

REVENUE ESTIMATING CONFERENCE

Tax: Florida College Fee Revenue

Issue: Section 56 Authorizes fee waivers for \$10,000 baccalaureate programs

Bill Number(s): CS/CS/SB 1076 Enrolled, Section 56

Entire Bill

Partial Bill: Sections 56

Sponsor(s): by Education, Senator Legg and others

Month/Year Impact Begins: Sec 56: Revenues from waived fees would be lost as term begins in the Fall of 2013-14 fiscal year.

Date of Analysis: 4/19/2013

Section 1: Narrative

- a. **Current Law:** Section 1009.26, F.S. establishes authority for universities and colleges to waive various fees. There currently are no upper level tuition or fee waivers authorized for baccalaureate degree programs costing \$10,000 or less.
- b. **Proposed Change:** Section 56 amends s.1009.26, F.S., to provide authority for the Florida College system to waive portions of upper-level tuition and fees provided those tuition/fees are associated with baccalaureate programs costing no more than \$10,000. Each college determines what programs would be designated for waivers.

Section 2: Description of Data and Sources:

Data was provided from the Department of Education, Florida Colleges System Budget Office

Section 3: Methodology (Include Assumptions and Attach Details)

All Florida colleges (except Daytona, FI Gateway, FSC Jacksonville, Lake-Sumter, Pensacola, and St. Johns River) provided anticipated enrollment capacity specifically for the provisions in this bill.

1. An estimate of the maximum total amount of waived tuition and fees possible was calculated for each college assuming all colleges chose to waive fees and tuition for all upper level students seeking a baccalaureate degree as proposed when surveyed. (See Chart on last page)
2. For those not providing enrollment estimates, a percentage of 38.6% participation was calculated based on data for those that did submit capacity data (anticipated enrollment of 3,585 / 2012-13 FTE-2A enrollment of 9,278 for only colleges providing anticipated enrollment capacity).
3. Assumes no increase over 2012-13 tuition and fee rates for a baccalaureate degree throughout the forecast period; assumes tuition total grows by CPI; and no enrollment increases.

If the maximum amount of waived tuition and fees occurs based on surveyed responses the resulting loss of revenue is less than 1% of total tuition and fees. See table below.

Section 4: Proposed Fiscal Impact Section 56 Establishing waiver of fees and tuition for \$10,000 baccalaureate degrees - Impact to Florida College System Revenues:

	High		Middle 75%		Low 50%	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14		(7.5 M)		(5.7 M)		(3.8 M)
2014-15		(7.7 M)		(5.8 M)		(3.9 M)
2015-16		(7.9 M)		(5.9 M)		(3.9 M)
2016-17		(8.0 M)		(6.0 M)		(4.0 M)
2017-18		(8.1 M)		(6.1 M)		(4.1 M)

List of affected Trust Funds:

None. Funds from fee and tuition revenue are maintained locally by each College and are not included in a state trust fund.

Section 5: Consensus Estimate (Adopted: 04/19/2013) The conference adopted the middle estimate.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2013-14	0.0	0.0	0.0	0.0	(5.7)	(5.7)	(5.7)	(5.7)
2014-15	0.0	0.0	0.0	0.0	(5.8)	(5.8)	(5.8)	(5.8)
2015-16	0.0	0.0	0.0	0.0	(5.9)	(5.9)	(5.9)	(5.9)
2016-17	0.0	0.0	0.0	0.0	(6.0)	(6.0)	(6.0)	(6.0)
2017-18	0.0	0.0	0.0	0.0	(6.1)	(6.1)	(6.1)	(6.1)

REVENUE ESTIMATING CONFERENCE

Tax: Florida College Fee Revenue

Issue: Section 56 Authorizes fee waivers for \$10,000 baccalaureate programs

Bill Number(s): CS/CS/SB 1076 Enrolled, Section 56

The Florida College System							
Potential Revenue Loss to Implement \$10,000 Baccalaureate Degree Programs							
College	Anticipated Enrollment Capacity	4-Year Degree Cost (Based on 2012-13 Tuition and Fees)	\$10,000 Degree Savings	Potential Revenue Loss	Annual Potential Revenue Loss	2011-12 Total Tuition and Fee Collections	% of Annual Collections
Eastern Florida	150	\$13,202	-\$3,202	-\$480,312	-\$240,156	\$33,831,261	0.71%
Broward	420	\$13,247	-\$3,247	-\$1,363,908	-\$681,954	\$95,642,078	0.71%
Chipola	10	\$13,020	-\$3,020	-\$30,200	-\$15,100	\$4,281,527	0.35%
Central Florida	50	\$13,559	-\$3,559	-\$177,970	-\$88,985	\$19,565,849	0.45%
Daytona	330	\$13,522	-\$3,522	-\$1,162,326	-\$581,163	\$42,116,063	1.38%
Edison	15	\$12,967	-\$2,967	-\$44,508	-\$22,254	\$36,705,934	0.06%
Florida Gateway	3	\$13,299	-\$3,299	-\$9,897	-\$4,949	\$6,055,587	0.08%
FSC Jacksonville	455	\$13,014	-\$3,014	-\$1,371,370	-\$685,685	\$70,998,528	0.97%
Gulf Coast	50	\$12,506	-\$2,506	-\$125,320	-\$62,660	\$13,076,703	0.48%
Indian River	50	\$13,256	-\$3,256	-\$162,790	-\$81,395	\$34,051,814	0.24%
Lake-Sumter	3	\$14,105	-\$4,105	-\$12,314	-\$6,157	\$8,461,235	0.07%
Miami Dade	800	\$13,807	-\$3,807	-\$3,045,280	-\$1,522,640	\$181,896,745	0.84%
Northwest Florida	200	\$13,123	-\$3,123	-\$624,560	-\$312,280	\$15,231,038	2.05%
Palm Beach	100	\$13,146	-\$3,146	-\$314,600	-\$157,300	\$62,461,158	0.25%
Pensacola	87	\$13,528	-\$3,528	-\$306,953	-\$153,477	\$24,249,239	0.63%
Polk	500	\$13,802	-\$3,802	-\$1,900,900	-\$950,450	\$21,880,532	4.34%
Santa Fe	50	\$13,061	-\$3,061	-\$153,070	-\$76,535	\$39,690,972	0.19%
Seminole	400	\$13,229	-\$3,229	-\$1,291,760	-\$645,880	\$46,457,782	1.39%
St. Johns River	53	\$13,485	-\$3,485	-\$184,705	-\$92,353	\$14,026,866	0.66%
St. Petersburg	90	\$13,347	-\$3,347	-\$301,230	-\$150,615	\$73,636,709	0.20%
South Florida	50	\$13,431	-\$3,431	-\$171,550	-\$85,775	\$4,867,356	1.76%
SCF Manatee-Sarasota	300	\$12,967	-\$2,967	-\$890,160	-\$445,080	\$25,957,174	1.71%
Valencia	350	\$12,762	-\$2,762	-\$966,700	-\$483,350	\$97,539,295	0.50%
Total	4,516	\$13,264	-\$3,264	-\$15,092,384	-\$7,546,192	\$972,681,445	0.78%
Assumptions/Methodology							
1. Anticipated enrollment capacity based on college submissions except highlighted figures for Daytona, Fla Gateway, FSC Jacksonville, Lake-Sumter, Pensacola, and St. Johns River. These colleges have not submitted capacity estimates. The estimates used in the analysis are based on statewide percentage of 38.6% participation (anticipated enrollment of 3,585 / 2012-13 FTE-2A of 9,278 (includes only colleges providing anticipated enrollment capacity)).							
2. Assumes no increase over 2012-13 tuition and fee rates.							