



LegisLetter

FLORIDA STATE UNIVERSITY GOVERNMENTAL RELATIONS

Volume Fifteen / Number Nine • April 27, 2009

The only thing certain at the capitol last week was –uncertainty and rumors. With one week left in the regular 60-day session, House and Senate budget conferees have yet to meet in public to discuss their differences with next year’s \$65 billion state spending plan.

For the legislature to adjourn, or sine die, on Friday, May 1, these conferees have to settle on a budget compromise, and make that document public, by tomorrow at midnight. Instead of meeting over the weekend to achieve that goal, however, the conferees decided to go home. Consequently, logic (and rumor) points to the likelihood that a budget will not pass by midnight on Friday.

Indications are that the hold-up to reaching a compromise is the roughly \$350 million difference between the House and Senate for the state universities. In addition, state-employee pay cuts, gambling expansions and additional sources of tax revenue also present stumbling blocks.

The presidents of Florida’s public universities held a press conference at the capitol last Thursday to emphasize that the House’s version of the budget would impart disastrous consequences on our state’s higher education system.

Meanwhile, substantive bills of interest to the SUS have continued to move forward. The tuition-differential bill is up in the Senate this afternoon, while others pertaining to university presidents, Bright Futures, police jurisdiction, distance learning, and articulation are set to be heard later this week (see **Spotlight on Bills**).

No one can say for sure if the legislature will finish on time this Friday, extend into next week, or adjourn this session and continue to wrangle over the budget throughout the coming weeks. However it goes, you can tune in to all of it on the Florida Channel (local cable channel 4), but be sure to stay tuned for the unpredictable conclusion!

Please contact me if you have questions or need contact information for the legislative conferees, so you can **tell them to adequately fund our state’s higher education system**. I can be reached at (850) 644-4453 or kdaly@fsu.edu.

Kathleen

Tax Exemptions

The House committee on Finance and Tax work-shopped tax exemptions last week. During this meeting they discussed not only closing some exemptions, but also creating others. Below is a breakdown of several of the exemptions that were discussed:

PCB FTC 09-04 – Tax on Sales, Use, and Other Transactions by Representative Ellyn Bogdanoff (R – Ft. Lauderdale), repeals the following sales tax exemptions:

- Memberships in physical fitness facilities owned or operated by a hospital.
- Sales, leases, maintenance, and repairs of aircraft with a certified takeoff of less than 10,000 pounds used in a fleet of on-demand air carriers when the fleet contains at least 25 aircraft and the purchaser or lessee of the aircraft has offered, in writing, to participate in a flight training and research program with two or more universities.
- The rental of a skybox or other box seat during a high school or college football game when the rent is imposed by a nonprofit organization.
- Ostrich feed.
- Newspaper, magazine, and newsletter subscriptions delivered by mail.
- Chartering fishing vessels.

The bill repeals the 2% sales tax rate abatement on coin operated amusement machines.

The bill saves from scheduled repeal certain tax exemptions for convention halls, exhibit halls, auditoriums, stadiums, theatres, arenas, civic centers, performing arts centers and publically owned recreational facilities.

The bill creates sales tax exemptions for:

- Aircraft owned by a nonresident which is temporarily in the state for less than 21 days during the first six months after purchase.
- An aircraft owned by a nonresident which is exclusively in the state for flight training, repairs, modifications, or similar services.
- The sale, use, maintenance and repairs of aircraft primarily used in a fractional aircraft ownership program.

The bill creates a maximum sales tax cap of \$300 on purchases of fractional aircraft ownership interests.

The bill creates a 3-day “Back-to-School” sales tax holiday on clothing and school supplies.

The bill creates a 3-day hurricane preparedness sales tax holiday.

The bill provides an appropriation of \$308,810 in non-recurring General Revenue to the Department of Revenue for administering the sales tax holiday during FY 2008-09. The bill provides an appropriation of \$246,157 in non-recurring General Revenue to the Department of Revenue for administering the sales tax holiday during FY 2009-10.

Also discussed were the following bills:

CS HB 51 – Tax on Sales, Use and other Transactions by Representative Ralph Poppell (R – Titusville), reduces the sales tax rate on aircraft sales from six percent to three percent of the sales price of the aircraft.

CS HB 167 – Consumer Energy Savings Act by Representative Joe Abruzzo (D – Wellington), provides that sales tax will not be collected on the first \$1,500 of the selling price of a new energy-efficient product. The bill defines “energy-efficient product” as items that have been designated by the U.S. Department of Environmental protections Agency and by the U.S. Department of Energy as meeting the requirements under the Energy Star Program. These items include: dishwasher; clothes washer; air conditioner; ceiling fan; compact fluorescent light bulb; dehumidifier; programmable thermostat; and, refrigerator. The Senate companion **SB 888 by Senator Evelyn Lynn (R – Ormond Beach)** is now in the Policy & Steering Committee on Ways & Means.

CS HB 469 – Tax on Sales, Use and Other Transactions by Representative Tom Grady (R – Naples, FSU Alum), provides that the maximum amount of sales or use on an aircraft or boat may not exceed \$25,000. A similar bill in the Senate, **SB 2376 by Senator Thad Altman (R – Melbourne)**, is now in the Finance and Tax Committee.

Spotlight on Bills

HB 1293 – High School Graduation by

Representative Erik Fresen (R – Miami), modifies the high school graduation requirements for receipt of a standard diploma by specifying the required mathematics and science courses that must be taken, as follows:
Beginning with students entering the 9th grade in the 2010-2011 School Year

- In mathematics one of the four credits must be Algebra I or a series of courses equivalent to Algebra I that have been approved by the State Board of Education (SBE); and one credit must be geometry or a series of courses equivalent to geometry as approved by the SBE.
- In science one of the three credits must be Biology I or a series of courses equivalent to Biology I as approved by the SBE; one credit must be in a physical science or a series of courses equivalent to a physical science as approved by the SBE; and one must be a higher-level science. Agriscience Foundations I may count as the third required science credit. At least two of the science courses must have a laboratory component.

Beginning with students entering the 9th grade in the 2012-2013 School Year

- In mathematics one of the four credits must be Algebra I or a series of courses equivalent to Algebra I that have been approved by the SBE; one credit must be geometry or a series of courses equivalent to geometry as approved by the SBE; and one credit must be Algebra II or a series of courses equivalent to Algebra II as approved by the SBE.
- In science one of the three credits must be Biology I or a series of courses equivalent to Biology I as approved by the SBE; one credit must be chemistry, or a series of courses equivalent to chemistry as approved by the SBE; and one credit must be in a higher-level science course. Agriscience Foundations I may count as the third required science credit. At least two of the science courses must have a laboratory component.

Students choosing the 24-credit or the accelerated 18-credit college or career preparatory graduation options must be advised of the Advanced Placement, International Baccalaureate, Advanced International Certificate of Education, and dual enrollment courses available as well as the availability of course offerings through the Florida Virtual School. The bill raises the FCAT score required for a student to pass the Grade 10 FCAT by providing that passing scores on the Grade 10 FCAT must, at a minimum, meet grade-level proficiency. The bill also creates the Graduation Exit Option Program which authorizes the award of an alternative diploma to students who are at least 16 years old, enrolled in high school courses that meet high school graduation requirements, and at risk of failing to graduate and meet criteria developed by the Department of Education (DOE). The DOE is granted rulemaking authority to implement the program. The bill passed out of the House and is in messages to the Senate. The Senate companion, **SB 2654 by Senator Thad Altman (R – Melbourne)** is in the Education Pre-K - 12 Appropriations Committee.

HB 1411 – Education Personnel by Representative Kelli Stargel (R – Lakeland), creates the “Quality Teachers for All Students Act” and:

- Changes the contractual requirements for classroom teachers hired beginning July 1, 2009.
- Revises the current assessment system and establishes an appraisal system and revises the appraisal procedures and criteria for instructional, administrative, and supervisory personnel.
- Requires, by March 1, 2010, and biennially thereafter, the Department of Education (DOE) to report to the State Board of Education (SBE) on the effectiveness of the graduates of state-approved teacher preparation programs.
- Adds successful completion of a professional education training program provided by Teach for America and achievement of a passing score on the professional education competency examination required by rule by the SBE as an option for demonstrating professional education competence.
- Authorizes the SBE to adopt rules to allow a person to use his or her teaching experience as a military instructor to verify occupational teaching experience for the same number of years of instruction provided in one of the branches of the United States Armed Forces.
- Requires each district school board to report to the DOE on its differentiated pay policy in the manner and format prescribed by the DOE. The SBE is directed to adopt rules with respect to compliance requirements for district salary schedules regarding individual performance and differentiated pay, reporting formats, and procedures for review of salary schedules.
- Requires the DOE to annually post on its Internet website the percentage of classroom teachers by school who are first-time teachers, temporarily certified teachers, teachers in need of improvement, or out-of-field teachers; and report by school district the number of classroom teachers whose students’ declining academic performance indicates educational insufficiency.
- Eliminates the mandate in existing law that, as of July 1, 2001, school districts must recognize and accept each year of public, full-time teaching service earned in Florida and outside the state for each employee who enters into a written contract. Eliminating the mandate does not, however, prohibit the school district from considering years of service when determining pay.
- Directs the SBE to adopt by rule the Florida Educator Accomplished Practices, which forms the basis for the state’s expectations for effective instructional practice. The Commissioner of Education must periodically review the Florida Educator Accomplished Practices based on contemporary educational research and analysis of student performance data and include associations representing teachers, principals, superintendents, and school boards.

The bill passed out of the House and will now go to the Senate. The identical bill in the Senate, **SB 2458 by Senator Thad Altman (R – Melbourne)** was not considered by the Governmental Oversight and Accountability Committee last week..

Update on Bills

SB 1696 – Higher Education by Senator Evelyn Lynn (R – Ormond Beach), makes the following changes to higher education funding statutes:

- Bright Futures –
- Florida Prepaid College Plans
- State University Excess Hours – Requires a 50% tuition surcharge after 120% of required credit hours for resident students.
- Postsecondary Education Residency Requirements– Modifies standards for converting to resident status for tuition purposes.
- State University Graduate Tuition Rate – Authorizes up to 15% annual adjustments to match professional tuition flexibility already authorized.
- Higher Education Challenge Grants –
- Community College Baccalaureate Programs –
- Clarifies current practice for scholarship programs by removing specific dollar amounts from certain scholarship programs (Critical Teacher Tuition, Reimbursement, Critical Student Loan Forgiveness, Teacher Scholarships and Loan Forgiveness, “Chappie” James Most Promising Teacher, and Minority Teacher Scholars) and prorate these awards based on General Appropriations Act funding.
- Requires return of unused Minority Teacher Scholarship balances at end the fiscal year.
- Requires FSAG-level need requirement for First Generation Scholarships.
- Repeals Ethics in Business Scholarship Program.
- Limits community college president salaries to \$225,000 from state funds. Limits all community college and all state university employee severance payouts to one year from state funds.

This bill pulls in aspects of many of the bills we have been following throughout Session. The bill passed out of the Senate and was amended in the House last week. A conference committee has been appointed to work out a compromise bill. The House companion **HB 5009 by the State Universities and Private Colleges Appropriations Committee** was laid on the table.

SESSION SCHEDULE

SENATE SESSION

Monday, April 27 - Thursday, April 30, 10:00, a.m. to 12:00 noon
1:50 p.m. to 6:00 p.m.

Friday, May 1, 9:50 a.m. to 12:00 noon
1:50 p.m. to 6:00 p.m.

HOUSE SESSION

Monday, April 27 – Thursday, April 30, 9:00 a.m. until completion
Friday, May 1, 9:00 a.m. to Sine Die

CS CS SB 762 – State University Tuition and Fees by Senator Ken Pruitt (R – Port St. Lucie), authorizes each of the eleven state universities to charge a tuition differential subject to approval by the Board of Governors. The bill is on third reading in the Senate. A similar bill in the House, **CSCSHB 403 by Representative Will Weatherford (R – Zephyrhills)** is on the calendar to be heard by the full House of Representatives.

SB 1364, Bright Futures Program by Senator Ken Pruitt (R – Port St. Lucie), prohibit the use of Bright Futures Scholarship funds to pay for courses a student dropped after the end of the drop and add period, with certain exceptions. The bill is now in the Higher Education Appropriations Committee. The House companion, **HB 719 by Representative Kelli Stargel (R – Lakeland)** is waiting to be heard by the full House of Representatives.

HB 7107 – Determination of Resident Status for Tuition Purposes by Representative Steve Precourt (R – Winter Garden) requires that a prospective student must live in the State of Florida for at least 12 consecutive months prior to enrolling in a state university or community college to qualify for in-state tuition. The Senate companion, **SB 1696 by Senator Evelyn Lynn (R – Ormond Beach)** passed out of the Senate and was amended in the House last week. A conference committee has been appointed to work out a compromise bill.

SB 844 – Postsecondary Distance Learning by Senator Steve Oelrich (R – Gainesville), establishes the Florida Distance Learning Consortium. The bill was substituted for HB 7121. **HB 7121 by Representative Faye Culp (R – Tampa)** was passed by the Legislature last week.

SB 2318 – Postsecondary Tuition Rates by Senator Lee Constantine (R – Altmonte Springs), requires resident, community college or state university students who enroll for the first time in the 2009-10 academic year to pay out-of-state tuition for credit hours earned in excess of 120 percent of the degree program requirements for a baccalaureate degree. The bill is now in the Higher Education Appropriations Committee. The House companion, **HB 7109 by Representative Steve Precourt (R – Winter Garden)** has been referred to the Full Appropriations Council on Education & Economic Development. This language has been pulled into SB 1696.

HB 1209 – Nursing Programs by Representative Denise Grimsley (R – Sebring), prescribes the approval process for practical and professional nursing programs and repeals existing law that vests the Florida Board of Nursing (BON) with the authority to prescribe this process by rule. The bill passed out of the House last week. The Senate companion, **SB 2284 by Senator Mike Haridopolis (R – Melbourne)** is on the calendar to be heard by the full Senate.

SB 2682 – Florida College System by Senator Ken Pruitt (R – Port St. Lucie), implements some of the recommendations of the Florida College System Task Force and the State College Pilot Project. The bill passed out of the Senate last week. The House companion, **HB 7083 by Representative Seth McKeel (R – Lakeland)** has been referred to State & Community

Colleges & Workforce Appropriations Committee; Full Appropriations Council on Education & Economic Development.

SB 234 – State University Presidents by Senator Don Gaetz (R – Ft. Walton Beach), revises powers and duties of the Board of Governors and university boards of trustees relating to personnel. Provides that a state university president is not subject to the personnel program established by the Board of Governors. Requires that a board of trustees appoint the university president and administer a personnel program for the president. The bill is on the calendar. The House companion, **HB 489 by Representative Marti Coley (R – Marianna, FSU Alum)** is on the calendar on second reading.

HB 479 – Retirement by Representative Robert Schenck (R – Springhill), Revises provisions relating to participation in FRS; provides requirements & restrictions on use of promotional materials; excludes participation of certain persons & entities; revises provisions relating to receiving credit for past or prior service; revises provisions relating to retirement benefits; deletes provision preventing certain persons from renewing membership in FRS upon reemployment. The bill passed out of House last week.. The Senate companion, **SB 1182 by Senator Mike Fasano (R – New Port Richey)** Is on the calendar to be heard by the full Senate

HB 295 – Police Jurisdiction by Representative Kurt Kelly (R – Ocala, FSU Alum), redefines term “mutual aid agreement” to authorize state university police officers to enforce laws within specified jurisdictional area as agreed upon in voluntary cooperation written agreement; authorizes university police officers to enforce traffic violations & arrest persons for violations within certain distance of specified property or facilities or as agreed upon in mutual aid agreement. The bill was temporarily postponed in the House. **SB 554 by Senator Charles Dean (R – Ocala, FSU Alum)** passed out of the Senate on Friday.

HB 499 – State Universities by Representative Steve Crisafulli (R – Merritt Island), increases monetary threshold for continuing contracts for professional services; increases monetary threshold for utilization of funds for replacement of minor facilities; revises provisions relating to matching & expenditure of funds under university facility challenge grant program. The bill is on the calendar on second reading. The Senate companion, **SB 1696 by Senator Evelyn Lynn (R – Ormond Beach)** passed out of the Senate and was amended in the House last week. A conference committee has been appointed to work out a compromise bill.

HB 391 – State Funding for Medical Education by Representative Bill Proctor (R – St. Augustine, FSU Alum), requires Board of Governors of State University System, in consultation with OPPAGA & representatives from Doctor of Medicine degree programs, to develop funding methodology for Doctor of Medicine degree programs at state universities. The bill passed out of the House and is in message to the Senate. The Senate companion, **SB 1614 by Senator Steve Oelrich (R – Gainesville, FSU Alum)** is in the Higher Education Appropriations.

SB 600 – State University System/Optional Retirement Program by Senator Mike Fasano

(R – New Port Richey), revises provisions relating to provider contracts that provide benefits to program participants. The bill increases the number of companies that may provide contracts from five to seven. The bill is in the Governmental Oversight and Accountability committee. The House companion, **HB 621 by Representative Bill Heller (D – St. Petersburg)** is now in the Economic Development & Community Affairs Policy Council.

CS CS HJR 919 – Revision of Class-size Requirements for Public Schools by Representative Will Weatherford (R – Zephyrhills), proposes an amendment to Section 1 of Article IX of the Florida Constitution, relating to class size. Currently, the constitution specifies the maximum number of students that can be assigned to each teacher in three grade groupings: prekindergarten through grade 3 (18 students), grades 4 through 8 (22 students), and grades 9 through 12 (25 students). The bill is in Senate messages. The Senate companion, **SB 1828 by Senator Stephen Wise (R – Jacksonville)** reported favorably in the Education Pre-K - 12 Appropriations Committee last week.

SB 442 – Education Dollars for Duty Program by Senator Mike Fasano (R – New Port Richey), reorganizes and consolidates the delivery of state education assistance for Florida National Guard members into one consolidated Program to be known as the Educational Dollars for Duty (EDD) program. The bill expands education assistance eligibility for current members of the Guard and gives the Adjutant General the sole responsibility for developing and administering the EDD program. The bill authorizes the Adjutant General to adopt rules for the administration of the program. Additionally, the bill makes all active drilling members of the Florida National Guard residents for tuition purposes, at Florida public postsecondary institutions. Funding the Educational Dollars for Duty Program is subject to appropriation by the Legislature. The 2008 General Appropriations Act, provided \$1.7 million for National Guard Tuition Assistance. The bill is now in the Policy & Steering Committee on Ways and Means. The House companion, **HB 685 by Representative Bill Proctor, (R – St. Augustine, FSU Alum)** is in Senate messages.



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