

**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 Committee on Education Postsecondary

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BILL: SB 7038

INTRODUCER: Education Postsecondary Committee

SUBJECT: Education

DATE: February 5, 2026

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

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Jahnke	Bouck		<b>HE Submitted as Comm. Bill/Fav</b>

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**I. Summary:**

SB 7038 modifies provisions related to public postsecondary education, workforce development, and related regulation, focusing on tuition and fee policies, consumer protections, career and technical education, student acceleration, and institutional operations. Specifically, the bill modifies the following:

- Relating to residency, tuition, and fee waivers, the bill:
  - Provides that an individual who qualifies as a resident for tuition purposes may not lose resident status solely due to incarceration in a state or federal correctional facility located in Florida.
  - Revises eligibility for the grandparent out-of-state fee waiver by limiting the waiver to full-time undergraduate students, removing the Classic Learning Test as a qualifying assessment, and delaying implementation until the 2026–2027 academic year.
  - Requires Florida College System (FCS) institutions and state universities to waive tuition and fees for active members of the Florida State Guard who enroll in up to six credit hours per academic term on a space-available basis, subject to approval by the Director of the Division of the State Guard.
- Relating to consumer protections and disability services, the bill:
  - Requires fee-based service providers serving individuals who are blind or visually impaired to disclose, in writing and in accessible formats upon request, whether equivalent or substantially similar services are available at no cost through the Division of Blind Services or another public agency.
  - Provides that failure to provide the required disclosure constitutes an unfair or deceptive trade practice.
  - Replaces the vocational rehabilitation service provider registration process with an application and approval framework, establishes minimum qualifications and annual approval requirements, and requires the development of an annual effectiveness report for approved providers.
- Relating to postsecondary program oversight and governance, the bill:
  - Narrows the exemption from licensure and jurisdiction of the Commission for Independent Education by removing “course” from the exemption and clarifying that

- colleges or schools approved by another state agency solely to offer licensed programs do not qualify for the exemption.
- Authorizes the chair of the Florida Prepaid College Board to appoint a qualified designee to serve as a director of its direct-support organization and on the board of directors of Florida ABLE, Inc.
  - Relating to transfer pathways and student acceleration, the bill:
    - Reduces from 60 to 30 days the timeframe for FCS institutions and state universities to submit comments on proposed Specialized Associate in Arts Transfer degree programs.
    - Requires the State Board of Education (SBE) to establish a statewide uniform weighted grading system for honors courses and articulated acceleration mechanisms, including dual enrollment and advanced coursework.
    - Revises the dual enrollment program by limiting eligibility to Florida students, clarifying eligible postsecondary institutions, and removing statutory requirements related to grade point average (GPA) weighting while prohibiting discriminatory grading practices.
    - Expands reimbursement eligibility under the Dual Enrollment Scholarship Program to include tuition and instructional materials costs for public school students enrolled at eligible independent postsecondary institutions during fall and spring terms.
  - Relating to college readiness and developmental education, the bill:
    - Expands the use of SBE–approved alternative assessment methods for determining college readiness to include FCS institutions and school district career centers.
    - Revises readiness exemptions, assessment requirements, and developmental education protections, and applies developmental education requirements to school district career centers.
  - Relating to workforce education and student financial incentives, the bill:
    - Removes geographic limitations on supplemental funding eligibility for regional and local demand certifications on the Career and Professional Education (CAPE) Industry Certification Funding List.
    - Modifies eligibility requirements for the Florida Gold Seal CAPE Scholars Award by reducing required postsecondary credit hours earned through CAPE certifications and adding a minimum weighted GPA requirement.
    - Allows eligible students to defer receipt of an initial Benacquisto Scholarship Program award for up to one year while retaining eligibility.
  - Relating to funding models and institutional fiscal requirements, the bill:
    - Establishes an additional Florida Education and Finance Program (FEFP) funding incentive for student performance in the Florida Advanced Courses and Tests (FACT) College Algebra course, including associated teacher bonuses.
    - Revises the FCS Program Fund apportionment model to require recognition of a minimum funding level per full-time equivalent (FTE) student and additional economic factors, and standardizes institutional reserve thresholds.
    - Standardizes end-of-year carry-forward reserve requirements at 7 percent for all FCS institutions, revises reporting and notification requirements, and authorizes retention of excess reserves for future authorized expenditures.

The bill takes effect July 1, 2026.

## II. Present Situation:

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

## III. Effect of Proposed Changes:

### Residency Status for Tuition Purposes

#### *Present Situation*

Students must be classified as residents or nonresidents for the purpose of assessing tuition in postsecondary educational programs offered by charter technical career centers, career centers operated by school districts, Florida College System (FCS) institutions, and state universities. Students pay differing tuition rates based on their status as residents or nonresidents of Florida.<sup>1</sup> A “resident for tuition purposes” means an admitted or currently enrolled student who meets the residency requirements in statute and rule or regulation and is therefore eligible to pay the resident tuition and fee rate.<sup>2</sup>

Specifically, to qualify as a resident for tuition purposes a person, or if that person is a dependent child, his or her parent or parents must have established legal residence in Florida and must have maintained legal residence for at least 12 consecutive months immediately prior to his or her initial enrollment in an institution of higher education.<sup>3</sup>

A person must provide proof that he or she should be classified as a resident for tuition purposes and may not receive the in-state tuition rate until clear and convincing evidence related to legal residence and its duration has been provided. Each institution of higher education must make a residency determination that is documented by the submission of written or electronic verification that includes two or more specified documents that:<sup>4</sup>

- Must include at least one of the following (“Tier 1”):
  - A Florida voter’s registration card.
  - A Florida driver license.
  - A State of Florida identification card.
  - A Florida vehicle registration.
  - Proof of a permanent home in Florida which is occupied as a primary residence by the individual or by the individual’s parent if the individual is a dependent child.
  - Proof of a homestead exemption in Florida.
  - Transcripts from a Florida high school for multiple years if the Florida high school diploma or high school equivalency diploma was earned within the last 12 months.
  - Proof of permanent full-time employment in Florida for at least 30 hours per week for a 12-month period.
- May include one or more of the following (“Tier 2”):
  - A declaration of domicile in Florida.
  - A Florida professional or occupational license.

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<sup>1</sup> Section 1009.21, F.S.

<sup>2</sup> Rule 6A-10.044, F.A.C. and Board of Governors Regulation 7.005.

<sup>3</sup> Section 1009.21(2)(a), F.S.

<sup>4</sup> Section 1009.21(3), F.S.

- Florida incorporation.
- A document evidencing family ties in Florida.
- Proof of membership in a Florida-based charitable or professional organization.
- Any other documentation that supports the student's request for resident status, including, but not limited to, utility bills and proof of 12 consecutive months of payments; a lease agreement and proof of 12 consecutive months of payments; or an official state, federal, or court document evidencing legal ties to Florida.

### Florida Residency for Incarcerated Individuals

Each FCS institution and state university must develop regulations, policies, and procedures for determining each admitted student's Florida residency status for tuition purposes.<sup>5</sup> Therefore, each institution of higher education must establish policies regarding incarcerated individuals. For example, Tallahassee State College and St. Petersburg College both require an incarcerated individual to provide documentation that he or she lived in Florida for 12 months before incarceration, and require Tier 1 and Tier 2 documentation to prove his or her physical presence in Florida for 12 months before incarceration. If the individual has been released for a year or longer, he or she must provide documentation for the most recent 12 months.<sup>6</sup>

### *Effect of Proposed Changes*

The bill modifies s. 1009.21, F.S., by providing that an individual who has met the requirements to be classified as a resident for tuition purposes may not lose his or her resident status for tuition purposes solely because of incarceration in a state or federal correctional facility in Florida.

### **Public Postsecondary Tuition and Fees**

#### *Present Situation*

Florida law defines "tuition" as the basic fee charged to a student for instruction provided by a public postsecondary educational institution.<sup>7</sup> In addition to tuition, institutions charge a variety of required fees, such as student activity, technology, financial aid, and capital improvement fees, which together make up the total per-credit-hour cost.<sup>8</sup>

For the 2025-2026 academic year, the resident undergraduate tuition rate for the State University System (SUS) is currently set in statute at \$105.07 per credit hour.<sup>9</sup> When combined with required fees, the SUS average undergraduate tuition and fees total is \$200.08 per credit hour.<sup>10</sup>

Within the Florida College System (FCS), standard tuition for college credit courses is \$71.98 per credit hour, with additional required fees set by each institution. Tuition for the baccalaureate

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<sup>5</sup> Rule 6A-10.044(3), F.A.C. and Board of Governors Regulation 7.005(5).

<sup>6</sup> Tallahassee Community College, *Residency FAQs*, <https://www.tsc.fl.edu/media/divisions/admissions-and-recruiting/forms/Residency-FAQs.pdf> and St. Petersburg College, *Residency FAQs*, <https://www.spcollege.edu/future-students/admissions/residency/residency-faqs> (last visited Jan. 29, 2026).

<sup>7</sup> Section 1009.01(1), F.S.

<sup>8</sup> Sections 1009.23 and 1009.24, F.S.

<sup>9</sup> Section 1009.24(4)(a), F.S.

<sup>10</sup> Florida Board of Governors, *State University System of Florida, Tuition and Required Fees, 2025-2026*, available at, <https://www.flbog.edu/wp-content/uploads/2025/07/2025-2026-SUS-Tuition-and-Fees-Report.pdf> (last visited Jan. 29, 2026).

degree program is \$91.79 per credit hour for students classified as residents for tuition purposes, plus required fees.<sup>11</sup>

Florida law extends fee waivers to students who meet specified conditions.<sup>12</sup> Some fee waivers are mandatory,<sup>13</sup> while others are permissive.<sup>14</sup>

#### Grandparent Out-of-State Fee Waiver

State universities are required to waive the out-of-state fee for certain nonresident undergraduate students whose grandparent<sup>15</sup> is a legal resident of Florida. To be eligible for the waiver, a student must earn a high school diploma comparable to a Florida standard high school diploma or complete a home education program, achieve designated SAT, ACT, or Classic Learning Test score thresholds, and enroll as a full-time undergraduate student at a state university in the fall academic term immediately following high school graduation.<sup>16</sup>

#### State Employee Tuition and Fee Waiver

Each SUS and FCS institution must waive tuition and fees for state employees for up to six credit hours per academic term, on a space-available basis. Participation is subject to approval by the employee's agency head. The waiver applies to tuition and required fees charged per credit hour.<sup>17</sup> Institutions may continue to charge non-waivable fees, such as laboratory or materials fees, as authorized elsewhere in statute.<sup>18</sup>

For purposes of this waiver, employees of the state include individuals employed by the executive, legislative, and judicial branches of state government, but exclude employees of state universities. The Chief Financial Officer, in cooperation with SUS and FCS institutions, must identify and implement measures to reduce administrative burdens associated with the waiver program, including streamlining how institutions verify state employment.

Eligible employees may be required to wait until after priority registration periods to enroll in courses. Participation in the waiver does not guarantee placement in a specific course or section and is dependent on institutional capacity.

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<sup>11</sup> Section 1009.23(3), F.S.

<sup>12</sup> Section 1009.26, F.S.

<sup>13</sup> Section 1009.26 (5), (7)-(8), (12)-(14), (17)-(20) F.S. Mandatory fee waivers include, but are not limited to, waivers for graduate students in state-approved school psychology internship programs, spouses of deceased state employees, recipients of a Purple Heart or other qualifying combat decoration, and active duty members of the Armed Forces.

<sup>14</sup> Section 1009.26 (1)-(4), (6), (9)-(11), (15)-(16), and (21), F.S. Permissive fee waivers include, but are not limited to, waivers for full-time university employees, Florida residents 60 years of age or older on a space-available basis, purposes that support and enhance the mission of the university, and intercollegiate student athletes receiving an athletic scholarship.

<sup>15</sup> Section 1009.26(20)(a)1., F.S. The term "grandparent" means a person who has a legal relationship to a student's parent as the natural or adoptive parent or legal guardian of the student's parent.

<sup>16</sup> Section 1009.26(20)(a), F.S.

<sup>17</sup> Section 1009.265(1), F.S.

<sup>18</sup> Sections 1009.23(12) and 1009.24(14), F.S.

SUS and FCS institutions are reimbursed for administrative costs associated with the waiver program from funds specifically appropriated for that purpose, and the Auditor General reviews the related cost assessment data as part of his or her regular audit responsibilities.<sup>19</sup>

#### Florida State Guard

The Florida State Guard (FSG) was created in 2022<sup>20</sup> as a component of the state's organized guard and operates separately from the Florida National Guard.<sup>21</sup> The FSG is a state-funded volunteer force that supports disaster-response and humanitarian efforts during state activations.<sup>22</sup>

The FSG operates under the Governor's command and control and may be activated for use within the state or in other states for specific purposes.<sup>23</sup> The Division of the State Guard within the Department of Military Affairs is responsible for administering and managing the FSG.<sup>24</sup>

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

##### Grandparent Out-of-State Fee Waiver

The bill amends s. 1009.26, F.S., by revising eligibility for the out-of-state fee waiver for certain nonresident students with a Florida-resident grandparent to apply only to full-time undergraduate students, eliminating the Classic Learning Test as a qualifying assessment option, and shifting the effective academic year for the changes to the waiver to 2026–2027.

#### Florida State Guard

The bill amends s. 251.001, F.S., by requiring each FCS institution and state university to waive tuition and fees for active members of the Florida State Guard who enroll in up to six credit hours per term on a space-available basis, subject to approval by the Director of the Division of the State Guard.

#### **Blind Services**

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

The Division of Blind Services, within the Department of Education, helps blind and visually impaired individuals achieve their goals and live their lives with as much independence and self-direction as possible.<sup>25</sup> All programs, projects, and activities of the division are to be carried out in a manner consistent with the following principles:<sup>26</sup>

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<sup>19</sup> Section 1009.265, F.S.

<sup>20</sup> The FSG was created via the Implementing Act of the General Appropriations Act for the 2022-23 fiscal year, Ch. 2022-157, s. 80, Laws of Fla., and is codified in statutes as s. 251.001, F.S., the Florida State Guard Act.

<sup>21</sup> Section 251.001(1), F.S.

<sup>22</sup> Florida State Guard, *About*, <https://www.floridastateguard.org/about> (last visited Jan. 29, 2026).

<sup>23</sup> Section 251.001(2), F.S. The FSG is authorized to support other states under the Emergency Management Assistance Compact (EMAC) as provided for in part III of ch. 252, F.S. Section 251.001(8)(a)4., F.S.

<sup>24</sup> Section 251.001(3), F.S.

<sup>25</sup> Florida Department of Education, Division of Blind Services, *Welcome Message*, <https://dbs.fldoe.org/> (last visited Jan. 29, 2026).

<sup>26</sup> Section 413.011(1), F.S.

- Respect for individual dignity, personal responsibility, self-determination to live independently, and pursuit of meaningful careers, based on informed choice;
- Support for the involvement of an individual's representative if an individual requests, desires, or needs such support;
- Respect for the individual's privacy and equal access, including the use of information in accessible formats; and
- Integration and full participation of individuals who are blind in society on equal terms with others.

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

The bill creates s. 413.0114, F.S., to require individuals and entities that offer fee-based services to individuals who are blind or visually impaired to provide a written disclosure, before entering into a contract or accepting payment, indicating whether equivalent or substantially similar services are available at no cost through the Division of Blind Services or another public agency.

The bill requires the written disclosure to:

- Be provided in plain language, and upon request in an accessible format, such as braille, large print, or audio;
- Include contact information for the Division of Blind Services; and
- Be signed or electronically acknowledged by the consumer or his or her representative.

The bill provides that a violation constitutes an unfair or deceptive trade practice subject to enforcement and penalties under part II of ch. 501, F.S. The bill also authorizes the Department of Education to adopt rules to implement the section.

### **Vocational Rehabilitation Service Providers**

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

The State Vocational Rehabilitation Services Program is authorized by the Rehabilitation Act of 1973<sup>27</sup> 2 (Rehabilitation Act), as amended by the Workforce Innovation and Opportunity Act (WIOA)<sup>28</sup> and provides federal funding to states to operate vocational rehabilitation (VR) programs within a statewide workforce development system.<sup>29</sup>

In Florida, vocational rehabilitation services are administered by two agencies housed within the Department of Education: the Division of Blind Services, which serves individuals who are blind or visually impaired, and the Division of Vocational Rehabilitation (DVR), which serves individuals with other disabilities.<sup>30</sup>

Service providers must register with the DVR. To qualify for registration, the DVR must ensure that the service provider maintains an internal quality assurance system, has proven functional

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<sup>27</sup> Rehabilitation Act of 1973, Pub. L. No. 93-112, 87 Stat. 355.

<sup>28</sup> Workforce Innovation and Opportunity Act, Pub. L. 113-128.

<sup>29</sup> United States Department of Education, *State Vocational Rehabilitation Services Program*, <https://rsa.ed.gov/about/programs/vocational-rehabilitation-state-grants> (last visited Jan. 29, 2026).

<sup>30</sup> Part I, ch. 413, F.S.

systems, and is subject to a due diligence inquiry into its fitness to undertake service responsibilities.<sup>31</sup>

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

The bill amends s. 413.208, F.S., by replacing service provider registration with an application and approval framework. The bill specifies that, to qualify for approval, a service provider must maintain an internal quality assurance system, have a proven functional system, meet minimum qualifications, and be subject to a due diligence inquiry into its fitness to undertake service responsibilities.

The bill requires the DVR to establish minimum qualifications and an annual application process for service providers offering employment-related vocational rehabilitation services. The bill allows the DVR to approve or deny any service provider application. Beginning January 1, 2027, only service providers that meet the minimum qualifications and that have been approved to provide employment-related services to individuals with disabilities may participate in the vocational rehabilitation program.

The bill also requires the DVR to develop and publish an annual report on service provider effectiveness, including an evaluation system that measures the effectiveness of all service providers approved by the DVR to provide employment-related services to individuals with disabilities.

The bill requires service providers participating in the VR program to meet minimum standards of effectiveness, including successful placement of individuals in competitive and integrated employment, in order to maintain approved status with the division. The bill requires rates for VR services to be allocable, reasonable, and necessary, as determined by the division.

## **The Commission for Independent Education**

### ***Present Situation***

The Commission for Independent Education (CIE) was established in 2001 and is responsible for matters related to nonpublic postsecondary educational institutions. The CIE's functions include consumer protection, program improvements, institutional policies and administration, data management, and the licensure of independent schools, colleges, and universities.<sup>32</sup> Under current law, any college, school, or course that is licensed or approved for establishment and operation by another state agency is not under the jurisdiction of the CIE and is not required to obtain CIE licensure.<sup>33</sup>

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<sup>31</sup> Section 413.208(1), F.S.

<sup>32</sup> Section 1005.21, F.S., and Florida Department of Education, *Commission for Independent Education*, <https://www.fldoe.org/policy/cie/> (last visited Jan. 29, 2026).

<sup>33</sup> Section 1005.06(1)(b), F.S. This includes colleges, schools, or courses licensed under part I of chapter 464 (Nurse Practice Act), chapter 466 (Dentistry, Dental Hygiene, and Dental Laboratories), chapter 475 (Real Estate Brokers, Sales Associates, Schools, and Appraisers), or any other chapter of the Florida Statutes.



***Effect of Proposed Changes***

The bill amends s. 1005.06, F.S., by removing “course” from the exemption from CIE licensure and jurisdiction, limiting the exemption to a college or school licensed or approved by another state agency. The bill also specifies that colleges or schools approved by another state agency to offer one or more courses or programs in nursing, dentistry, real estate, or other licensed programs do not qualify for the exemption solely because the course or program is licensed or approved.

**Specialized Associate in Arts Transfer Degree*****Present Situation***

In 2024, the Legislature authorized Florida College System (FCS) institutions to offer Specialized Associate in Arts Transfer (SAAT) degrees designed for students who need supplemental lower-division coursework to prepare for transfer to another institution. These degrees must include 36 semester hours of general education coursework and require 60 semester hours or more of college credit.<sup>34</sup>

The State Board of Education (SBE) is required to establish criteria for the review and approval of new SAAT degrees. As part of the approval process, an FCS institution seeking to offer a SAAT degree must submit a notice of intent to the Division of Florida Colleges (division). The division is required to forward the notice within 10 business days to all FCS institutions and to the Chancellor of the State University System, who must distribute the notice to all state universities. State universities and FCS institutions have 60 days after receipt of the notice to submit comments on the proposed SAAT degree before the proposing institution may submit a formal program proposal.<sup>35</sup>

***Effect of Proposed Changes***

The bill amends s. 1007.25, F.S., by reducing the comment submission timeframe on proposed SAAT degree programs from 60 to 30 days.

**Middle and High School Grading System*****Present Situation***

The grading system and interpretation of letter grades used to measure student success in grade 6 through grade 12 courses for students in public schools is as follows:<sup>36</sup>

- Grade “A” equals 90 percent through 100 percent, has a grade point average value of 4, and is defined as “outstanding progress.”
- Grade “B” equals 80 percent through 89 percent, has a grade point average value of 3, and is defined as “above average progress.”
- Grade “C” equals 70 percent through 79 percent, has a grade point average value of 2, and is defined as “average progress.”

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<sup>34</sup> Section 1007.25(9), F.S.; Rule 6A-14.094, F.A.C.

<sup>35</sup> *Id.* See also Florida Department of Education, Florida College System, *SAAT Proposal Approval Process Timeline*, <https://www.fldoe.org/schools/higher-ed/fl-college-system/administrators/saat.html> (last visited Jan. 29, 2026).

<sup>36</sup> Section 1003.437, F.S.

- Grade “D” equals 60 percent through 69 percent, has a grade point average value of 1, and is defined as “lowest acceptable progress.”
- Grade “F” equals zero percent through 59 percent, has a grade point average value of zero, and is defined as “failure.”
- Grade “I” equals zero percent, has a grade point average value of zero, and is defined as “incomplete.”

For class ranking, district school boards are authorized to use a weighted grading system. School districts and Florida College System institutions must weigh dual enrollment courses the same as Advanced Placement (AP), International Baccalaureate (IB), and Advanced International Certificate of Education (AICE) courses when calculating grade point averages (GPAs). Alternative grade calculation systems, alternative grade weighting systems, and information about student education options that discriminate against dual enrollment courses are prohibited.<sup>37</sup>

Generally, school districts apply a 0.5 GPA weight to honors, pre-IB, or pre-AICE courses, and a 1.0 weight to AP, IB, AICE, and dual enrollment courses.

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

The bill amends s. 1003.437, F.S., by requiring the State Board of Education to establish a statewide uniform weighted grading system for honors courses and articulated acceleration mechanisms, including dual enrollment, AP, IB, and AICE. The bill also requires school boards to use the weighted grading system to calculate weighted high school GPAs.

## **Dual Enrollment**

### ***Present Situation***

The dual enrollment program allows an eligible secondary student or home education student to enroll in a postsecondary course that is creditable toward high school completion and a career certificate or an associate or baccalaureate degree.<sup>38</sup> School districts and Florida College System (FCS) institutions are required to weigh dual enrollment courses the same as Advanced Placement (AP), International Baccalaureate (IB), and Advanced International Certificate of Education (AICE) courses when calculating a student’s high school grade point average (GPA). Alternative grade calculation systems, alternative grade weighting systems, and information about student education options that discriminate against dual enrollment courses are prohibited.<sup>39</sup>

Dual enrollment instruction may be provided by a Florida College System institution, a state university, or an eligible independent college or university. An eligible independent college or university is a nonprofit institution that is accredited by a regional or national accrediting agency recognized by the United States Department of Education and that confers degrees.<sup>40</sup> The statute does not specify that an eligible school must be located in Florida.

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<sup>37</sup> Section 1007.271(18), F.S.

<sup>38</sup> Section 1007.271(1), F.S.

<sup>39</sup> Section 1007.271(18), F.S.

<sup>40</sup> Section 1011.62(1)(i), F.S.

***Effect of Proposed Changes***

The bill amends s. 1007.271, F.S., by specifying that the postsecondary institutions eligible to participate in the dual enrollment program are Florida public postsecondary institutions and eligible not-for-profit independent colleges and universities.

**Dual Enrollment Scholarship Program*****Present Situation***

The Dual Enrollment Scholarship Program (program) is established to reimburse eligible postsecondary institutions for the cost of providing dual enrollment instruction to certain secondary students.<sup>41</sup> The program is administered by the Department of Education and operates subject to annual appropriations.<sup>42</sup>

Eligible postsecondary institutions are reimbursed for tuition and related instructional materials costs for dual enrollment courses taken by eligible secondary students, with reimbursement for fall and spring term courses limited to eligible private school, home education program, and personalized education program secondary students.<sup>43</sup> and reimbursement for summer term courses extended for public school, private school, home education program, and personalized education program secondary students.<sup>44</sup>

Public postsecondary institutions that provide dual enrollment instruction to public high school students receive payment through school district FEFP funds during the fall and spring terms, as specified in the dual enrollment articulation agreement.<sup>45</sup> The program reimburses eligible postsecondary institutions when district funding is not provided. However, private postsecondary institutions do not receive district funding, but are not authorized to receive program funds in the fall and spring terms.<sup>46</sup>

To receive reimbursement, participating institutions must report eligible student enrollments to the Department of Education within statutorily prescribed timeframes, and reimbursement payments are contingent upon funding provided in the General Appropriations Act.<sup>47</sup> Reimbursement amounts vary by institution type and are based on statutorily established tuition rates, with instructional materials costs reimbursed separately.<sup>48</sup>

***Effect of Proposed Changes***

The bill amends s. 1009.30, F.S., by expanding reimbursement eligibility under the Dual Enrollment Scholarship Program. Specifically, the bill authorizes reimbursement to eligible independent postsecondary institutions for tuition and related instructional materials costs for dual enrollment courses taken by public school students during the fall and spring terms.

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<sup>41</sup> Section 1009.30(1), F.S.

<sup>42</sup> Section 1009.30(2) and (7), F.S.

<sup>43</sup> Section 1009.30(3)(a), F.S.

<sup>44</sup> Section 1009.30(3)(b), F.S.

<sup>45</sup> Section 1007.271(21)(n)1., F.S.

<sup>46</sup> Section 1009.30, F.S.

<sup>47</sup> Section 1009.30(5) and (7), F.S.

<sup>48</sup> Section 1009.30(6), F.S.

## College Readiness Assessment Alternatives

### *Present Situation*

Florida public postsecondary institutions determine whether students demonstrate readiness for college-level communication and computation skills to place students in appropriate coursework and identify the need for developmental education. The State Board of Education (SBE) adopts rules establishing common placement tests and alternative methods for assessing readiness for college-level coursework in communication and computation readiness.<sup>49</sup>

Readiness for college-level communication and computation may be demonstrated by achieving or exceeding standard scores on approved placement assessments, including the Florida Postsecondary Education Readiness Test (PERT), ACT, SAT, ACCUPLACER, and other approved assessments. Readiness may also be demonstrated through alternative methods, including specified concordant scores on approved national assessments, successful performance in designated high school coursework with a minimum grade point average, credit-by-examination, or the use of institution-approved local placement methods for developmental education at Florida College System (FCS) institutions.<sup>50</sup>

Students who entered 9th grade in a Florida public school in the 2003–2004 school year or thereafter and earned a Florida standard high school diploma, as well as students serving as active-duty members of any branch of the United States Armed Services, are exempt from being assessed for readiness for college-level work in communication and computation and from enrollment in developmental education instruction at an FCS institution. Exempt students may elect to be assessed and to enroll in developmental education instruction upon request.<sup>51</sup> Students assessed for readiness in college-level communication and computation whose assessment results indicate a need for developmental education must be advised of all developmental education options offered at the institution and, after advisement, may enroll in the developmental education option of their choice. Students who demonstrate readiness by achieving or exceeding test scores established by the SBE and enroll in an FCS institution within two years are not required to retest or complete developmental education..<sup>52</sup>

FCS institutions are required to implement the developmental education strategies defined in statute<sup>53</sup> and SBE rule.<sup>54</sup> Institutions must use placement test results or alternative methods established by the SBE to determine the extent to which each student demonstrates sufficient communication and computation skills for the student's chosen meta-major, and must counsel students into college-credit coursework as quickly as possible, with developmental education limited to the content necessary for success in the meta-major.<sup>55</sup>

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<sup>49</sup> Section 1008.30(1) and (2), F.S.

<sup>50</sup> Rule 6A-10.0315

<sup>51</sup> Section 1008.30(3)(a), F.S.

<sup>52</sup> Section 1008.30(3)(b)-(c), F.S.

<sup>53</sup> Section 1008.02, F.S.

<sup>54</sup> Rule 6A-10.0315, F.A.C.

<sup>55</sup> Section 1008.30(4)(a)-(b), F.S.

***Effect of Proposed Changes***

The bill amends s. 1008.30, F.S., by expanding the use of alternative assessment methods to allow both FCS and school district career centers to assess students' communication and computational skills using SBE-approved alternatives to common placement tests. The bill authorizes FCS institutions to request approval of institution-specific alternative methods in accordance with the SBE rule.

The bill revises student readiness exemptions by specifying that students who earned a Florida Standard High School Diploma and demonstrated readiness through an approved common placement test or alternative assessment method are exempt from assessment and developmental education.

The bill requires assessment opportunities for non-ready graduates by specifying that students who earned a Florida standard high school diploma but have not demonstrated readiness must be offered the opportunity to be assessed and, if necessary, advised of available developmental education options before enrolling.

The bill extends retesting and developmental education protections to both FCS institutions and school district career centers, providing that students who demonstrate readiness and enroll within two years may not be required to retest or complete developmental education.

Additionally, the bill applies developmental education requirements to school district career centers, including implementing SBE-defined strategies, using placement or alternative assessments tied to a student's chosen meta-major, and counseling students into college-credit coursework as quickly as possible, with developmental education limited to content necessary for success.

**Career and Professional Education (CAPE) Certification Funding List*****Present Situation***

The Career and Professional Education (CAPE) Industry Certification Funding List identifies industry certifications that are eligible for additional funding when earned by students. The State Board of Education (SBE) must adopt the funding list at least annually, based on recommendations from the Commissioner of Education. The list assigns categories of industry certificates and certifications<sup>56</sup> to certifications identified in the Master Credentials List<sup>57</sup> that meet statewide, regional, or local workforce demand. Certifications designated as meeting regional or local demand are eligible for supplemental funding only in the areas where such demand has been identified by the Credentials Review Committee.<sup>58</sup>

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<sup>56</sup> Section 1003.4203, F.S.

<sup>57</sup> Section 445.004(4), F.S. The Master Credentials List, required by the REACH Act and defined by the Credentials Review Committee, is a comprehensive inventory of state-approved degree and non-degree credentials that prepare Floridians for in-demand occupations. This list ensures alignment between the state's education system and industry needs, directing federal and state funds to workforce education and training programs that lead to these valuable credentials. CareerSource Florida, *Florida's Master Credentials List*, <https://careersourceflorida.com/master-credentials-list/> (last visited Feb. 1, 2026).

<sup>58</sup> Section 1008.44(10), F.S.

***Effect of Proposed Changes***

The bill amends s. 1008.44, F.S., by removing the limitation that supplemental funding for regional and local demand certifications may only be earned in demand areas as identified by the Credentials Review Committee.

**Florida Gold Seal CAPE Scholars Awards*****Present Situation***

The Florida Gold Seal CAPE Scholars Award, established within the Florida Bright Futures Scholarship Program,<sup>59</sup> recognizes high school students who earn postsecondary credit through CAPE industry certifications that articulate for college credit.<sup>60</sup> To be eligible for the award, a student must meet the general eligibility requirements for the Bright Futures Scholarship Program,<sup>61</sup> earn at least five postsecondary credit hours through eligible CAPE industry certifications, and complete a required number of volunteer service or paid work hours, or a combination of both.<sup>62</sup> The award may be used to fund career-focused postsecondary programs, including technical degrees, applied technology diplomas, or career certificates, and may also be applied toward baccalaureate degree programs in specified articulated pathways.<sup>63</sup>

***Effect of Proposed Changes***

The bill amends s. 1009.536, F.S., by modifying the eligibility requirements for the Florida Gold Seal CAPE Scholars award. Specifically, the bill reduces the required minimum postsecondary credit hours earned through CAPE industry certifications from five to three and adds a requirement that students earn a minimum cumulative weighted grade point average (GPA) of 2.5 in all subjects required for high school graduation, excluding electives.

The bill also expands eligibility by allowing students who complete the GATE Program to apply for the award before or within three months of completion.

**The Benacquisto Scholarship Program*****Present Situation***

The Benacquisto Scholarship Program is established to reward high school graduates who are recognized as National Merit Scholars and enroll in a baccalaureate degree program at an eligible Florida public or independent postsecondary educational institution. The program applies to students who initially enroll in the 2014–2015 academic year or later.<sup>64</sup>

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<sup>59</sup> Section 1009.53, F.S.

<sup>60</sup> Section 1009.536, F.S.

<sup>61</sup> See Section 1009.531, F.S.

<sup>62</sup> Section 1009.536(2), F.S. A student must earn at least 5 postsecondary credit hours through CAPE industry certifications approved pursuant to s. 1008.44, F.S., and complete at least 30 hours of volunteer service, or 75 hours of volunteer service for students entering grade 9 in the 2024–2025 school year and thereafter, or 100 hours of paid work, or a combination of volunteer service and paid work, as documented and approved in accordance with statute.

<sup>63</sup> Section 1009.536(5), F.S.

<sup>64</sup> Section 1009.893(2), F.S.

The Department of Education administers the program in accordance with rules and procedures adopted by the State Board of Education and is responsible for advertising the availability of the scholarship and notifying students, parents, educators, and school administrators of the eligibility criteria.<sup>65</sup>

To qualify for an initial award, a student must meet specified residency, academic, and enrollment requirements. A Florida resident student must earn a standard Florida high school diploma or its equivalent, subject to statutory exceptions for home education students and students who earn a diploma from a non-Florida school while residing with a parent on a military or public service assignment out of state. The student must also be accepted by and enroll full time in a baccalaureate degree program at a regionally accredited Florida public or independent postsecondary educational institution during the fall academic term immediately following high school graduation.<sup>66</sup>

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

The bill amends s. 1009.893, F.S., by allowing an eligible student to defer receipt of an initial Benacquisto Scholarship Program award for up to one year while retaining eligibility for the scholarship.

## **Florida Prepaid College Board**

### ***Present Situation***

The Florida Prepaid College Board is authorized to establish a direct-support organization (DSO) organized as a Florida not-for-profit corporation to receive, hold, invest, and administer property and to make expenditures for the benefit of the board and the Florida Prepaid College Program. The DSO must be certified by the board as operating in a manner consistent with the board's goals and in the best interests of the state, and may not use the name of the prepaid or savings program unless so certified.<sup>67</sup>

The DSO operates under a written contract with the board that governs its structure and oversight, including board approval of its articles of incorporation and bylaws, submission of an annual budget for board approval, annual certification of compliance by the board, reversion of assets to the board or the state if the organization ceases to operate, and required disclosures to donors. The DSO's fiscal year runs from July 1 through June 30.<sup>68</sup>

The DSO is subject to financial oversight requirements, including an annual financial audit, and donor identities may remain confidential as provided by law. The chair of the Florida Prepaid College Board serves as a director of the DSO, and the chair and the executive director jointly appoint additional directors. The board may authorize the DSO to use board property, facilities, and personal services under conditions established by rule.<sup>69</sup>

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<sup>65</sup> Section 1009.893(3), F.S.

<sup>66</sup> Section 1009.893(4)(a), F.S.

<sup>67</sup> Section 1009.983(1), F.S.

<sup>68</sup> Section 1009.983(2), F.S.

<sup>69</sup> Section 1009.983(3)-(6), F.S.

The board may invest certain DSO funds related to advance payment contracts and the DSO is responsible for administering the Florida Prepaid Tuition Scholarship Program. The board may also establish additional scholarship programs funded by escheated funds, subject to statutory criteria and reporting requirements.<sup>70</sup>

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

The bill amends s. 1009.983, F.S., by authorizing the chair of the board of the Florida Prepaid College Board to appoint a designee who possesses knowledge, skill, and experience in accounting, risk management, or investment management to serve as the director of the direct-support organization.

## **Florida ABLE Program**

### ***Present Situation***

The Florida ABLE Program is established to encourage and assist individuals with disabilities in saving private funds in tax-advantaged accounts to pay for qualified disability expenses, consistent with federal law authorizing ABLE programs.<sup>71</sup> The program is administered by Florida ABLE, Inc., a direct-support organization established by the Florida Prepaid College Board as a Florida not-for-profit corporation to receive, hold, invest, and administer property for the benefit of the Florida ABLE Program.<sup>72</sup>

The board of directors of Florida ABLE, Inc. consists of the chair of the Florida Prepaid College Board or his or her designee; up to three individuals appointed by the Florida Prepaid College Board with expertise in accounting, risk management, or investment management; one individual with similar expertise appointed by the Governor; and two individuals appointed by legislative leadership who are advocates for persons with disabilities, including at least one advocate for persons with developmental disabilities.<sup>73</sup>

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

The bill amends s. 1009.986, F.S., by authorizing the chair of the Florida Prepaid College Board to appoint a designee to serve on the board of directors of Florida ABLE, Inc., provided that the designee possesses knowledge, skill, and experience in accounting, risk management, or investment management.

## **Academic Acceleration Options Supplement**

### ***Present Situation***

The Academic Acceleration Options Supplement is established to assist school districts in providing academic acceleration options, career-themed courses, and courses that lead to digital tool certificates and industry certifications for prekindergarten through grade 12 students. The supplement is allocated annually under the General Appropriations Act, based on each school

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<sup>70</sup> Section 1009.983(7)-(8), F.S.

<sup>71</sup> Section 1009.986(1), F.S.

<sup>72</sup> Section 1009.986(3)(a), F.S.

<sup>73</sup> Section 1009.986(3)(d)1., F.S.



district's proportionate share of the state's total academic acceleration value.<sup>74</sup> For the 2025–2026 fiscal year, the total Academic Acceleration Options Supplement is \$596.8 million.<sup>75</sup>

The weighted full-time equivalent (FTE) values for student attainment in specified academic acceleration programs vary based on the type of program and the level of achievement and include, but are not limited to, the following:<sup>76</sup>

- Advanced Placement (AP)
  - 0.16 FTE for a score of 3 or higher on an AP examination.
  - 0.30 FTE for receipt of an AP Capstone diploma.
- International Baccalaureate (IB)
  - 0.16 FTE for a score of 4 or higher on an IB subject examination or a score of “C” or higher in the Theory of Knowledge course.
  - 0.30 FTE for receipt of an IB diploma.
- Advanced International Certificate of Education (AICE)
  - 0.16 FTE for completion of a full-credit AICE course with a score of “E” or higher.
  - 0.08 FTE for completion of a half-credit AICE course with a score of “E” or higher.
  - 0.30 FTE for receipt of an AICE diploma.
- Dual Enrollment
  - 0.16 FTE for early college program students who complete a general education core course with a grade of “A” or better.
  - 0.08 FTE for non-early college students who complete a general education core course or qualifying career course with a grade of “A”.
  - 0.30 FTE for receipt of an associate degree through dual enrollment with a 3.0 GPA or higher.
- Career and Professional Education (CAPE)
  - 0.025 FTE for CAPE Digital Tool certificates earned by elementary and middle school students.
  - 0.10–0.30 FTE for completion of career-themed courses or embedded industry certifications.
  - 0.50–1.0 FTE for CAPE Acceleration industry certifications articulating to postsecondary credit.
- Early High School Graduation
  - 0.25 FTE for graduation one semester early.
  - 0.50 FTE for graduation one year or more early.

Using funds received through the supplement, school districts must award performance-based bonuses to teachers whose instruction results in qualifying student achievement. Teacher bonuses are awarded in addition to any regular salary or other bonus received by the teacher:<sup>77</sup>

- \$50 per student for qualifying AP, IB, or AICE examination scores.
- Additional bonuses of up to \$500 for eligible teachers in schools designated with a grade of “D” or “F”.

<sup>74</sup> Section 1011.62(17)(a), F.S.

<sup>75</sup> Section 1011.62(17), F.S.; Specific Appropriations 5 and 88, s. 2, ch. 2025-198, Laws of Fla.

<sup>76</sup> Section 1011.62(17)(b)-(f) and (h), F.S.

<sup>77</sup> Section 1011.62(17)(c)-(g), F.S.

- \$25 to \$100 per student for instruction leading to the attainment of qualifying CAPE industry certifications, depending on the assigned acceleration value.

School districts must use remaining supplement funds for expenses associated with the applicable acceleration courses and programs, and such funds may not be used to supplant base FEFP funding.<sup>78</sup>

### ***Florida Advanced Courses and Tests***

In 2023,<sup>79</sup> the Legislature established advanced courses developed by the Department of Education (DOE) in collaboration with public postsecondary institutions as an additional acceleration option for students. The DOE collaborated with secondary and postsecondary faculty to develop a high school advanced mathematics course and associated assessment that will offer students an opportunity to earn college credit in college algebra. The DOE launched a pilot of the Florida Advanced Courses and Tests (FACT) College Algebra in the 2025-26 academic year, coordinated by the Division of Florida Colleges and the Florida Student Success Center. Participating secondary instructors received professional learning and will provide feedback to the DOE on the course. Full statewide implementation is scheduled for the 2026-27 school year.

The FACT College Algebra assessment will be based on the B.E.S.T. Standards in the 9-12 Florida Advanced College Algebra course and aligned with the competencies and outcomes identified in the College Algebra (MAC X105) course curriculum. The assessment will be offered during the normal spring (March – May) K-12 testing window. Upon passing the FACT College Algebra assessment, students will receive college credit for MAC X105 good at any public college or university in the state of Florida. Additionally, students who pass the assessment will be prepared for courses in the “Algebra through Calculus” postsecondary mathematics pathway, including pre-calculus, statistics, and/or business calculus.<sup>80</sup>

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

The bill amends s. 1011.62, F.S., by adding a new funding incentive that generates additional full-time equivalent (FTE) student membership based on student performance in the Florida Advanced Courses and Tests (FACT) College Algebra course, similar to incentives provided for other advanced courses, such as AP, IB, AICE, and CAPE industry certifications. Specifically, the bill:

- Awards additional FEFP FTE membership for each student enrolled in a FACT College Algebra course who achieves a minimum qualifying score on an approved assessment.
- Assigns a value of 0.16 FTE for each qualifying student and adds the additional FTE to the district’s total FTE membership in basic programs for grades 9 through 12 in the subsequent fiscal year.

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<sup>78</sup> Section 1011.62(17)(b)-(f) and (h), F.S.

<sup>79</sup> Ch. 2023-39, s. 20, Laws of Fla.

<sup>80</sup> Florida Department of Education, *Memorandum, Subject: Florida Advanced Course and Test (FACT) College Algebra* (June 13, 2025), available at <https://info.fldoe.org/docushare/dsweb/Get/Version-11717/20225-69.pdf>.

- Requires school districts to allocate at least 80 percent of the funds generated from the additional FTE to the high school that generated the funds through FACT College Algebra instruction.
- Requires districts to distribute performance-based bonuses to teachers who provided FACT College Algebra course instruction, including:
  - A \$50 bonus for each student taught by the teacher who achieves a qualifying score; and
  - An additional one-time \$500 bonus to each FACT College Algebra course teacher in a school graded “D” or “F” who has at least one qualifying student, regardless of the number of qualifying students or courses taught.

## **Florida College System Program Funding Model**

### ***Present Situation***

State financial support for FCS institutions is determined through an annual process that establishes the amount to be included in the FCS Program Fund for institutional operating programs.<sup>81</sup> The DOE annually analyzes operating costs to determine costs per FTE student and submits this information, along with current college operating budgets, as part of the legislative budget request process.<sup>82</sup> Funding allocations are based on advanced and professional disciplines, developmental education, and other adult education programs, including lifelong learning and education for disabled adults, while certain enrollments, including state inmate education and courses fully funded by external agencies, are excluded from FTE calculations for state funding purposes.<sup>83</sup>

The annual apportionment of state funds to each FCS institution is determined through the General Appropriations Act.<sup>84</sup> In determining each institution’s apportionment, the Legislature considers multiple components, including the base budget and a cost-to-continue allocation consisting of incremental changes to the base budget.<sup>85</sup> The cost-to-continue allocation is distributed through a funding model approved by the Legislature and may recognize differing economic factors among institutions, including direct instructional funding, academic support, student services support, library support, special projects, operations and maintenance of plant, and comparable wage factors.<sup>86</sup> The apportionment process also accounts for certain enrollments that are not counted toward FTE workload adjustments, operating cost adjustments for new facilities, and new or improved program enhancements.<sup>87</sup> Student fee revenues included in the base budget and generated by fee increases are deducted from the total of these components to determine the net annual state apportionment to each institution.<sup>88</sup>

FCS institutions are prohibited from obligating funds for personnel or resources beyond those required to maintain the lower of the previously approved or revised enrollment level.<sup>89</sup> Capital

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<sup>81</sup> Section 1011.84(1), F.S.

<sup>82</sup> Section 1011.84(1)(a), F.S.

<sup>83</sup> Section 1011.84(1)(b)-(f), F.S.

<sup>84</sup> Section 1011.84(3)(b), F.S.

<sup>85</sup> Section 1011.84(3)(b)1.-2., F.S.

<sup>86</sup> Section 1011.84(3)(b)2., F.S.

<sup>87</sup> Section 1011.84(3)(b)3.-5., F.S.

<sup>88</sup> Section 1011.84(3)(b), flush left paragraph, F.S.

<sup>89</sup> Section 1011.84(3)(c), F.S.

outlay and debt service funds are apportioned separately and transmitted to institution boards of trustees in accordance with SBE rules.<sup>90</sup>

Institutional reserve levels are monitored, and written notification to the SBE is required when unencumbered general fund balances fall below 5 percent for institutions with a final FTE enrollment of less than 15,000 in the prior year, or below 7 percent for institutions with a final FTE enrollment of 15,000 or greater. FCS institutions are also required to certify unexpended state funds remaining as of June 30 of the prior fiscal year by September 30 of each year.<sup>91</sup>

Expenditures for apprenticeship programs and upper-division enrollment are reported separately, and institutions are required to report the volume and cost of developmental education options as a distinct component of their annual cost accounting system.<sup>92</sup>

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

The bill amends s. 1011.84, F.S., by revising the components used to determine the annual apportionment to FCS institutions from the FCS Program Fund. The bill specifies that the cost-to-continue funding model used in the apportionment process is developed by FCS presidents in consultation with the DOE and approved by the Legislature. The bill requires the funding model to recognize a minimum level of funding per FTE student and account for differing economic factors among FCS institutions, including, but not limited to:

- Program offerings, weighting workforce FTE to account for priorities and costs;
- Completion of credentials, including certificates, certifications, and degrees;
- Size of the college;
- Economies of scale; and
- Regional cost differentials.

In addition, the bill removes provisions related to operating cost adjustments for new facilities. The bill also removes the statutory direction to deduct student fee revenues from the calculation of state apportionment amounts.

The bill retains institutional reserve notification and certification requirements and standardizes the reserve threshold to seven percent for all Florida College System institutions, regardless of institutional size. The bill requires FCS institution presidents to provide written notification when reserves fall below the threshold and to annually certify unexpended state funds.

### **End-of-Year Carry Forward Balances**

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

Each Florida College System (FCS) institution must maintain a minimum carry forward balance of its state operating budget based on prior-year full-time equivalent (FTE) enrollment. An institution with a final FTE enrollment of less than 15,000 must maintain a minimum carry

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<sup>90</sup> Section 1011.84(3)(d), F.S.

<sup>91</sup> Section 1011.84(3)(e), F.S.

<sup>92</sup> Sections 1011.84(3)(f)-(g) and 1011.84(5), F.S.

forward balance of at least 5 percent,<sup>93</sup> while an institution with a final FTE enrollment of 15,000 or greater must maintain a minimum carry forward balance of at least 7 percent.<sup>94</sup> If an institution fails to maintain the applicable minimum balance, an institution with fewer than 15,000 FTE must provide written notification to the State Board of Education (SBE),<sup>95</sup> and an institution with 15,000 or more FTE must submit a plan to the SBE to attain the required balance.<sup>96</sup> An institution that retains a carry forward balance in excess of the applicable minimum must submit a spending plan for the excess carry forward balance to its board of trustees for approval by September 30 of each year, and the SBE must review and publish the plan by November 15 of each year.<sup>97</sup>

For institutions required to submit a carry forward spending plan, the plan must include the estimated cost and a timeline for completion for each planned expenditure. Authorized expenditures in a carry forward spending plan may include commitments of funds to public education capital outlay projects requiring additional funds for completion, renovation, repair, or maintenance projects, remodeling or infrastructure projects that are survey-recommended, repair or replacement projects necessitated by natural disasters, operating expenditures that support the institution's mission, purposes approved by the SBE or specified in the General Appropriations Act, and commitments of funds to a contingency reserve for expenses related to a state of emergency declared by the Governor.<sup>98</sup>

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

The bill amends s. 1013.841, F.S., by standardizing the minimum carry-forward reserve threshold at 7 percent for all FCS institutions, regardless of institutional FTE enrollment size. The bill authorizes FCS institutions to retain and report to the SBE an annual reserve balance exceeding that amount. The bill also requires FCS institution presidents to provide written notification when reserves fall below the threshold and to annually certify unexpended state funds.

The bill requires each FCS institution with a carry-forward balance exceeding the 7 percent minimum to submit an annual spending plan addressing the excess carry forward balance. In addition, the bill removes the separate carry forward balance and spending plan framework for institutions with a final FTE of 15,000 or more.

The bill authorizes spending plans to include retention of the carry forward balance as a reserve fund to be used for authorized expenses in subsequent years.

The bill is effective July 1, 2026.

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<sup>93</sup> Section 1013.841(2)(a), F.S.

<sup>94</sup> Section 1013.841(3)(a), F.S.

<sup>95</sup> Section 1013.841(2)(a), F.S.

<sup>96</sup> Section 1013.841(3)(a), F.S.

<sup>97</sup> Section 1013.841(2)(b) and (3)(b), F.S.

<sup>98</sup> Section 1013.841(4), F.S.

**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:**

Florida College System institutions and state universities may have a negative fiscal impact by granting a waiver of tuition and fees for active members of the Florida State Guard if the institution increases the number of spaces available to accommodate the expanded eligibility.

There is a potential indeterminate negative impact on fee-based providers of blind services and VR services, but a potential positive impact for consumers of those services. The impact on the Department of Education (DOE) to establish application and approval framework for the Division of Vocational Rehabilitation will have an indeterminate fiscal impact.

There is an indeterminate cost to the DOE and school districts for the State Board of Education (SBE) to establish a statewide uniform weighted grading system. Adjustments to the grandparent fee waiver has an indeterminate fiscal impact to the institutions required to waive out of state fees.

Postsecondary institutions whose policies regarding incarcerated individuals do not currently allow individuals who were incarcerated to qualify for in-state tuition would incur a fiscal impact.

Expanding reimbursement eligibility under the Dual Enrollment Scholarship Program to independent postsecondary institutions for the fall and spring term may result in the distribution of additional program funds.

The changes to the Florida Gold Seal CAPE Scholars award are indeterminate. It is assumed that reducing the required minimum postsecondary credit hours earned through CAPE would increase the number of eligible participants. There would be a negative fiscal impact on the Florida Gold Seal CAPE Scholars award by expanding it to include GATE Program completers.

Establishing bonus funds for the FACT College Algebra course will not have an impact on state revenues or expenditures, however the bill has a positive impact for teachers of the FACT College Algebra course who receive bonuses based on student assessment scores.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 251.001, 413.208, 1004.06, 1004.072, 1004.93, 1004.933, 1005.06, 1006.71, 1007.25, 1007.271, 1008.30, 1008.44, 1008.47, 1009.25, 1009.26, 1009.40, 1009.536, 1011.62, 1011.84, 1013.841, and 1009.895.

This bill creates section 413.0114 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.)

None.

**B. Amendments:**

None.