

**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.)

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Prepared By: The Professional Staff of the Committee on Education

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BILL: SB 86

INTRODUCER: Senator Baxley

SUBJECT: Student Financial Aid

DATE: March 15, 2021

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Jahnke	Bouck	ED	<b>Pre-meeting</b>
2.			AED	
3.			AP	

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**I. Summary:**

SB 86 modifies provisions relating to postsecondary financial aid programs, and establishes new financial aid programs for Pell Grant eligible students and students without a high school diploma. Specifically, the bill:

- Modifies general eligibility for state financial aid by:
  - Requiring the Board of Governors (BOG) and State Board of Education (SBE) to each approve a list of career certificate, undergraduate, and graduate degree programs that lead directly to employment.
  - Specifying that, beginning in the 2022-2023 academic year and thereafter, student eligibility for financial aid or tuition assistance is determined by enrollment in a program of study on a certificate and degree list approved by the BOG or SBE.
- Establishes the Florida Bright Opportunities Grant Program for Pell Grant-eligible students with a tuition and registration fee balance at a Florida College System (FCS) institution or career center after application of all federal gift aid and state financial assistance.
- Modifies the Florida Bright Futures Scholarship Program by:
  - Changing the Florida Academic Scholars (FAS) and Florida Medallion Scholars (FMS) awards to an amount specified in the General Appropriations Act (GAA).
  - Specifying that beginning in the 2022-2023 academic year, the number of credit hours funded under a Bright Futures award is reduced by the number of credit hours earned through articulated acceleration mechanisms.
  - Creating additional alternative eligibility options for FAS and FMS awards for students who earn an associate degree through dual enrollment or who earn an Advanced Placement Capstone Diploma.
  - Specifying that, beginning in the 2022-2023 academic year, the authorization to use the unused portion of a FAS or FMS for graduate study must be for a program on an approved list by the BOG or SBE.

- Specifies that the 2021-2022 academic year is the final year of initial eligibility for nonresident students to qualify for the Benacquisto Scholarship Program, and modifies the award to as specified in the GAA.
- Establishes the Florida Endeavor Scholarship Program for students without a high school diploma or equivalent who are enrolled at a career center or FCS institution.
- Clarifies that postsecondary tuition and fee exemptions apply to a student who is currently in the custody of the Department of Children and Families or a specified relative or nonrelative, or who was at the time he or she reached 18 years of age.

For fiscal year 2021-2022, the funding required for the Florida Bright Opportunities Grant Program and the Florida Endeavor Scholarship Program is subject to an appropriation in the General Appropriations Act. The impact on state funding starting in 2022-2023 is expected to be a net positive to the state budget, but is indeterminate at this time. See Section V.

The bill takes effect July 1, 2021.

## II. Present Situation:

The present situation for each relevant portions of the bill is discussed under the Effect of Proposed Changes of this bill analysis.

## III. Effect of Proposed Changes:

### Identification of Certificate and Degree Programs Aligned to Labor Market Demand

#### *Present Situation*

##### Board of Governors - Programs of Strategic Emphasis

The Programs of Strategic Emphasis (PSE) exists as one of several tools for aligning the degree production goals of the State University System with the economic and workforce needs of Florida.<sup>1</sup> Periodically, the Board of Governors (BOG) revises the PSE list through an analysis of the current reports and data of key economic and workforce councils in Florida. These “key councils” include Enterprise Florida, Inc., the Council of 100, the Florida Chamber of Commerce, and the Department of Economic Opportunity.<sup>2</sup> This process identifies occupational areas with high demand for postsecondary graduates and provides an opportunity to identify emerging and evolving business sectors and occupations.<sup>3</sup> The current list of PSE includes 868<sup>4</sup> programs in the following areas:<sup>5</sup>

<sup>1</sup> Board of Governors, *Methodology for Updating Programs of Strategic Emphasis in the State University System of Florida, September 2020* available at [https://www.flbog.edu/wp-content/uploads/CIP\\_2020\\_PSE\\_Methodology\\_CE\\_FINAL.pdf](https://www.flbog.edu/wp-content/uploads/CIP_2020_PSE_Methodology_CE_FINAL.pdf).

<sup>2</sup> Board of Governors, *Methodology for Updating Programs of Strategic Emphasis in the State University System of Florida, Board of Governors 2019 Mid-Course Correction - 2025 Strategic Plan (September 2019)* available at [https://www.flbog.edu/wp-content/uploads/SPC\\_06c\\_2019\\_PSE\\_Methodology\\_and\\_list\\_CE.pdf](https://www.flbog.edu/wp-content/uploads/SPC_06c_2019_PSE_Methodology_and_list_CE.pdf).

<sup>3</sup> State University System of Florida, *Programs of Strategic Emphasis* <https://www.flbog.edu/resources/academic/programs-of-strategic-emphasis/> (last visited March 2, 2021).

<sup>4</sup> Board of Governors, *Current PSE list approved by the BOG at its September 2020 meeting (September 2020)* available at <https://www.flbog.edu/wp-content/uploads/Current-PSE-list-approved-by-the-BOG-at-its-September-2020-meeting-PDF.pdf>.

<sup>5</sup> Board of Governors, *Methodology for Updating Programs of Strategic Emphasis*

- Education;<sup>6</sup>
- Healthcare;<sup>7</sup>
- Global Competitiveness;<sup>8</sup>
- STEM;<sup>9</sup> and
- Gap Analysis<sup>10</sup>

The BOG tracked their baccalaureate graduates into the workforce and found 92 percent of the graduates were employed one year after graduation, with 71 percent employed full-time.<sup>11</sup> The PSE degree fields accounted for the top five fields of study where baccalaureate graduates were found employed full-time one year after graduation.<sup>12</sup>

#### Department of Education – Career and Technical Education Audit

Governor Ron DeSantis issued Executive Order Number 19-31<sup>13</sup> to chart a course for Florida to become number one in the nation in workforce education, with the goal of ensuring students are prepared to succeed in jobs of the future and satisfy Florida’s growing workforce demands.<sup>14</sup> Governor DeSantis directed the Commissioner of Education (commissioner) to audit course offerings in career and technical education (CTE).

Additionally, the order directed the commissioner to develop a methodology for annual audits to include a review of student outcomes and alignment between:<sup>15</sup>

- Programs offered at K-12 and postsecondary levels;
- Professional-level industry certifications; and
- High-growth, high-demand and high-wage employment opportunities.

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*in the State University System of Florida, September 2020 available at [https://www.flbog.edu/wp-content/uploads/CIP\\_2020\\_PSE\\_Methodology\\_CE\\_FINAL.pdf](https://www.flbog.edu/wp-content/uploads/CIP_2020_PSE_Methodology_CE_FINAL.pdf).*

<sup>6</sup> Largely based upon the annual State Board of Education list of critical teacher shortage areas.

<sup>7</sup> Based primarily on the Florida Department of Economic Opportunity workforce projections.

<sup>8</sup> Includes degree programs that assist in making the SUS globally competitive can be found throughout the system across many disciplines, especially within the sciences, engineering, and information technology programs.

<sup>9</sup> Includes science, technology, engineering, and mathematics disciplines. The primary references used were the Florida Department of Economic Opportunity, the Department of Homeland Security, the National Science Foundation, and the Washington State Education Research and Data Center.

<sup>10</sup> Includes degree programs leading to the occupational categories projected to be critically under-supplied in the Board of Governors’ analysis of labor market projections and related degree production. Consequently, the academic programs included in this category correspond to Florida’s high-need, high-wage occupational areas identified through the gap analysis. Board of Governors, *The 2019 Gap Analysis: Explanation of Method*, July 2019, [https://www.flbog.edu/wp-content/uploads/SPC\\_06d\\_2019\\_Gap\\_Analysis\\_Methodology\\_CE.pdf](https://www.flbog.edu/wp-content/uploads/SPC_06d_2019_Gap_Analysis_Methodology_CE.pdf).

<sup>11</sup> Florida Board of Governors, *Baccalaureate Follow-up Study: Employment and Education Outcomes 1, 5, and 10 Years After Graduation (August 2020)* available at [https://www.flbog.edu/wp-content/uploads/TAWA\\_03b\\_Baccalaureate\\_Follow-up\\_CE.pdf](https://www.flbog.edu/wp-content/uploads/TAWA_03b_Baccalaureate_Follow-up_CE.pdf). The current study was based on individual-level data for 349,543 graduates from the State University Data System (SUDS). These records were matched to records from the National Student Clearinghouse (NSC) and the Florida Department of Economic Opportunity (DEO). *Id.*

<sup>12</sup> *Id.* Engineering Technician; Engineering; Computer & Information Sciences; Business & Marketing; and Education.

<sup>13</sup> Office of the Governor, *Executive Order Number 19-31, January 30, 2019* available at [https://www.flgov.com/wp-content/uploads/orders/2019/EO\\_19-31.pdf](https://www.flgov.com/wp-content/uploads/orders/2019/EO_19-31.pdf).

<sup>14</sup> Florida Department of Education, *Executive Order 19-31 Interim Report on Florida’s Career and Technical Education Audit, July 11, 2019* available at <http://www.fldoe.org/core/fileparse.php/18788/urlt/EO19-31InterimReport.pdf>.

<sup>15</sup> *Id.*

The commissioner is required to annually recommend CTE programs that should be eliminated and programs that should be added based on audit results.

The CTE audit is comprised of a statewide review of programs, local program review, and sharing information and best practices. The CTE methodology includes the following:<sup>16</sup>

- A statewide assessment of programs based on the extent to which there are data that support the demand for the program at statewide and regional levels.<sup>17</sup>
- A statewide assessment of programs based on their performance on key institutional measures of program quality.<sup>18</sup>
- A local review of programs that did not meet statewide benchmarks based on local or industry labor market needs and institutional performance.<sup>19</sup>

### ***Effect of Proposed Changes***

The bill creates s. 1009.46, F.S., to establish the duties of postsecondary educational institutions for state financial aid and tuition assistance programs. Specifically, the bill:

- Requires that each participating institution verify student eligibility for funding by reporting the program of study to the Department of Education using the most recent classification of instructional programs (CIP) taxonomy.<sup>20</sup>
- Requires, by December 31, 2021, the BOG and State Board of Education (SBE) each approve a list of career certificate, undergraduate and graduate degree programs offered by a district career center, charter technical career center, FCS institution, or state university, which lead directly to employment, to be updated annually by December 31. In determining which programs will be included on the list, the BOG and SBE must:
  - Consider national, state, and regional industry demand;
  - Identify occupations, current job openings, estimates of job growth, and employment wages; and
  - Include appropriate certificate and degree programs offered by eligible independent colleges and universities.
- Codifies certain existing requirements from SBE rule<sup>21</sup> related to applications for and disbursement of funds, student eligibility and notifications, reporting, and fund remittance, with sanctions for noncompliance.

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<sup>16</sup> Florida Department of Education, *Florida's CTE Audit: Statewide Review of Programs (Jan. 24, 2020)* available at <http://www.fldoe.org/core/fileparse.php/18788/urlt/2020CTEAuditPreliminaryFindings.pdf>.

<sup>17</sup> The CTE Audit utilizes the Regional Demand Occupation List to determine statewide and regional demand, as well as, middle to high wage occupations. Florida Department of Economic Opportunity, Regional Demand Occupations List, <https://floridajobs.org/workforce-statistics/publications-and-reports/labor-market-information-reports/regional-demand-occupations-list> (last visited March 5, 2021).

<sup>18</sup> Florida Department of Education, *Florida's CTE Audit: Statewide Review of Programs (Jan. 24, 2020)* available at <http://www.fldoe.org/core/fileparse.php/18788/urlt/2020CTEAuditPreliminaryFindings.pdf>.

<sup>19</sup> Florida Department of Education, *Career & Technical Education Audit, Phase 2: Local Program Review*, <http://www.fldoe.org/careerpathways/> (last visited March 5, 2021).

<sup>20</sup> The CIP is a taxonomy of instructional programs that provides a classification system for the thousands of different programs offered by postsecondary institutions. Its purpose is to facilitate the organization, collection, and reporting of fields of study and program completions. National Center for Education Statistics, *Introducing the 2020 Classification of Instructional Programs (CIP) and Its Website*, <https://nces.ed.gov/blogs/nces/post/introducing-the-2020-classification-of-instructional-programs-cip-and-its-website> (last visited March 5, 2021).

<sup>21</sup> Rule 6A-20.002, F.A.C.

## General Eligibility for State Financial Aid and Tuition Assistance

### *Present Situation*

The general student eligibility requirements for state financial aid awards and tuition assistance grants consist of the following:<sup>22</sup>

- Achievement of the academic requirements of and acceptance at a state university or FCS institution; a nursing diploma school approved by the Florida Board of Nursing; a Florida college or university which is accredited by an accrediting agency recognized by the SBE; a Florida institution the credits of which are acceptable for transfer to state universities; a career center; or a private career institution accredited by an accrediting agency recognized by the SBE.
- Residency in Florida for no less than one year preceding the award of aid or a tuition assistance grant.<sup>23</sup>
- Submission of certification attesting to the accuracy, completeness, and correctness of information provided to demonstrate a student's eligibility to receive state financial aid awards or tuition assistance grants.

Eligibility for renewal of undergraduate or career certificate financial aid awards must be evaluated at the end of the second semester or third quarter of each academic year. To be eligible for renewal a student must:<sup>24</sup>

- Earn a minimum 2.0 grade point average (GPA); and
- Earn, for undergraduate full-time study, 12 credits per term or the equivalent for the number of terms for which aid was received or have earned, for career certificate study, at least the equivalent in clock hours of 6 semester credit hours per term or the equivalent for the number of terms for which aid was received.

A student who fails to meet the required GPA for renewal may be granted a probationary award for one academic year to earn the required GPA for subsequent renewal. A student who fails to meet the minimum number of credits required for renewal must lose his or her eligibility for one academic year, after which the student may reapply.<sup>25</sup>

### *Effect of Proposed Changes*

The bill amends s. 1009.40, F.S., to add a funding eligibility requirement. The bill specifies that financial aid awards and tuition assistance grants must be reevaluated each term based on the program of study to which the student has been admitted and is enrolled.<sup>26</sup> Beginning in the 2022-2023 academic year and thereafter, student eligibility for funding is determined by

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<sup>22</sup> Section 1009.40(1)(a), F.S.

<sup>23</sup> Resident status for purposes of receiving state financial aid awards is determined in the same manner as resident status for tuition purposes pursuant to s. 1009.21. Section 1009.40(1)(a)2., F.S.

<sup>24</sup> Section 1009.40(1)(b), F.S.

<sup>25</sup> Section 1009.40(1)(b)3. and 4., F.S.

<sup>26</sup> District and charter technical career centers offer career certificate and non-college-credit advanced technology diploma (ATD). FCS institutions offer bachelor's degree programs; associate in arts, associate in science, and associate in applied science programs; technical certificate and ATD programs; and advanced technical certificates programs. Rule 6A-14.030, F.A.C. State universities offer baccalaureate programs, as well as graduate degree programs, such as, master's; specialist; advanced master's; non-doctoral; and doctoral. Board of Governors Regulation 8.011.

enrollment in a program of study on a certificate and degree list approved by the BOG or SBE, as follows:

- For a student who has been admitted to and enrolled in a certificate or degree program, the student is eligible only if the program in which the student is enrolled is on an approved list.
- For a student who has not yet been admitted to a program (e.g., an associate in arts student or a bachelor's degree student prior to admittance to a chosen degree program), eligibility is limited to 60 credit hours or until the student is enrolled in a program that is not on an approved list, whichever comes first.
- The program on an approved list applies to a student's initial enrollment at the postsecondary institution, or when the student is admitted to and enrolled in a program. Any changes to the certificate and degree list after the student has enrolled would not negatively impact the student.

The bill also amends s. 1009.40, F.S., to include in the general eligibility requirements relating to Florida residency the Bright Opportunity Scholarship Program, Florida Endeavor Scholarship, Last Mile College Completion Program, and Florida Farmworker Student Scholarship Program.<sup>27</sup>

## **Need-based Financial Aid**

### ***Present Situation***

#### **Federal Financial Aid**

The Pell Grant is the largest federal grant program offered to undergraduate students and is designed to assist students from low-income households. To qualify for a Pell Grant, a student must demonstrate financial need through completing a Free Application for Federal Student Financial Aid (FAFSA).<sup>28</sup>

The award amount a student receives is dependent on the student's expected family contribution (EFC),<sup>29</sup> the institution cost of attendance (COA),<sup>30</sup> full-time or part-time status, and plans to attend school for a full academic year or less.<sup>31</sup>

<sup>27</sup> Sections 1009.71, F.S.; 1009.711, F.S.; 1009.75, F.S.; and 1009.894, F.S.

<sup>28</sup> Federal Student Financial Aid, *Help Center, Federal Pell Grant program*, <https://studentaid.gov/help-center/answers/article/federal-pell-grant-program> (last visited March 4, 2021).

<sup>29</sup> The EFC is calculated according to a formula established by law. The student's family's taxed and untaxed income, assets, and benefits (such as unemployment or Social Security) all could be considered in the formula. Also considered are the student's family size and the number of family members who will attend college or career school during the year. Federal Student Aid, *How Aid Is Calculated, What's the Expected Family Contribution (EFC)?*, <https://studentaid.gov/complete-aid-process/how-calculated#efc> (last visited March 4, 2021).

<sup>30</sup> COA is the amount it will cost a student to go to school. Most two-year and four-year colleges calculate their COA to show the total cost for the school year. The COA is the estimate of tuition and fees, cost of room and board (or living expenses), cost of books, supplies, transportation, loan fees, and miscellaneous expenses, allowance for child care or other dependent care, costs related to a disability, and reasonable costs for eligible study-abroad programs. Federal Student Aid, *What does cost of attendance (COA) mean?*, <https://studentaid.gov/help-center/answers/article/what-does-cost-of-attendance-mean> (last visited March 4, 2021).

<sup>31</sup> Federal Student Aid, *How Aid Is Calculated*, <https://studentaid.gov/complete-aid-process/how-calculated> (last visited March 8, 2021).

The Federal Supplemental Educational Opportunity Grant (FSEOG) provides an award to undergraduate students with exceptional financial need.<sup>32</sup> The FSEOG award is between \$100 and \$4,000 a year, depending on the student's financial need, the amount of other aid awarded to the student, and the availability of limited federal funds allocated to the student's school for the program.<sup>33</sup> This is unlike the Pell Grant program, which provides awards to every eligible student.

#### Florida Student Assistance Grant Program

The Florida Student Assistance Grant (FSAG) Program, created in 1972, is Florida's largest need-based grant program, consisting of FSAG Public, FSAG Career Education (FSAG-CE), FSAG Private, and FSAG Postsecondary.<sup>34</sup> The FSAG Program provides state need-based assistance grants to students who meet general eligibility requirements,<sup>35</sup> demonstrate financial need, and meet enrollment requirements as specified by each program. The FSAG Program is administered by participating institutions in accordance with SBE rule.<sup>36</sup>

The funds appropriated for the FSAG Program must be distributed to eligible institutions in accordance with a formula approved by the SBE. The formula must consider at least the prior year's distribution of funds, the number of eligible applicants who did not receive awards, the standardization of the EFC, and provisions for unused funds. The formula must account for changes in the number of eligible students across all student assistance grant programs.<sup>37</sup>

In 2019-2020, the FSAG programs disbursed approximately \$270 million to nearly 175,000 students.<sup>38</sup>

In addition, the FSAG Public, FSAG Private, and FSAG Postsecondary programs provide for deposit of funds appropriated by the Legislature for grants through the FSAG program into the State Student Financial Assistance Trust Fund.<sup>39</sup> The FSAG-CE program does not have this provision.

For the 2021-22 award year, the Federal Pell Grant award is between \$650 to \$6,495.<sup>40</sup> The 2018-2019 average cost for taking 30 credit hours at an FCS institution was \$3,209.<sup>41</sup> Because

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<sup>32</sup> Federal Student Aid, *FSEOG (Grants)*, <https://studentaid.gov/understand-aid/types/grants/fseog> (last visited March 4, 2021).

<sup>33</sup> *Id.*

<sup>34</sup> Florida Department of Education Office of Student Financial Assistance, *Annual Report to the Commissioner 2018-19* (2019), at 11, available at <https://www.floridastudentfinancialaidsg.org/pdf/annualreportcurrent.pdf>.

<sup>35</sup> Section 1009.40, F.S.

<sup>36</sup> Sections 1009.50(6), 1009.505(5), 1009.51(6), and 1009.52(7), F.S. *See also* Rule 6A-20.031, F.A.C. Postsecondary educational institution administrative responsibilities for state student aid and tuition assistance programs are outlined in Rule 6A-20.002, F.A.C.

<sup>37</sup> Sections 1009.50(4)(a), 1009.51(4)(a), and 1009.52(4)(a), F.S.

<sup>38</sup> Florida Department of Education, Office of Student Financial Assistance, *2019-20 End of Year Reports*, <https://www.floridastudentfinancialaidsg.org/SAPSPEOYR/SAPSPEOYR> (last visited Mar. 6, 2020).

<sup>39</sup> Sections 1009.50(5), 1009.51(5), and 1009.52(6), F.S.

<sup>40</sup> Federal Student Aid, *IFAP: GEN2101, 2021-2022 Federal Pell Grant Payment and Disbursements Schedules*, <https://ifap.ed.gov/dear-colleague-letters/GEN2101> (last visited March 8, 2021).

<sup>41</sup> Florida Department of Education, *College and Textbook Affordability in the Florida College System 2020* (November 2020) available at <https://www.fldoe.org/core/fileparse.php/7749/urlt/2020AffordabilityReport.pdf>.

the Pell Grant award amounts vary based on the circumstances of each student, some students who meet the family income threshold for a Pell award may still have a balance of tuition and fees not covered by the federal and state gift aid they are eligible to receive.

### *Effect of Proposed Changes*

The bill creates s. 1009.71, F.S., to establish the Florida Bright Opportunities Grant Program. The program is for Pell Grant-eligible students at FCS institutions and career centers who have a tuition and registration fee balance after all federal and state gift aid has been applied to their account. Specifically, the program:

- Award applies to certificate, applied technology diploma (ATD), or associate degree programs only at FCS institutions or career centers.
- Award covers the balance of tuition and registration fees, plus a book stipend, and is awarded on a first-come first-served basis.
- Requires the student to meet the following general eligibility requirements for state financial aid awards and tuition assistance grants:
  - Residency in Florida for at least one year prior to award of aid or tuition assistance grant;
  - Certification attesting to the accuracy, completeness, and correctness of information provided; and
  - Beginning in the 2022-2023 academic year and thereafter, student enrollment in a program of study in a certificate and degree list approved by the BOG or SBE. Eligibility for state financial aid awards and tuition assistance grants must be reevaluated each term based on the program of study to which the student has been admitted and is enrolled.
- Does not allow an institution to impose additional criteria to determine a student's eligibility.
- Student must be enrolled for at least six credit hours per term, or the equivalent clock hours.
- Limits the award to 8-10 semesters as specified in current law regarding financial aid eligibility.<sup>42</sup>
- Specifies requirements for the distribution and remittance of program funds, similar to FSAG programs.

### Florida Student Assistance Grant Program

The bill removes obsolete provisions regarding standardization of the EFC and unused funds in the distribution formula and removes unnecessary requirements related to the State Student Financial Assistance Trust Fund for FSAG programs.

### **Merit-based Financial Aid**

#### *Present Situation*

#### Florida Bright Futures Scholarship Program

The Florida Bright Futures Scholarship Program (Bright Futures program) was established in 1997<sup>43</sup> as a lottery-funded scholarship program to reward a Florida high school graduate who merits recognition for high academic achievement and who enrolls in a degree program,

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<sup>42</sup> Section 1009.40(3), F.S.

<sup>43</sup> Section 2, ch. 1997-77, L.O.F.



certificate program, or applied technology program at an eligible Florida public or private<sup>44</sup> postsecondary education institution. The DOE is responsible for issuing awards for the Bright Futures program annually.<sup>45</sup>

The Bright Futures program consists of the following awards:<sup>46</sup>

- Florida Academic Scholarship (FAS);<sup>47</sup>
- Florida Medallion Scholarship (FMS);<sup>48</sup> and
- Florida Gold Seal Vocational Scholarship (FGSV) and Florida Gold Seal CAPE Scholarship.<sup>49</sup>

Similarities and differences in specified provisions to qualify for FAS and FMS awards are depicted in the table below.<sup>50</sup>

Type	16 High School Course Credits	High School Weighted Bright Futures GPA	College Entrance Exams by High School Graduation Year (ACT/SAT)	Service Hours
FAS	4 - English (three must include substantial writing) 4 - Mathematics (at or above the Algebra I level)	3.50	29/1330	100 hours
FMS	3 - Natural Science (two must have substantial laboratory) 3 - Social Science 2 - World Language (sequential, in same language)	3.00	25/1210	75 hours

Students who have demonstrated academic merit through a recognition program may be eligible for Bright Futures without having to meet one or more of the requirements.<sup>51</sup>

The recognition programs that do not require college entrance exam scores include:<sup>52</sup>

- National Merit Finalists and Scholars;
- National Hispanic Scholars;
- Advanced International Certificate of Education (AICE) Diploma; and
- International Baccalaureate (IB) Diploma.

<sup>44</sup> A student who receives any award under the Bright Futures program and is enrolled in a nonpublic postsecondary education institution receives a fixed award calculated by using the average tuition and fee calculation as prescribed by the Department of Education for full-time attendance at a public postsecondary education institution at the comparable level. Section 1009.538, F.S.

<sup>45</sup> Section 1009.53(5), F.S.

<sup>46</sup> Section 1009.53(2), F.S.

<sup>47</sup> Section 1009.534, F.S.

<sup>48</sup> Section 1009.535, F.S.

<sup>49</sup> Section 1009.536, F.S.

<sup>50</sup> Section 1009.531, F.S.

<sup>51</sup> Section 1009.534(1), F.S. and 1009.535(1), F.S.

<sup>52</sup> Office of Student Financial Assistance, *2020-21 Bright Futures Student Handbook Chapter 1: Initial Eligibility Requirements (July 31, 2020)* available at <https://www.floridastudentfinancialaidsg.org/PDF/BFHandbookChapter1.pdf>.

FAS award recipients receive an award equal to the amount necessary to pay of 100 percent of tuition and applicable fees and an additional stipend for textbooks as specified in the General Appropriations Act (GAA).<sup>53</sup> FMS award recipients receive an award equal to the amount necessary to pay of 75 percent of tuition and applicable fees.<sup>54</sup>

A student may receive an FAS or FMS award for a maximum of 100 percent of the number of credit hours required to complete an associate degree program, a baccalaureate degree program, or a postsecondary career certificate program.<sup>55</sup>

Florida Bright Futures Scholarship recipients who graduate with a baccalaureate degree in seven semesters, or the equivalent or fewer hours, and wish to pursue graduate study may apply the unused portion of their FAS or FMS award toward one semester of graduate study, not to exceed 15 semester hours paid at the undergraduate rate.<sup>56</sup>

For the 2019-2020 fiscal year, a total of \$618,607,165 was disbursed through the Bright Futures to 111,973 students.<sup>57</sup>

#### Benacquisto Scholarship Program

The Benacquisto Scholarship Program (scholarship)<sup>58</sup> was created in 2014 to reward a Florida high school graduate who achieves recognition as a National Merit Scholar (NMS)<sup>59</sup> and enrolls in a baccalaureate degree program at an eligible Florida public or independent postsecondary educational institution.<sup>60</sup>

In addition to achieving recognition as an NMS, in order to be eligible for an award under the scholarship, a student must:<sup>61</sup>

- Be a state resident as determined by statute and SBE rules;

<sup>53</sup> Section 1009.534(2), F.S.

<sup>54</sup> Section 1009.535(2), F.S. Beginning in the fall 2021 semester, a Florida Medallion Scholar who is enrolled in an associate degree program at an FCS institution is eligible for an award equal to the amount necessary to pay 100 percent of tuition and specified fees to assist with the payment of educational expenses. Section 1009.535(2), F.S.

<sup>55</sup> Section 1009.532(3)(a), F.S.

<sup>56</sup> Section 1009.5341, F.S.

<sup>57</sup> Florida Bright Futures Scholarship Program, *Florida Bright Futures Student Counts and Total Costs (September 2020)* available at <https://www.floridastudentfinancialaidsg.org/PDF/PSI/BFReportsA.pdf>.

<sup>58</sup> The scholarship was renamed in 2016 from the Florida National Merit Scholar Incentive Program to the Benacquisto Scholarship Program. Section 26, ch. 2016-237, L.O.F.

<sup>59</sup> Florida Department of Education Office of Student Financial Assistance, *Annual Report to the Commissioner 2018-19 (2019)* available at <https://www.floridastudentfinancialaidsg.org/pdf/annualreportcurrent.pdf>. The National Merit Scholarship Corporation (NMSC) is a private, not-for-profit organization that operates without government assistance to recognize and honor academically talented students. National Merit Scholarship Corporation, *Mission*, <https://www.nationalmerit.org/s/1758/interior.aspx?sid=1758&gid=2&pgid=395> (last visited March 3, 2021). NMSC organizes the National Merit Scholarship Program, which began in 1955 as an academic competition for recognition and scholarship. High school students enter the National Merit Program by taking the Preliminary SAT/National Merit Scholarship Qualifying Test (PSAT/NMSQT), which serves as an initial screen of approximately 1.5 million entrants each year, and meeting the program participation requirements. National Merit Scholarship Corporation, *National Merit Scholarship Program*, <https://www.nationalmerit.org/s/1758/interior.aspx?sid=1758&gid=2&pgid=424> (last visited March 3, 2021).

<sup>60</sup> Section 1009.893(2), F.S.

<sup>61</sup> Section 1009.893(4)(a), F.S.

- Earn a standard Florida high school diploma or its equivalent pursuant to statute, unless:
  - The student completes a home education program pursuant to statute,<sup>62</sup> or
  - The student earns a high school diploma from a non-Florida school while living with a parent who is on military or public service assignment out of this state;
- Be accepted by and enroll in a Florida public or independent postsecondary educational institution that is regionally accredited; and
- Be enrolled full-time in a baccalaureate degree program at an eligible regionally accredited Florida public or independent postsecondary educational institution during the fall academic term following high school graduation.

In 2018, eligibility was expanded to allow out-of-state students to qualify for a scholarship.<sup>63</sup>

Scholarship recipients attending a public postsecondary institution, who qualify as a Florida resident, receive an award equal to the institutional cost of attendance (COA) minus the sum of the student's Florida Bright Futures Scholarship and NMS award. Scholarship recipients attending a public postsecondary institution, who qualify as non-residents of Florida, receive an award equal to the institutional COA for a Florida resident minus the student's NMS award.<sup>64</sup> Eligible students who attend independent postsecondary educational institutions in Florida each receive scholarship awards equal to the highest COA for a resident of this state enrolled at a Florida public university, as reported by the BOG, minus the sum of the student's Florida Bright Futures Scholarship and NMS award.<sup>65</sup>

In the 2019-2020 fiscal year, the scholarship distributed \$21.6 million to 1,377 students, of which 202 were non-Florida residents. The average award was \$15,650.<sup>66</sup>

### ***Effect of Proposed Changes***

#### **Florida Bright Futures Scholarship Program**

The bill modifies ss. 1009.534 and 1009.535, F.S., relating FAS and FMS awards. Specifically, the bill:

- Changes the FAS and FMS award from the award necessary to pay a specified percentage of tuition and specified fees to an award as specified in the GAA.
- Changes the FMS award for a FCS student in an associate degree program from an award necessary to pay the specified percentage of tuition and specified fees to an award as specified in the GAA.
- Simplifies the reference to the required college entrance exam scores.<sup>67</sup>
- Removes reference to a national achievement program no longer available through the National Merit Scholarship Corporation.
- Updates the reference to the National Hispanic Recognition Program to include all Recognition Programs administered by the College Board, which includes African American

<sup>62</sup> Section 1002.41, F.S.

<sup>63</sup> Section 22, ch. 2018-4, L.O.F. See s. 1009.893(4)(b), F.S.

<sup>64</sup> Section 1009.893(5)(a), F.S.

<sup>65</sup> Section 1009.893(5)(b), F.S.

<sup>66</sup> Florida Department of Education, Office of Student Financial Assistance, *End-of-Year Report, 2019-2020*, [https://www.floridastudentfinancialaidsg.org/PDF/PSI/FIS\\_2019\\_2020.pdf](https://www.floridastudentfinancialaidsg.org/PDF/PSI/FIS_2019_2020.pdf) (last visited Mar. 6, 2021).

<sup>67</sup> Program eligibility requires specified scores on the SAT and ACT. Section 1009.531(6), F.S.

Recognition, Hispanic Recognition, Indigenous Recognition, and Rural and Small Town Recognition.<sup>68</sup>

- Beginning for graduates in 2021-2022, adds additional alternative eligibility options: earned associates degree through dual enrollment or AP Capstone Diploma with scores of 4 or higher on 6 AP exams. Therefore, these students are not required to submit scores for college entrance exams.

The bill modifies s. 1009.5341, F.S., the use of Bright Futures funds for graduate study, as follows:

- For 2021-2022, recipients may use the unused portion of their FAS or FMS award for graduate study, without semester or credit hours limit. However, the bill does not change the provision in s. 1009.531, F.S., limiting usage of a Bright Futures award to five years after high school graduation.
- Beginning in 2022-2023, recipients may use the unused portion of their FAS or FMS award for graduate study only in a certificate or degree field on an approved BOG or SBE list required in the bill.

The bill modifies s. 1009.53, F.S., to update the DOE notification process and ability to certify forward funds. Specifically, the bill:

- Modifies the notification process from beginning in January calendar year to beginning in September school year, to provide families more time to plan for students' postsecondary plans
- Removes unnecessary provisions relating to DOE authorization to certify forward 10 percent of allocated funds, and to federal loan programs.

The bill modifies s. 1009.532, F.S., related to Bright Futures renewal awards, to reduce the number of credit hours that can be funded by Bright Futures by the number of credit hours earned through articulated acceleration mechanisms for students initially funded in 2022-2023 academic year.<sup>69</sup>

#### Benacquisto Scholarship Program

The bill modifies s. 1009.898, F.S., to modify initial eligibility and remove award provisions related to COA. Specifically, the bill:

- Specifies that the 2021-2022 academic year is the final year of initial eligibility for nonresident students. However, current nonresident students receiving a scholarship may continue to receive renewal awards.

<sup>68</sup> The College Board, *The College Board National Recognition Programs*, <https://collegereadiness.collegeboard.org/psat-nmsqt-psat-10/scholarships-and-recognition/recognition-programs> (last visited Mar. 6, 2021).

<sup>69</sup> Articulated acceleration mechanisms are available to shorten the time necessary for a student to complete the requirements associated with the conference of a high school diploma and a postsecondary degree, broaden the scope of curricular options available to students, or increase the depth of study available for a particular subject. Articulated acceleration mechanisms include, but are not limited to, dual enrollment, advanced placement, credit by examination, IB Program, and AICE Program. Section 1007.27(1), F.S. First-time-in-college (FTIC) FAS students at a state university brought an average of 25.5 accelerated credits and FTIC FMS students at a state university were awarded an average of 18 accelerated credits. Email, Florida Board of Governors, Jason Jones (Nov. 2, 2020).

- Modifies the award to remove the requirement that the award level is tied to the cost of attendance for students who attend public and private educational institutions, and instead sets the award as specified in the GAA.

## **Students without a High School Diploma or Equivalent**

### ***Present Situation***

In order to be eligible for a state financial aid award, a student must achieve the academic requirements of and acceptance at a public postsecondary institution, or specified private institution.<sup>70</sup> Generally, a student is required to have a high school diploma or high school equivalency diploma to enroll in an FCS institution,<sup>71</sup> and students must have a high school diploma for admission to a state university.<sup>72</sup> Eligibility for federal financial aid requires a high school diploma or a recognized equivalent, completion of a home education program, or enrolling in an eligible career pathway program and meeting one of the "ability-to-benefit" alternatives.<sup>73</sup>

Between 2015 and 2019, 11.9 percent of persons age 25 and older living in Florida did not have a high school diploma or equivalent.<sup>74</sup> The dropout rate for Florida's 2019-20 high school cohort was 3.1 percent.<sup>75</sup> Only 44 percent of Florida's 2017-18 high school drop outs were found employed and three percent were found continuing their education at a postsecondary institution.<sup>76</sup>

### ***Effect of Proposed Changes***

The bill creates s. 1009.711, F.S., to establish the Florida Endeavor Scholarship. The program is for students without a high school diploma or equivalent who are enrolled at a career center or FCS institution. Specifically, the program:

- Award applies to students who did not earn a high school credential prior to enrolling in a career certificate or non-college-credit ATD program, or in a General Education Program at a FCS institution, district career center, or a charter technical career center.
- Requires the student to meet the following general eligibility requirements for state financial aid awards and tuition assistance grants:
  - Residency in Florida for at least one year prior to award of aid or tuition assistance grant;

<sup>70</sup> Section 1009.40(1)(a), F.S.

<sup>71</sup> Section 1007.263(2)(a), F.S. Students may also have a home education affidavit, or demonstrated competency in college credit postsecondary coursework. *Id.* A student who has been awarded a certificate of completion is eligible to enroll in certificate career education programs. Section 1007.263(4), F.S.

<sup>72</sup> Board of Governors Regulation 6.002.

<sup>73</sup> Federal Student Aid, Basic Eligibility Criteria, <https://studentaid.gov/understand-aid/eligibility/requirements> (last visited March 5, 2021). A student in an eligible career pathway program may demonstrate readiness for higher education by completion of an approved "ability to benefit" test, or completing six credit hours or equivalent course work. *Id.*

<sup>74</sup> U.S. Census Bureau, *QuickFacts, Florida*, <https://www.census.gov/quickfacts/fact/table/FL/PST120219> (last visited March 5, 2021).

<sup>75</sup> Florida Department of Education, *Florida's High School Cohort 2019-20 Graduation Rate (January 2021)* available at <http://www.fldoe.org/core/fileparse.php/7584/urlt/GradRates1920.pdf>.

<sup>76</sup> Florida Department of Education, *Florida Education and Training Placement Information Program Annual Outcomes Report (December 2019)* available at <http://www.fldoe.org/core/fileparse.php/7592/urlt/1718AORFall.pdf>.

- Certification attesting to the accuracy, completeness, and correctness of information provided; and
- Beginning in the 2022-2023 academic year and thereafter, student enrollment in a program of study on a certificate and degree list approved by the BOG or SBE. Eligibility for state financial aid awards and tuition assistance grants must be reevaluated each term based on the program of study to which the student has been admitted and is enrolled.
- Does not allow an institution to impose additional criteria to determine a student’s eligibility.
- Requires the student to earn at least 225 clock hours<sup>77</sup> with a minimum 2.5 postsecondary GPA.
- Award covers tuition and registration fees for certificate or non-college-credit ATD program at a career center or FCS institution, and is awarded on a first-come first-served basis, with priority for returning students.
- Specifies requirements for the distribution and remittance of program funds.

**Fee Waivers and Exemptions**

*Present Situation*

All students in workforce education programs, FCS institutions, and state universities must be charged fees unless a fee waiver or exemption applies.<sup>78</sup> Tuition and fee exemptions can be distinguished from fee waivers or educational benefits. An exemption is “provided for certain students who are, by statutory definition, exempt from the payment of tuition and fees, including lab fees” and may generally include students who are in dual enrollment, apprenticeship programs, welfare transition, and in the custody of a relative, among other categories. In contrast, waivers transpire when students have their fees waived or forgiven by an institution. Examples of waivers include those related to state employees, college employees and their dependents, Purple Heart recipients, and certain classroom teachers.<sup>79</sup>

A student who is or was at the time he or she reached 18 years of age in the custody of the Department of Children and Families (DCF) or in the custody of a relative or nonrelative specified in law,<sup>80</sup> is exempt from the payment of tuition and fees at a state university, FCS institution, or Florida school district that provides workforce education programs. Such exemption includes fees associated with enrollment in applied academics for adult education instruction and remains valid until the student reaches 28 years of age.<sup>81</sup> Such exemptions are outlined by year in the following tables:

**State University System DCF Specified Fee Exemptions by Academic Year<sup>82</sup>**

	2017-18	2018-19	2019-20
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<sup>77</sup> Federal Student Aid Ability-to-Benefit Alternative requires students without a diploma or GED to complete six credit hours or equivalent (225 clock hours course work). Federal Student Aid, *Basic Eligibility Criteria*, [Eligibility Requirements | Federal Student Aid](#) (last visited March 5, 2021).

<sup>78</sup> Sections 1009.22, 1009.23, and 1009.24, F.S., respectively.

<sup>79</sup> The Florida College System, *Exemptions and Waivers in The Florida College System* (March 2012), available at <http://www.fldoe.org/core/fileparse.php/7724/urlt/0072361-fyi2012-02exemptions.pdf> at 1.

<sup>80</sup> Section 39.5085, F.S., or s. 39.6225, F.S.

<sup>81</sup>Section 1009.25(1)(c) and (d), F.S..

<sup>82</sup> Florida Board of Governors (BOG) ODA Analysis (Nov. 9, 2020), Email, Troy Miller, Deputy Chief Data Officer, BOG (Nov. 10, 2020) (on file with the Senate Committee on Education).

	Headcount	Amount	Headcount	Amount	Headcount	Amount
Adopted	1,156	\$3,204,829	1,485	\$4,076,209	1,704	\$4,836,057
Foster Care/State Custody	1,035	\$2,911,275	811	\$2,444,456	801	\$2,477,687
Non-State Custody	127	\$365,738	449	\$1,118,653	488	\$1,255,052
<b>Total</b>	<b>2,318</b>	<b>\$6,481,842</b>	<b>2,745</b>	<b>\$7,639,318</b>	<b>2,993</b>	<b>\$8,568,796</b>

**Florida College System DCF Specified Fee Exemptions by Academic Year<sup>83</sup>**

	2017-18		2018-19		2019-20	
	Headcount	Amount	Headcount	Amount	Headcount	Amount
Adopted from DCF Services	1,459	\$2,459,399	1,735	\$2,972,262	1,833	\$3,207,602
Custody of DCF	2,459	\$4,281,744	2,464	\$4,280,172	2,325	\$4,040,160
Custody of a Relative	283	\$501,827	318	\$588,870	324	\$573,952
<b>Total</b>	<b>4,201</b>	<b>\$7,242,970</b>	<b>4,517</b>	<b>\$7,841,304</b>	<b>4,482</b>	<b>\$7,821,714</b>

It is unclear to what extent all postsecondary institutions apply the tuition and fee exemptions to students who qualify for the exemption and begin postsecondary education before the age of 18.<sup>84</sup>

***Effect of Proposed Changes***

The bill amends s. 1009.25, F.S., to clarify that tuition and fee exemptions apply to a student who is currently in the custody of the Department of Children and Families (DCF) or in the custody of a relative or nonrelative defined in law, or was so at the time he or she reached 18 years of age. Therefore, the bill may reduce confusion in the identification of students under DCF custody who are eligible for a tuition and fee exemption, specifically those students who enroll at a postsecondary institution prior to the age of 18.

**IV. Constitutional Issues:**

**A. Municipality/County Mandates Restrictions:**

None.

**B. Public Records/Open Meetings Issues:**

None.

**C. Trust Funds Restrictions:**

None.

<sup>83</sup> The Florida College System, *Summary of Student Fee Exemptions and Waivers For the 2017-2018 Fiscal Year* (2018), version 1, available at <http://www.fldoe.org/core/fileparse.php/19874/urlt/1718ExemptWaiverSS.PDF> at 1; The Florida College System, *Summary of Student Fee Exemptions and Waivers For the 2018-2019 Fiscal Year* (2019), version 1, available at <http://www.fldoe.org/core/fileparse.php/19874/urlt/1819ExemptWaiverSS.PDF> at 1; and The Florida College System, *Summary of Student Fee Exemptions and Waivers For the 2019-2020 Fiscal Year* (2020), version 1, available at <http://www.fldoe.org/core/fileparse.php/19874/urlt/1920ExemptWaiveresSS.pdf> at 1.

<sup>84</sup> Email, Alan F. Abramowitz, Executive Director, Florida Statewide Guardian ad Litem Office (Oct. 1, 2020) (on file with the Senate Committee on Education); see also *DCF Fee Exemptions in the Florida College System, FAQ*, The Florida College System, available at <http://www.fldoe.org/core/fileparse.php/7480/urlt/0082785-faqscdfexemption.pdf> (last visited Jan. 6, 2021).

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

**V. Fiscal Impact Statement:**

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

For fiscal year 2021-2022, the funding required for the Florida Bright Opportunities Grant Program and the Florida Endeavor Scholarship Program is subject to an appropriation in the General Appropriations Act.

The provisions of the bill that make changes to existing programs are expected to have a net positive effect on the state budget starting with the 2022-2023 fiscal year. Although additional students may qualify for Bright Futures through high school acceleration programs, Bright Futures students may no longer be eligible for funding if they are not enrolled in a degree program on the approved list. In addition, there would be a reduced cost to the state as it relates to the Benacquisto Scholarship program, as the state would no longer be funding new non-resident students. The net effect of these provisions is indeterminate at this time.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 1009.25, 1009.40, 1009.46, 1009.50, 1009.505, 1009.51, 1009.52, 1009.53, 1009.532, 1009.534, 1009.5341, 1009.535, 1009.71, 1009.711, and 1009.893.



**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.

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This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

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