

STORAGE NAME: h0035B.cu.doc
DATE: October 23, 2001

**HOUSE OF REPRESENTATIVES
COMMITTEE ON COLLEGES & UNIVERSITIES
ANALYSIS**

BILL #: HB 35-B
RELATING TO: The Florida Bright Futures Scholarship Program
SPONSOR(S): Representative(s) Kilmer, Melvin, Baxley and others
TIED BILL(S): None

ORIGINATING COMMITTEE(S)/COUNCIL(S)/COMMITTEE(S) OF REFERENCE:

- (1) COMMITTEE ON COLLEGES & UNIVERSITIES
 - (2)
 - (3)
 - (4)
 - (5)
-

I. SUMMARY:

Current law requires students to begin their Bright Futures Scholarship within 3 years of graduating from high school. In addition, scholarships are only effective for 7 years from high school graduation.

HB 35-B changes the starting date for a Bright Futures Scholarship to allow a student to begin a scholarship at any time within 7 years from high school graduation.

The bill allows students who enter the military within 7 years of high school graduation an additional 7 years to use their Bright Futures Scholarship when they end active military duty.

The bill allows students who qualify for Bright Futures and go to one of the United States military service academies (US Air Force Academy, US Military Academy, US Naval Academy, or US Merchant Marine Academy) to use their Bright Futures Scholarship at those institutions.

The bill retroactively provides scholarships to students who qualified for Bright Futures since its inception and who went to one of these US military service academies.

The effective date of the bill is upon becoming law.

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- | | | | |
|-----------------------------------|---|--|---|
| 1. <u>Less Government</u> | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | N/A <input type="checkbox"/> |
| 2. <u>Lower Taxes</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u> | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| 5. <u>Family Empowerment</u> | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |

For any principle that received a "no" above, please explain:

The bill requires the Department of Education to verify the military students eligible for the program and requires the Comptroller to issue warrants to the students.

B. PRESENT SITUATION:

Commencement timeframe for use of scholarship

Current law requires students to begin their Bright Futures Scholarship within 3 years of graduating from high school. In addition, scholarships are only effective for 7 years from high school graduation.

Use of scholarship at US Military Service Academies

Bright Futures scholarships may currently only be used at Florida public or private institutions. The scholarships may not be used at any postsecondary institutions, including US military service academies, which are outside the State of Florida.

US Military Service Academies

US Military Service Academies provide tuition, room, and board expenses for all students in exchange for a student commitment to serve at least 5 years of service in the respective branch of the military.

In addition, some institutions require students pay up front initial fees to attend. Other expenses incurred by the students include: laundry, barber, cobbler, activities fees, services, uniforms, computers, membership fees, other supplies, and books.

The US Merchant Marine Academy charges fees that range from \$5,773 to \$1,399 per year depending on the year of the student. The US Air Force Academy projects charges not covered in tuition from \$12,258 per year for Freshman to \$2,412 per year for Seniors.

	US Military Academy	US Naval Academy	US Air Force Academy	US Merchant Marine Academy
Initial Fee	\$2,400	\$2,000	None	None
Other Fees & Education-related Expenses	YES. Varies by class	YES. Varies by class	YES. Varies by class	YES. Varies by class
Service Requirement	5 years active; 3 years reserve	At least 5 years	At least 5 years	At least 5 years

C. EFFECT OF PROPOSED CHANGES:

Commencement timeframe for use of scholarship

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Use of scholarship at US Military Service Academies

The bill allows students who qualify for Bright Futures and go to one of the United States military service academies (US Air Force Academy, US Military Academy, US Naval Academy, or US Merchant Marine Academy) to use their Bright Futures Scholarship at those institutions.

The bill retroactively provides scholarship awards to students who qualified for Bright Futures since its inception and who went to one of these US military service academies.

D. SECTION-BY-SECTION ANALYSIS:

See above sections.

III. 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:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

Information is not yet available on the number of Florida residents who qualified for Bright Futures scholarships and enrolled in a US military service academy since 1997. However, all US military service academies are limited in the number of students who can be accepted. Each state has a reserved number of slots that can only be filled based on Congressional recommendations.

It is expected that the fiscal impact for the retroactive payments and the future scholarship awards will be minimal.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

The bill does not require counties or municipalities to spend funds or take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

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

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

The bill does not reduce the percentage of a state tax shared with counties or municipalities.

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

None.

C. OTHER COMMENTS:

None.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

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VII. SIGNATURES:

COMMITTEE ON COMMITTEE ON COLLEGES & UNIVERSITIES:

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