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**Special Report** 

2017 Florida Legislative Session Overview: Which proposals stand to affect Florida's college students?

## **FLORIDA**

The 2017 Florida Legislative session is underway, and higher education remains a high priority for policymakers two weeks into the 60-day session. Which bills are poised to impact college readiness, access and completion? Here are some of the top issues that stand to affect college students:

**First, the budget:** There is \$83.5 billion in the state's budget for the 2017-18 fiscal year. While this is slightly higher than the previous year, <u>predicted budget shortfalls of \$1.3 billion in 2018 and \$1.9 billion in 2019</u> have made lawmakers cautious about future spending plans. Given that about a quarter of the state's appropriations are on <u>K-12 and higher ed</u>, spending proposals for education will be highly scrutinized during the current session and beyond.

**Affordability:** Making college more affordable for Florida students and families remains a prominent policy issue for state lawmakers, <u>including Governor Rick Scott</u>. Tuition at Florida public colleges and universities have stayed the same over the past four years, and this year, plans to reform state financial aid and tuition policies have emerged.

## Below are some examples:

Expansion of Florida Academic Scholars (FAS): The Florida Excellence in Higher Education Act (SB 2) includes a proposal to increase Bright Futures funding to students who qualify for Florida Academic Scholars, the top Bright Futures award given to students who earn a 29 ACT / 1290 SAT score and 3.5 weighted grade point average among other eligibility criteria. The bill would increase funding for the FAS recipients, providing students \$300 per semester for textbooks and covering 100 percent of tuition and fees. The bill passed through the Senate last week and awaits a vote from the House.

Benacquisto Scholarships for out-of-state National Merit Scholars: As it currently stands, the Benacquisto Scholarship Program aims to keep Florida's top students in the state, rewarding any Florida high school graduate who receives recognition as a National Merit Scholar or National Achievement Scholar. The scholarship is equal to the full cost of attendance at a public postsecondary institution (which can be used at an independent college or university), minus Bright Futures and National Merit awards. The relevant bill (SB 2) will expand the Benacquisto Scholarship to include eligible out-of-state students, an effort policymakers hope will help Florida colleges rise in national rankings. The bill seeks to fund 54 students at an estimated cost of \$1.1 million in 2017-18.

Summer Bright Futures: A challenge from Gov. Scott <u>last summer</u> urged legislators to provide summer term funding for the Florida Bright Futures Scholarship program, which currently allows students to use their award during the fall (cont.)



and spring terms. A bill to provide funding for the proposal was filed in the House and has yet been put to vote.

First Generation Matching Grant Program: Eligible low-income, first-gneration students attending public colleges and universities can receive a First Generation Matching Grant based on their financial need and cost of attendance, granted by their institution on a first-come, first-served basis. Funds for these students are contingent upon the availability of matching contributions from private sources and the legislature on a dollar-for-dollar basis. During fiscal year 2015-16, approximately 8,200 students received just under \$1,300 to pay for college. But current funding levels aren't enough to provide a grant to all students, with 13,700 eligible first-generation, low-income students going unfunded last school year, according to college and university estimates.

Senate Bill 2 seeks to expand access to the program by requiring the state to match private contributions on a two-to-one ratio, up from the 1:1 match the state currently provides. An increase in the state's match in funds would require an <u>additional \$5.3 million for the program</u>, and would either make the grant available to more students or result in an increased award amount.

*Block tuition:* Florida public universities currently charge on a per-credit basis, which lawmakers feel is partly to blame for why many students take longer than four years to graduate. For the most part, full-time college students receive the same amount of financial aid regardless of whether they take 12, 15 or 18 credits. To save money in the short term, sometimes students take fewer credits, which can inadvertently prolong their time on campus.

Senate Bill 2, referenced above, includes a section requiring public universities to develop a policy allowing undergraduates to pay a flat or "block" tuition rate per semester, which in theory will provide an incentive for students to take more credits and graduate more quickly. It has been pointed out by reporters that students may interpret this as a tuition increase if the block tuition amount exceeds the current cost of 12 credits. Other concerns come from college officials, who question the fiscal impact of being put in the position to provide instruction for 15 or 18 credits for the price of only 12 if funding levels remain the same. If passed, block tuition would go into effect in fall 2018.

**Reforms to the Florida College System:** Senate Bill 374, also known as the College Competitiveness Act of 2017, proposes substantial changes to the 28 institutions comprising the Florida College System. Among the bill's objectives a limits for bachelor's degree offerings at FCS institutions, renaming the Florida College System as the Florida Community College System and creating a new governance structure separate from the State Board of Education.

Supporters of the bill assert that providing a clearer distinction between Florida's state colleges and universities will make them stronger, citing that the expansion of bachelor's degree offerings at FCS institutions <a href="https://example.creep,">https://example.creep,"</a> or an overstepping beyond what is intended to be their primary role. Data on Florida's state colleges show 27 of the 28 institutions <a href="https://example.creep.google.com/offer-a-total-of-179 four-year degrees">offer-a-total-of-179 four-year degrees</a>, with baccalaureate degree-seeking students representing <a href="https://example.com/distributions-creep.google.com/offer-a-total-of-179 four-year degrees">degree-seeking-students-creep.google.com/offer-a-total-of-179 four-year degrees</a>, with baccalaureate degree-seeking students representing <a href="https://example.com/distributions-creep.google.com/offer-a-total-of-179-four-year degrees">degree-seeking-students-creep.google.com/offer-a-total-of-179-four-year degrees</a>, with baccalaureate degree-seeking students representing <a href="https://example.com/distributions-creep.google.com/offer-a-total-of-179-four-year degrees">degree-seeking-students-creep.google.com/offer-a-total-of-179-four-year degrees</a>, with baccalaureate degree-seeking students representing <a href="https://example.com/offer-a-total-of-179-four-year-degrees">degree-seeking-students-creep.google.com/offer-a-total-of-179-four-year-degrees</a>, with baccalaureate degree-seeking students representing <a href="https://example.com/offer-a-total-of-179-four-year-degrees">degree-seeking-students-creep.google.com/offer-a-total-of-179-four-year-degrees</a>, with baccalaureate degree-seeking students representing <a href="https://example.com/offer-a-total-of-179-four-year-degrees">degree-seeking-students-creep.google.com/offer-a-total-of-179-four-year-degrees</a>.

Florida College System administrators and student representatives, among others, have countered that demand is strong for the 4-year degree programs because they offer students several advantages. The colleges are close to home, cutting down on transportation and housing expenses for rural students and others for whom relocation would be a hardship; the classes are cheaper compared to university tuition; and the programs are aligned with regional workforce needs for example, <u>nursing</u>, <u>education</u>, <u>computer science/information technology</u>, <u>and homeland security</u>. According to the <u>2016 Florida Economic Security Report</u>, the median first-year earnings of bachelor's degree graduates from Florida



College System institutions is approximately \$41,000. Curtailing access to such programs, which were first authorized in 2008, would "turn back the clock" on the state's college system.

Incidentally, the Aspen Institute recently named Broward College and Indian River State College "finalists with distinction" for its top prize for community college excellence, which has been awarded to two Florida College System institutions in previous years. Earlier this month, Florida also received recognition by U.S. News and World Report as the number one state for higher education, in large part due to Florida's 2-year college student outcomes and low tuition rates.

**2+2 Targeted Pathways:** Florida's 2+2 articulation agreement has long been a trademark of Florida's higher education system, allowing seamless transfer for associate's degree earners to a bachelor degree program at a state university. A section in SB 2 (and SB 374) requires each Florida College System institution to adopt at least one 2+2 "targeted pathway program," which guarantees admission to a specific state university as long as the student meets certain eligibility and performance requirements.

Examples of such agreements <u>already in place</u> between Florida colleges and universities are DirectConnect to UCF, FUSE (USF), TCC2FSU, FIU Connect4Success, Link to FAU, 2UWF Transfer Student Partnership and UNF/SJR Gateway. The proposal aims to improve graduation rates for transfer students seeking a bachelor's degree.

**Performance funding:** Also included in Senate Bill 2 are proposals to alter performance-based funding models for the state's public college and university systems. Including institutional investments, the state currently provides \$500 million and \$60 million in performance based funding for the <a href="State University System">State University System</a> (SUS) and <a href="Florida College System">Florida College System</a> (FCS) respectively. Based on the performance of each institution on their particular metrics, colleges can receive a portion of these funds or have some withheld if certain thresholds are not met.

For FY 2017-18, Florida Board of Governors is requesting an additional \$100 million in performance funding, which combined with \$50 million in institutional investment, would bring the total allocation up to \$650 million. The Department of Education has also requested an increase in funding for Florida College System institutions, bringing the total performance model allocation to \$80 million. It is still unclearwhether these budget requests will be fulfilled, as budget negotiations between the House and Senate are ongoing.

Funding levels aside, the legislature has proposed changes to the mechanics of performance-based funding models this session, with particular focus on the graduation/completion rate calculations of each system. Legislators have publicly expressed an interest in measuring the performance of public colleges and universities based on how many students complete their program within 100% of their given program time, instead of the 150% historically used in postsecondary education. While these proposed changes aspire to boost student outcomes, opponents of the proposals claim the higher standards might have unintended consequences for colleges that enroll non-traditional, low-income and/or first-generation students, who often attend school part-time while juggling work and family responsibilities.

Other proposals of note: A requirement for state universities to use gap analyses to identify internship opportunities in <a href="https://high-demand.com/hig



About a quarter of the way through session, negotiations in Tallahassee could lead to all, some or none of the above legislation being passed into law this summer. Last session, a total of 1,814 bills were filed with 279 passed, which serves as a reminder of the work that lies ahead for our elected officials. Other "hot stove" non-education policy items, such as health care, water management and the future of Enterprise Florida could alter education proposals depending on how the legislative session evolves over the next few weeks.

As a nonpartisan organization, we strive to expand knowledge of research, data, policies and practices that impact postsecondary access and attainment in Florida. This legislative overview is intended as a resource and does not constitute an endorsement or opposition to any of the legislative proposals described herein. The views expressed in this policy brief were developed independently and do not reflect the opinions of the universities, agencies, and funders with which the leadership team and staff are affiliated.

