

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 Appropriations

BILL: CS/SB 1122

INTRODUCER: Appropriations Committee; and Senators Gainer and Broxson

SUBJECT: Student Fees

DATE: February 25, 2022

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Palazes</u>	<u>Bouck</u>	<u>ED</u>	Favorable
2.	<u>Grace</u>	<u>Elwell</u>	<u>AED</u>	Recommend: Favorable
3.	<u>Grace</u>	<u>Sadberry</u>	<u>AP</u>	Fav/CS

I. Summary:

CS/SB 1122 authorizes a district school board or a Florida College System (FCS) institution board of trustees (BOT), in consultation with regional workforce and economic development organizations, to implement a plan for a differential out-of-state fee for the purpose of recruiting students into postsecondary programs of study identified by the Labor Market Estimating Conference or the Credentials Review Committee as necessary to address unmet current and future workforce needs in the region.

The bill provides for the priority of Florida residents into identified programs over out-of-state students.

The bill also requires annual reporting to the State Board of Education on the employment outcomes of students who receive the differential, including the percentage employed in the occupation.

The bill has no impact on state revenues or expenditures. *See* Section V. Fiscal Impact Statement.

The bill takes effect July 1, 2022.

II. Present Situation:

Florida College System (FCS)

The FCS is established to, among other duties, provide access to undergraduate education to the students of this state, and to respond quickly and efficiently to meet the demand of communities

by aligning certificate and degree programs with local and regional workforce needs.¹ The FCS is comprised of 28 institutions.² FCS institutions provide associate, baccalaureate degrees, and postsecondary workforce education programs at a savings to the student and to the state over the cost of providing the degree at a state university.³ Each FCS institution is governed by a local board of trustees (BOT). The FCS BOT members are appointed by the Governor to staggered four-year terms, and confirmed by the Senate.⁴

The mission of FCS institutions reflects a commitment to be responsive to local educational needs and challenges. In 2019-2020, the FCS had approximately 715,044 students enrolled in degree and certificate programs. The table below provides a breakdown of student enrollment in the various educational programs offered by FCS institutions:⁵

Programs (2019-2020)*	Enrollment	Degrees/Certificates Awarded
Unduplicated Total Enrollment and Degrees/Certificates Awarded	715,044	113,212
Bachelor's Degree Program	45,943	9,477
Associate in Arts Degree (AA)	307,158	58,420
Associate in Science Degree (AS)	102,451	14,743
College Credit Certificates (CCC)	44,907	31,514
Postsecondary CTE (PSAV-ATD)	17,632	7,482
Advanced Technical Certificate (ATC)	700	420
Educator Preparation Institute (EPI)	1,147	403
Certificate of Professional Prep	132	104
Apprenticeship	3,016	126
College and Vocational Preparatory	47,657	N/A
Adult Education and Basic Secondary	22,285	N/A
Continuing Workforce Education	55,977	N/A
Life Long Learning	823	N/A
Recreation and Leisure	21,450	N/A

*Students may enroll in more than one program.

Florida College System Tuition and Fees

Each FCS BOT is required to establish tuition and out-of-state fees, which may vary no more than 10 percent below and 15 percent above the standard tuition rate and out-of-state fees determined by the Legislature. An FCS BOT may also establish additional fees to support activities such as capital improvements, student activities and services, and technology.

¹ Art. IX, s. 8(a), Fla. Const.

² Section 1000.21(3), F.S.

³ Section 1001.60(2)(a), F.S.

⁴ Art. IX, s. 8, Fla. Const.

⁵ Florida Department of Education, Florida College System, 2021 *Fact Book*, <https://www.fldoe.org/accountability/data-sys/CCTCMIS/reports.stml>, (last visited Jan. 11, 2021).

Since July 1, 2014, the standard tuition for advanced and professional, postsecondary vocational, developmental education, and educator preparation institute programs is \$71.98 per credit hour for residents and nonresidents, and the out-of-state fee is \$215.94 per credit hour. Since July 1, 2014, for baccalaureate degree programs the tuition is \$91.79 per credit hour for students who are residents for tuition purposes. For students who are nonresidents for tuition purposes, the tuition and out-of-state fee cannot be more than 85 percent of the sum of the tuition and the out-of-state fee at the state university nearest the FCS institution.

An FCS BOT may establish differential out-of-state fees:

- For an FCS institution that has a service area that borders another state.
- For a student who has been determined to be a nonresident for tuition purposes pursuant to s. 1009.21, F.S., and is enrolled in a distance learning course offered by the institution.⁶

Postsecondary Workforce Education

FCS institutions and school district career centers may offer postsecondary workforce education programs.

School District Career Centers

District school boards operate, control, and supervise public schools in the school district.⁷ Any district school board, after first obtaining the approval of the Department of Education (DOE), may, as a part of the district school system, organize, establish and operate a career center. A school district career center may offer terminal courses of a technical nature, and courses for out-of-school youth and adults, and is directed by a director responsible through the district school superintendent to the district school board.⁸ In 2019-20, approximately 179,112 students were served by Florida's career centers.⁹

Postsecondary Workforce Education Programs

Workforce education programs at district technical centers and FCS institutions include:

- Adult general education programs.
- Career certificate programs.
- Applied technology diploma (ATD) programs.¹⁰
- Continuing workforce education courses.
- Degree career education programs (at FCS institutions only).
- Apprenticeship and preapprenticeship programs.

⁶ Section 1009.23, F.S.

⁷ Art. IX, s. 4(b), Fla. Const.

⁸ Section 1001.44, F.S.

⁹ Get There, Florida's Workforce Education Initiative, *Area Technical Centers: Supporting Postsecondary Skill and Credential Attainment in Florida*, at 2(2020) available at <https://areatechnicalcenters.org/wp-content/uploads/2021/02/ATC-StateProfile-Florida.pdf>.

¹⁰ An ATD may be offered by either a career center or FCS institution, but a career center may offer an ATD only for non-degree career credit. Section 1004.02(7), F.S.

Postsecondary Workforce Education Tuition and Fees

For workforce education programs at an FCS institution or district career center that lead to a career certificate or an ATD, the standard tuition is \$2.33 per contact hour for residents and nonresidents and the out-of-state fee is \$6.99 per contact hour. District school boards and FCS institutions may adopt tuition and out-of-state fees that vary no more than 5 percent below or 5 percent above the combined total of the standard tuition and out-of-state fees. Similar to the authorization for an FCS institution, a district school board for a school district that borders another state may implement a plan for a differential out-of-state fee.¹¹

Determination of resident status for tuition purposes

To qualify as a resident, a student or, if that student is a dependent, their parent or parents, must have established legal residence in this state and must have maintained legal residence in this state for at least 12 consecutive months immediately prior to enrolling in a postsecondary institution. Each postsecondary institution is required to determine whether an applicant meets the residency requirements. The documentation needed for determining residency must be submitted to the postsecondary institution by the student.¹²

Identifying Workforce Need in Florida

In 2021, the Florida Legislature passed several initiatives to ensure that workforce education programs were tailored to Florida's workforce needs.¹³

As a part of the comprehensive workforce legislation, the Legislature reconstituted the Workforce Estimating Conference as the Labor Market Estimating Conference (LMEC). The LMEC is tasked with the development of real-time supply and demand information on Florida's statewide, regional, and local labor markets.¹⁴ Such information must include labor supply by education level, analyses of labor demand by occupational groups and occupations compared to labor supply, a ranking of critical areas of concern, and identification of in-demand, high-skill, middle-level to high-level wage occupations prioritized by level of statewide or regional shortages.¹⁵ State agencies must align any labor market demand and supply with the information developed by the LMEC.¹⁶

In addition, a Credentials Review Committee (CRC) was established under CareerSource Florida's state board. The CRC serves as a centralized body which identifies and designates non-degree and degree credentials of value for inclusion on the Master Credentials List.¹⁷ In their identification and designation of value, the CRC must ensure a credential meets labor market

¹¹ Section 1009.22, F.S.

¹² Section 1009.21, F.S.

¹³ Ch. 2021-164, L.O.F.

¹⁴ Section 216.136(7), F.S.; *see also* Office of Economic & Demographic Research, *Labor Market Estimating Conference*, <http://edr.state.fl.us/content/conferences/labormarket/index.cfm> (last visited Feb. 23, 2022).

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ Section 445.004(4), F.S.; *see also* CareerSource Florida, *Florida Credentials Review Committee*, <https://careersourceflorida.com/boardroom/florida-credentials-review-committee/> (last visited Feb. 23, 2022).

demand in Florida as identified by the LMEC or local demand as identified by the CRC.¹⁸ Credentials must include registered apprenticeship programs, industry certifications, licenses, advanced technical certificates, college credit certificates, career certificates, applied technology diplomas, associate degrees, baccalaureate degrees, and graduate degrees.¹⁹

III. Effect of Proposed Changes:

The bill adds additional flexibility in the establishment of differential out-of-state fees by authorizing a district school board or Florida College System (FCS) board of trustees (BOT) to implement a plan for a differential out-of-state fee for the purpose of recruiting students into postsecondary programs of study identified by the Labor Market Estimating Conference or the Credentials Review Committee as necessary to address unmet current and future workforce needs in the region. The bill requires that a district school board or FCS institution BOT consult with regional workforce and economic development organizations when implementing the plan.

The bill provides for the priority of Florida residents into identified programs over out-of-state students.

The bill also requires annual reporting to the State Board of Education on the employment outcomes of students who receive the differential, including the percentage employed in the occupation.

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.

¹⁸ Section 445.004(4)(h)4.a. and 5., F.S.

¹⁹ *Id.*

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The bill has no impact on state revenues or expenditures. However, Florida College System institutions and school districts that choose to implement the differential out-of-state fee for the purposes of recruiting students could experience a loss of revenue from students who are charged the differential out-of-state fee.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 1009.22 and 1009.23.

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

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

CS by Appropriations on February 24, 2022:

The committee substitute (CS) maintains the provisions in the bill authorizing an FCS board of trustees or district school board to use a differential out-of-state fee to recruit students into programs of study identified as necessary to address unmet and future workforce needs. The CS also requires:

- Alignment of the identified programs of study which address unmet current and future workforce needs to those identified by the Labor Market Estimating Conference or the Credentials Review Committee;
- The prioritization of Florida residents into identified programs over an out-of-state student; and
- Annual reporting to the State Board of Education on the employment outcomes of students who receive the differential, including the percentage employed in the occupation.

B. Amendments:

None.

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