

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.)

Prepared By: The Professional Staff of the Committee on Higher Education

BILL: SB 1478

INTRODUCER: Senator Soto

SUBJECT: William L. Boyd, IV, Florida Resident Access Grant Program

DATE: April 6, 2015

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Graf	Klebacha	HE	Pre-meeting
2.			AED	
3.			AP	

I. Summary:

SB 1478 expands institution eligibility requirements of the William L. Boyd, IV, Florida Resident Access Grant (FRAG) Program to allow an institution to become eligible to participate in the FRAG Program if the institution, on July 1, 2013, was a successor by merger to a private college or university that was eligible to receive FRAG payments.

The bill takes effect July 1, 2015.

II. Present Situation:

Florida Resident Access Grant Program

In 1979, the Legislature established the State Tuition Voucher Fund for students enrolled at private colleges or universities in Florida.¹ The State Tuition Voucher Fund was renamed the Florida Resident Access Grant Program in 1994² and subsequently was redesignated as the William L. Boyd IV, Florida Resident Access Grant Program in 1998.³

Institution Eligibility Requirements

The Legislature, through the William L. Boyd, IV, Florida Resident Access Grant (FRAG) Program, provides tuition assistance to undergraduate students enrolled in full-time degree-seeking programs at private colleges or universities that:⁴

- Are not-for-profit;
- Are located in and chartered by the state of Florida;

¹ Section 67, ch. 79-222, L.O.F.

² Section 32, ch. 94-230, L.O.F.

³ Section 9, ch. 98-71, L.O.F.

⁴ Section 1009.89(3), F.S.

- Are accredited by the Commission on Colleges of the Southern Association of Colleges and Schools (SACS);
- Grant baccalaureate degrees; and
- Have a secular purpose, as long as the receipt of state aid by students at the institutions would not have the primary effect of advancing or impeding religion or result in an excessive entanglement between the state and any religious sect.

Notwithstanding the institution eligibility criteria of the FRAG Program specified above, any private college or university that was eligible to receive tuition vouchers on January 1, 1989, and which continues to meet the criteria under which its eligibility was established, remains eligible for the FRAG payments.⁵

Student Eligibility Requirements

A student is eligible to receive FRAG if the student:⁶

- Meets the general requirements, including residency, for student eligibility requirements for state financial aid awards and tuition assistance grants;⁷
- Is enrolled as a full-time undergraduate student at an eligible college or university;
- Is not enrolled in a program of study leading to a degree in theology or divinity; and
- Is making satisfactory academic progress as defined by the college or university in which the student is enrolled.

Currently, eligible institutions include 32 private colleges and universities.⁸ FRAG is administered as a decentralized program, which means that each participating institution determines application deadlines, student eligibility, and award amounts.⁹ For the 2014-2015 fiscal year, the Legislature appropriated \$112,359,000 to support 37,453 qualified Florida resident students at \$3,000 per student for tuition assistance.¹⁰

⁵ Section 1009.89(3), F.S.

⁶ Section 1009.89(4), F.S.

⁷ Section 1009.40, F.S.

⁸ Thirty one of the 32 private colleges and universities are Independent Colleges and Universities of Florida (ICUF) institutions: Adventist University of Health Sciences, Ave Maria University, Barry University, Beacon College, Bethune-Cookman University, Clearwater Christian College, Eckerd College, Edward Waters College, Embry-Riddle Aeronautical University, Everglades University, Flagler College, Florida College, Florida Institute of Technology, Florida Memorial University, Florida Southern College, Hodges University, Jacksonville University, Keiser University, Lynn University, Nova Southeastern University, Palm Beach Atlantic University, Ringling College of Art and Design, Rollins College, Saint Leo University, Southeastern University, St. Thomas University, Stetson University, University of Miami, University of Tampa, Warner University, and Webber International University. Independent Colleges and Universities of Florida, *About Us*, <http://www.icuf.org/newdevelopment/about-icuf/> (last visited April 4, 2015). FRAG-eligible institutions also include The Baptist College of Florida which is not an ICUF institution. Florida Department of Education, *2014-15 Florida Resident Access Grant Program Eligible Institutions*, https://www.floridastudentfinancialaidsg.org/admin/SAWELIGPSI_ByProg.asp?ByProg=FRAG (last visited April 3, 2015).

⁹ Florida Department of Education, *Annual Report to the Commissioner (2013-14)*, available at <http://www.floridastudentfinancialaid.org/SSFAD/pdf/annualreportcurrent.pdf>, at 39 of 78.

¹⁰ Specific Appropriation 70, s. 2, ch. 2014-51, L.O.F.

Commission for Independent Education

The Commission for Independent Education (commission or CIE), established in the Florida Department of Education (DOE), is responsible for developing minimum standards to evaluate institutions for licensure.¹¹ Current law requires that the standards must, at a minimum, include the institution's name, financial stability, purpose, administrative organization, admissions and recruitment, educational programs and curricula, retention, completion, career placement, faculty, learning resources, student personnel services, physical plant and facilities, publications, and disclosure statements about the status of institutions related to professional certification and licensure.¹² A postsecondary educational institution must obtain licensure from CIE to operate in the state of Florida, unless such institution is not under CIE's jurisdiction or purview.¹³

Licensure by Means of Accreditation

A private postsecondary educational institution that meets the following criteria may apply for a license by means of accreditation from the commission:¹⁴

- The institution has operated legally in this state for at least 5 consecutive years.
- The institution holds institutional accreditation by an accrediting agency evaluated and approved by the commission as having standards substantially equivalent to the commission's licensure standards.
- The institution has no unresolved complaints or actions in the past 12 months.
- The institution meets minimum requirements for financial responsibility as determined by the commission.
- The institution is a Florida corporation.

An institution that is granted a license by means of accreditation must comply with the standards and requirements in law.¹⁵

III. Effect of Proposed Changes:

SB 1478 expands institution eligibility requirements of the William L. Boyd, IV, Florida Resident Access Grant (FRAG) Program to allow an institution to become eligible to participate in the FRAG Program if the institution, on July 1, 2013, was a successor by merger to a private college or university that was eligible to receive FRAG payments.

In effect, the bill creates an alternative way for at least one specific private university, "Johnson University – Florida," to become eligible to participate in the FRAG Program without meeting all of the current institution eligibility requirements for the FRAG Program.

On June 13, 2013, Johnson University, a Tennessee not-for-profit public benefit corporation, entered into an agreement of merger with Florida Christian College, Inc., a Florida not-for-profit

¹¹ Section 1005.31(2), F.S.

¹² Section 1005.31(2), F.S.

¹³ Sections 1005.31(1)(a) and 1005.06(1), F.S. ICUF institutions are not under the jurisdiction or purview of the Commission for Independent Education. Section 1005.06(1)(c), F.S.

¹⁴ Section 1005.32(1), F.S.

¹⁵ Section 1005.32, F.S.

corporation that was eligible to participate in the FRAG Program.¹⁶ The agreement of merger that took effect July 1, 2013 indicates Johnson University as the “surviving corporation” and Florida Christian College as the “merging corporation.”¹⁷ Johnson University has assumed full ownership of Florida Christian College and on July 10, 2013, obtained approval from the regional accrediting agency, Commission on Colleges of the Southern Association of Colleges and Schools (SACS), regarding the merger and name change to “Johnson University – Florida.”¹⁸ On September 17, 2013, the commission approved “Johnson University – Florida” for licensure by means of accreditation through January 1, 2020.¹⁹

“Johnson University – Florida” is a branch campus of the Tennessee corporation, Johnson University.²⁰ Consequently, “Johnson University – Florida,” is not chartered in Florida and as such, does not meet the current institution eligibility requirements of the FRAG Program. The bill may allow “Johnson University – Florida” to become eligible to participate in the FRAG Program and the students enrolled in “Johnson University – Florida,” who meet the student eligibility requirements for FRAG, to become eligible to receive tuition assistance under the FRAG Program.

The bill takes effect July 1, 2015.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

¹⁶ Email, Florida Department of Education (April 3, 2015), on file with the Committee on Higher Education staff; Telephone interview with the Office of Student Financial Assistance staff, Florida Department of Education (April 3, 2015).

¹⁷ Email, Florida Department of Education (April 3, 2015), on file with the Committee on Higher Education staff.

¹⁸ *Id.*

¹⁹ *Id.*

²⁰ *Id.*

B. Private Sector Impact:

SB 1478 may allow students enrolled in “Johnson University – Florida” who meet the student eligibility requirements for FRAG to become eligible to receive tuition assistance under the William L. Boyd, IV, Florida Resident Access Grant (FRAG) Program.

C. Government Sector Impact:

SB 1478 may have an indeterminate fiscal impact from expanding the FRAG Program to include additional students enrolled in “Johnson University – Florida” who, if they meet the student eligibility requirements for FRAG, may become eligible to receive tuition assistance under the FRAG Program.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 1009.89 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.