



April 4, 2014

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Rasesh Thakkar
Tavistock Group

The Honorable Don Gaetz
President
Florida Senate
212 Senate Office Building
404 South Monroe Street
Tallahassee, Florida 32399-1100

The Honorable Will Weatherford
Speaker
Florida House of Representatives
420 The Capitol
402 South Monroe Street
Tallahassee, Florida 32399-1300

RE: Bright Futures and Need-Based Assistance

Dear President Gaetz and Speaker Weatherford:

When the Florida Council of 100 published *Closing the Talent Gap: A Business Perspective* in January 2010, Florida was spending \$420 million per year for Bright Futures, a merit based program, and approximately \$140 million annually for state-funded, need-based financial assistance programs. The Council of 100 declared that truly meritorious students need to be rewarded and incented to attend state institutions and those truly in need should receive need-based aid. We therefore issued several recommendations regarding Bright Futures, including:

- The program should be permanently decoupled from tuition increase decisions.
- Eligibility thresholds should be increased so that they truly reflect above-average merit.
- Receipt of a Bright Futures award should be tied to the meeting of college-ready diploma standards.
- Payments for taking the same class more than once should be eliminated.
- Payments for credit hours unnecessary for a student's degree program should be eliminated.
- The state should establish policies encouraging schools and students to maximize other grants and scholarships (e.g. Pell) before providing a Bright Futures allocation.



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Many of these recommendations have been codified and implemented and we applaud these actions. However, a critical corollary is that resulting savings should be redirected toward need-based aid. Last year, the Legislature began implementing such a policy by shifting \$3.3 million of Bright Futures savings to the need-based Florida Student Access Grant. Such an act was groundbreaking, and the Council of 100 strongly commends you for this step.

Bright Futures funding is expected to continue its fall to approximately \$266-291 million for 2014-15 (based on preliminary budgets), a reduction of approximately \$18-43 million from last year and \$146-171 million below peak funding in 2010. State-funded, need-based aid in the form of the Florida Student Access Grant is expected to increase \$14-25 million. The burden will fall disproportionately on minority students. A 2013 University of South Florida study determined that increasing Bright Futures eligibility requirements will mean that more than 75% of African-American students, more than 60% of Hispanic students, and more than 40% of Caucasian students who previously would have qualified for state merit-based financial assistance will lose access to Bright Futures funding. It is essential that need-based aid be increased in an amount at least equal to reductions in Bright Futures reductions. Doing so will best assure that we keep our top students in Florida and maintain affordable access to students who need help.

The Council of 100 commends you for making the tough decision to raise Bright Futures standards and for proposing to transfer a significant portion of the Fiscal Year 2014-15 savings to need-based assistance in the form of the Florida Student Access Grant. We further urge that you work to redirect *all* of the resultant savings to increase need-based aid, consistent with the goal of making college affordable for Florida families.

Florida is ranked 35th in the nation for percentage of aid based on need. More must be done this session to provide a need-based safety net for students who no longer qualify for merit-based assistance. We respectfully request that you invest at least \$43.2 million in additional need-based aid for Fiscal Year 2014-15 to compensate for the expected 2014-15 enrollment decline in Bright Futures. Doing so will help create a balance of need and merit-based aid and will go far to advance the worthy goal of assuring access to



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higher education for all. As always, the Council of 100 would be willing to assist in whatever capacity you deem helpful.

Thank you for your consideration of this request. As always, the Council of 100 stands ready to help in any way we can. Please do not hesitate to contact me with any thoughts or questions.

Sincerely,

Steve Halverson
Chairman

cc: The Honorable Rick Scott, Governor, State of Florida
Mori Hosseini, Chair, Florida Board of Governors
Marshall Criser, III, Chancellor, State University System of Florida
Gary Chartrand, Chair, State Board of Education
Pam Stewart, Commissioner, Florida Department of Education
Randy Hanna, Chancellor, Division of Florida Colleges
Ed Moore, President, Independent Colleges and Universities of Florida
Curtis Austin, Executive Director, Florida Association of Postsecondary Schools and Colleges