

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** CS/HB 859 The Historically Black Colleges and Universities Matching Endowment Scholarships Program

**SPONSOR(S):** Post-Secondary Education Subcommittee; Lee, Jr. and Alexander

**TIED BILLS:** HB 861 **IDEN./SIM. BILLS:** SB 1526

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Post-Secondary Education Subcommittee	14 Y, 0 N, As CS	McAlarney	Bishop
2) Higher Education Appropriations Subcommittee			
3) Education Committee			

### SUMMARY ANALYSIS

The bill creates the Historically Black Colleges and Universities Matching Endowment Scholarship Program (Program). The Program will be administered by the Florida Department of Education (DOE) and provides funds to participating Florida based historically black colleges and universities (HBCU) in order to provide scholarships to enrolled students.

Florida has four HBCUs: Bethune-Cookman University, Edward Waters College, Florida Agricultural and Mechanical University, and Florida Memorial University.

The Legislature will appropriate \$2 million for the Program and each HBCU in the state will be required to provide \$500,000 in matching funds if they wish to participate in the Program. All funds transferred to the trust fund for the Program will be invested. The appropriated funds and all matching funds will remain in the trust fund and interest from the fund will be used for the scholarships. The annual accumulated interest will be allocated by the DOE to each participating HBCU and must be used to provide scholarships to enrolled students with unmet financial need.

The bill takes effect July 1, 2018.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

##### **Present Situation**

An HBCU is any historically black college or university that was established prior to 1964, whose principal mission was, and is, the education of black Americans, and that is accredited by a nationally recognized accrediting agency or association determined by the U.S. Secretary of Education to be a reliable authority as to the quality of training offered or is making reasonable progress toward accreditation.<sup>1</sup>

There are four HBCUs in Florida<sup>2</sup> - Bethune-Cookman University (B-CU), Edward Waters College (EWC), Florida Agricultural and Mechanical University (FAMU), and Florida Memorial University (FMU).

##### Bethune-Cookman University

Bethune-Cookman University (B-CU) is a private university located in Daytona Beach, Florida, founded in 1904, and is affiliated with the United Methodist Church.<sup>3</sup> B-CU is accredited by the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC).<sup>4</sup> It is also a member of the Independent Colleges & Universities of Florida (ICUF).<sup>5</sup> B-CU currently enrolls approximately 4,000 students<sup>6</sup> and awards Bachelor of Arts, Bachelor of Science, Master of Athletic Training, Master of Education, Master of Public Health, and Master of Science degrees.<sup>7</sup>

##### Edward Waters College

Edward Waters College (EWC) is a private college located in Jacksonville, Florida, founded in 1866, and affiliated with the African Methodist Episcopal Church. It is the oldest private institution of higher education in the state of Florida.<sup>8</sup> EWC is accredited by the SACSCOC and is a member of ICUF.<sup>9</sup> EWC's current enrollment is 839 students. Approximately 51% of the student body is male, 49% female, and over 90% of the students rely on financial aid.<sup>10</sup> EWC prepares students for careers in teaching, technology, research, religion, politics, and other leading fields of today and in the future.<sup>11</sup> Bachelor's degrees are offered in Communications, Music, Psychology, Criminal Justice, Biology, Elementary Education, Mathematics, and Business Administration.<sup>12</sup>

##### Florida Agricultural and Mechanical University

Florida Agricultural and Mechanical University (FAMU) is a public university within the State University System of Florida with a main campus in Tallahassee, Florida and a law school in Orlando, Florida.

---

<sup>1</sup> U.S. Department of Education, White House Initiative on Historically Black Colleges and Universities, *What is an HBCU?*, <https://sites.ed.gov/whhbcu/one-hundred-and-five-historically-black-colleges-and-universities/> (last visited Jan. 5, 2018).

<sup>2</sup> Miami Herald, Historically black colleges face challenges, but seeing more interest amid racial tensions, Lance Dixon, Feb. 25, 2017, <http://www.miamiherald.com/news/local/education/article134927419.html> (last visited Jan. 4, 2018).

<sup>3</sup> Bethune-Cookman University, About B-CU, [http://www.cookman.edu/about\\_BCU/index.html](http://www.cookman.edu/about_BCU/index.html) (last visited Jan. 4, 2018).

<sup>4</sup> Bethune-Cookman University, Accreditation, <http://www.cookman.edu/academics/accreditation.html> (last visited Jan. 18, 2018).

<sup>5</sup> Independent Colleges and Universities of Florida, Institutions, <http://www.icuf.org/institutions/> (last visited Jan. 18, 2018).

<sup>6</sup> Bethune-Cookman University, About B-CU, Fall 2017 Institutional Profile, <http://www.cookman.edu/academics/IE/research/Institutional2017-2018FallProfile.pdf> (last visited Jan. 18, 2018).

<sup>7</sup> Bethune-Cookman University, Degree Offerings, <http://catalog.cookman.edu/content.php?catoid=29&navoid=1843> (last visited Jan. 18, 2018).

<sup>8</sup> Edwards Waters College, About Us, <http://www.ewc.edu/about/> (last visited Jan. 4, 2018).

<sup>9</sup> Independent Colleges and Universities of Florida, Institutions, <http://www.icuf.org/institutions/> (last visited Jan. 18, 2018).

<sup>10</sup> Edwards Waters College, About Us, <http://www.ewc.edu/about/> (last visited Jan. 4, 2018).

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

<sup>12</sup> Edwards Waters College, Academic Programs, <https://www.ewc.edu/academics/academic-programs/> (last visited Jan. 18, 2018).

FAMU is an 1890 land-grant institution and is accredited by SACSCOC.<sup>13</sup> FAMU currently enrolls approximately 11,000 students<sup>14</sup> and offers 54 bachelor's degrees, 29 master's degrees, 3 professional degrees, and 12 doctoral degrees.<sup>15</sup>

#### Florida Memorial University<sup>16</sup>

Florida Memorial University (FMU) is a private university located in Miami Gardens, Florida and established by the Baptist Church<sup>17</sup> in 1879.<sup>18</sup> FMU is accredited by SACSCOC and is a member of ICUF.<sup>19</sup> FMU's current enrollment is 1,339<sup>20</sup> and the university offers 41 Bachelor degree programs and 4 master's programs.<sup>21</sup> In addition to typical undergraduate degree programs found at other Florida colleges and universities, FMU offers several unique, specialized programs such as a Bachelor of Science in Aeronautical Science with a concentration in Flight Education or Air Traffic Control, and a Bachelor of Science in Aviation Management.<sup>22</sup> FMU's graduates enjoy the sixth highest starting salaries in the state.<sup>23</sup>

### **Effect of Proposed Changes**

The bill creates the Historically Black Colleges and Universities Matching Endowment Scholarship Program (Program). The Program will be administered by the Florida Department of Education (DOE) and provide funds to participating Florida based HBCUs in order to provide scholarships to enrolled students.

The Legislature will appropriate \$2 million for the Program and each HBCU in the state will be required to provide \$500,000 in matching funds to participate in the Program. All funds transferred to the trust fund for the Program will be invested. The appropriated funds and all matching funds will remain in the trust fund and the annual accumulated interest will be allocated by the DOE to each participating HBCU and must be used to award scholarships to enrolled students with unmet financial need.

This bill takes effect July 1, 2018.

### **B. SECTION DIRECTORY:**

Section 1. Creates s. 1009.894, F.S., establishing the Historically Black Colleges and Universities Matching Endowment Scholarship Program.

Section 2. Provides an effective date of July 1, 2018.

---

<sup>13</sup> Florida Agricultural and Mechanical University, Accrediting Associations, <http://www.famu.edu/index.cfm?AboutFAMU&AccreditingAssociations> (last visited Jan. 18, 2018).

<sup>14</sup> Florida Agricultural and Mechanical University, Quick Facts, Overview, <http://www.famu.edu/index.cfm?AboutFAMU&Overview> (last visited Jan. 18, 2018).

<sup>15</sup> *Id.*

<sup>16</sup> Florida Memorial University, About, <http://www.fmuniv.edu/about/> (last visited Jan. 1, 2018).

<sup>17</sup> *Id.*

<sup>18</sup> *Id.*

<sup>19</sup> Independent Colleges and Universities of Florida, Institutions, <http://www.icuf.org/institutions/> (last visited Jan. 18, 2018).

<sup>20</sup> U.S. News and World Report, Florida Memorial University – 2018 Quick Stats, <https://www.usnews.com/best-colleges/florida-memorial-university-1486/student-life> (last visited Jan. 19, 2018).

<sup>21</sup> Florida Memorial University, Academics, <http://www.fmuniv.edu/academics/> (last visited Jan. 1, 2018).

<sup>22</sup> Florida Memorial University, Undergraduate Degree Programs, <http://www.fmuniv.edu/academics/undergraduate-degree-programs/> (last visited Jan. 18, 2018).

<sup>23</sup> Florida Memorial University, About, <http://www.fmuniv.edu/about/> (last visited Jan. 1, 2018).

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

#### 1. Revenues:

None.

#### 2. Expenditures:

The bill requires the Legislature to appropriate \$2 million to transfer into a Historically Black Colleges and Universities Matching Endowment Scholarship Trust Fund. Each HBCU wishing to participate in the program must provide \$500,000 in matching funds. The corresponding trust fund is created in HB 861.

Costs to the Department of Education in administering the program are unknown; however, these costs are likely insignificant.

### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

#### 1. Revenues:

None.

#### 2. Expenditures:

None.

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

None.

### D. FISCAL COMMENTS:

None.

## III. COMMENTS

### A. CONSTITUTIONAL ISSUES:

#### 1. Applicability of Municipality/County Mandates Provision:

None.

#### 2. Other:

None.

### B. RULE-MAKING AUTHORITY:

The State Board of Education shall adopt rules to administer the Program.

### C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

#### **IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES**

On January 23, 2018, the Post-Secondary Education Subcommittee adopted one amendment and reported the bill favorably as a committee substitute. The amendment clarified that scholarships awarded through the Program must be awarded to students with unmet financial need. In addition, the amendment corrected a technical error by removing the requirement that the Board of Governors adopt rules to implement the section.

The bill analysis is drafted to the committee substitute as passed by the Post-Secondary Education Subcommittee.