

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 739 Community College Student Fees
SPONSOR(S): State & Community Colleges & Workforce Policy Committee, Chestnut, and others
TIED BILLS: **IDEN./SIM. BILLS:**

	REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
Orig. Comm.:	State & Community Colleges & Workforce Policy Committee	11 Y, 0 N, As CS	White	White
1)	Full Appropriations Council on Education & Economic Development	15 Y, 0 N	Eggers	Martin
2)				
3)				
4)				
5)				

SUMMARY ANALYSIS

The Committee Substitute (CS) for HB 739 authorizes each community college board of trustees to establish a transportation access fee. The purpose of the transportation access fee is to provide or improve access to transportation services for students enrolled in the community college. The fee may not exceed \$6 per credit hour. Increases to the fee are limited to once each fiscal year and must be implemented beginning with the fall term.

The bill also prohibits the fee from being included in the amount calculated for scholarships under the Bright Futures Scholarship Program.

The bill does not have a fiscal impact on state or local governments.

The bill takes effect on July 1, 2009.

HOUSE PRINCIPLES

Members are encouraged to evaluate proposed legislation in light of the following guiding principles of the House of Representatives

- Balance the state budget.
- Create a legal and regulatory environment that fosters economic growth and job creation.
- Lower the tax burden on families and businesses.
- Reverse or restrain the growth of government.
- Promote public safety.
- Promote educational accountability, excellence, and choice.
- Foster respect for the family and for innocent human life.
- Protect Florida's natural beauty.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Community College Fee Authority

Current law prohibits a community college from charging any fee except as authorized by law or rule of the State Board of Education.¹ Each community college board of trustees has specific statutory authority 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 has specific statutory authority 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;
- Late fees related to registration and payment; and
- Distance learning course user fee.²

Transportation Access Fee Authority

Community colleges do not have statutory authority to charge transportation access fees; however, state universities are granted this authority under s. 1009.24(13)(p), F.S. By way of example, the University of Florida (UF) charges a transportation access fee of \$6.11 per credit hour. These funds are used to provide UF students with unlimited access to the city bus system. It is estimated that 36,500 students use the bus system daily when school is in session. Routes are designed per student requests to visit specific apartment and condominium complexes, businesses, and university sites. In addition, there is an intercampus route allowing students to travel from one part of campus to another.³

¹ Section 1009.23, F.S.

² Section 1009.23(12) and (16), F.S.

³ E-mail correspondence between Senate staff and UF staff dated March 3, 2009.

On February 16, 2009, the Santa Fe College Student Government adopted a resolution petitioning the Florida Legislature for a statutory amendment to permit the Santa Fe College Board of Trustees to implement a transportation fee. The resolution proposed that the transportation fee could increase the frequency and length of service of two existing bus routes, add a new route, and provide free ridership on all regular Gainesville Regional Transportation System (RTS) routes for anyone with a valid Santa Fe College ID card.⁴ The RTS estimated that these proposed enhancements would cost \$5.54 per credit hour.⁵

Effect of Bill

The bill authorizes each community college board of trustees to establish a transportation access fee. The purpose of the fee is to provide or improve access to transportation services for students enrolled in the community college. The fee may not exceed \$6 per credit hour. Increases to the fee are limited to once each fiscal year and must be implemented beginning with the fall term.

The bill also prohibits the fee from being included in the amount calculated for scholarships under the Bright Futures Scholarship Program.

B. SECTION DIRECTORY:

Section 1.: Amends s. 1009.23, F.S., authorizes community college boards of trustees to establish a transportation access fee; limits the amount of the fee; provides a timeframe for a fee increase and implementation of an increase; specifies that the fee may not be included in amount calculated for a Bright Futures Scholarship.

Section 2.: Provides an effective date of July 1, 2009.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

As the bill prohibits the transportation access fee from being included in the amount calculated for Bright Futures Scholarships, there is no fiscal impact on the state funding for those scholarships.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill prohibits the transportation access fee from being included in the amount calculated for Bright Futures Scholarships. Further, the Florida Prepaid College Program does not currently cover this fee.⁶

⁴ Santa Fe Student Government Resolution dated February 16, 2009.

⁵ Gainesville RTS Service Adjustment Estimates for Spring 2009.

⁶ Currently, the Florida Prepaid Program covers community college activity and service fees, technology fees, and registration fees. The Program is authorized to approve contracts for additional community college fees authorized by s. 1009.23, F.S., and thus, may offer a plan to cover the transportation access fee in the future. Section 1009.98(2)(a), F.S.

As a result, students will be required to pay the fee at a community college where the board of trustees decides in its discretion to implement the fee. The precise fiscal impact to students attending such colleges is indeterminate because the fee may be any amount per credit hour up to \$6.

D. FISCAL COMMENTS:

Estimated 2008-09 tuition and fee revenue for Santa Fe College is \$23,003,708. Had the \$5.54 per credit hour transportation fee been authorized in 2008-09 as recommended by the Santa Fe College Student Government, Santa Fe College would have generated an additional amount of \$1,973,426 (356,214 credit hours x \$5.54) for a total of \$24,977,134 in tuition and fee revenue. The statewide total estimated 2008-09 tuition and fee revenue for the institutions in the Florida college system is \$619,642,314. Had the maximum transportation fee of \$6 per credit hour been authorized in 2008-09, the maximum amount of \$59,547,420 could have been generated by the transportation fee for a total of \$679,189,734 in tuition and fee revenue.⁷

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The bill does not appear to require counties or municipalities to spend funds or take an action requiring the expenditure of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or reduce the percentage of a state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES

On March 18, 2009, the State and Community Colleges and Workforce Policy Committee adopted a Proposed Committee Substitute for HB 739 and reported the bill favorably as a Committee Substitute (CS). The differences between the CS and the bill are:

- The CS authorizes each of the 28 community college boards of trustees to adopt a “transportation access fee,” while the bill only authorized the Santa Fe Community College Board of Trustees to adopt a “transportation fee.”
- The CS adds that the fee may be used to provide or improve transportation services, may not exceed \$6 per credit hour, and may only be increased one-time annually.
- The CS adds that the fee may not be included in the amount calculated for Bright Futures Scholarships.

⁷ E-mail correspondence between House staff and Division of Community Colleges staff dated March 11, 2009, and The Office of Economic and Demographic Research, Conferences, Community College Enrollment, Conference Handouts, http://edr.state.fl.us/conferences/communitycolleges/03-02-09_Conference%20Handouts.pdf (last visited March 22, 2009).