

# SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: SB 1914

SPONSOR: Senators Klein and Sullivan

SUBJECT: Need-based grants/Part-time

DATE: February 13, 2002      REVISED: 02/19/02      \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>White</u>	<u>O'Farrell</u>	<u>ED</u>	<u>Fav/1 amendment</u>
2.	_____	_____	<u>AED</u>	_____
3.	_____	_____	<u>AP</u>	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

## I. Summary:

Senate Bill 1914 allows qualified public and independent community colleges, colleges, and universities to award Florida Student Assistance Grants to part-time students. *Under the amendment, only the Florida Public Student Assistance Grant program is adapted, so that students at public community colleges and universities could receive a grant for part-time attendance, but not students at independent colleges.*

This bill amends the following sections of the Florida Statutes: 240.409, 240.4095, and 240.4097.

## II. Present Situation:

Three programs account for Florida's major expenditures for need-based grants. All require full-time enrollment, defined as at least 12 semester credit hours per term, or the equivalent.<sup>1</sup>

- The Florida Public Student Assistance Grants (s. 240.409, F.S.) are for students enrolled in a state university or community college. The 2001-2002 appropriation for this program is almost \$52 million.
- The Florida Private Student Assistance Grants (s 240.4095, F.S.) are for students enrolled in an independent, nonprofit, baccalaureate-degree-granting college or university that is also located in and chartered in Florida and accredited by the Southern Association of Colleges and Schools. The 2001-2002 appropriation for this program is almost \$11 million.
- The Florida Postsecondary Student Assistance Grants (s. 240.4097, F.S.) are for students at a private nursing diploma school or a college that is under the jurisdiction of the State Board of

<sup>1</sup> Other requirements are that the student be a Florida resident who is in a degree-level undergraduate program, maintains at least a 2.0 GPA, and has financial need of at least \$200.

Independent Colleges and Universities<sup>2</sup> and is licensed or exempt from licensure because of its accreditation, except for the colleges that are eligible for the Florida Private Student Assistance Grant. The 2001-2002 appropriation for this program is over \$7 million.

In addition, the 2001-2002 General Appropriations Act contains a special appropriation of \$3,828,086 for Florida Public Student Assistance Grants for part-time students as authorized in SB 1330 or similar legislation, and the funds are not contingent upon passage of the bill. That bill, which did not become a law, authorized public institutions to award Florida Student Assistance Grants to part-time attendance. According to the Office of Student Financial Assistance in the Department of Education, the distribution as of January 1, 2002 is:

	<b>Annual Allocation</b>	<b>\$\$ Disbursed First Term</b>	<b># Students Awarded</b>
<b>SUS</b>	\$752,081	\$496,746	1,646
<b>CC</b>	\$3,075,988	\$1,383,952	3,803
<b>Total</b>	\$3,828,069	\$1,880,698	5,449

In addition, the 2001-2002 General Appropriations Act allocates almost \$20.7 million to the State University System for financial aid and requires at least 71 percent to be need-based.<sup>3</sup>

Other sources may provide assistance based on need. According to information gathered by the Department of Education, in 1999-2000 the state universities collected approximately \$21.5 million, and the community colleges collected approximately \$14 million in financial aid fee revenues. Not all of this money is used for need-based aid, but at least 70 percent of it is.<sup>4</sup>

**III. Effect of Proposed Changes:**

The legislation under consideration allows qualified public and independent community colleges, colleges, and universities to award Florida Student Assistance Grants to part-time students. It amends statutes that govern each of the three grant programs to authorize part-time students to receive the grants if they are enrolled at least 6 semester hours per term. The bill limits the grant to 110 percent of the length of the program rather than 9 semesters or equivalent.<sup>5</sup>

**IV. Constitutional Issues:**

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

<sup>2</sup> In ch. 2001-170, L.O.F., the Legislature eliminated the State Board of Independent Colleges and Universities and transferred its responsibilities to the Commission for Independent Education.

<sup>3</sup> Specific Appropriation 207

<sup>4</sup> Financial aid fee revenues are governed by ss. 240.235, 240. 35, and 239.117, F.S.

<sup>5</sup> Section 240.404, F.S., limits state student assistance to 8 semesters or the equivalent, with extra allowed to prepare for the CLAST, for remediation, and for 5 year undergraduate programs. Students may not receive FSAG for graduate-school.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Part-time students with financial need may receive a grant for enrollment at eligible public and independent institutions.

C. Government Sector Impact:

The Department of Education estimates that extending the grant programs to eligible part-time students will cost approximately \$6,400 to reprogram the State Student Financial Aid Database. *Note: Under the amendment, this will not be necessary because the Department of Education already makes part-time students eligible at public institutions.*

In 2001, 2002, approximately 22,100 part-time students were enrolled in all eligible institutions. *Of these, 11,742 were attending public colleges and universities The Department of Education estimates that an appropriation of \$7.63 million would fully fund that number.*

Following is an estimate of the first 3 years program costs to fund students at all three types of postsecondary educational institutions:

Year	Amount (millions)	Year	Amount (millions)	Year	Amount (millions)
1	\$14.36	2	\$15.89	3	\$17.18

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

#1 by Education:

Deletes eligibility for part-time students at **nonpublic** institutions to receive grants from the Florida Student Assistance Grant program. (Under the amendment, the bill makes no change in the Florida Private Student Assistance Grant program or the Florida Postsecondary Student Assistance Grant program.)

---

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.

---