793 passed the House on February 24, 2016, and subsequently passed the Senate on March 4, 2016.

The bill creates the Florida Gold Seal CAPE Scholars award as an alternative to the current Florida Gold Seal Vocational Scholars award. A student may qualify for the Florida Gold Seal CAPE Scholars award if he or she meets the general eligibility requirements for the Florida Bright Futures Scholarship program and earns a minimum of five postsecondary credits through CAPE industry certifications which qualify for college credit. The new scholarship allows students to take additional credit hours upon completion of a technical degree in certain instances.

The bill modifies the initial eligibility period for the Florida Bright Futures Scholarship Program for students who are unable to accept an award due to full-time religious or service obligations lasting at least 18 months. Eligible students can defer the 2-year initial award period and the 5-year renewal period until the student completes the religious or service obligation. The organization sponsoring the full-time religious or service obligation must be a federal government service organization or satisfy the Internal Revenue Code's requirements for nonprofit status.

The bill modifies student community service work requirements for the Florida Bright Futures Scholarship Program awards, including Florida Academic Scholars (FAS), Florida Medallion Scholars (FMS), Florida Gold Seal Vocational Scholars (FGSVS) awards, and adds the requirement for the newly created Florida Gold Seal CAPE Scholars award.

The bill modifies the requirements by:

- Clarifying that community service work must be volunteer work and prohibits any student from receiving remuneration or academic credit for such work
- Expanding volunteer service work areas to include a civic issue or a professional area of interest
- Providing that volunteer work may include, but not be limited to, a business or government internship, employment with a nonprofit community service organization, or activity on behalf of a candidate for public office
- Establishing accountability requirements for student volunteer work that includes documentation in writing by the student, the student's parent, and a representative of the organization for which the student worked.

The number of community service hours required for each Bright Futures award remains unchanged.

The bill eliminates references to outdated eligibility requirements for the FAS and FMS awards, and removes the higher test score requirement for home education students whose parents cannot document a college-preparatory curriculum. Specifically, the bill provides that test score requirements are the same for students enrolled in home education programs as they are for all other high school students qualifying for the FMS award.

The bill provides an appropriation of \$66,468 in recurring funds from the Educational Enhancement Trust Fund for Fiscal Year 2016-2017 to pay for Bright Futures scholarships for eligible students in home education programs. SEE FISCAL COMMENTS.

The bill was approved by the Governor on March 24, 2016, ch. 2016-91, L.O.F., and will become effective on July 1, 2016.

I. SUBSTANTIVE INFORMATION

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h0793z1.HEWS

DATE: March 9, 2016

A. EFFECT OF CHANGES:

Florida Bright Futures Scholarship Program

Present Situation

The Florida Bright Futures Scholarship Program (Bright Futures) is a lottery-funded, merit-based scholarship program for Florida high school graduates who meet specified academic requirements and enroll 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.¹ The Department of Education (DOE) administers the program in accordance with rules and procedures adopted by the State Board of Education (SBE).²

The Bright Futures Scholarship Program consists of three types of awards:³

- Florida Academic Scholarship (FAS);
- Florida Medallion Scholarship (FMS); and
- Florida Gold Seal Vocational Scholarship (FGSVS).

Acceptance Period

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; and a renewal award for 5 years after graduating from high school.⁴

A student who enlists in the United States Armed Forces immediately after high school can defer the 2-year eligibility period for his or her initial award and the 5-year renewal period of the award until the student separates from active duty. Likewise, 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.⁵

FAS & FMS Academic Requirements

To be eligible for FAS and FMS awards, students are required to meet certain Scholastic Assessment Test (SAT) or American College Test (ACT) scores, depending on the academic year of high school graduation⁶. For students who graduated in the 2013-2014 academic year and thereafter, test score requirements are as follows:

- FAS - SAT score of 1290 or an ACT score of 29;⁷ and
- FMS – SAT score of 1170 or an ACT score of 26.⁸

¹ 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 accept a renewal award for 7 years following high school graduation. Students graduating in the 2010-2011 and 2011-2012 academic years are eligible to accept an initial award for 3 years following high school graduation and accept a renewal award for 5 years following high school graduation. Beginning with the 2012-2013 academic year, graduates may accept an initial award for 2 years following high school graduation and accept renewal awards for 5 years following high school graduation.

² Section 1009.53(3), F.S.

³ Section 1009.53(2), F.S.

⁴ Section 1009.531(2)(c), F.S.

⁵ *Id.*

⁶ Increased SAT and ACT test score eligibility requirements were adopted during the 2010 and 2011 Legislative Sessions. See ch. 2010-155, L.O.F., and ch. 2011-063, L.O.F. The scores were phased in to allow high school students time to academically prepare.

⁷ Section 1009.531(6)(a)3., F.S.

⁸ Section 1009.531(6)(b)4., F.S.

However, a student in a home education program whose parent cannot document a college-preparatory curriculum must earn a SAT score of 1220 or an ACT score of 27 to be eligible for a FMS award.⁹ There is no minimum SAT or ACT score for FGSV Scholars.

Community/Volunteer Service Work Requirements

To be eligible for a scholarship award, a high school student must complete service hours prior to graduation. The program of community service work performed by the student must be approved by the district school board, administrators of a nonpublic school, or DOE for home education program students.¹⁰ Students must identify a social problem of interest, develop a plan for personal involvement in addressing the problem, and reflect on their experiences through papers or presentations.

The community service work requirement is the same for all three types of awards; however, the required number of hours differs among the three scholarships. To be eligible to receive the FAS award, a student must perform at least 100 hours of community service work.¹¹ FMS students must perform a minimum of 75 hours of community service work¹² and FGSV students must perform a minimum of 30 hours of community service work.¹³

The implementing bill for the 2015-2016 General Appropriations Act (GAA) expanded the community service work requirement opportunities by allowing a student to complete a program of volunteer service work. Specifically, the program of volunteer service work (*italics provided to show differences between the GAA implementing bill and permanent statutory authority requirements*):

- Requires approval by the district school board, the administrators of a nonpublic school, or the DOE for home education program students
- Requires the student to identify a *social or civic issue or a professional area* of interest
- Requires the student to develop a plan for personal involvement in addressing the issue or *learning* about the professional area, as well as evaluating and reflecting on such experience through papers or presentations
- *Prohibits a student from receiving compensation or academic credit for the volunteer service work, except for credit earned through service-learning courses*¹⁴
- *Requires the volunteer service hours to 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*
- *Authorizes volunteer service work to include, but not be limited to:*
 - *An internship with a business or government entity;*
 - *Work for a nonprofit community service organization; or*
 - *Work for an activity on behalf of a candidate for public office*¹⁵

The GAA implementing bill is applicable for one fiscal year only; therefore, the changes as shown above expire on July 1, 2016.

Effect of the Bill

⁹ *Id.*

¹⁰ Florida Department of Education, Office of Student Financial Assistance, *2015-2016 Bright Futures Student Handbook, Chapter 1: Initial Eligibility Requirements*, p. 4, (December 12, 2015) available at <http://www.floridastudentfinancialaid.org/SSFAD/PDF/BFHHandbookChapter1.pdf> (last visited February 9, 2016).

¹¹ Section 1009.534(1), F.S.

¹² Section 1009.535(1), F.S.

¹³ Section 1009.536(1)(e), F.S.

¹⁴ Section 11, ch. 2015-222, L.O.F. Service-learning courses are adopted by school districts pursuant to s. 1003.497, F.S.

¹⁵ Section 11, ch. 2015-222, L.O.F. This section of the chapter law expires on July 1, 2016.

Acceptance Period

The bill modifies the initial eligibility period for the Florida Bright Futures Scholarship Program by extending the 2-year initial eligibility and the 5-year renewal period for students who are unable to accept an award due to full-time religious or service obligations lasting at least 18 months.

Eligible students can defer the 2-year initial award period and the 5-year renewal period until the student completes the religious or service obligation. The organization sponsoring the full-time religious or service obligation must be a federal government service organization or satisfy the requirements for nonprofit status under section 501(c)(3) of the Internal Revenue Code. Qualifying organizations include the Peace Corps and AmeriCorps programs.

This is similar to the deferral provision for students who enlist in the United States Armed Forces.

FAS & FMS Academic Requirements

The bill eliminates outdated academic eligibility requirements for the FAS and FMS awards.¹⁶ The bill repeals the higher SAT or ACT test score required for the FMS award for a student in a home education program whose parents cannot document a college-preparatory curriculum. The bill provides that all students enrolled in a home education program will be required to meet the same test score requirements as other high school students when qualifying for the Florida Medallion Scholars award.

Community/Volunteer Service Work Requirements

The bill makes permanent, the provisions included in the implementing bill for the 2015-2016 GAA related to student volunteer service work requirements.¹⁷

The bill modifies community service work requirements by:

- Clarifying that community service work must be volunteer work and prohibits any student from receiving remuneration or academic credit for such work
- Expanding volunteer service work areas to include a civic issue or a professional area of interest
- Providing that volunteer work may include, but not be limited to, a business or government internship, employment with a nonprofit community service organization, or activity on behalf of a candidate for public office
- Establishing accountability requirements for student volunteer work that includes documentation in writing by the student, the student's parent, and a representative of the organization for which the student worked

The number of community service hours required for each Bright Futures award remains unchanged.

Florida Gold Seal CAPE Scholars

The bill creates an additional pathway for a student to receive a vocational scholarship under the Florida Bright Futures Scholarship program. The bill creates the Florida Gold Seal CAPE Scholars award. Beginning with 2016-2017 high school graduates, a student may qualify for the Florida Gold Seal CAPE Scholars award if he or she meets the general eligibility requirements for the Florida Bright

¹⁶ Increased SAT and ACT test score eligibility requirements were adopted during the 2010 and 2011 Legislative Sessions. See ch. 2010-155, L.O.F., and ch. 2011-063, L.O.F. Requirements for students graduating in 2010-2011, 2011-2012 and 2012-13 are obsolete.

¹⁷ Section 11, ch. 2015-222, L.O.F.

Futures Scholarship program and earns a minimum of five postsecondary credits through CAPE industry certifications which articulate for college credit. Students must also meet the volunteer service requirements, as outlined above.

The bill allows a student who earns a Florida Gold Seal CAPE Scholars award to receive an award for a maximum of 100 percent of the number of credit hours or equivalent clock hours required to complete one of the following at a Florida public or nonpublic education institution which has these programs:

- an applied technology diploma program (up to 60 credit hours or equivalent clock hours);
- a technical degree education program (up to the number of hours required for a specific degree, not to exceed 72 credit hours or equivalent clock hours); or
- a career certificate program (up to the number of hours required for a specific certificate, not to exceed 72 credit hours or equivalent clock hours).

A student who transfers from one program level to another is eligible for the higher of the credit hour limit.

The bill provides that a student who is initially eligible in the 2017-2018 academic year and thereafter for a Florida Gold Seal CAPE Scholars award who also completes a technical degree education program as defined in s. 1004.02(13), F.S., may also receive an award for:

- a maximum of 60 credit hours for a bachelor of science degree program in which there is a statewide associate in science to bachelor of science degree program articulation agreement; or
- a maximum of 60 credit hours for a bachelor of applied science degree program at a Florida College System institution.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

The fiscal impact pertaining to repealing the FMS higher test score requirement for students in home education programs whose parents cannot document a college-preparatory curriculum is \$66,468 in Fiscal Year 2016-2017, with future costs through Fiscal Year 2020-2021 totaling \$285,127. The fiscal impact pertaining to creating the Florida Gold Seal CAPE Scholars award has no impact in Fiscal Year 2016-2017; however, future costs through Fiscal Year 2020-2021 are estimated to be \$740,732. The total fiscal impact of this bill through Fiscal Year 2020-2021 is estimated to be \$1,205,859.¹⁸

	Florida Medallion Scholars Award Home Education	Florida Gold Seal CAPE Scholars Award	Total
2016-17	\$ 66,468	\$ -	\$ 66,468
2017-18	\$ 129,497	\$ 321,481	\$ 450,978
2018-19	\$ 190,725	\$ 571,419	\$ 762,144
2019-20	\$ 284,909	\$ 681,542	\$ 966,451
2020-21	\$ 285,127	\$ 740,732	\$ 1,025,859

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

¹⁸ <http://edr.state.fl.us/Content/conferences/financialaidimpact/index.cfm>

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Students enrolled in home education programs whose parents cannot document a college-preparatory curriculum will be eligible for the Bright Futures Scholarship with a lower test score than they are currently required to meet. This aligns the test score requirements with those required of other high school students. These students will be required to earn 1170, rather than 1220, on the Scholastic Assessment Test score (SAT), or earn a 26, rather than 27, on the American College Test (ACT).

D. FISCAL COMMENTS:

A Student Financial Aid Impact Conference (Conference) was held on February 2, 2016 to adopt estimated costs for CS/SB 520, which contains a provision that is also included in this bill. The provision removes the higher SAT/ACT test score requirements for students enrolled in a home education program whose parents cannot document a college preparatory curriculum. The consensus estimate adopted by the Conference for this provision is \$66,468 in Fiscal Year 2016-2017.¹⁹

¹⁹ Id.