

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

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

BILL: SB 354

SPONSOR: Senator Klein

SUBJECT: Florida Academic Scholars Award

DATE: March 6, 2000

REVISED: 2/21/00 _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>White</u>	<u>O'Farrell</u>	<u>ED</u>	<u>Fav/1 amendment</u>
2.	<u>McKee</u>	<u>Hadi</u>	<u>FP</u>	<u>Favorable</u>
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

I. Summary:

This legislation will add to the list of eligible students for the Florida Academic Scholars award recipients of the National Hispanic Scholars award.

This bill amends s. 240.40205, F.S.

II. Present Situation:

The 1997 Legislature created the Florida Bright Futures Scholarship Program to motivate Florida high school students to achieve and to reward them with tuition-based scholarships. The program incorporated two existing merit-based scholarship programs, the Florida Academic Scholarship and the Florida Gold Seal Vocational Scholarship, and added a third, the Florida Merit Scholarship. The funds are provided from the Educational Enhancement Trust Fund, the Lottery.

The program awards a scholarship that is based on the actual expenses for tuition and fees of a Florida public postsecondary education institution. The Academic scholarship pays the full cost of the student's tuition and fees plus \$600 a year. The Merit and Gold Seal scholarships pay 75 percent of the tuition and fees. Students may attend eligible nonpublic colleges, but the scholarship payment is based on the equivalent level of public institution.

Eligibility requirements for the Academic scholarship are rigorous, compared to those of the Merit and Gold Seal scholarships. To be eligible, a student must:

- ▶ Meet the general eligibility requirements for the Bright Futures Scholarship Program. These include Florida residency, graduation from an eligible Florida high school or home education program, enrollment in an eligible postsecondary education program for a minimum of 6 semester credit hours or the equivalent, and several requirements relating to application deadlines and criminal activity.
- ▶ Achieve a 3.5 weighted grade point average calculated only on the academic courses required for acceptance into a state university.

- ▶ Earn a score of 1270 on the Scholastic Assessment Test or 28 on the American College Testing Program. The Department of Education sets the required score, but it has not been changed since the Bright Futures scholarship program was created.
- ▶ Complete a community service project of at least 75 hours.

Exemptions from the required grade point average and test score are allowed for:

- ▶ Students who have earned an International Baccalaureate Diploma.
- ▶ Students who have been recognized by the merit or achievement programs of the National Merit Scholarship Corporation as a scholar or finalist.

These awards all require a superior score on a standardized test developed on the national or international level. A brief description follows.

The International Baccalaureate Diploma is awarded only to students who complete the curriculum and pass a required test developed and scored by the International Baccalaureate Organisation. A student who completes the curriculum but does not earn the diploma must earn a 1270 on the SAT to be eligible for the Florida Academic Scholarship.

The National Merit Scholarship Corporation, an independent organization not affiliated with the College Board, bases its awards (merit and achievement) on the scores earned by high school juniors on the College Board's Preliminary Scholastic Assessment Test (PSAT).

- ▶ **Merit Scholars and Finalists:** All students who take the PSAT are considered in selecting Merit Scholars and finalists. The number of scholars and finalists in Florida averages about 600 per year.
- ▶ **Achievement Scholars and Finalists:** Only African-American students are considered in selecting Achievement scholars and finalists. The number in Florida averages about 90 per year.

Other recognition programs based at least in part on PSAT scores do not exempt students from the GPA and test score requirements to earn a Florida Academic Scholarship. The following programs are not affiliated with the National Merit Scholarship Corporation; they use the PSAT scores to provide information about promising students to colleges and universities that may wish to recruit them:

- ▶ **The National Hispanic Scholars Award** is operated by the College Board. It provides the names of academically talented students to colleges that may recruit them and offer financial aid. Students who identify themselves on the PSAT application as Hispanic or Latino are eligible. The program has two finalist award levels: the Scholars Award requires a 3.5 GPA and the Honorable Mention Award requires a 3.0 GPA. The GPA is not calculated the same way as required for a Bright Futures Scholarship. In 1998, the number of Florida high school graduates with an NHS award was 306 and in 1999, the total was 309. Of the 1999 Award winners, 214 of them qualified for a Florida Academic Scholarship based on GPA and test scores. Three were also National Merit Scholars, and three qualified in some other way (such as home education). Of the rest, 40 earned a Florida Merit Scholars Award and one earned a

Gold Seal Vocational Scholars Award. All were eligible for one of Florida’s Bright Futures awards, but 48 did not apply.¹

- ▶ **National Scholarship Service and Fund for Negro Students (NSSFNS)** -- offers a free college advisory and referral service for students who plan to attend two-year or four-year colleges. Scores will be sent for juniors who indicate that they are African American students.

For graduates in 1998 and 1999, the following table indicates by race the number of Merit and Achievement scholars and finalists of the National Merit Scholarship Corporation who accepted an Academic Scholarship through the Florida Bright Futures Scholarship Program. The race categories are taken from the Bright Futures Application Form. Apparently, some students indicated that they were African American when they took the PSAT and later indicated that they were white when they applied for the Academic Scholarship through Bright Futures. The data also show that many of the winners did not accept Florida Bright Futures Scholarships; many of these top scholars choose out-of-state colleges.

Race	1998 Graduates		1999 Graduates	
	Merit	Achievement	Merit	Achievement
Asian	16	0	23	0
African American	8	0	4	18
Hispanic*	17	2	25	1
American Indian	1	0	2	0
Multi-racial	2	0	4	1
Unknown	28	2	32	4
White	190	2	221	4
Total Disbursed	262	6	311	28
Total Eligible	Unknown	Unknown	596	89

Source: Florida Department of Education, Bureau of Student Financial Assistance for disbursement data; staff of the College Board for total eligible.

*Hispanic students may be Black or White

III. Effect of Proposed Changes:

The legislation under consideration will add to the list of eligible students for the Florida Academic Scholars award recipients of the National Hispanic Scholars award. Their eligibility will be based on Preliminary Scholastic Assessment Test scores and grade point averages established and calculated by the College Board, rather than on the score and GPA established and calculated by the Department of Education. According to staff of the College Board, the scores are

¹In 1998, 8 students who earned an NHS Award were ineligible for any of Florida’s scholarships: One lacked the required 15 college preparatory courses, three had grade point averages that were below 3.0 when calculated only on college preparatory courses, one had a score on the SAT that was below 970, and one was a non-resident.

established in such a way as to keep the number of eligible students fairly constant. The number of students eligible in Florida is under 350 annually. All the NHS scholars who graduated in 1999 were eligible for one of the Bright Futures Scholarships, but 41 were ineligible for the Academic Scholarship and 48 did not apply. The remaining 214 qualified for an Academic Scholarship using the criteria then required.²

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

Under Article III, section 19, of the State Constitution, a trust fund must be created in a separate bill for that purpose only, and the bill must be passed by three-fifths of the membership of each house of the Legislature in order to become law.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Under the bill, about 50 National Hispanic Scholarship students annually will be eligible for a Florida Academic Scholars Award rather than for a Merit Scholars Award. The NHS students who do not apply will also be notified of their eligibility. In the last 2 years, about 50 NHS award winners did not apply; presumably they did not pursue postsecondary education or went out of state.

C. Government Sector Impact:

Using 1999 data, the Department of Education estimates that the Bright Futures Scholarship Program would have disbursed an additional \$47,478 to 40 National Hispanic Scholars Award recipients who earned a Florida Merit Scholarship and one who earned a Florida Gold Seal Vocational Scholarship, rather than a Florida Academic Scholarship. The increase

²The 1999 graduating class could qualify for the Academic Scholarship by earning 1180 on the SAT or the equivalent on the ACT, provided they took certain courses. After 1999, all Academic Scholars must earn 1270 on the SAT or the equivalent on the ACT.

represents the higher payments available under the Florida Academic Scholarship: 100 percent of the cost of tuition and fees, rather than 75 percent, and a stipend of \$600 annually.

In 1999, 48 National Hispanic Scholars who were eligible for a Bright Futures Scholarship did not apply for one. If the higher award entices this additional number of students to apply for a scholarship each year, it will cost the state \$119,040.

Each year since the Bright Futures Scholarship was implemented, more funds have been appropriated than were actually expended for the program. It is not anticipated that additional funds will need to be appropriated for 2000-01 to cover these additional students.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

#1 by Education:

Rewords the eligibility clause to use the official name of the program and clarify that only scholar recipients are eligible.