



Volume **21** | Number **2** | **March 10, 2014**

There weren't many surprises during the first week of the legislative session, which opened Tuesday with the typical pomp, floral arrangements and speeches, including the State of the State address by Governor Scott (see related story).

Later that afternoon, the House convened to pass the only legislation on Tuesday's agenda, the "Florida G.I. Bill" (House Bill 7015), which passed unanimously and was immediately sent to the Senate for consideration. HB 7015 includes tuition waivers for out-of-state veterans – one of the priorities for Florida State University this session – and the Senate is set to hear their version (SB 860) on Tuesday. This legislation is expected to pass the Senate and receive the governor's signature.

Information on other bills working their way through the committee process is available in the Spotlight on Bills section of this newsletter.

The university's Board of Trustees met Friday and named Provost Stokes interim president, effective April 3. The BOT also named 27 individuals to the Presidential Search Committee, which will conduct its first meeting on March 21.

This week, the House Education Appropriations Committee will hold a workshop to review spreadsheets pertaining to the "base" education budget. Additionally, a revenue estimating conference will be held today to analyze the Public Education Capital Outlay, or PECO, program, which is the revenue source for education facilities, and another on Wednesday to announce the general-revenue forecast for the coming fiscal year.

A reminder that legislative activity is broadcast live each day on the Florida Channel, which airs locally on Comcast channel 4 and 201, Centurylink channel 12, and online at TheFloridaChannel.org.

As always, please feel free to contact me with questions, concerns or requests for bills and their analyses. I can be reached at **(850) 644-4453** or kdaly@fsu.edu.

Kathleen

Governor Scott delivers State of the State Address

Speaking before a joint session of the legislature on Tuesday, Governor Rick Scott laid out his legislative agenda and outlined why the state of the state is better now than when he took office four years ago. The primary focus of the governor's address was employment and the economy.

Governor Scott had already laid out most of his legislative agenda prior to the start of the session, but he did include one new proposal in his speech – repeal of the differential tuition law, which currently allows state universities to request approval from the Board of Governors of tuition increases beyond those authorized by the legislature.

While outlining his proposed \$74.2-billion budget, the governor said he wants the state to invest nearly \$19 billion in education. In addition, he wants to cut more than \$500 million in taxes and fees, including vehicle-registration fees. The legislature will take the governor's proposals into consideration during the coming weeks.

SESSION SCHEDULE

SENATE SESSION | TUESDAY, **MARCH 11**, 9:30 a.m. to 12:00 noon
HOUSE SESSION | TUESDAY, **MARCH 11**, 3:00 p.m. to 6:00 p.m.,
WEDNESDAY, **MARCH 12**, 3:30 p.m. to 6:00 p.m.

SPOTLIGHT ON **BILLS**

SB 732 -- Stanley G. Tate Florida Prepaid College Program by Senator Bill Galvano (R – Bradenton), specifies that for an advanced payment contract purchased before July 1, 2024, the amount assessed and paid by the Florida Prepaid College Board (Prepaid Board) to the universities will follow the methodology previously utilized by the Prepaid Board for contracts purchased prior to July 1, 2009. This methodology requires the Prepaid Board to increase payments to the state universities between 5% and 7% annually, depending on the type of fee and the Florida Prepaid College Trust Fund's (Prepaid Trust Fund) actuarial reserve level, which provides the Prepaid Board with better predictability of future tuition and fees. The maximum assessment and payment for state university registration fees, tuition differential fees, local fees, and dormitory fees is capped at no more than the actual cost charged by the state universities for such fees.

The Prepaid Board estimates the change in payment methodology will reduce the cost of a new 4-Year Florida University Plan by \$10,000 and result in \$50 million in refunds to families with an existing 4-Year Florida University Plan.

The fiscal impact of the bill on the state universities is indeterminate, but may reduce the tuition fees, tuition differential fees, local fees, and dormitory fees that will be paid by the Prepaid Board to the state universities on behalf of qualified beneficiaries of Prepaid Plans purchased prior to July 1, 2024.

The bill reported favorably in the Appropriations Subcommittee on Education last week and is now in the Appropriations Committee. There is no House companion at this time.

CS HB 355 – Textbook Affordability by Representative Elizabeth Porter (R – Lake City, FSU Alum), provides additional information to students regarding costs for textbooks and instructional materials by:

- Applying provisions of the textbook affordability law to instructional materials.
- Requiring Florida College System (FCS) institutions and state universities to post on their registrar's schedule of courses a list of required and recommended textbooks and other instructional materials for each class 14 days prior to the first day of class registration for each term.
- Clarifying the information that must be posted for textbooks and other instructional materials that do not have an International Standard Book Number (ISBN).
- Requiring institutes to post new, used, and if applicable, rental price information for textbooks and other instructional materials for each course and course section, including the website or contact information for the bookstore.
- Requiring each FCS institution and university to annually report to its chancellor the average cost of textbooks, adoption cycles for high-enrollment courses, and additional criteria determined by the chancellors.

must then submit a comprehensive report to the Governor, the Board of Governors (BOG), the President of the Senate, and the Speaker of the House of Representatives.

- Requiring the SBE and BOG to submit recommendations, by December 31, 2014, to the Governor, President of the Senate, and Speaker of the House of Representatives for negotiating statewide agreements with textbook publishers and vendors of instructional content, both print and digital.
- Requiring, annually, FCS and SUS institutions to provide their textbook and other instructional materials affordability policies and procedures and bookstore contracts to the Florida Virtual Campus (FLVC). The FLVC shall submit a compiled report to the chancellors and post the report on the FLVC website.
- Requiring the preeminent state research university institute for online learning to include the cost of instructional materials in their determination of tuition for the online degree program.

The bill reported favorably in the Higher Education and Workforce Subcommittee last week. A similar bill in the Senate, **SB 530 by Senator Anitere Flores (R – Miami)** will be heard in the Education Committee tomorrow.

CS SB 1036 – Nursing Education Programs by Senator Denise Grimsley (R – Sebring), establishes a schedule for all RN pre-

licensure programs approved by the Board of Nursing (BON), to become accredited by a specialized nursing accrediting agency that is recognized by the U.S. Secretary of Education. The bill revises the definitions of "clinical training" and "practice of professional nursing". The bill also increases the limit on clinical training that can be by simulation to 50 percent from 25 percent and specifies the location of the required clinical training. Finally, the bill exempts a nurse who is certified by a health care specialty program that is accredited by the National Commission for Certifying Agencies (NCCA) or Accreditation Board for Specialty Nursing Certification (ABSNC) from the biennial continuing education requirement. The bill reported favorably in the Health Policy Committee last week. A similar bill in the House, **HB 1059 by Representative Cary Pigman (R – Sebring)** is now in the Select Committee on Health Care Workforce Innovation.

SB 1110 – Deferred Compensation by Senator Wilton Simpson (R – New Port Richey), automatically enrolls state employees in the deferred compensation program. The bill requires each state agency to notify employees of the automatic enrollment and allows employees to opt out. State employees participating in the program will be required to contribute a minimum amount and each state agency must match the employee contribution up to a specified limit. Finally, the bill allows local governments and other governmental entities with deferred contribution plans to automatically enroll employees and provide employer contribution-matching. The bill has been referred to the Governmental Oversight and Accountability and Appropriations committees. There is no House companion at this time.

SB 1114 – Florida Retirement System by Senator Wilton Simpson (R – New Port Richey), establishes a cash balance

retirement plan for Florida Retirement System (FRS) employees featuring individual employee accounts that are guaranteed a minimum retirement benefit. Cash balance plans offer some of the features of both the pension plan and the investment plan. The State Board of Administration (SBA) is responsible for administering the new plan. Cash balance accounts would be funded by employee and employer contributions based on a percentage of monthly compensation, a guaranteed 2 percent interest on the account balance, and 75 percent of any investment returns over 2 percent.

Employees hired after July 1, 2015, may choose the cash balance plan or existing investment plan, and could revise that decision by making a second election. Only special risk employees would be able to choose the pension plan. Employees under the cash balance plan are vested after completing five years of service. Existing employees may choose to move between the pension plan or investment plan to the cash balance plan. Upon retirement, employees may choose to receive the total of the cash balance account as a lump-sum distribution, direct rollover retirement account distribution, periodic distribution or combination. The bill has been referred to the Governmental Oversight and Accountability and Appropriations committees. There is no House companion at this time.

CS SB 612 -- Preference in the Award of State Contracts by Senator Alan Hays (R – Umatilla), specifies that an existing preference for Florida-based businesses that currently applies to public entity purchases of personal property also applies to the purchase of construction services. The bill also provides that this preference preempts any local preference regulation in contracts for construction services in which state-appropriated funds are spent. The bill reported favorably by the Governmental Operation and Accountability Committee last week. A similar bill in the House, **HB 801 by Representative**

Heather Fitzenhagen (R – Ft. Myers) is now in the Governmental Operations Subcommittee.

CS HB 115 -- Public Meetings/ University Direct Support Organization by Representative Cary Pigman (R – Sebring), creates a public meeting exemption for any portion of a meeting of the board of directors of the DSO, or of a committee of the DSO, in which the board or committee discusses the identity of a donor or prospective donor, proposal seeking research funding from the DSO, or a plan or program for either initiating or supporting research. The bill provides for repeal of the exemption on October 2, 2019, unless reviewed and saved from repeal by the Legislature. The bill reported favorably last week in the Governmental Operations Subcommittee. A similar bill in the Senate, **SB 318 by Senator Kelli Stargel (R – Lakeland)** is now in the Governmental Operations and Accountability Committee.

SB 1266 -- State Employees' Prescription Drug Program by Senator Bill Montford (D – Tallahassee, FSU Alum), reenacts and amends provisions relating to the state employees' prescription drug program. The bill deletes a requirement that the Department of Management Services base its decision as to whether to implement a certain 90-day supply limit on a determination that it would be in the best financial interest of the state and authorizes a retail pharmacy to fill a 90-day supply of certain drugs. The bill has been referred to Governmental Oversight and Accountability, Appropriations Subcommittee on Health and Human Services, and the Appropriations Committee. The identical bill in the House, **HB 1361 by Representative David Richardson (D – Miami Beach)** has been filed.

SB 1292 -- Postsecondary Education by Senator John Legg (R – Lutz), revises the articulated acceleration mechanisms that are available for secondary and

postsecondary students attending public educational institutions to include industry certifications. The bill has been referred to the Education Committee, the Appropriations Subcommittee on Education, and the Appropriations Committee. There is no House companion at this time.

CS/SB 850—Education by Senator John Legg (R – Lutz), expands rigorous curricular, instructional, and assessment options available to public elementary, middle, and high school students.

The bill expands options to elementary students, expands options and strengthens requirements for middle grade students, expands options and strengthens requirements for high school students, and requires the Florida College System institutions to establish collegiate high school program for students in every school district in the colleges' designated service area. Specifically, the bill:

- Clarifies digital skill areas and certificate options for elementary students;
- Expands acceleration options and strengthens accountability requirements for middle grade students;
- Specifies professional development requirements for middle grade teachers related to accountability requirements and new digital skills and content available to students;
- Establishes requirements for FCS institutions and school districts to provide a collegiate high school

pathway for high school students to earn a full year of college credit while enrolled in high school;

- Provides additional career-themed options for students in high school grades through new career-themed innovative courses and acceleration programs that, if successfully completed, are eligible to earn both high school and college credit; and
- Authorizes industry certification providers to notify students and parents about the college credits earned by the students, and the savings associated with earning the college credits, as a return on the investment of state dollars for the industry certifications earned by the student while in public school.

Additionally, the bill establishes bonus funding for elementary schools and teachers who directly assist students in attaining new digital skills, and expands funding to middle and high schools and teachers who directly assist students in attaining digital skills and industry certifications. Bonus funding is calculated as a component of the Florida Education Finance Program. The bill reported favorably in the Education Committee last week and is now in the Appropriations Subcommittee on Education. A comparable bill in the House, **HB 7031 by Representative Janet Adkins (R – Fernandina Beach)** has passed out of committee and waiting to be heard by the full House.

Update on Bills

HB 7015 -- Military and Veteran Support by Representative Jimmie Smith (R – Lecanto), creates the “Congressman C.W. Bill Young Veteran Tuition Waiver Program,” which waives out-of-state fees for honorably discharged veterans of the United States Armed Forces, the United States Reserve Forces, and the National Guard. The bill also appropriates \$5 million in recurring funds to the Florida Department of Military Affairs to pay the tuition and fees for certain deployed Florida National Guard members at a state university or Florida College System institution; and \$250,000 in nonrecurring funds for information technology upgrades to administer this program. Additionally, the bill revises Florida’s veterans’ preference in employment statutes to include all veterans, and not just wartime and disabled veterans, as well as members of the Florida National Guard and the United States Armed Forces Reserves.

The bill appropriates a total of \$26.55 million in General Revenue for tuition assistance and its administration, base buffering, and armory renovations. The bill passed out of the House last week and is waiting to be heard in the Senate. A Senate companion, **SB 860 by Senator Lizbeth Benacquisto (R-Ft. Myers)** reported favorably by the Appropriations Committee last week and will be heard by the full Senate tomorrow.



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