#### HOUSE OF REPRESENTATIVES STAFF ANALYSIS

#### BILL #: HB 4177 Public Postsecondary Education SPONSOR(S): Metz and others TIED BILLS: IDEN./SIM. BILLS:

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) K-20 Innovation Subcommittee	13 Y, 0 N	Guilford	Sherry
2) Higher Education Appropriations Subcommittee	12 Y, 1 N	Garner	Heflin
3) Education Committee	16 Y, 2 N	Guilford	Klebacha

#### SUMMARY ANALYSIS

The Board of Governors (BOG) regulation requires all students entering the State University System with less than 60 credit hours to enroll in a minimum of nine credit hours of coursework during one or more summer semesters. Currently, exceptions are made for students who earn nine or more credits from acceleration mechanisms, such as dual enrollment, early admission, advanced placement, and credit by examination. The bill repeals this statutory exemption from the BOG rule requiring students to earn nine credit hours during a summer semester regardless of whether they earned nine or more credits from the acceleration mechanisms.

The bill takes effect July 1, 2011.

See Fiscal Comments.

### FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

### A. EFFECT OF PROPOSED CHANGES:

#### **Current Situation**

The Board of Governors (BOG) regulation requires all students entering a state university with fewer than 60 credit hours to earn at least nine credit hours during at least one summer term prior to graduation. University presidents are authorized to grant hardship waivers to this requirement.<sup>1</sup>

Florida law provides an exemption from the summer enrollment requirement for students who have earned nine or more credits through articulated acceleration mechanisms.<sup>2</sup> Articulated acceleration mechanisms include dual enrollment, early admission, advanced placement, College Level Examination Program, International Baccalaureate, or Advanced International Certificate of Education.<sup>3</sup>

#### Effect of Proposed Changes

The bill repeals this exemption, allowing a state university to require all students to attend at least one summer term regardless of whether they earned nine or more credits from the acceleration mechanisms. Universities have increased the use of facilities and faculty during the summer term due to increasing access demands and greater competition. This change will provide state universities with more flexibility regarding course scheduling. Increasing summer term enrollment may shorten the time it takes for students to complete their degrees, which will create more openings for prospective students.<sup>4</sup> The provision could create new costs for students who receive state financial aid, including the Bright Futures Scholarships, if the state scholarship programs are only funded for the fall and spring academic terms.

B. SECTION DIRECTORY:

**Section 1:** Repealing s. 1007.27(10), F.S.; relating to Articulated Acceleration Mechanisms; repealing an exemption.

Section 2: Providing an effective date of July 1, 2011.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

- A. FISCAL IMPACT ON STATE GOVERNMENT:
  - 1. Revenues:

None.

2. Expenditures:

None.

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<sup>&</sup>lt;sup>1</sup> Regulation 6.016, Board of Governors.

<sup>&</sup>lt;sup>2</sup> Section. 1007.27(10), F.S.

<sup>&</sup>lt;sup>3</sup> Sections 1007.27, 100.271, and 1007.272, Florida Statutes.

<sup>&</sup>lt;sup>4</sup> Interview with Board of Governors Staff (March 18, 2011).

### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

Requiring students to enroll in at least one summer term during the course of their enrollment would generate additional tuition revenue for the universities during the summer term. The tuition generated would help support related operational costs, such as utilities, and the hiring or retaining of faculty to meet the summer demand. It would also support increased capacity for the summer term and make better year-round use of their facilities. This should provide for more timely completion of degrees and may afford some state universities the ability to admit more students and increase capacity.

The provision could create new costs for students who receive state financial aid, including Bright Futures Scholarships, if the state scholarship programs are only funded for the fall and spring academic terms. Bright Futures Scholarships may be used in the summer term if funds are available, but the Legislature has not funded the scholarship for the summer term.<sup>5</sup> Scholarship recipients who would normally qualify for the exemption may be required to find an additional funding source to pay for summer term enrollment.

According to the Department of Education, 21,200 students, who earned a standard high school diploma in 2010, earned nine or more credit hours through an accelerated mechanism, such as Advanced Placement, dual enrollment, International Baccalaureate, or Advanced International Certificate of Education.<sup>6</sup> The average tuition and fee cost per credit hour for the fall 2010-2011 semester was \$166 for a resident undergraduate student and ranged from \$175 at Florida State University to \$149 at New College of Florida. At this average rate, nine credit hours calculated a cost of \$1,481 ranged from \$1,341 to \$1,571. The average tuition and fee cost was \$657 for a non-resident undergraduate student and ranged from \$911 at the University of Florida to \$522 at Florida Agricultural and Mechanical University. At this average rate, nine credit hours calculated a cost of \$5,912 and ranged from \$8,196 to \$4,970.<sup>7</sup> These calculations do not address the additional costs associated with room and board, textbooks, and other living expenses which are an estimated average of an additional \$3,367 for a summer term.<sup>8</sup>

The existing BOG regulation authorizes each university president to grant hardship waivers of the summer term attendance requirement.<sup>9</sup>

<sup>9</sup> Regulation 6.016, Board of Governors.

<sup>&</sup>lt;sup>5</sup> Section 1009.53(9), Florida Statutes.

<sup>&</sup>lt;sup>6</sup> Correspondence with the Department of Education, Office of Legislative and Policy Affairs of the Division of Accountability, Research and Measurement, March 15, 2011.

<sup>&</sup>lt;sup>7</sup> Board of Governors, Fall 2010 Tuition and Fee Report. < http://www.flbog.org/about/budget/current.php>

<sup>&</sup>lt;sup>8</sup> Tuition and Fee Policy Presentation, Board of Governors. February 16, 2011. Confirmed via correspondence with Board of Governors staff.

## **III. COMMENTS**

- A. CONSTITUTIONAL ISSUES:
  - Applicability of Municipality/County Mandates Provision: Not Applicable. This bill does not appear to affect county or municipal governments.
  - 2. Other:

None.

- B. RULE-MAKING AUTHORITY: None.
- C. DRAFTING ISSUES OR OTHER COMMENTS: None.

# **IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES**

None.