



April 18, 2013

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 (based on General Revenue, Educational Enhancement Trust Fund, and similar funding sources). As a result, the Council of 100 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.

While many of these recommendations have been codified and implemented, the Council of 100 would like to draw your attention to one in particular as the Legislature's Budget Conference is about to begin: the increase of eligibility thresholds. In fact, the Council's proposal to raise those thresholds was accompanied by a critical corollary – resulting

#### Officers

**Marshall M. Criser, III** Chair  
AT&T Florida

**Rhea F. Law** Vice Chair  
Fowler White Boggs, P.A.

**Barney Barnett** Treasurer  
Publix Super Markets, Inc.

**Susan Pareigis** President and CEO

#### Board of Directors

**Carlos J. Alfonso**  
Alfonso Architects

**Lee Arnold**  
Colliers International

**Allan G. Bense**  
Bense Enterprises, Inc.

**R. Mark Bostick**  
Comcar Industries, Inc.

**Edward E. Burr**  
GreenPointe Holdings, LLC

**Dean Colson**  
Colson Hicks Eidson

**Christopher Corr**  
AECOM

**Marshall M. Criser, Jr.**  
President Emeritus  
University of Florida

**Remedios Diaz-Oliver**  
All American Containers, Inc.

**David F. Dyer**  
Chico's FAS, Inc.

**Manny A. Fernandez**  
Sysco Corporation

**Shelley Freeman**  
Wells Fargo

**Steven T. Halverson**  
The Haskell Company

**F. Philip Handy**  
Strategic Industries, LLC

**Benjamin H. Hill, III**  
Hill Ward Henderson, P.A.

**Mike Jackson**  
AutoNation

**Leerie T. Jenkins, Jr.**  
Reynolds, Smith & Hills, Inc.

**Sydney W. Kitson**  
Kitson & Partners

**Stephen Knopik**  
Beall's Inc.

**Fred Leonhardt**  
GrayRobinson Law Firm

**Scott Lutgert**  
The Lutgert Companies

**Lou Plasencia**  
The Plasencia Group

**Peter Rummell**  
Rummell Company, LLC

**Kathleen Shanahan**  
Uretek Holdings

**William G. Smith**  
Capital City Bank Group, Inc.

**Stella Thayer**  
Tampa Bay Downs, Inc.

**Rasesh Thakkar**  
Tavistock Group



**Officers**

**Marshall M. Criser, III** Chair  
AT&T Florida

**Rhea F. Law** Vice Chair  
Fowler White Boggs, P.A.

**Barney Barnett** Treasurer  
Publix Super Markets, Inc.

**Susan Pareigis** President and CEO

**Board of Directors**

**Carlos J. Alfonso**  
Alfonso Architects

**Lee Arnold**  
Colliers International

**Allan G. Bense**  
Bense Enterprises, Inc.

**R. Mark Bostick**  
Comcar Industries, Inc.

**Edward E. Burr**  
GreenPointe Holdings, LLC

**Dean Colson**  
Colson Hicks Eidson

**Christopher Corr**  
AECOM

**Marshall M. Criser, Jr.**  
President Emeritus  
University of Florida

**Remedios Diaz-Oliver**  
All American Containers, Inc.

**David F. Dyer**  
Chico's FAS, Inc.

**Manny A. Fernandez**  
Sysco Corporation

**Shelley Freeman**  
Wells Fargo

**Steven T. Halverson**  
The Haskell Company

**F. Philip Handy**  
Strategic Industries, LLC

**Benjamin H. Hill, III**  
Hill Ward Henderson, P.A.

**Mike Jackson**  
AutoNation

**Leerie T. Jenkins, Jr.**  
Reynolds, Smith & Hills, Inc.

**Sydney W. Kitson**  
Kitson & Partners

**Stephen Knopik**  
Beall's Inc.

**Fred Leonhardt**  
GrayRobinson Law Firm

**Scott Lutgert**  
The Lutgert Companies

**Lou Plasencia**  
The Plasencia Group

**Peter Rummell**  
Rummell Company, LLC

**Kathleen Shanahan**  
Uretek Holdings

**William G. Smith**  
Capital City Bank Group, Inc.

**Stella Thayer**  
Tampa Bay Downs, Inc.

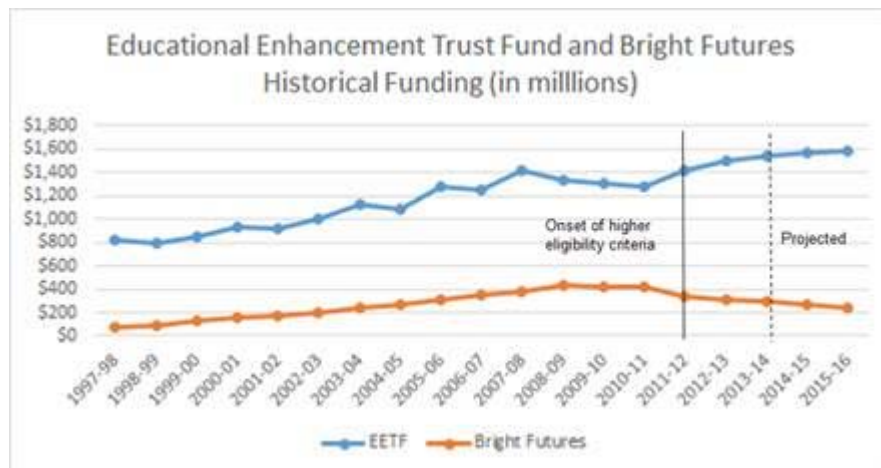
**Rasesh Thakkar**  
Tavistock Group

savings should be redirected toward need-based aid, a policy supported by s. 1009.93, F.S., which states that “state student financial aid be provided primarily on the basis of financial need.”

Unfortunately, this has not occurred, with Bright Futures funding expected to continue its fall to approximately \$300-330 million for 2013-14 (going into the 2013 Budget Conference), and state-funded, need-based aid expected to remain stagnant. The result of these policy and funding decisions is that the Education Estimating Conference projects that Bright Futures will shrink by more than 55,000 students by Fiscal Year 2015-16, with no corresponding need-based safety net. In fact, according to a recent University of South Florida study, more than 75% of African-American students, more than 60% of Hispanic students, and more than 40% of Caucasian students who would have previously qualified for state financial assistance will lose access to those funds.

Additionally, we ask you to remain cognizant of two related matters regarding college affordability and effectiveness.

- First, the combination of increasing lottery revenues and declining Bright Futures enrollments since 2011-12 is widening the gulf between overall Educational Enhancement Trust Fund (EETF) spending and Bright Futures fiscal requirements. (See graph, below.) In terms of postsecondary affordability, this would appear to make it even more important to ensure that Bright Futures savings are redirected toward higher education and financial assistance programs that will help boost access and success for all students, but especially those most in need.



- Second, when allocating such EETF monies, please follow, as faithfully as possible, the requirement in s. 24.121, F.S., which, after



## Officers

**Marshall M. Criser, III** Chair  
AT&T Florida

**Rhea F. Law** Vice Chair  
Fowler White Boggs, P.A.

**Barney Barnett** Treasurer  
Publix Super Markets, Inc.

**Susan Pareigis** President and CEO

## Board of Directors

**Carlos J. Alfonso**  
Alfonso Architects

**Lee Arnold**  
Colliers International

**Allan G. Bense**  
Bense Enterprises, Inc.

**R. Mark Bostick**  
Comcar Industries, Inc.

**Edward E. Burr**  
GreenPointe Holdings, LLC

**Dean Colson**  
Colson Hicks Eidson

**Christopher Corr**  
AECOM

**Marshall M. Criser, Jr.**  
President Emeritus  
University of Florida

**Remedios Diaz-Oliver**  
All American Containers, Inc.

**David F. Dyer**  
Chico's FAS, Inc.

**Manny A. Fernandez**  
Sysco Corporation

**Shelley Freeman**  
Wells Fargo

**Steven T. Halverson**  
The Haskell Company

**F. Philip Handy**  
Strategic Industries, LLC

**Benjamin H. Hill, III**  
Hill Ward Henderson, P.A.

**Mike Jackson**  
AutoNation

**Leerie T. Jenkins, Jr.**  
Reynolds, Smith & Hills, Inc.

**Sydney W. Kitson**  
Kitson & Partners

**Stephen Knopik**  
Beall's Inc.

**Fred Leonhardt**  
GrayRobinson Law Firm

**Scott Lutgert**  
The Lutgert Companies

**Lou Plasencia**  
The Plasencia Group

**Peter Rummell**  
Rummell Company, LLC

**Kathleen Shanahan**  
Uretek Holdings

**William G. Smith**  
Capital City Bank Group, Inc.

**Stella Thayer**  
Tampa Bay Downs, Inc.

**Rasesh Thakkar**  
Tavistock Group

making distributions relating to debt service, school recognition, and Bright Futures, mandates that the Legislature “equitably apportion moneys in the [Educational Enhancement] trust fund among public schools, community colleges, and universities.” While the Council of 100 firmly believes funding decisions should be driven by where the public investment provides the greatest student return, it is vital to fully support each link in Florida’s Talent Supply Chain if we as a state are to efficiently and successfully move our students into the workforce.

The Council of 100 commends you for making the tough decision to raise Bright Futures standards. We further urge that you work to redirect resultant savings to increase need-based aid, consistent with the goal of making college affordable for Florida families. Florida is ranked 38<sup>th</sup> in the nation for percentage of aid based on need, and something 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 \$30 million in additional need-based aid for Fiscal Year 2013-14 to compensate for the expected 2013-14 enrollment decline in Bright Futures. This would be a good first step toward creating an optimal merit/need balance in state financial aid policy and could be followed by a comprehensive study of that issue during the 2013-14 Interim. As always, the Council of 100 would be willing to help in whatever capacity you deem helpful.

Again, we would like to thank you for your past good work regarding Bright Futures. Please do not hesitate to contact me with any thoughts or questions.

Sincerely,

Marshall Criser, III  
Chairman

cc: The Honorable Rick Scott, Governor, State of Florida  
Florida Board of Governors  
State Board of Education  
Independent Colleges and Universities of Florida  
Florida Association of Postsecondary Schools and Colleges