

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Provide limited government – The bill creates an additional student tuition assistance grant program to be administered by the Department of Education and gives rulemaking authority to the State Board of Education with regard to the implementation of the FICA Grants Program.

Empower Families – The bill provides a student tuition assistance grant to students, which could lead to employment in statewide targeted occupations.

B. EFFECT OF PROPOSED CHANGES:

PRESENT SITUATION

Student Tuition Assistance Grant Programs

The Department of Education (DOE) currently administers two student tuition assistance grant programs: The William L. Boyd, IV, Florida Resident Access Grant Program (FRAG) and the Access to Better Learning and Education Grant Program (ABLE).

Florida Resident Access Grants (FRAG) - eligible institutions are private, non-profit, located in and chartered by the state, accredited by the Southern Association of Colleges and Schools (SACS), grant baccalaureate degrees, and are secular in purpose.

Access to Better Learning and Education Grant Program (ABLE) - eligible institutions are private, for-profit, located in and chartered by the state, accredited by SACS, grant baccalaureate degrees, and are secular in purpose. Those institutions eligible for ABLE in its second year of funding are private, non-profit, located in Florida for 10 years, chartered out of the state, accredited by SACS, Middle States Association of Colleges and Schools, North Central Association of Colleges and School, or New England Association of Colleges and School, grant baccalaureate degrees, and are secular in purpose.

Commission for Independent Education (CIE)

The Commission for Independent Education (CIE) was created in s. 1005.21, F.S. by the 2001 Legislature as a result of combining and transferring to a single board the powers and duties of the State Board of Independent Colleges and Universities and the State Board of Nonpublic Career Education. CIE has jurisdiction for independent postsecondary education institutions with the exception of those independent nonprofit colleges or universities eligible to participate in the Florida Resident Access Grant (FRAG) program and certain religious colleges.

For the independent postsecondary institutions under its jurisdiction, CIE:

- sets licensure standards.
- reviews applications for and issues licenses.
- monitors the consumer practices of these institutions.
- serves as a central agency for collection and distributing information regarding these institutions.

Statewide Targeted Occupation List

The Florida Statewide Targeted Occupation List is determined by the Florida Workforce Estimating Conference (WEC). Section 216.136(a)2., F.S., requires the WEC to review data concerning the local and regional demands for short-term and long-term employment in High-Skills/High-Wage Program

jobs, as well as other jobs. Data is generated through surveys conducted as part of the state's Internet-based job matching and labor market information system authorized under s. 445.011, F.S. The WEC develops the official targeted occupations list based on industry and occupational employment projections and wages prepared by the Florida Agency for Workforce Innovation, Labor Market Statistics office. The WEC meets semi-annually and makes recommendations to Workforce Florida, Inc. for use as a guide for establishing Regional Targeted Occupation Lists, which are approved by Workforce Florida, Inc.¹

Effects of Proposed Changes

HB 387 creates s. 1009.893, F.S., the Florida Independent Collegiate Assistance Grant Program (FICA) to be administered by the Department of Education (DOE) according to rules adopted by the State Board of Education (SBE). The intent of the bill is to provide for Florida residents who are seeking higher education and training to make substantial contributions to the development of the state's economy by attending nonpublic postsecondary institutions. The program is not based upon the student's financial need or merit, but is a tuition assistance program.

HB 387 caps the credit hours by only allowing 110% of the number of credit hours required for the associate or higher degree.

HB 387 authorizes the DOE to issue a FICA Grant to any student who meets the following requirements:

- Meets the same student residency requirements as those for students eligible for state financial aid.
- Is enrolled as a full-time undergraduate student in a Florida campus-based program at an eligible nonpublic institution of higher education and is seeking an associate or higher degree.
- Is enrolled in an undergraduate degree program that leads to employment in an occupation that meets the following requirements:
 - The occupation is one of the top 15 occupations, in numbers of annual openings, as listed on the Agency for Workforce Innovation's Florida Statewide Targeted Occupations List at the time of initial enrollment.
 - The occupation requires a minimum of an associate degree as indicated on the Florida Statewide Occupations List.
- Is making satisfactory academic progress as defined by the nonpublic institution of higher education in which the student is enrolled.

HB 387 defines an "eligible institution of higher education" as an institution that:

- Is licensed by the Commission of Independent Education.
- Is accredited by an accrediting agency that is recognized by the U.S. Secretary of Education and that has established performance requirements for student achievement that include minimum objective quantitative standards, including completion rates and placement rates.
- Is not eligible to participate in the Access to Better Learning and Education Grant Program (ABLE) or the William L. Boyd, IV, Florida Resident Access Grant Program (FRAG).

HB 387 authorizes the State Board of Education to adopt rules pursuant to ss.120.536 (1) and 120.54 for implementation of the FICA Grant Program.

The Department of Education states that currently 55 private postsecondary institutions accredited by an agency approved by the United States Department of Education and licensed by CIE are eligible for this program. These institutions offer 155 associate programs with a reported enrollment of 5,385 students. The student count is a head-count only; there is no breakdown available by full-time, Florida residents. DOE's Classification of Instruction (CIP) codes are created by the Office of Workforce

¹ See <http://www.labormarketinfo.com/wec/index.htm>

Education for programs only up to the Associate Science degree levels. CIP codes will need to be created for those higher-level programs.

HB 387 requires the State Board of Education to adopt the top fifteen occupations from the Florida Statewide Demand Occupations List with Standard Occupation Classification (SOC). The SOC must be matched with Classification of Instruction Programs (CIP), which are workforce program codes, to identify education for licensed training programs.

C. SECTION DIRECTORY:

Section 1: Creates s. 1009.893, F.S.; providing legislative intent; creating the Florida Independent Collegiate Assistance Grant Program to provide grants to certain students who attend nonpublic institutions of higher education and are enrolled in programs leading to specified occupations; providing a percentage cap on the number of required credit hours; requiring the Department of Education to administer the program; providing eligibility requirements; providing requirements for the criteria and priorities for funding; defining the term "eligible nonpublic institution of higher education"; requiring the adoption of rules.

Section 2: Provides an effective date of July 1, 2006.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None

2. Expenditures:

See Fiscal Comments.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The FICA grant program would provide a more affordable education for eligible students and possibly increase enrollment at the eligible institutions.

D. FISCAL COMMENTS:

The bill does not provide a number of students at an intended award amount, or list an appropriations request; therefore, an estimate of expenditures is not available.

The bill caps the credit hours by only allowing 110% of the number of credit hours required for the associate or higher degree.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not appear to require a city or county to spend funds or to take any action requiring expenditure of funds.

2. Other:

None

B. RULE-MAKING AUTHORITY:

HB 387 establishes rulemaking authority for the State Board of Education (SBE).

C. DRAFTING ISSUES OR OTHER COMMENTS:

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES

On January 26, 2006 the Community College and Workforce Committee adopted three amendments to HB 387. The CS differs from the original bill as follows:

- Provides that the occupation requires a minimum of an associate degree as indicated on the Florida Statewide Targeted Occupations List.
- Clarifies that required performance standards are established by the accrediting agency.
- Caps the credit hours by only allowing 110% of the number of credit hours required for the degree.