Today, the Florida State Senate voted 34 to 4 in favor of significant reforms to the Bright Futures scholarship program moving it a step closer to revamping the popular merit-based state financial aid program. It is yet to be determined how the Florida House will move on this issue, but the Senate Bill (SB1344) passed today alters the program by:

1) Raising the GPA and SAT requirements
2) Reducing the amount of time students are eligible to have their tuition covered by Bright Futures from 7 years to 4 years
3) Reducing the maximum number of credit hours covered by Bright Futures from 110 percent of the number required for a degree to 100 percent.
4) Removing the provision allowing students who lose eligibility because of a low college GPA to regain scholarship eligibility through academic improvement.
5) Requiring Bright Futures recipients to complete a financial disclosure form and the Free Application for Federal Student Aid.

With a primary intent of “saving money” estimated at around $130 million to $150 million of savings a year when fully implemented in 2017-18, these changes both fall short of solving Florida’s long-term challenges created by the increased cost of higher education and ignore the significant number of students with critical financial need in Florida, which are inclusive of students from our middle class. In fact, with the exception of the raising of academic eligibility requirements, these recommended changes to Bright Futures will adversely affect all college students on Bright Futures— especially first-generation college students who, for a number of external factors outside of their control, are less likely to graduate college in 4 years and are more likely to acquire more credit hours than necessary to graduate. ENLACE Florida applauds the effort to boost academic requirements and believes that minority and limited-income students from all backgrounds can and will indeed rise to any academic challenge. However, changes designed to simply cut costs while failing to take a comprehensive approach to make Florida’s financial aid system more efficient and effective highlights Florida’s deep deficiency in higher education long-term planning. Florida needs to consider the long-term implications of a financial aid system, which currently fails to provide enough assistance to college-ready students who need it the most.

Figure 1

Limited Income Students in Public Schools (K-12), 2006-07

* US includes DC and the US Territories Source: Southern Education Foundation, A New Majority: Low Income Students in the South’s Public Schools, 2007. Limited income means income is 185% of poverty (incomes that are below what is thought to be necessary to provide a level of minimally adequate sustenance and livelihood).
For example, 62% of the students in Florida public schools who are preparing to attend college are limited-income students. According to the Southern Education Foundation, Florida is the third poorest state in the union in this measure (see figure 1).

In addition, other states have moved toward need-based aid, Figures 2 and 3 demonstrate how Florida’s financial aid system continues to ignore the needs of the majority of its college-bound students with only 3 out of every 10 financial aid dollars spent on the basis of need.

**Figure 2:**
Distribution of Florida’s $667 Million Investment in Financial Aid, 2007-08

![Pie chart showing distribution of Florida's financial aid investments.](image)

Source: Florida Board of Governors.

**Figure 3:**
Investments in Need- and Merit-Based Aid in the United States, 1996-97 to 2006-07
(In Constant 2006-07 Dollars, In Millions)

![Bar chart showing investments in need- and merit-based aid.](image)

Source: National Association of State Student Grant and Aid Programs (NASSGAP), Annual Report 2006-07.

The Burden on the Middle Class

Universities and elected officials should be sensitive to students in middle-income categories who are feeling the pinch of limited financial aid and higher costs of attendance. In fact, middle-income students, primarily those in the family income range of $40,000 to $60,000 who are not likely to receive Pell Grants, will have to rely even more on loans and family contributions to finance their education.

To the limited-income and middle-income students in Florida who ENLACE FLORIDA serves, the discussions about tuition and financial need are a necessary step forward in a larger discussion of college affordability in Florida and the need for a comprehensive financial aid strategic plan.

In the long-term, with tuition increases likely every year for the next few years, policy-makers should build on the precedent of raising tuition and need-based aid simultaneously. The current financial aid system in Florida compels too many students to take out higher debts, work longer hours, take fewer classes, or just drop out. More and more of them are borrowing larger amounts of money and financing some of their college expenses with a personal credit card. A financial aid system that reduces their work hours, limits their debts, and increases their time in the classroom and the study hall will lead to higher graduation and retention rates—more degrees to serve the economic needs of Florida.
ENLACE Florida acknowledges that the requirement for students to complete a FAFSA in order to become eligible for a Bright Futures scholarship is a step in the right direction and slowly moves us toward setting up more state “need-based aid”. However, with the exception of raising academic requirements, most of the proposed changes to the Bright Futures scholarship program outlined in SB 1344 may very well have an unintended consequence of negatively affecting persistence and graduation rates, for we know that financial aid is often the number one reason for the lack of continuation towards a college degree.