

LegisLetter

FLORIDA STATE UNIVERSITY GOVERNMENTAL RELATIONS

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Despite earlier rumors to the contrary, the 2001 Legislative Session ended as scheduled, late in the evening on May 4. Its ending, however, was not pretty. As is typical, the leadership's priority bills, including the University Reorganization legislation, were still pending during the last week. Because of the disorganized and contentious final hours, a number of them were left unaddressed. Instead of the traditional, coordinated handkerchief-drop ceremony, signifying the official close of the session, the Senate finished their work hours before the House did and went home. The House was left with sending certain bills that the Senate had passed on to the Governor, while abandoning other priorities until next year's session. Highly publicized bills that passed this year include the Service First legislation, Judicial Nominating legislation, which changes the way judges are chosen, and a bill to stop the Florida Supreme Court from ever prohibiting the death penalty.

The big news for the SUS, of course, was the last bill of the session to pass, the university system reorganization legislation. This bill abolishes the Board of Regents on July 1 and puts University Boards of Trustees in its place. Other significant proposals that passed effecting the SUS include the separation of New College from USE, thus creating an 11th state university, and a proposal granting Community Colleges the authority to award four-year degrees (see related story).

Last week, **Governor Jeb Bush** issued his list of vetoes and, like last year, removed almost **\$300 million** in projects from the budget. Florida State University did not escape his veto pen, losing **\$13 million** worth of budgeted items (see related story).

With the Governor's vetoes bringing the 2001 session to a close, our attention now turns to next year's budget and legislative agenda. Because of Reapportionment, the 2002 Legislative Session will begin on January 22, which makes this interim period very short. In addition, committee meetings will gear up again in early September.

This final 2001 Legisletter tries to summarize and provide updates on the relevant issues and budget items that passed, as well as those that did not. If you are looking for information that does not appear in this final edition, please feel free to contact me at 644-4453 or by email, kdaly@govrel.fsu.edu.

Kathleen

UNIVERSITY OVERHAUL BILL PASSES

Without much fanfare or opposition, the Legislature passed a bill that completely changes the way the state university system operates and governs itself. **Senate Bill 1162**, The Florida Education Governance Reorganization Implementation Act was the final bill to pass the 2001 Session. The sweeping legislation abolishes the Board of Regents on July 1 and replaces them with a seven member super board called the Florida Board of Education, as well as individual university Boards of Trustees.

The Governor will appoint for each university a 12-member university board of trustees (UBOT), which shall be considered a public body corporate. In addition to the 12 members, the student body president will serve as a voting member of each university board. There are no residency requirements for the UBOT, but the Governor will consider diversity and regional representation when selecting the UBOT members. Each appointee is subject to Senate confirmation. FSU's Board of Trustees announcement is expected on Wednesday.

Powers and duties of the University Board of Trustees include the hiring, evaluating and dismissing of the president, setting tuition and fees subject to proviso in the General Appropriations Act, approving bachelor's and master's degree programs, and, in conjunction with the FBOE, the setting of the university legislative agenda and budget request items.

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FLORIDA BOARD OF EDUCATION

Governor Bush announced on Wednesday, June 6 the new Secretary and members of the Florida Board of Education created in **SB 1162**, the Education Reorganization legislation. **Senator Jim Horne** (FSU Alum) will serve as Secretary of the FBOE. He will be joined by seven other members who will serve four-year staggered terms not to exceed eight years. The appointments are subject to Senate conformation.

The newly appointed FBOE members are:

Mr. Philip Handy, Chairman - Businessman, Winter Park.

Dr. Linda Eads - teacher and administrator, Miami.

Mr. Talmadge Fair - Board of Trustees of Miami-Dade Community College and Florida International University, Miami.

Mr. Charles Garcia - CEO of Sterling Financial Investment Group, Inc., Boca Raton.

Ms. Julia Johnson - former chair of the Florida PSC, Orlando.

Dr. Bill Proctor - former President of Flagler College, St. Augustine.

Ms. Carolyn Roberts - former Board of Regent, Ocala.

Budget Update

The **\$48 billion** state budget passed the Legislature a few days before the 60-day legislative session ended in May. Due to a tight budget year, both the State University System and Florida State University suffered cuts over last year's budget, including a **\$7 million** infrastructure cut, a **\$9.5 million** cut for the state employee fee waiver program, and **\$12 million** in administrative cuts. Below are the highlights for the SUS and FSU.

SUS Appropriations

Enrollment Growth - The Legislature almost fully funded the BOR's 2001-2002 enrollment plan. FSU's share is **\$8.3 million** in recurring revenues. The Legislature tied enrollment funding to the **7.5% tuition increase** this year.

Challenge Grant - Major Gifts - **\$10.2 million** in new General Revenue (plus budget proviso studying the program).

Library Resources - **\$6.6 million** — **\$1.017 million** for FSU.

Florida Academic Counseling and Tracking (FACTS) - **\$2.327 million**

Salaries - State employees will receive a **2.5 percent** across the board pay increase, effective November 1, 2001.

Florida Office of Collegiate Volunteerism - **\$75,000.**

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Several other proposals were included in the bill including:

- The creation of the 11th state university, New College
- The authority for Community Colleges to offer 4-year degrees
- A CLEP initiative, allowing students to take the CLEP and receive their degree in three years
- Re-naming the St. Petersburg Junior College to St. Petersburg College

Florida Campus Compact - **\$133,111**

FSU Appropriations

FSU Medical School - **\$4 million** in new recurring General Revenue for a total operating budget of **\$15.9 million**. **\$15 million** in Capital Outlay for the Basic Sciences Building.

Ringling Museum - **\$8 million** total:

- Campus-wide Projects - **\$1,900,000**
- Circus Museum - **\$200,000**
- Art Museum - **\$3,895,100**
- Asolo Theatre - **\$1,993,200**
- Support Building - **\$225,200**

PECO - **\$14 million** total:

- Utilities/Infrastructure/Capital Renewal/ Roofs - **\$3,250,000**
- Montgomery Gym Remodeling - **\$3,000,000**
- Building Envelope Improvements - **\$250,000**
- Psychology Center - **\$7,500,000**

In addition, FSU received **\$7.3 million** in matching funds for the construction of the Tibbals Learning Center in Sarasota, the Concert Hall in Tallahassee, and for the renovations of the Ca'd'zan in Sarasota.

The Governor's Veto

Friday, June 15, **Governor Jeb Bush** swept **\$290 million** from the **\$48 billion** state budget. Unfortunately, FSU did not escape the veto pen. Florida State items vetoed include:

\$1.4 million from the lottery trust fund for the Ringling Center for Creative Thought, **\$1 million** in Capital Outlay for the Education/Study Center in Sarasota, **\$6 million** in Capital Outlay for the Ringling Museum North Addition, **\$3 million** from the Concurrency Trust Fund for drainage problems at Dick Howser Stadium, **\$1 million** in General Revenue for a School of Chiropractic Medicine, and **\$500,000** in recurring General Revenue for the Center for Advanced Power Systems.

Miami Herald Legislative Rankings

The Miami Herald recently released their annual ranking of legislators.

The Herald relies on a panel of experienced legislative observers to independently rank lawmakers. This year the Herald selected eleven observers to rank the 2001 Legislative Session. Those individuals are:

Mike Abrams, lobbyist with Katz Kutter Haigler Alderman Bryant & Yon in Tallahassee.

Sarah Bleakley, lobbyist with Nabors, Giblin & Nickerson law firm in Tallahassee.

Dominic Calabro, president of Tallahassee-based TaxWatch.

Maureen Dinnen, president and lobbyist for Florida Education Association.

Jean Gonzalez, president and lobbyist for Florida Advocacy & Consulting in Tallahassee.

Victoria Hernandez, lobbyist for Miami-Dade Community College.

Jo Ann Hutchinson, lobbyist and executive director of the state Commission for the Transportation Disadvantaged.

Curt Kiser, lobbyist with Holland & Knight law firm.

Sean Pittman, lobbyist with Pittman Law Group in Tallahassee.

Patricia West, lobbyist for Broward County.

These observers utilized the following standards for the ranking of lawmakers:

- Effectiveness at passing legislation beneficial to the entire state.
- Consistency in supporting legislation beneficial to the entire state.

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- Effectiveness at influencing colleagues on behalf of legislation.
- Effectiveness at serving his or her district.

Speaker Tom Feeney and Senate President John McKay nabbed the top spot in their respective houses.

The following list represents how our legislative alumni and local delegation ranked this session.

HOUSE

Four Stars (****)

Alan Bense, R-Panama City (FSU Alum)

Chris Smith, D-Ft. Lauderdale (FSU Alum)

Three Stars (***)

Loranne Ausley, D-Tallahassee

Chris Hart IV, R-Tampa (FSU Alum)

Bev Kilmer, R-Quincy

Curtis Richardson, D-Tallahassee (FSU Alum)

Ken Sorenson, R-Key Largo (FSU Alum)

Leslie Waters, R-Seminole (FSU Alum)

Two Stars (**)

Will Kendrick, D-Carrabelle

Mark Mahon, R-Jacksonville (FSU Alum)

One Star (*)

Dennis Baxley, R-Ocala (FSU Alum)

Terry Fields, D-Jacksonville (FSU Alum)

Jeff Kottkamp, R-Cape Coral (FSU Alum)

SENATE

Four Stars (****)

John McKay, R-Bradenton (FSU Alum)

Jim Horne, R-Orange Park (FSU Alum)

Jim King, R-Jacksonville (FSU Alum)

Three Stars (***)

Al Lawson, D-Tallahassee (FSU Alum)

Two Stars (**)

Steve Geller, Hallandale Beach (FSU Alum)

Richard Mitchell, D-Jasper (FSU Alum)

Alex Villalobos, R-Miami (FSU Alum)

One Star (*)

None

Spotlight on Bills

Bills of Interest that Passed

SB 2, Florida Retirement System by the House Governmental Oversight and Productivity Committee. The bill redefines the term “average final compensation, makes benefit changes for FRS members as well as making changes in the optional retirement program.

Chapter No. 2001-235

HB 251, Florida Residents’ Tax Relief Act, **Representative Bev Kilmer** (R-Marianna) Specifies that during the week of July 28 through August clothing, school supplies and other specified items valued at \$50 or less will be tax exempt.

Chapter 2001-148

CS/CS/HB 269, Sharpening the Pencil Act by the House Council for Lifelong Learning. This bill addresses the development of best financial management practices within school districts; creates the Land Acquisition and Facilities Advisory Board to assist districts with land acquisition and the operations of facilities; revises the law governing charter schools by adding acceptable reasons for the establishment of charter schools.

Chapter No. 2001-86

SB 302, Higher Educational Facilities by the Appropriations Committee and **Senator Ken Pruitt**. Creates the Higher Educational Facilities Financing Act and the Higher Educational Facilities Financing Authority.

Chapter No. 2001-79

HB 407, Public Records and Meetings/University Health Services Support Organizations by **Representative Fred Brummer** (R-Apopka). Allows university health services support organizations to contract with other providers if the partnership benefits the university’s academic health sciences centers. *Chapter 2001-35*

SB 466, Public Employment by Governmental Oversight and Productivity (Service First bill). This bill makes changes to the recruitment, employment, classification, retention training and discipline of state employees. Areas affected by the changes include: Employee Education Benefits - Employee fee waivers and grants are extended to

community colleges and vocational technical schools. Lump-Sum Bonuses and Salary Increase – Specifies that bonuses be paid every June and requires state agencies to develop annual plans for awarding those bonuses. It includes specific criteria to be met by the employee receiving the award. Leave Benefits - Allows for permanent career service employees to be paid for 24 hours of annual leave each December, with total payout limited to 240 hours during the course of employment. Broad Banding - DMS is required to develop a “model civil service classification and compensation program” and include broad-based salary ranges. The “broadbanding plan” currently used by the Florida Department of Transportation will be the model on which the new program is based. Probationary Periods – Extends the probation period for new career service employees from 6 months to 12 months. Service Classes – Increases the number of Senior Management Service employees from .5 to 1.0 percent of FTE career service positions. And removes the current cap of 1.5 percent of the total FTE positions for the Selected Exempt Service employees, provides for moving approximately 16,000 managerial, confidential and supervisory employees to SES status. The bill appropriates over \$20 million to cover the cost of benefits for new SES employees. Transfer of PERC – PERC will be transferred to DMS, preserving PERC’s independence when determining the disposition of cases. Alternative Benefits – the DMS is authorized to implement a new retirement program in place of Social Security coverage for OPS workers. Collective Bargaining Impasses – eliminates the appointment of a special master for impasses between a bargaining agent and the Governor in his capacity as a public employer. Career Service Advisory Group – creates the Advisory Group, which will consist of four members who are human resource officials for Florida corporations with a workforce of at least 25.0-00. The group provides advice to the DMS and EOG relating to the implementation of this act. *Chapter No. 2001-43*

HB 503, Public Employee Optional Retirement by the House Fiscal Responsibility Council and **Representative Mike Fasano** (R- New Port Richey). The bill creates the Public Employee

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Optional Retirement Program Trust Fund within the Department of Management Services.

Chapter No. 2001-255

CS/SB 1012, Energy Performance Savings by **Senator Rudy Garcia, Jr.** (R-Hialeah). The bill allows state and local government agencies to pay, over a period of 10 years, for energy conservation measures with the savings that result from the implementation of those measures.

Chapter No. 2001-81

SB 1162, FL Prepaid College Program by **Senator Jim Sebesta** (R-St. Petersburg). The bill revises the eligibility requirements for independent colleges or universities with regard to participation in the program.

Chapter No. 2001-170

HB 1225, Economic Development by **Representative Joe Pickens** (R-Palatka). The bill increases the enterprise zone job credits against the sales tax and corporate income tax and revises the method of determining tax credits.

Chapter No. 2001-201 (Became law without Governor's signature)

SB 1256, Nurses' Training Programs by the Health Aging and Long-Term Care Committee and **Senator Skip Campbell** (D-Tamarac). The bill affects the rules relating to teacher-student clinical ratios; amends requirements for the Nursing Student Loan Forgiveness Program and the Nursing Scholarship Program to allow eligibility for nurses employed at teaching and children's hospitals.

Chapter No. 2001-203

SB 1324, Alternative Health Care by **Senator Durell Peaden** (R-Crestview). Authorizes provision of and access to complementary or alternative health care treatments; required patients be provided with certain information regarding treatments.

Chapter No. 2001-116

SB 1428, Insurance Competition/Compensations by **Senator Bill Posey** (R-Rockledge), would prohibit the State from putting limits on any competition for insurance products or plans based on the compensation arrangements used by an insurer or organization.

Chapter No. 2001-192

HB 1545, Dollars to the Classroom Act of 2001 by the House Fiscal Responsibility Council. Requires the designation and publication of district

performance grades; revises minimum requirements of the Florida Education Finance Program.

Chapter No. 2001-157

CS/SB 1684, Transition to Teaching Program by **Senator Ron Klein** (D-Delray Beach). Creates the Transition to Teaching Program, and encourages the participation of postsecondary education organizations that represent eligible employees or that employ eligible applicants.

Chapter No. 2001-219

SB 1784, State Budget Preparation by **Senator Jim Horne** (R-Orange Park). The bill declares the intent of the Legislature to revise the laws governing the preparation of the state budget.

Chapter No. 2001-56

HB 1811, Information Technology by **Representative Chris Hart** (R-Tampa). The bill creates the State Technology Office within the Department of Management Services.

Chapter No. 2001-261

HB 1821, Florida Retirement System by House Committee on Fiscal Responsibility revises various provisions of the Florida Retirement System including contribution rates for specific classes, subclasses and participants in the optional retirement program of the State University System.

Chapter No. 2001-262

SB 1878, Communications Services Tax Simplification by **Senator Jim Horne** (R-Orange Park). Makes changes to the Communications Services Tax Simplification Law, which are to take effect on October 1, 2001.

Chapter No. 2001-140

SB 2054, Designations/University Buildings by **Senator Jim Sebesta** (R-St. Petersburg). Names specific buildings and facilities at various state university campuses. FSU facilities designated in this bill are: the Women's Soccer and Softball Complex, now the "Mary Ann Stiles and Barry Smith Team Building" and the Molecular Biophysics Building, now the "Kasha Laboratory."

Chapter No. 2001-287

SB 2092, Health Care by the Committees on Appropriations and Health, Aging and Long-Term Care, and **Representative Debby Sanderson** (R-Ft. Lauderdale). Transfers community hospital education programs from the BOR to the Health Department.

Chapter No. 2001-222

Bills of Interest that Failed

SB 118, College Fast Start Program, **Senator Donald Sullivan** (R-St. Petersburg)

HB 163, Tax/Collegiate Facility Renovation, **Representative Manuel Prieguez** (R-Miami)

SB 184, Sales Tax/College Football Facility, **Senator Ron Silver** (D-North Miami)

HB 253, Educational Financial Aid, **Representative Manuel Prieguez** (R-Miami)

CS/HB 271, Corporate Income Tax, **Representative Joe Negron** (R-Stuart)

HB 347, FRS/Public Employee Optional Retirement, **Representative Mike Fasano** (R-New Port Richey)

(Refer to similar bills CS/CS/HB 503 and CS/SB 2, both of which passed)

HB 443, Industrial Partnership Professorships, **Representative Rob Wallace** (R-Tampa)

HB 459, Public Officials/Relative Employment, **Representative Phillip Brutus** (D-Miami)

HB 487, Law Officers/Firefighters/Children Education, **Representative Hugh Gibson, III** (R-The Villages)

HB 611, Telecommunications Network Access Services, **Representative Mike Haridopolous** (R-Mebourne)

SB 746, Math & Science Teacher Education, **Senator Donald Sullivan** (R-St. Petersburg)

SB 894, Public Records/Education Professionals, **Senator Rudy Garcia, Jr.** (R-Hialeah)

SB 986, New College/Sarasota, **Senator Donald Sullivan** (R-St. Petersburg)

(See SB 1162, which passed)

HB 989, Universities Designations, **Representative David Meador** (R-Lake Mary)

(See identical SB 2054, which passed)

SB 1046, Teach Florida Scholarship Loan Program, **Senator Ken Pruitt** (R-Port St. Lucie)

SB 1048, Corporate Inome Tax, **Senator Ken Pruitt** (R-Port St. Lucie)
(Refer to SB 21, which passed)

SB 1190, Higher Education, **Senator Donald Sullivan** (R-St. Petersburg)
(Similar to SB 1162, which passed)

SB 1330, Student Financial Aid, **Senator Les Miller** (D-Tampa)
(Parts of this bill passed in SB 1162, FL Prepaid College Program, and the implementing bill.)

SB 1342, Florida Public Student Assistance Grant, **Senator Ron Klein** (D-Delray Beach)

HB 1361, Charter Schools, **Representative Rafael Arza** (R-Hialeah)
(Refer to CS/CS/HB 269, which passed)

HB 1375, Teach Florida Scholarship Loan Program, **Representative Heather Fiorentino** (R-New Port Richey)

SB 1404, Program in Medical Sciences, **Senator Kendrick Meek** (D-Miami)

HB 1477, Uniform Athlete Agents Act, **Representative Holly Benson** (R-Pensacola)
(The contents of this bill had been added to SB 2210, which also failed)

HB 1509, Student Financial Assistance, **Representative Mario Diaz-Balart** (R-Miami) [*See also SB 1162, SB 2002 (Appropriations Implementing Bill), both of which passed*]

HB 1511, State Universities, **Representative Leslie Waters** (R-Largo)
(Companion SB 2172, Capital Improvement TF, failed also)

HB 1533, Education Governance Reorganization, **Representative Evelyn Lynn** (R-Ormond Beach)
(Refer to SB 1162, which passed)

HB 1535, Public Records/Education Professionals, **Representative Evelyn Lynn** (R-Ormond Beach)

HB 1159, Donations of Equipment/Corporate Income Tax, **Representative Connie Mack** (R-Ft. Lauderdale)

HB 1547, Florida Prepaid College Program, **Representative Jeff Kottkamp** (R-Cape Coral)
(Refer to SB 1162, which passed)

SB 1636, Community Colleges/Program Approval, **Senator Ken Pruitt** (R-Port St. Lucie)
(Refer to SB 1162, which passed)

SB 1750, Emerging & Strategic Technologies Economic Development, **Senator Ron Klein** (D-Delray Beach)
(Refer to HB 1225, which passed)

SB 1972, Charter Schools, **Senator Durell Peaden** (R-Crestview)
(Refer to CS/CS/HB 269, which passed)

SB 2066, Athlete Agents, **Senator Jim King** (R-Jacksonville)

SB 2108, Education Governance Reorganization, **Senator Ken Pruitt** (R-Port St. Lucie)
(Refer to SB 1162)

SB 2188, Education Investment Act, **Senator Betty Holzendorf** (D-Jacksonville)



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Thanks Again

The Office of Governmental Relations would like to express their many thanks for the support from the Legislative Liaison Committee Members. These important members of our team contributed much hard work and patience during the 2001 Legislative Session.

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