HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 207 **Community College Student Fees SPONSOR(S):** Chestnut TIED BILLS: **IDEN./SIM. BILLS:** REFERENCE ACTION ANALYST STAFF DIRECTOR 1) Committee on Postsecondary Education <u>6 Y, 2 N</u> Thomas <u>Tilton</u> 2) Schools & Learning Council 3) Policy & Budget Council _____ _____ _ __ 4)_____ 5)_____

SUMMARY ANALYSIS

HB 207 authorizes each community college board of trustees to establish transportation fees. The fee may not exceed the cost of the services provided and may only be charged to persons receiving the service.

The bill also removes the requirement that fines not exceed the cost of the services provided and that fines only be charged to persons receiving the services.

The effective date provided is July 1, 2007.

The fiscal impact of the bill is indeterminate. (See Fiscal Comments)

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Ensure lower taxes – The bill authorizes each community college board of trustees to establish a transportation fee.

B. EFFECT OF PROPOSED CHANGES:

Background

Each community college board of trustees is authorized to establish tuition and out-of-state fees within certain parameters; an activity and service fee; a financial aid fee; a technology fee; and a separate fee for capital improvement, technology enhancements and equipping student buildings. In addition, each community college board of trustees is authorized to establish fee schedules for the following user fees and fines:

- laboratory fees;
- parking fees and fines;
- library fees and fines;
- fees and fines relating to facilities and equipment use or damage;
- access or identification card fees;
- duplicating, photocopying, binding or microfilming fees;
- standardized testing fees;
- diploma replacement fees;
- transcript fees;
- application fees;
- graduation fees; and
- late fees related to registration and payment.

The fees and fines may not exceed the cost of the service provided and may only be charged to persons receiving the service.

Auditor General Report No. 03-010 *Florida Community College System Student Fees and Fines Operational Audit* includes the following finding and recommendation regarding fines assessed by community colleges:

Fines are not established to recover cost; rather, fines are assessed as penalties to deter certain behaviors. Different colleges assessed fines in varying amounts for the same offense. Language in [Section 1009.23(12)], Florida Statutes, should be revised to delete the requirement that fines not exceed the cost of services and to address fines as assessments to deter certain behaviors.¹

Effect of Proposed Changes

HB 207 authorizes each community college board of trustees to establish transportation fees. The fee may not exceed the cost of the services provided and may only be charged to persons receiving the service. The transportation fee would be in addition to other currently authorized fees charged by a community college board of trustees.

The bill also removes the requirement that fines not exceed the cost of the services provided and only be charged to persons receiving the services.

The Department of Education indicates that community colleges already have the authority to charge a transportation fee under rule 6-A-14.054(6), F.A.C., which authorizes each board of trustees to establish user fees.²

Both the Bright Futures Scholarship Program and the Stanley G. Tate Florida Prepaid College Program cover certain fees.

According to the Department of Education, the Bright Futures Scholarship Program covers a fee only if it is assessed to all students at the institution.³ The Florida Prepaid College local fee plan covers the activity and service, health, and athletic fees charged by state universities or the student activity fee charged by state community colleges. The community college technology fee is also covered by local fee contracts purchased after July 1, 1999.⁴

C. SECTION DIRECTORY:

Section 1. Amends s. 1009.23, F.S., authorizing community college boards of trustees to establish transportation user fees; limiting such fees to the cost of services provided and persons receiving services; removing the requirement that fines not exceed the cost of services provided and only be charged to persons receiving service.

Section 2. Provides an effective date of July 1, 2007.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

- A. FISCAL IMPACT ON STATE GOVERNMENT:
 - 1. Revenues:

See FISCAL COMMENTS.

2. Expenditures:

See FISCAL COMMENTS.

- B. FISCAL IMPACT ON LOCAL GOVERNMENTS:
 - 1. Revenues:

See FISCAL COMMENTS.

- 2. Expenditures: See FISCAL COMMENTS.
- C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR: See FISCAL COMMENTS.
- D. FISCAL COMMENTS:

³ Conversation with Florida Department of Education Staff on March 6, 2007.

⁴ Florida Prepaid College Plan <u>www.florida529.plans.com</u>

² Florida Department of Education Bill Analysis for HB 207

The fiscal impact is indeterminate because the fee is discretionary. To the extent a community college board of trustees chooses to establish a transportation fee, the cost to a student of attending the community college may increase. To the extent that the fee is assessed to all students at the community college, the fee would be covered by the Bright Futures Scholarship Program and the cost to the State for that program would increase.

III. COMMENTS

- A. CONSTITUTIONAL ISSUES:
 - 1. Applicability of Municipality/County Mandates Provision:

This bill does not require a city or county to expend funds or to take any action requiring the expenditure of funds

The bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate.

This bill does not reduce the percentage of state tax shared with counties or municipalities

2. Other:

None

B. RULE-MAKING AUTHORITY:

None

- C. DRAFTING ISSUES OR OTHER COMMENTS:
- D. STATEMENT OF THE SPONSOR

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES