

**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.)

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Prepared By: The Professional Staff of the Appropriations Subcommittee on Education

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BILL: PCS/CS/SB 86 (745108)

INTRODUCER: Appropriations Subcommittee on Education; Education Committee; and Senator Baxley

SUBJECT: Student Financial Aid

DATE: March 23, 2021

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

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Jahnke</u>	<u>Bouck</u>	<u>ED</u>	<b>Fav/CS</b>
2.	<u>Underhill</u>	<u>Elwell</u>	<u>AED</u>	<b>Recommend: Fav/CS</b>
3.	_____	_____	<u>AP</u>	_____

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

COMMITTEE SUBSTITUTE - Substantial Changes

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**I. Summary:**

PCS/CS/SB 86 modifies provisions relating to postsecondary financial aid programs, and establishes new financial aid programs for Pell Grant eligible students and students without a high school diploma. Specifically, the bill:

- Requires the Board of Governors (BOG) office to create an online dashboard of data regarding state university graduates, which must include post-graduation salary; student loan debt; debt-to-income ratio; estimated loan payment as a percentage of income; and percentage of graduates who have continued their education.
- Requires each state university board of trustees to adopt procedures to connect undergraduate students to career planning, coaching, and related programs during the first academic year of the student's enrollment.
- Clarifies that postsecondary tuition and fee exemptions apply to a student who is currently in the custody of the Department of Children and Families or a specified relative or nonrelative, or who was at the time he or she reached 18 years of age.
- Requires the BOG, State Board of Education (SBE), and the Independent Colleges and Universities of Florida (ICUF) to each identify and publish a list of career certificate, undergraduate, and graduate degree programs that do not lead directly to employment.
- Modifies the Florida Bright Futures Scholarship Program by:
  - Changing that the Florida Academic Scholars (FAS) and Florida Medallion Scholars (FMS) award amounts shall be specified in the General Appropriations Act (GAA).

- Creating additional eligibility options for FAS and FMS awards for students who earn an associate degree through dual enrollment or who earn an Advanced Placement Capstone Diploma.
- Specifies that the 2021-2022 academic year is the final year of initial eligibility for nonresident students to qualify for the Benacquisto Scholarship Program, and modifies that the award shall be specified in the GAA.

The bill does not require an additional appropriation for the 2020-2021 fiscal year. The net effect of the provisions in the bill for the out years is indeterminate at this time. See Section V.

The bill takes effect July 1, 2021.

## II. Present Situation:

The present situation for each relevant portions of the bill is discussed under the Effect of Proposed Changes of this bill analysis.

## III. Effect of Proposed Changes:

### Career Planning and Information

#### *Present Situation*

##### Florida Economic Security Report

The Florida Economic Security Report<sup>1</sup> details the economic outcomes of recent completers from Florida's public postsecondary education institutions. Data from the District Technical Centers (DTCs), the Florida College System (FCS), and the State University System of Florida (SUS) are included in this report. The report documents the variation in first and fifth-year earnings among completers who earned certificates, diplomas, or degrees from Florida's three public postsecondary educational systems. The report also presents data on the percentage of completers from various institutions who received public assistance, as well as the percentage of completers that are enrolled in continuing education programs. The average federal debt acquired by all students (not just graduates) is also reported.<sup>2</sup>

##### Florida Education & Training Placement Information Program

The Florida Education and Training Placement Information Program (FETPIP)<sup>3</sup> is a data collection and consumer reporting system established to provide follow-up data on former students and program participants who have graduated, exited or completed a public education or training program within the state of Florida. A major goal of Florida's K-20 Education system is to improve employment and earnings outcomes for all students. This information is part of the performance accountability processes for all parts of the K-20 system and serves as an indicator of student achievement and program needs. The reports provided by FETPIP may assist

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<sup>1</sup> Section 445.07 F.S.

<sup>2</sup> Florida Department of Economic Opportunity, *Economic Security Report 2019* (Feb. 2020) available at [https://www.floridajobs.org/docs/default-source/state-program-reports/2020-state-program-report/2019-esr-\(final\)143322a4cbbb61cbb02aff01004f56df.pdf](https://www.floridajobs.org/docs/default-source/state-program-reports/2020-state-program-report/2019-esr-(final)143322a4cbbb61cbb02aff01004f56df.pdf).

<sup>3</sup> Section 1008.39, F.S.

educators and parents to better prepare and counsel students for success in their future education or career choices.<sup>4</sup>

#### Board of Governors - Baccalaureate Follow-up Study

The Board of Governors (BOG) currently conducts a 1, 5, and 10 year employment and continuing education outcomes study of state university baccalaureate graduates.<sup>5</sup> The study is designed to better understand the employment and education outcomes of graduates over time and provides critical information to students, parents, educators, and policy-makers about the experiences of graduates after completing a baccalaureate degree from the state university system.<sup>6</sup> The BOG uses the results of the study to monitor the progress toward meeting the goals and objectives of the BOG's 2025 System Strategic Plan.

The results of BOG's study found that the majority of graduates were employed 1, 5, and 10 years after graduation, with earnings that increase over time. A significant number of graduates continued to pursue additional education, with many completing at least one additional credential.<sup>7</sup>

#### State University System Career Centers

All of the state universities offer career services to students and alumni. Career services have evolved over time and continue to change to meet the needs of today's students, technological advancements, workforce demands, and campus culture.<sup>8</sup> The directors of the SUS career centers form the Florida Career Centers Consortium and exchange best practices to enhance career readiness for students and alumni.<sup>9</sup> The SUS Career Centers:

- Engage with students early on and frequently to develop career plans;
- Collaborate with faculty to embed career frameworks in curricular offerings;
- Support students with degree and career choices by sharing salary and potential employment options;
- Prepare students for professional work environment by providing soft skill training assistance with professional attire and internship opportunities;
- Connect and partner with employers to ensure graduates are prepared to meet workforce needs; and
- Assist students in securing employment after graduation through online platforms, connecting students with mentors, and career fairs.<sup>10</sup>

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<sup>4</sup> Florida Department of Education (DOE), *Florida Education & Training Placement Information Program*, <http://www.fldoe.org/accountability/fl-edu-training-placement-info-program/> (last visited Mar. 16, 2021).

<sup>5</sup> Florida Board of Governors (BOG), *Baccalaureate Follow-up Study: Employment and Education Outcomes 1, 5, and 10 Years After Graduation* (August 2020) available at [https://www.flbog.edu/wp-content/uploads/TAWA\\_03b\\_Baccalaureate\\_Follow-up\\_CE.pdf](https://www.flbog.edu/wp-content/uploads/TAWA_03b_Baccalaureate_Follow-up_CE.pdf).

<sup>6</sup> *Id.*

<sup>7</sup> *Id.*

<sup>8</sup> BOG, *Information Brief, How SUS Career Services Impact Student Success* (October 2019) available at [https://www.flbog.edu/wp-content/uploads/SPC\\_07b\\_Career-Centers-Info-Brief\\_CE.pdf](https://www.flbog.edu/wp-content/uploads/SPC_07b_Career-Centers-Info-Brief_CE.pdf).

<sup>9</sup> BOG, *Career Services and Student Success* (October 2019) available at [https://www.flbog.edu/wp-content/uploads/SPC\\_07\\_October\\_Career-Services-and-Student-Success\\_CE.pdf](https://www.flbog.edu/wp-content/uploads/SPC_07_October_Career-Services-and-Student-Success_CE.pdf).

<sup>10</sup> BOG, *Information Brief, How SUS Career Services Impact Student Success* (October 2019) available at [https://www.flbog.edu/wp-content/uploads/SPC\\_07b\\_Career-Centers-Info-Brief\\_CE.pdf](https://www.flbog.edu/wp-content/uploads/SPC_07b_Career-Centers-Info-Brief_CE.pdf).

### ***Effect of Proposed Changes***

The bill creates s. 1006.75, F.S., to establish a new requirement connecting state university undergraduate students to career information. Specifically, the bill:

- Requires the BOG to create an online dashboard by January 1, 2022. The dashboard must present data, by academic discipline, of state university graduates, including at least the following information:
  - Post-graduation median salary 1, 5, and 10 years after graduation;
  - Median student loan debt;
  - Debt-to-income ratio;
  - Estimated monthly loan payment as a percentage of gross monthly income; and
  - The percentage of graduates who have continued their education beyond the baccalaureate level.
- Requires a link to the dashboard to be prominently displayed on each state university's office of admission's website.

Additionally, the bill requires each state university board of trustees to adopt procedures to connect undergraduate students to career planning, coaching, and related programs during the student's first academic year of enrollment. The BOG must approve the procedures by March 1, 2022, which include placing a hold on student registration before the end of each student's first year until the student:

- Registers with the university's career center;
- Completes a career center readiness training module provided by the career center;
- Is directed toward the online dashboard;
- Acknowledges that he or she has been provided information about career planning and is aware of the employment and wage prospects for his or her declared.

### **Identification of Certificate and Degree Programs Aligned to Labor Market Demand**

#### ***Present Situation***

##### Board of Governors - Programs of Strategic Emphasis

The Programs of Strategic Emphasis (PSE) exists as one of several tools for aligning the degree production goals of the State University System with the economic and workforce needs of Florida.<sup>11</sup> Periodically, the BOG revises the PSE list through an analysis of the current reports and data of key economic and workforce councils in Florida. These "key councils" include Enterprise Florida, Inc., the Council of 100, the Florida Chamber of Commerce, and the Department of Economic Opportunity.<sup>12</sup> This process identifies occupational areas with high demand for postsecondary graduates and provides an opportunity to identify emerging and

<sup>11</sup> BOG, *Methodology for Updating Programs of Strategic Emphasis in the State University System of Florida* (September 2020) available at [https://www.flbog.edu/wp-content/uploads/CIP\\_2020\\_PSE\\_Methodology\\_CE\\_FINAL.pdf](https://www.flbog.edu/wp-content/uploads/CIP_2020_PSE_Methodology_CE_FINAL.pdf).

<sup>12</sup> BOG, *Methodology for Updating Programs of Strategic Emphasis in the State University System of Florida, Board of Governors 2019 Mid-Course Correction - 2025 Strategic Plan* (September 2019) available at [https://www.flbog.edu/wp-content/uploads/SPC\\_06c\\_2019\\_PSE\\_Methodology\\_and\\_list\\_CE.pdf](https://www.flbog.edu/wp-content/uploads/SPC_06c_2019_PSE_Methodology_and_list_CE.pdf).

evolving business sectors and occupations.<sup>13</sup> The current list of PSE includes 868<sup>14</sup> programs in the following areas:<sup>15</sup>

- Education;<sup>16</sup>
- Healthcare;<sup>17</sup>
- Global Competitiveness;<sup>18</sup>
- STEM;<sup>19</sup> and
- Gap Analysis.<sup>20</sup>

The BOG tracked their baccalaureate graduates into the workforce and found 92 percent of the graduates were employed one year after graduation, with 71 percent employed full-time.<sup>21</sup> The PSE degree fields accounted for the top five fields of study where baccalaureate graduates were found employed full-time one year after graduation.<sup>22</sup>

### Department of Education – Career and Technical Education Audit

Governor Ron DeSantis issued Executive Order Number 19-31<sup>23</sup> to chart a course for Florida to become number one in the nation in workforce education, with the goal of ensuring students are prepared to succeed in jobs of the future and satisfy Florida’s growing workforce demands.<sup>24</sup> Governor DeSantis directed the Commissioner of Education (commissioner) to audit course offerings in career and technical education (CTE).

<sup>13</sup> State University System of Florida, *Programs of Strategic Emphasis* <https://www.flbog.edu/resources/academic/programs-of-strategic-emphasis/> (last visited Mar. 2, 2021).

<sup>14</sup> BOG, *Current PSE list approved by the BOG at its September 2020 meeting (September 2020)* available at <https://www.flbog.edu/wp-content/uploads/Current-PSE-list-approved-by-the-BOG-at-its-September-2020-meeting-PDF.pdf>.

<sup>15</sup> BOG, *Methodology for Updating Programs of Strategic Emphasis in the State University System of Florida* (September 2020) available at [https://www.flbog.edu/wp-content/uploads/CIP\\_2020\\_PSE\\_Methodology\\_CE\\_FINAL.pdf](https://www.flbog.edu/wp-content/uploads/CIP_2020_PSE_Methodology_CE_FINAL.pdf).

<sup>16</sup> Largely based upon the annual State Board of Education list of critical teacher shortage areas.

<sup>17</sup> Based primarily on the Florida Department of Economic Opportunity workforce projections.

<sup>18</sup> Includes degree programs that assist in making the SUS globally competitive can be found throughout the system across many disciplines, especially within the sciences, engineering, and information technology programs.

<sup>19</sup> Includes science, technology, engineering, and mathematics disciplines. The primary references used were the Florida Department of Economic Opportunity, the Department of Homeland Security, the National Science Foundation, and the Washington State Education Research and Data Center.

<sup>20</sup> Includes degree programs leading to the occupational categories projected to be critically under-supplied in the Board of Governors’ analysis of labor market projections and related degree production. Consequently, the academic programs included in this category correspond to Florida’s high-need, high-wage occupational areas identified through the gap analysis. BOG, *The 2019 Gap Analysis: Explanation of Method* (July 2019) available at [https://www.flbog.edu/wp-content/uploads/SPC\\_06d\\_2019\\_Gap\\_Analysis\\_Methodology\\_CE.pdf](https://www.flbog.edu/wp-content/uploads/SPC_06d_2019_Gap_Analysis_Methodology_CE.pdf).

<sup>21</sup> BOG, *Baccalaureate Follow-up Study: Employment and Education Outcomes 1, 5, and 10 Years After Graduation* (August 2020) available at [https://www.flbog.edu/wp-content/uploads/TAWA\\_03b\\_Baccalaureate\\_Follow-up\\_CE.pdf](https://www.flbog.edu/wp-content/uploads/TAWA_03b_Baccalaureate_Follow-up_CE.pdf). The current study was based on individual-level data for 349,543 graduates from the State University Data System (SUDS). These records were matched to records from the National Student Clearinghouse (NSC) and the Florida Department of Economic Opportunity (DEO). *Id.*

<sup>22</sup> *Id.* Engineering Technician; Engineering; Computer & Information Sciences; Business & Marketing; and Education.

<sup>23</sup> Office of the Governor, *Executive Order Number 19-31, January 30, 2019* available at [https://www.flgov.com/wp-content/uploads/orders/2019/EO\\_19-31.pdf](https://www.flgov.com/wp-content/uploads/orders/2019/EO_19-31.pdf).

<sup>24</sup> DOE, *Executive Order 19-31 Interim Report on Florida’s Career and Technical Education Audit, July 11, 2019* available at <http://www.fldoe.org/core/fileparse.php/18788/urlt/EO19-31InterimReport.pdf>.

Additionally, the order directed the commissioner to develop a methodology for annual audits to include a review of student outcomes and alignment between:

- Programs offered at K-12 and postsecondary levels;
- Professional-level industry certifications; and
- High-growth, high-demand and high-wage employment opportunities.<sup>25</sup>

The commissioner is required to annually recommend CTE programs that should be eliminated and programs that should be added based on audit results.

The CTE audit is comprised of a statewide review of programs, local program review, and sharing information and best practices. The CTE methodology includes all of the following:<sup>26</sup>

- A statewide assessment of programs based on the extent to which there are data that support the demand for the program at statewide and regional levels.<sup>27</sup>
- A statewide assessment of programs based on their performance on key institutional measures of program quality.<sup>28</sup>
- A local review of programs that did not meet statewide benchmarks based on local or industry labor market needs and institutional performance.<sup>29</sup>

### *Effect of Proposed Changes*

The bill creates s. 1009.46, F.S., to establish the duties of postsecondary educational institutions for state financial aid and tuition assistance programs. Specifically, the bill:

- Requires that each participating institution report the program of study to the Department of Education using the most recent classification of instructional programs (CIP) taxonomy.<sup>30</sup>
- Requires, by December 31, 2021, the BOG, State Board of Education (SBE), and Independent Colleges and Universities (ICUF) each approve a list of career certificate, undergraduate and graduate degree programs offered by a district career center, charter technical career center, FCS institution, independent college or university, or state university, which do not lead directly to employment, to be updated annually by December 31. In determining which programs will be included on the list, the BOG, SBE, and ICUF must consider national, state, and regional industry demand.
- Specifies, for each certificate and degree program listed, the BOG and SBE must identify occupations, current job openings, estimates of job growth, and employment wages.

<sup>25</sup> *Id.*

<sup>26</sup> DOE, *Florida's CTE Audit: Statewide Review of Programs* (Jan. 24, 2020) available at <http://www.fldoe.org/core/fileparse.php/18788/urlt/2020CTEAuditPreliminaryFindings.pdf>.

<sup>27</sup> The CTE Audit utilizes the Regional Demand Occupation List to determine statewide and regional demand, as well as, middle to high wage occupations. Florida Department of Economic Opportunity, Regional Demand Occupations List, <https://floridajobs.org/workforce-statistics/publications-and-reports/labor-market-information-reports/regional-demand-occupations-list> (last visited Mar. 5, 2021).

<sup>28</sup> DOE, *Florida's CTE Audit: Statewide Review of Programs* (Jan. 24, 2020) available at <http://www.fldoe.org/core/fileparse.php/18788/urlt/2020CTEAuditPreliminaryFindings.pdf>.

<sup>29</sup> Florida Department of Education, *Career & Technical Education Audit, Phase 2: Local Program Review*, <http://www.fldoe.org/careerpathways/> (last visited Mar. 5, 2021).

<sup>30</sup> The CIP is a taxonomy of instructional programs that provides a classification system for the thousands of different programs offered by postsecondary institutions. Its purpose is to facilitate the organization, collection, and reporting of fields of study and program completions. National Center for Education Statistics, *Introducing the 2020 Classification of Instructional Programs (CIP) and Its Website*, <https://nces.ed.gov/blogs/nces/post/introducing-the-2020-classification-of-instructional-programs-cip-and-its-website> (last visited Mar. 5, 2021).

- Specifies the SBE list must include programs at independent colleges and universities licensed by the Commission for Independent Education.
- Requires the BOG, SBE, and ICUF to publish the methodology used in determining whether programs were included on a list.
- Codifies certain existing requirements from SBE rule<sup>31</sup> related to applications for and disbursement of funds, student eligibility and notifications, reporting, and fund remittance, with sanctions for noncompliance.

## **General Eligibility for State Financial Aid and Tuition Assistance**

### ***Present Situation***

The general student eligibility requirements for state financial aid awards and tuition assistance grants consist of the following:<sup>32</sup>

- Achievement of the academic requirements of and acceptance at a state university or FCS institution; a nursing diploma school approved by the Florida Board of Nursing; a Florida college or university which is accredited by an accrediting agency recognized by the SBE; a Florida institution the credits of which are acceptable for transfer to state universities; a career center; or a private career institution accredited by an accrediting agency recognized by the SBE.
- Residency in Florida for no less than one year preceding the award of aid or a tuition assistance grant.<sup>33</sup>
- Submission of certification attesting to the accuracy, completeness, and correctness of information provided to demonstrate a student's eligibility to receive state financial aid awards or tuition assistance grants.

### ***Effect of Proposed Changes***

The bill amends s. 1009.40, F.S., to include in the general eligibility requirements relating to Florida residency the Last Mile College Completion Program, and Florida Farmworker Student Scholarship Program.<sup>34</sup>

## **Need-based Financial Aid**

### ***Present Situation***

#### **Florida Student Assistance Grant Program**

The Florida Student Assistance Grant (FSAG) Program, created in 1972, is Florida's largest need-based grant program, consisting of FSAG Public, FSAG Career Education (FSAG-CE), FSAG Private, and FSAG Postsecondary.<sup>35</sup> The FSAG Program provides state need-based

<sup>31</sup> Rule 6A-20.002, F.A.C.

<sup>32</sup> Section 1009.40(1)(a), F.S.

<sup>33</sup> Resident status for purposes of receiving state financial aid awards is determined in the same manner as resident status for tuition purposes pursuant to s. 1009.21. Section 1009.40(1)(a)2., F.S.

<sup>34</sup> Sections 1009.71, F.S.; 1009.711, F.S.; 1009.75, F.S.; and 1009.894, F.S.

<sup>35</sup> DOE, Office of Student Financial Assistance, *Annual Report to the Commissioner 2018-19* (2019), at 11, available at <https://www.floridastudentfinancialaidsg.org/pdf/annualreportcurrent.pdf>.

assistance grants to students who meet general eligibility requirements,<sup>36</sup> demonstrate financial need, and meet enrollment requirements as specified by each program. The FSAG Program is administered by participating institutions in accordance with SBE rule.<sup>37</sup>

The funds appropriated for the FSAG Program must be distributed to eligible institutions in accordance with a formula approved by the SBE. The formula must consider at least the prior year's distribution of funds, the number of eligible applicants who did not receive awards, the standardization of the EFC, and provisions for unused funds. The formula must account for changes in the number of eligible students across all student assistance grant programs.<sup>38</sup>

In 2019-2020, the FSAG programs disbursed approximately \$270 million to nearly 175,000 students.<sup>39</sup>

In addition, the FSAG Public, FSAG Private, and FSAG Postsecondary programs provide for deposit of funds appropriated by the Legislature for grants through the FSAG program into the State Student Financial Assistance Trust Fund.<sup>40</sup> The FSAG-CE program does not have this provision.

### *Effect of Proposed Changes*

The bill removes obsolete provisions within the various FSAG programs regarding standardization of the EFC and unused funds in the distribution formula and removes unnecessary requirements related to the State Student Financial Assistance Trust Fund for FSAG programs.

## **Merit-based Financial Aid**

### *Present Situation*

#### Florida Bright Futures Scholarship Program

The Florida Bright Futures Scholarship Program (Bright Futures program) was established in 1997<sup>41</sup> as 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 Florida public or private<sup>42</sup>

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<sup>36</sup> Section 1009.40, F.S.

<sup>37</sup> Sections 1009.50(6), 1009.505(5), 1009.51(6), and 1009.52(7), F.S. *See also* Rule 6A-20.031, F.A.C. Postsecondary educational institution administrative responsibilities for state student aid and tuition assistance programs are outlined in Rule 6A-20.002, F.A.C.

<sup>38</sup> Sections 1009.50(4)(a), 1009.51(4)(a), and 1009.52(4)(a), F.S.

<sup>39</sup> DOE, Office of Student Financial Assistance, *2019-20 End of Year Reports*, <https://www.floridastudentfinancialaidsg.org/SAPSPEOYR/SAPSPEOYR> (last visited Mar. 6, 2021).

<sup>40</sup> Sections 1009.50(5), 1009.51(5), and 1009.52(6), F.S.

<sup>41</sup> Chapter 1997-77, s. 2, Laws of Fla.

<sup>42</sup> A student who receives any award under the Bright Futures program and is enrolled in a nonpublic postsecondary education institution receives a fixed award calculated by using the average tuition and fee calculation as prescribed by the Department of Education for full-time attendance at a public postsecondary education institution at the comparable level. Section 1009.538, F.S.

postsecondary education institution. The DOE is responsible for issuing awards for the Bright Futures program annually.<sup>43</sup>

The Bright Futures program consists of the following awards:<sup>44</sup>

- Florida Academic Scholarship (FAS);<sup>45</sup>
- Florida Medallion Scholarship (FMS);<sup>46</sup> and
- Florida Gold Seal Vocational Scholarship (FGSV) and Florida Gold Seal CAPE Scholarship.<sup>47</sup>

Similarities and differences in specified provisions to qualify for FAS and FMS awards are depicted in the table below.<sup>48</sup>

Type	16 High School Course Credits	High School Weighted Bright Futures GPA	College Entrance Exams by High School Graduation Year (ACT/SAT)	Service Hours
FAS	4 - English (three must include substantial writing) 4 - Mathematics (at or above the Algebra I level) 3 - Natural Science	3.50	29/1330	100 hours
FMS	(two must have substantial laboratory) 3 - Social Science 2 - World Language (sequential, in same language)	3.00	25/1210	75 hours

Students who have demonstrated academic merit through a recognition program may be eligible for Bright Futures without having to meet one or more of the requirements.<sup>49</sup>

The recognition programs that do not require college entrance exam scores include:<sup>50</sup>

- National Merit Finalists and Scholars;
- National Hispanic Scholars;
- Advanced International Certificate of Education (AICE) Diploma; and
- International Baccalaureate (IB) Diploma.

FAS award recipients receive an award equal to the amount necessary to pay of 100 percent of tuition and applicable fees and an additional stipend for textbooks as specified in the General

<sup>43</sup> Section 1009.53(5), F.S.

<sup>44</sup> Section 1009.53(2), F.S.

<sup>45</sup> Section 1009.534, F.S.

<sup>46</sup> Section 1009.535, F.S.

<sup>47</sup> Section 1009.536, F.S.

<sup>48</sup> Section 1009.531, F.S.

<sup>49</sup> Sections 1009.534(1) and 1009.535(1), F.S.

<sup>50</sup> DOE, Office of Student Financial Assistance, *2020-21 Bright Futures Student Handbook Chapter 1: Initial Eligibility Requirements (July 31, 2020)* available at <https://www.floridastudentfinancialaid.org/PDF/BFHandbookChapter1.pdf>.

Appropriations Act (GAA).<sup>51</sup> FMS award recipients receive an award equal to the amount necessary to pay of 75 percent of tuition and applicable fees.<sup>52</sup>

A student may receive an FAS or FMS award for a maximum of 100 percent of the number of credit hours required to complete an associate degree program, a baccalaureate degree program, or a postsecondary career certificate program.<sup>53</sup>

Florida Bright Futures Scholarship recipients who graduate with a baccalaureate degree in seven semesters, or the equivalent or fewer hours, and wish to pursue graduate study may apply the unused portion of their FAS or FMS award toward one semester of graduate study, not to exceed 15 semester hours paid at the undergraduate rate.<sup>54</sup>

For the 2019-2020 fiscal year, a total of \$618,607,165 was disbursed through the Bright Futures program to 111,973 students.<sup>55</sup>

### Benacquisto Scholarship Program

The Benacquisto Scholarship Program (scholarship)<sup>56</sup> was created in 2014 to reward a Florida high school graduate who achieves recognition as a National Merit Scholar (NMS)<sup>57</sup> and enrolls in a baccalaureate degree program at an eligible Florida public or independent postsecondary educational institution.<sup>58</sup>

In addition to achieving recognition as an NMS, in order to be eligible for an award under the scholarship, a student must:<sup>59</sup>

- Be a state resident as determined by statute and SBE rules;
- Earn a standard Florida high school diploma or its equivalent pursuant to statute, unless:
  - The student completes a home education program pursuant to statute;<sup>60</sup> or

<sup>51</sup> Section 1009.534(2), F.S.

<sup>52</sup> Section 1009.535(2), F.S. Beginning in the fall 2021 semester, a Florida Medallion Scholar who is enrolled in an associate degree program at an FCS institution is eligible for an award equal to the amount necessary to pay 100 percent of tuition and specified fees to assist with the payment of educational expenses. Section 1009.535(2), F.S.

<sup>53</sup> Section 1009.532(3)(a), F.S.

<sup>54</sup> Section 1009.5341, F.S.

<sup>55</sup> Florida Bright Futures Scholarship Program, *Florida Bright Futures Student Counts and Total Costs* (September 2020) available at <https://www.floridastudentfinancialaidsg.org/PDF/PSI/BFReportsA.pdf>.

<sup>56</sup> The scholarship was renamed in 2016 from the Florida National Merit Scholar Incentive Program to the Benacquisto Scholarship Program. Chapter 2016-237, s. 26, Laws of Fla.

<sup>57</sup> DOE, Office of Student Financial Assistance, *Annual Report to the Commissioner 2018-19* (2019) available at <https://www.floridastudentfinancialaidsg.org/pdf/annualreportcurrent.pdf>. The National Merit Scholarship Corporation (NMSC) is a private, not-for-profit organization that operates without government assistance to recognize and honor academically talented students. National Merit Scholarship Corporation, *Mission*, <https://www.nationalmerit.org/s/1758/interior.aspx?sid=1758&gid=2&pgid=395> (last visited Mar. 3, 2021). NMSC organizes the National Merit Scholarship Program, which began in 1955 as an academic competition for recognition and scholarship. High school students enter the National Merit Program by taking the Preliminary SAT/National Merit Scholarship Qualifying Test (PSAT/NMSQT), which serves as an initial screen of approximately 1.5 million entrants each year, and meeting the program participation requirements. National Merit Scholarship Corporation, *National Merit Scholarship Program*, <https://www.nationalmerit.org/s/1758/interior.aspx?sid=1758&gid=2&pgid=424> (last visited Mar. 3, 2021).

<sup>58</sup> Section 1009.893(2), F.S.

<sup>59</sup> Section 1009.893(4)(a), F.S.

<sup>60</sup> Section 1002.41, F.S.

- The student earns a high school diploma from a non-Florida school while living with a parent who is on military or public service assignment out of this state;
- Be accepted by and enroll in a Florida public or independent postsecondary educational institution that is regionally accredited; and
- Be enrolled full-time in a baccalaureate degree program at an eligible regionally accredited Florida public or independent postsecondary educational institution during the fall academic term following high school graduation.

In 2018, eligibility was expanded to allow out-of-state students to qualify for a scholarship.<sup>61</sup>

Scholarship recipients attending a public postsecondary institution, who qualify as a Florida resident, receive an award equal to the institutional cost of attendance (COA) minus the sum of the student's Florida Bright Futures Scholarship and NMS award. Scholarship recipients attending a public postsecondary institution, who qualify as non-residents of Florida, receive an award equal to the institutional COA for a Florida resident minus the student's NMS award.<sup>62</sup> Eligible students who attend independent postsecondary educational institutions in Florida each receive scholarship awards equal to the highest COA for a resident of this state enrolled at a Florida public university, as reported by the BOG, minus the sum of the student's Florida Bright Futures Scholarship and NMS award.<sup>63</sup>

In the 2019-2020 fiscal year, the scholarship distributed \$21.6 million to 1,377 students, of which 202 were non-Florida residents. The average award was \$15,650.<sup>64</sup>

### *Effect of Proposed Changes*

#### Florida Bright Futures Scholarship Program

The bill modifies ss. 1009.534 and 1009.535, F.S., relating to the FAS and FMS awards. Specifically, the bill:

- Changes the FAS and FMS award from the award necessary to pay a specified percentage of tuition and specified fees to an award as specified in the GAA.
- Changes the FMS award for a FCS student in an associate degree program from an award necessary to pay the specified percentage of tuition and specified fees to an award as specified in the GAA.
- Simplifies the reference to the required college entrance exam scores.<sup>65</sup>
- Removes reference to a national achievement program no longer available through the National Merit Scholarship Corporation.
- Updates the reference to the National Hispanic Recognition Program to include all Recognition Programs administered by the College Board, which includes African American

<sup>61</sup> Chapter 2018-4, s. 22, Laws of Fla. See s. 1009.893(4)(b), F.S.

<sup>62</sup> Section 1009.893(5)(a), F.S.

<sup>63</sup> Section 1009.893(5)(b), F.S.

<sup>64</sup> DOE, Office of Student Financial Assistance, *End-of-Year Report, 2019-2020*, [https://www.floridastudentfinancialaidsg.org/PDF/PSI/FIS\\_2019\\_2020.pdf](https://www.floridastudentfinancialaidsg.org/PDF/PSI/FIS_2019_2020.pdf) (last visited Mar. 6, 2021).

<sup>65</sup> Program eligibility requires specified scores on the SAT and ACT. Section 1009.531(6), F.S.

Recognition, Hispanic Recognition, Indigenous Recognition, and Rural and Small Town Recognition.<sup>66</sup>

- Beginning for graduates in 2021-2022, adds additional alternative eligibility options: earned associates degree through dual enrollment or AP Capstone Diploma with scores of 4 or higher on six AP exams. Students who meet the requirements for these options would not be required to submit scores for college entrance exams.

The bill modifies s. 1009.53, F.S., to update the DOE notification process from beginning in January calendar year to beginning in September school year and removes unnecessary provisions relating to DOE authorization to certify forward 10 percent of allocated funds, and to federal loan programs.

#### Benacquisto Scholarship Program

The bill modifies s. 1009.893, F.S., to change initial eligibility options and remove award provisions related to COA. Specifically, the bill:

- Specifies that the 2021-2022 academic year is the final year of initial eligibility for nonresident students. However, current nonresident students receiving a scholarship may continue to receive renewal awards.
- Remove the requirement that the award level is tied to the cost of attendance and instead sets the award amount as specified in the GAA.

### **Fee Waivers and Exemptions**

#### *Present Situation*

All students in workforce education programs, FCS institutions, and state universities must be charged fees unless a fee waiver or exemption applies.<sup>67</sup> Tuition and fee exemptions can be distinguished from fee waivers or educational benefits. An exemption is “provided for certain students who are, by statutory definition, exempt from the payment of tuition and fees, including lab fees” and may generally include students who are in dual enrollment, apprenticeship programs, welfare transition, and in the custody of a relative, among other categories. In contrast, waivers transpire when students have their fees waived or forgiven by an institution. Examples of waivers include those related to state employees, college employees and their dependents, Purple Heart recipients, and certain classroom teachers.<sup>68</sup>

A student who is or was at the time he or she reached 18 years of age in the custody of the Department of Children and Families (DCF) or in the custody of a relative or nonrelative specified in law,<sup>69</sup> is exempt from the payment of tuition and fees at a state university, FCS institution, or Florida school district that provides workforce education programs. Such exemption includes fees associated with enrollment in applied academics for adult education

<sup>66</sup> The College Board, *The College Board National Recognition Programs*, <https://collegereadiness.collegeboard.org/psat-nmsqt-psat-10/scholarships-and-recognition/recognition-programs> (last visited Mar. 6, 2021).

<sup>67</sup> Sections 1009.22, 1009.23, and 1009.24, F.S., respectively.

<sup>68</sup> The Florida College System, *Exemptions and Waivers in The Florida College System* (March 2012), available at <http://www.fldoe.org/core/fileparse.php/7724/urlt/0072361-fyi2012-02exemptions.pdf> at 1.

<sup>69</sup> Section 39.5085, F.S., or s. 39.6225, F.S.

instruction and remains valid until the student reaches 28 years of age.<sup>70</sup> Such exemptions are outlined by year in the following tables:

#### State University System DCF Specified Fee Exemptions by Academic Year<sup>71</sup>

	2017-18		2018-19		2019-20	
	Headcount	Amount	Headcount	Amount	Headcount	Amount
Adopted	1,156	\$3,204,829	1,485	\$4,076,209	1,704	\$4,836,057
Foster Care/State Custody	1,035	\$2,911,275	811	\$2,444,456	801	\$2,477,687
Non-State Custody	127	\$365,738	449	\$1,118,653	488	\$1,255,052
<b>Total</b>	<b>2,318</b>	<b>\$6,481,842</b>	<b>2,745</b>	<b>\$7,639,318</b>	<b>2,993</b>	<b>\$8,568,796</b>

#### Florida College System DCF Specified Fee Exemptions by Academic Year<sup>72</sup>

	2017-18		2018-19		2019-20	
	Headcount	Amount	Headcount	Amount	Headcount	Amount
Adopted from DCF Services	1,459	\$2,459,399	1,735	\$2,972,262	1,833	\$3,207,602
Custody of DCF	2,459	\$4,281,744	2,464	\$4,280,172	2,325	\$4,040,160
Custody of a Relative	283	\$501,827	318	\$588,870	324	\$573,952
<b>Total</b>	<b>4,201</b>	<b>\$7,242,970</b>	<b>4,517</b>	<b>\$7,841,304</b>	<b>4,482</b>	<b>\$7,821,714</b>

It is unclear to what extent all postsecondary institutions currently apply the tuition and fee exemptions to students who qualify for the exemption and begin postsecondary education before the age of 18.<sup>73</sup>

#### *Effect of Proposed Changes*

The bill amends s. 1009.25, F.S., to clarify that tuition and fee exemptions apply to a student who is currently in the custody of the Department of Children and Families (DCF) or in the custody of a relative or nonrelative defined in law, or was so at the time he or she reached 18 years of age. Therefore, the bill may reduce confusion in the identification of students under DCF custody who are eligible for a tuition and fee exemption, specifically those students who enroll at a postsecondary institution prior to the age of 18.

<sup>70</sup>Section 1009.25(1)(c) and (d), F.S..

<sup>71</sup> Florida Board of Governors (BOG) ODA Analysis (Nov. 9, 2020), Email, Troy Miller, Deputy Chief Data Officer, BOG (Nov. 10, 2020) (on file with the Senate Committee on Education).

<sup>72</sup> The Florida College System, *Summary of Student Fee Exemptions and Waivers For the 2017-2018 Fiscal Year* (2018), version 1, available at <http://www.fldoe.org/core/fileparse.php/19874/urlt/1718ExemptWaiverSS.PDF> at 1; The Florida College System, *Summary of Student Fee Exemptions and Waivers For the 2018-2019 Fiscal Year* (2019), version 1, available at <http://www.fldoe.org/core/fileparse.php/19874/urlt/1819ExemptWaiverSS.PDF> at 1; and The Florida College System, *Summary of Student Fee Exemptions and Waivers For the 2019-2020 Fiscal Year* (2020), version 1, available at <http://www.fldoe.org/core/fileparse.php/19874/urlt/1920ExemptWaiveresSS.pdf> at 1.

<sup>73</sup> Email, Alan F. Abramowitz, Executive Director, Florida Statewide Guardian ad Litem Office (Oct. 1, 2020) (on file with the Senate Committee on Education); see also *DCF Fee Exemptions in the Florida College System, FAQ*, The Florida College System, available at <http://www.fldoe.org/core/fileparse.php/7480/urlt/0082785-faqscdfexemption.pdf> (last visited Jan. 6, 2021).

**IV. Constitutional Issues:**

## A. Municipality/County Mandates Restrictions:

None.

## B. Public Records/Open Meetings Issues:

None.

## C. Trust Funds Restrictions:

None.

## D. State Tax or Fee Increases:

None.

## E. Other Constitutional Issues:

None.

**V. Fiscal Impact Statement:**

## A. Tax/Fee Issues:

None.

## B. Private Sector Impact:

None.

## C. Government Sector Impact:

The bill does not require an additional appropriation for the 2020-2021 fiscal year. Although additional students may qualify for Bright Futures through the new dual enrollment and advanced placement options starting in the 2022-23 fiscal year, there will also be fewer non-resident students participating in the Benacquisto Scholarship program. The net effect of these provisions is indeterminate at this time.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 1009.25, 1009.40, 1009.50, 1009.505, 1009.51, 1009.52, 1009.53, 1009.532, 1009.534, 1009.535, 1009.893.

The bill creates the following sections of the Florida Statutes: 1006.75 and 1009.46.

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

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

**Recommended CS/CS by the Appropriations Subcommittee on Education on March 23, 2021:**

The CS/CS makes the following changes:

- Removes the provisions that would reduce the Bright Futures and Benacquisto awards based on the annual list of degree programs.
- Removes the provision that would reduce Bright Futures awards by the number of acceleration credits applied toward a student's degree.
- Removes the provision that made changes to how a student with a balance of hours could use their Bright Futures award toward graduate courses.
- Removes the provisions creating the Bright Opportunities Scholarship Program and the Endeavor Scholarship Program.
- Adds a provision that students must affirmatively acknowledge that they have been provided information about career planning and are aware of the employment and wage prospects for his or her declared major as a condition of having the hold on their course registration lifted.

**CS by Education on March 16, 2021**

The committee substitute:

- Requires the Board of Governors (BOG) office to create, by Jan 1, 2022, an online dashboard of data regarding state university graduates.
- Requires each state university board of trustees to adopt procedures to connect undergraduates to career planning, approved by the BOG by March 1, 2022, to include a hold on student registration after the student's first year until the student meets specified provisions.
- Requires the BOG and State Board of Education (SBE) to identify and publish a list of career certificate and undergraduate and graduate degree programs that do not lead directly to employment.
- Authorizes the Independent Colleges and Universities of Florida (ICUF) to identify a list for its member institutions. Institutions licensed by the Commission for Independent Education will be included on the SBE list.
- Requires the BOG, SBE, and ICUF to also publish their methodology in identifying programs for the list.
- Specifies that an annually updated list is effective for the next academic year.
- Modifies eligibility for state financial aid to remove the provision in the bill making certain students ineligible for financial aid award, and:

- Applies provisions relating to a program list only to merit-based awards under the Bright Futures Scholarship Program and Benacquisto Scholarship programs, rather than all state financial aid programs.
- Extends implementation of modified eligibility for a Bright Futures or Benacquisto scholarship based on the identified list to students initially funded in 2023-2024.
- Specifies that a student in an associate of arts degree program or in a baccalaureate program prior to admittance to a major may receive a maximum award, up to 60 credit hours.
- Specifies that a student who has been admitted to a certificate, diploma, or career degree, or major program that is not on the list may receive the maximum award specified for the scholarship program.
- Specifies that a student who has been admitted to a certificate, diploma, or career degree, or major program that is on the list may receive a reduced award, as specified in the General Appropriations Act.
- Clarifies that a reduced award applies to a program of study that was on the list at the time of the student's initial enrollment, or if the student changes major. A student may receive a maximum award if the program is removed from the list before the student is admitted to the major.
- Modifies the provision deducting acceleration credits from a Bright Futures award to apply only to those credits that apply to a certificate, diploma, associate in applied science or associate in science degrees, or to general education.
- Modifies the graduate program provision of a Bright Futures award to specify that in 2022-2023 the graduate program must not be on a specified list.
- Modifies the Florida Endeavor Scholarship student eligibility requirements to authorize a student to earn an award prior to initial enrollment, and:
  - Authorizes scholarship funds to be used for testing fees, including GED test fees.
  - Specifies that a student who meets basic skills assessment requirements, or is enrolled in an Integrated Education and Training program, may receive an award.
  - Specifies renewal requirements, including demonstration of progress by meeting program standards toward completion of a certificate or diploma.

**B. Amendments:**

None.