

**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 Education

---

BILL: CS/SB 844

INTRODUCER: Education Committee and Senator Bean

SUBJECT: Excess Credit Hour Surcharges

DATE: February 7, 2018

REVISED: \_\_\_\_\_

---

|    | ANALYST | STAFF DIRECTOR | REFERENCE | ACTION |
|----|---------|----------------|-----------|--------|
| 1. | Bouck   | Graf           | ED        | Fav/CS |
| 2. | _____   | _____          | AHE       | _____  |
| 3. | _____   | _____          | AP        | _____  |

---

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

COMMITTEE SUBSTITUTE - Substantial Changes

---

**I. Summary:**

CS/SB 844 requires a state university to refund the assessed excess hour surcharge, for up to 12 credit hours, to any first-time-in-college student who completes a baccalaureate degree program within 4 years after initial enrollment in a state university.

The bill takes effect July 1, 2018.

**II. Present Situation:**

The Legislature established the excess credit hour surcharge in 2009<sup>1</sup> to encourage each undergraduate student who enrolls in a state university to complete the student's respective baccalaureate degree program in the most efficient way possible while providing for access to additional college coursework.<sup>2</sup> State universities must require a student to pay an excess hour surcharge for each credit hour in excess of the number of credit hours required to complete the baccalaureate degree program in which the student is enrolled.<sup>3</sup>

The excess hour surcharge is effective for students who enter a state university for the first time and maintain continuous enrollment as follows:<sup>4</sup>

---

<sup>1</sup> Section 11, ch. 2009-60, L.O.F.

<sup>2</sup> Section 1009.286(1), F.S.

<sup>3</sup> *Id.* at (2).

<sup>4</sup> *Id.*

- For the 2009-2010 and 2010-2011 academic years, an excess hour surcharge equal to 50 percent of the tuition rate for each credit hour in excess of 120 percent.
- For the 2011-2012 academic year, an excess hour surcharge equal to 100 percent of the tuition rate for each credit hour in excess of 115 percent.
- For the 2012-2013 academic year and thereafter, an excess hour surcharge equal to 100 percent of the tuition rate for each credit hour in excess of 110 percent.

For example, under current law, a student enrolled in a 120 credit hour baccalaureate degree program may take up to 132 credit hours (or 110 percent) before being assessed the excess hour surcharge for each credit hour in excess of the 120 credit hour degree requirement. Similarly, a student enrolled in a 130 credit hour baccalaureate degree program may take up to 143 credit hours (or 110 percent) before being assessed the excess hour surcharge for each credit hour in excess of the 130 credit hour degree requirement.

All credit hours for courses taken at the state university from which the student is seeking a baccalaureate degree are included when calculating the number of hours taken by a student, including:<sup>5</sup>

- Failed courses.
- Courses that are dropped after the university's advertised last day of the drop and add period.
- Courses from which a student withdraws, except those specified in law.<sup>6</sup>
- Repeated courses, except repeated courses for which the student has paid the full cost of instruction as provided in law.<sup>7</sup>

In addition, all credit hours earned at another institution and accepted for transfer by the state university and applied toward the student's baccalaureate degree program are included when calculating the number of hours taken by the student.<sup>8</sup>

Credit hours earned under the following circumstances are not calculated as hours required to earn a baccalaureate degree:<sup>9</sup>

- College credits earned through an articulated accelerated mechanism identified in law.<sup>10</sup>
- Credit hours earned through internship programs.
- Credit hours required for certification, recertification, or certificate programs.
- Credit hours in courses from which a student must withdraw due to reasons of medical or personal hardship.
- Credit hours taken by active-duty military personnel.
- Credit hours required to achieve a dual major taken while pursuing a baccalaureate degree.
- Remedial and English as a Second Language credit hours.

---

<sup>5</sup> Section 1009.286(3)(a), F.S.

<sup>6</sup> *Id.* at (4).

<sup>7</sup> Section 1009.285, F.S.

<sup>8</sup> Section 1009.286(3)(b), F.S.

<sup>9</sup> *Id.* at (4).

<sup>10</sup> Section 1007.27, F.S. Articulated acceleration mechanisms include, but are not limited to, dual enrollment and early admission, advanced placement, credit by examination, the International Baccalaureate Program, and the Advanced International Certificate of Education Program. *Id.*

- Credit hours earned in military science courses that are part of the Reserve Officers' Training Corps (ROTC) program.

### III. Effect of Proposed Changes:

CS/SB 844 requires a state university to refund the assessed excess hour surcharge, for up to 12 credit hours, to any first-time-in-college student who completes a baccalaureate degree program within 4 years after initial enrollment in a state university.

Accordingly, under the bill, a student enrolled in a 120 credit hour baccalaureate degree program who graduates in 4 years after initial enrollment at a state university may take up to 144 credit hours without an excess hour surcharge. Under current law, such student may take up to 132 credit hours (or 110 percent) before being assessed the excess hour surcharge for each credit hour in excess of the 120 credit hour degree requirement. Under the bill, the student may take an additional 12 credit hours (up to 144 credit hours) beyond the existing 110 percent excess hour threshold, for which the excess hour surcharge will be refunded.

The bill may encourage more students to graduate within four years. The Board of Governors reports that 14,284 first-time-in-college students in the 2015-2016 graduating class graduated within 48 months.<sup>11</sup> Ten percent (or 1,450) of those students earned excess credit hours, which totaled 12,000 excess credit hours.<sup>12</sup> Accordingly, each of the 1,450 students in the 2015-2016 graduating class who was assessed the excess hour surcharge generated an average of 8 credit hours in excess of his or her baccalaureate degree credit hour requirement.

The bill takes effect July 1, 2018.

### IV. Constitutional Issues:

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

None.

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

None.

#### C. Trust Funds Restrictions:

None.

### V. Fiscal Impact Statement:

#### A. Tax/Fee Issues:

None.

---

<sup>11</sup> Board of Governors, *2018 Agency Bill Analysis for SB 844* (Dec. 15, 2017), at 3.

<sup>12</sup> *Id.*

**B. Private Sector Impact:**

CS/SB 844 may result in cost savings, in the form of refunds, for students who generate excess credit hours, but who graduate with a baccalaureate degree within 4 years of initial enrollment.

**C. Government Sector Impact:**

Based on data from the Board of Governors for the 2015-16 graduating class, state universities may be required to refund approximately \$2.4 million to students who were assessed the excess hour surcharge, but who graduated in 4 years.<sup>13</sup> This estimate is based on 1,450 identified first-time-in-college students who generated 12,000 excess credit hours, but graduated in 4 years.<sup>14</sup>

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends section 1009.286 of the Florida Statutes.

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

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

**CS by Education on February 6, 2018:**

The committee substitute:

- Modifies the bill provision regarding the application of the excess hour surcharge for first-time-in-college students who graduate with a baccalaureate degree in 4 years. Specifically, the committee substitute requires a state university to refund the assessed excess hour surcharge, for up to 12 credit hours, to any first-time-in-college student who completes a baccalaureate degree program within 4 years after initial enrollment in a state university.
- Removes from the bill the provision specifying the assessment of the excess hour surcharge for each credit hour in excess of 120 percent of the credit hours required to complete the baccalaureate degree for students enrolled in a degree program designated by the Board of Governors as an area of strategic emphasis in a science, technology, engineering, mathematics, or health discipline.

---

<sup>13</sup> Board of Governors, *2018 Agency Bill Analysis for SB 844* (Dec. 15, 2017), at 4.

<sup>14</sup> *Id.*

B. Amendments:

None.

---

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

---