The halfway point of the 60-day legislative session will occur this week and while a lot has taken place already, much still remains to be done.

Each year, Florida lawmakers file hundreds of bills and spend countless hours debating those bills in committee meetings and their respective chambers. The only job lawmakers are constitutionally required to complete, however, is to pass a budget for the coming fiscal year.

The House and Senate will take major steps toward fulfilling that responsibility this week when they approve their respective budget proposals. That will set the stage for negotiations during the second half of the session, when lawmakers conference on a final budget. Each chamber’s higher-ed budget numbers, which have been revised since last week, are outlined in the related story.

A bill that would allow children of undocumented immigrants in Florida to receive in-state tuition for four years passed the House last week and is awaiting hearings in the Senate. This legislation, as well as other bills, also includes provisions that repeal tuition increases tied to the rate of inflation (when no other tuition increase has been approved). In addition, provisions to lower the “differential” tuition rate, which is currently set at 15 percent, to 6 percent — or even zero, as it stands in one proposal — continue to move along through the process.

Meanwhile, a House bill will require state workers to decide whether they want a health insurance plan with more benefits and higher monthly premiums, or a less expensive plan with fewer benefits and more take-home pay. For details on these and other bills, please see the Spotlight on Bills section of this newsletter.

FSU Day at the Capitol, with all its fanfare, recognitions and academic displays, will take place tomorrow from 10:00 to 2:00. The day’s schedule is provided in this newsletter and we look forward to seeing you there!

As always, please feel free to contact me if you have questions or concerns about issues moving through the legislative process. I can be reached at (850) 644-4453 or kdaly@fsu.edu.

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Tomorrow is FSU Day at the Capitol

Our big day is almost here! After months of planning, FSU Day at the Capitol for 2014 takes place tomorrow and promises to be another great event. As in the past, FSU Day emphasizes the university’s proud heritage and spotlights the extraordinary accomplishments of our students and faculty.

Please join us from 10:00 am to 2:00 pm for informative displays on the plaza level and second and third floor rotundas. During the lunch hour, appearances by FSU celebrities and members of the Seminole legislative caucus, and performances by the pep band, cheerleaders and Flying High Circus will begin at 11:30 in the capitol courtyard, with refreshments available for all to enjoy.

In addition, our third annual “Seminole Evening” reception will be held tonight from 5:30 to 7:30 on the 22nd floor of the capitol. Come by for this meet-and-greet with our legislators.

We look forward to seeing you this evening and tomorrow in your Garnet and Gold!
Governor to sign “Florida GI Bill”

With legislative leaders saying they want to make the state more military friendly, Gov. Scott today is expected to sign legislation known as the “Florida GI Bill.” Senate President Don Gaetz sent a news release late Friday announcing that a bill-signing ceremony would take place Monday morning at a National Guard armory in Panama City. Gaetz, House Speaker Will Weatherford and other lawmakers are expected to attend. The House and Senate quickly passed the measure (HB 7015) this month, after Gaetz and Weatherford made the issue a priority for the legislative session. Among other things, the bill will provide university tuition waivers for veterans, help pay for base improvements and set aside money to market the state to veterans.

Budget Update

During Senate and House Appropriations Committee meetings last week, both bodies amended their budget recommendations. These proposals are now poised for additional amendments, as well as debates and possible passage in their respective chambers. Outlined below are changes to the initial higher-education recommendations released last week:

Changes to House budget proposal:

- Reduce the $30 million in workload/enrollment funding to $15 million and move that amount to “performance funding,” which would bring the performance-funding total to $75 million in recurring general revenue (and eliminate the base-funding reduction for performance funding). These changes would also set aside legislation that allows the state’s preeminent universities – FSU and UF – to maintain their preeminent status by adhering to the measures already outlined in statute; under this proposal, both institutions would have to not only meet the existing metrics for preeminence, but ten additional metrics from the Board of Governors as well.

- Performance funding totaling $20 million for the State University System from last year’s budget would be recurring.

Changes to the Senate budget proposal:

- Reduce the Florida College System budget by $3.4 million and add $1.7 to the budgets of each preeminent university.

The latest Senate proposal still appropriates $200 million in non-recurring funds, half of which comes from the recurring base funds converted to non-recurring for performance funding.

HB 7157 – State Employee Health Benefits by Representative Jason Brodeur, (R – Sanford). Currently, Career Service state employees pay the same in monthly premiums - $50.00 a month for individuals and $180.00 a month for families – regardless of whether they enroll in a standard health maintenance organization (HMO) plan or a standard preferred provider organization (PPO) plan. The state also contributes the same amount each month to career-service employees -- $591.52 for individuals and $1,264.06 for families – for both the HMO and PPO plans. This bill would require the Department of Management Services (DMS) to set state employee health plan contribution rates for the standard HMO and PPO plans based on the difference in their benefits level. The employee contribution to the standard PPO plan would be required to drop below its current level next year. The employee contribution to
the standard HMO plan could go up next year. Starting in 2017, DMS would set health plan choices at four benefit levels, bronze, silver, gold and platinum, with platinum offering the highest level of benefit. The state would contribute a certain amount for each employee to buy a health plan. If the amount is higher than the cost of the health plan, the employee could apply it to their take-home pay or use it to buy other health-care products. Conversely, if the amount were lower, the employee would pay the difference, or seek a different level of coverage. The bill is now in House Appropriations. There is no Senate Companion at this time.

HB 169 – E-cigarette prohibition for minors by Rep. Frank Artiles, (R. —Miami, FSU Alum), prohibits sales of “E-cigarettes” to minors. Electronic cigarettes allow users to inhale vaporized nicotine, allegedly without all the health risks of smoking regular cigarettes. The bill bans selling, delivering, bartering, furnishing, or giving of nicotine products or nicotine dispensing devices to persons under 18 years of age. It also prohibits giving sample nicotine products or nicotine dispensing devices to persons under 18 years of age and excludes persons under 18 years of age from possessing, purchasing, or misrepresenting his or her age or military service to purchase nicotine products or nicotine dispensing devices. CS/HB 169 preempts regulation of certain products and activities to state. A “strike-all” amendment was adopted addressing concerns of universities that ban smoking on campuses. Despite that amendment several groups including the American Lung Association, the American Cancer Society, the Florida League of Cities and the Florida Association of Counties, spoke against the preemption provision citing local ordinances that were stricter than state laws. The bill passed the House Regulatory Affairs Committee by a vote of 12-5 and heads to the House Calendar. The Senate bill (CS/CS/ SB 224), which has no preemption provision, passed the full Senate and is in House Messages.

HB 953 – State Contracting by Representative Kathleen Peters (R – St. Petersburg), requires state agencies to consider the prior relevant experience of a vendor when evaluating the responses to a request for proposal or invitation to negotiate. Currently, agencies may consider such prior relevant experience, but agencies are not required to do so. The bill reported favorably in the State Affairs Committee last week and is waiting to be heard by the full House. The identical bill in the Senate, SB 914 by Senator Jack Latvala (R – Clearwater) is in the Appropriations Subcommittee on General Government.

CS HB 1051 – Public Records & Public Meetings/Public-Private Partnerships by Representative Ken Roberson (R – Port Charlotte), creates an exemption from public record and public meeting requirements for unsolicited proposals for P3 projects for public facilities and infrastructure. The bill provides that an unsolicited proposal is exempt from public record requirements until such time that the responsible public entity provides notice of its intended decision. If the responsible public entity rejects all proposals and concurrently provides notice of its intent to seek additional proposals, the unsolicited proposal remains exempt for more than 90 days after the date the responsible public entity rejects all proposals received for the project described in the unsolicited proposal. If the responsible public entity does not intend to enter into an agreement for. However, if the proposal contains information designated as PCBI by the private party, then that information will remain confidential and exempt indefinitely.

The public record exemptions and public meeting exemption are subject to the Open Government Sunset Review Act and will stand repealed on October 2, 2019, unless reviewed and saved from repeal through reenactment by the Legislature. The bill also provides a statement of public necessity as required by the State Constitution. The bill reported favorably by the Local & Federal Affairs Committee last week.

A similar bill in the Senate, CS SB 1318 by Senator Greg Evers (R – Pensacola) was amended to:

• Define “proprietary confidential business information” (PCBI).

• Provide that an unsolicited proposal is confidential and exempt until the responsible public entity receives, opens, and ranks the proposals and provides notice of its intended decision.

• Provide that an unsolicited proposal is not confidential and exempt for more than 90 days after the date the responsible public entity rejects all proposals or the date of receipt of a proposal for a project, which the responsible public entity does not intend to enter into an agreement for. However, if the proposal contains information designated as PCBI by the private party, then that information will remain confidential and exempt indefinitely.

• Provide that portions of meetings at which the information from an unsolicited proposal is discussed are exempt from the public meetings law.

• Provide that the exempt portions of public meetings will nonetheless be transcribed.
• Provide that a portion of a transcript that reveals PCBI is confidential and exempt.

• Provide that the subsection is subject to the OGSR.

• Provide statements of public necessity.

The bill is now in the State Affairs Committee.

SB 1034 – Renovation of Educational Facilities by Senator Jack Latvala (R – Clearwater), requires school districts, state universities and Florida College System institutions to retrofit the doors and windows of educational facilities to comply with certain Florida Building Code standards. The bill provides funding through the capital outlay millage levy and capital outlay funds. The bill will be heard tomorrow in the Community Affairs Committee. The identical bill in the House, HB 359 by Representative Carl Zimmermann (D – Dunedin), is in the K-12 Subcommittee.

CS/SB 1292 – Postsecondary Education by Senator John Legg (R – Lutz), restructures governance and functionality of online public postsecondary student support services related to libraries, online courses, and online student advising systems. Specifically, the bill creates the Complete Florida Plus Program (Program) within the Innovation Institute at the University of West Florida and transfers the requirements and responsibilities associated with student support services that are currently administered through the Florida Virtual Campus (FLVC) to the new Program. The bill also establishes the Florida Center for Library Automation (Center) and reassigns the duties and resources regarding online library support services that are currently administered by the FLVC to the new Center. Additionally, the bill renames the Complete Florida Degree Program as the Complete Florida Degree Initiative (Initiative) and restructures the related functions under the new Program. The bill passed the Education Committee last week. There is no House companion at this time.

HB 5009 – Education Capital Outlay by Representative Seth McKeel (R – Lakeland), requires the Department of Education to make monthly transfers from the Public Education Capital Outlay and Debt Service Trust Fund into a separate sub-account to reserve funds for the purpose of paying debt service. Priority is placed on the transfer of funds for debt service over the expenditure of funds for project appropriations. This will ensure that sufficient cash balances within the fund are available to pay debt service for Public Education Capital Outlay bonds (PECO).

The bill requires that cash be reserved and transferred two months earlier than currently authorized to ensure there are sufficient funds to pay debt service on PECO bonds. The acceleration of the reserve (by two months into the previous fiscal year) results in a one-time loss of funds available for project appropriation in an amount equal to two twelfths of the total debt service of $903.4 million (or $150 million) for Fiscal Year 2014-15. The 2014-15 proposed House Budget, reserves $150 million in unallocated PECO funds for the May and June 2014 payments to the sub account. This bill changes statutes governing board of the Division of Bond Finance for certain projects;

• Require the university to present to the Cabinet and Legislature prior to engaging in agreements that yield more than $10 million to the university. Provides that an agreement that is objected to by one of the above parties may not be finalized;

• Require the BOG to set up a new process for evaluating potential P3 agreements;

• Limit the term of P3s to 30 years;

• Prohibit the obligation of the full faith and credit of the state as part of a P3 agreement;

CS/CS/SB 900 – Private Public Partnerships by Senator Jack Latvala (R – Clearwater), authorizes state universities or certain direct-support organizations (DSOs) to utilize public-private partnerships (P3s) as an alternative procurement process to build, upgrade, operate, own, or finance qualifying projects. The bill was amended last week to:

• Authorize university DSOs to engage in P3s;

• Remove the provisions related to Interim Agreements;

• Require the approval of the Governor and Cabinet sitting as the governing board of the Division of Bond Finance for certain projects;

UPDATE ON BILLS

CS/SB 212 – High School Graduation Requirements by Senator Dorothy Hukill (R – Port Orange), removes the requirement for financial literacy to be included in the instruction of Economics. Beginning with students entering grade 9 in the 2014-2015 schoolyear, the high school graduation requirements must include a one-half credit in personal financial literacy and money management instruction. Additionally, the bill reduces the number of required elective credits from eight to seven and one-half credits. The bill reported favorably last week in the Education Committee. The House companion, HB 367 by Representative Heather Fitzenhagen (R – Ft. Myers), is now in the K-12 Subcommittee.
• Remove the authority for a private entity engaged in a P3 with a university to levy fees on the public for use of a facility that is the product of the P3;

• Remove the requirement that any liens on the property be paid off at the time that ownership of the property is transferred from the P3 to the university;

• State that the section created by this bill provides the sole authority for a university board to enter into a P3;

• Require a university board engaged in a P3 to submit an annual report to the BOG; and

• Authorize the BOG to adopt rules related to P3s.

The bill’s intent is to encourage investment in the state by private entities. The bill passed out of the Community Affairs Committee last week. A comparable bill in the House, HB 543 by Representative Greg Steube (R – Sarasota), is in the Education Committee. VB 433 – Teacher Certification by Representative Ross Spano (R – Riverview, FSU Alum), restates the methods by which a candidate for educator certification may demonstrate mastery of subject area knowledge, including passage of a Florida-developed subject area examination or a standardized examination specified by rule. The bill also allows a candidate to demonstrate mastery of general knowledge by achieving passing scores, as identified by the State Board of Education (SBE) in rule, on a national or international examination that tests comparable content and relevant standards in verbal, analytical writing, and quantitative reasoning skills. In addition, the bill specifies certain requirements regarding demonstration of mastery of professional preparation and education competence. The bill was amended last week to require the SBE to adopt rules and then passed out of the House. The Senate companion, SB 950 by Representative Kelly Stargel (R – Lakeland), is now in the Appropriations Subcommittee on Education.

HB 135 – Public Records/Public Meetings/Postsecondary Education Executive Search by Representative Dave Kerner (D – Palm Springs), creates an exemption from public record and public meeting requirements for information associated with the applicant recruitment process and discussions associated with the applicant search for certain state university and Florida College System (FCS) institution employees. Specifically, the bill provides that any personal identifying information of an applicant for president, provost, or dean of any state university or FSC institution is confidential and exempt from public record requirements. It also creates a public meeting exemption for any meeting held for the purpose of identifying or vetting applicants for president, provost, or dean of any state university or FCS institution.

The bill provides instances when the public meeting exemption does not apply. In addition, it provides that the names of any applicants who comprise a final group of applicants must be released by the state university or FSC institution no later than 21 days before the date of the meeting at which final action or vote is to be taken on the employment of the applicants. All documents containing personal identifying information of any applicants who comprise a final group of applicants become subject to public record requirements when the applicants’ names are released.

Finally, the bill provides for repeal of the section on October 2, 2019, unless reviewed and saved from repeal by the Legislature. It also provides a statement of public necessity as required by the State Constitution. The bill was amended to change the effective date from October 1, 2014, to upon becoming a law. The bill reported favorably by the Education Committee. A similar bill in the Senate, SB 728 by Senator Alan Hays (R – Umatilla) has been referred to the Education, Governmental Oversight and Accountability, and Rules committees.

CS 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. The bill was amended last week in the Education Committee to:

• Clarify that an institution that is unable to comply with by the Fall 2014 semester must provide a quarterly report to the State Board of Education or the Board of Governors, to document the institution’s effort to be in compliance with the requirements by the Fall 2015 semester.

• Require postsecondary institutions to consult with school districts with which they have a dual enrollment articulation agreement to identify practices that impact the cost of dual enrollment textbooks to school districts, including but not limited to, the length of time instructional materials remain in use and the costs associated with digital materials.

• Require that cost benefit analyses be conducted regularly in comparing options to ensure that students get the highest quality product at the lowest available price.

The Senate companion, SB 530 by Senator Anitere Flores (R – Miami), is now in the Appropriations Subcommittee on Education.

CS CS HB 414 – Public Records/Animal Medical Researchers by Senator Charles Dean (R –
Inverness), provides an exemption from public record requirements for personal identifying information of a person employed by, under contract with, or volunteering for a public research facility that conducts animal research or is engaged in activities related to animal research. The bill was amended last week in the Education Committee to:

- Expands the group of people to whom the exemption applies by including individuals “employed by, under contract with, or volunteering for a public research facility,” as opposed to “current or former researchers” as in SB 414.
- Expands the qualifying activity to include a research facility that “conducts animal research or is engaged in activities related to animal research” as opposed to requiring that the work be for the purpose of “conducting life-sustaining medical research” as in SB 414.
- Provides that personal identifying information is exempt from public records requirements when such information is located within a specific list of documents.

A similar bill in the House, HB 993 by Representative Travis Cummings (R – Orange Park), is now in the Education Committee.

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 a 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 passed out of the House last week. The identical bill in the Senate, SB 318 by Senator Kelli Stargel (R – Lakeland), is now in the Rules Committee.