The focus this week, the sixth of the nine-week regular session, will be on the coming year’s budget, prison closings and privatization, and Congressional and legislative redistricting.

The state Senate released its 2012-2013 budget on Friday and it totals $70.8 billion. The proposal now goes before the Senate budget committee on Wednesday and should be ready for debate and amendments by the full chamber next week. The full House, meanwhile, passed its $69.2 billion spending plan late last week and will wait for the Senate’s version to be finalized so conferencing can begin in a few weeks. For more on the budget, please see the related story.

Last week, lawmakers passed newly drawn district maps and Attorney General Pam Bondi filed the legislative redistricting proposals with the Florida Supreme Court. Thus begins the justices’ review of the once-a-decade redrawing of district boundaries for members of the state legislative.

With AG Bondi’s filing on Friday, the court now has 30 days to review the maps and decide whether they meet legal and constitutional requirements. However, the Florida Democratic Party has already filed a lawsuit against these proposed boundaries, including those for members of Congress, even though Gov. Rick Scott has not yet signed the Congressional map, which is required before it can be filed with the court. These actions may thereby cause the session to extend beyond its scheduled finish on March 9.

Although the committee process for substantive legislation did slow down a bit last week, many bills of interest to the State University System are scheduled to receive a committee hearing this week. Please see the Spotlight on Bills section for a complete overview.

The full Senate will again take up this week the contentious legislation pertaining to prison privatization and the closing of some state prisons. The bill was only temporarily passed last week when the measure hit a snag.

Last week was certainly a busy and exciting one for Florida State University! On Monday, Vice President Joe Biden visited our campus to speak and take questions from students and faculty about college affordability. The next day our long-anticipated and always popular FSU Day at the Capitol took place. Both events were very well received (please see the related story).

You can catch legislative action live each day on The Florida Channel, local cable channel 4. As always, if you have questions about issues or need copies of bills and their analysis, please contact me at (850) 644-4453 or kdaly@fsu.edu.

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Senate Budget Proposal

The Florida Senate released a $70.8 billion budget late Friday that would spend more money and spare more jobs than the plan that has already passed the House. The House passed their $69.2 billion spending plan last week. The Senate’s plan would eliminate about 4,000 state jobs, some of which are vacant, a reduction of nearly 3.3 percent. The budget is set to come up for a committee vote on Wednesday before heading to the floor next week.

The biggest differences in the overall spending between the House and the Senate budgets occur within the Health Care and Transportation budgets.

Both plans set aside a billion for K-12. But the Senate budget currently cuts the State University System by 5.6% over last year’s spending and provides no Public Education Capitol Outlay (PECO) dollars for building construction on campus. The Senate issues a $400 million non-recurring cut and expects the institutions to use their carry-forward funds to fill the deficit. For Florida State, this is a 13.9 percent base budget reduction, or $55.4 million in lost state revenue. The Senate also reduces the state contribution to the Retirement System Investment plan for the SUS by $5 million, which is a $565,000 deduction for FSU. They rebalance contribution rates for the ORP by $46 million for the system, a $5.21 million cut for FSU.

They set no base undergraduate tuition, but expect our BOT to approve a 15 percent differential tuition increase, and an 8% increase for graduate and professional, and out-of-state student tuition. These increases, if fully implemented, would only generate $154 million to offset the $400 million budget decrease. One bright spot: the Senate did include $3.3 million recurring for the Mag Lab at FSU. The House also included $3 million for the lab.

Finally, state employees receiving spouse and family health insurance benefits, could see premium hikes beginning in December of this year. Family coverage may increase to $236.34 per month, up from $180.00 and those participating in the spouse program could see an increase of $81.67 per month, up from $50.00 per month.
Garnet and Gold Rocks the Capitol

Last Tuesday, the Capitol rocked garnet and gold at this year’s FSU Day at the Capitol. We want to thank all of the participating departments that took time away from busy schedules to share information about their programs with the legislative community.

Special thanks also goes to Gene Deck-erhoff who served as emcee for the noon-time activities. The FSU Seminole Sound, cheerleaders, and circus all entertained the crowd in the Capitol courtyard, while several of our athletic coaches and team members mingled with our alumni and friends in the Legislature.

Again this year, the festivities included a “Seminole Evening” reception on the 22nd floor of the Capitol Monday night. Legislators, staff, alumni and supporters of FSU gathered and shared some “seminole spirit” as the sun set over Doak Campbell Stadium in the background.

But these events would not have been possible without the support of our wonderful sponsors. They include: FSU Student Government Association, Seminole Tribe of Florida, Classic Fare Catering by Aramark, Mr. Mitchell Rubin, Florida Beer Wholesalers Association, Tri-Eagle Sales, Sharkey’s Capitol Café, Coca Cola Bottling of Tallahassee, Mr. Guy & Mrs. Delores Spearman, Mr. L. Carl Adams, Capital City Consulting, LLC, Mr. Richard Coates, Mr. Lawrence N. Curtin, David R. Custin & Associates, Inc., Ericks Consultants, Inc., Florida Association of Broadcasters, FCCI Insurance Group, Mr. & Mrs. Michael Fields, Mr. John French, GMA, Inc., Mr. & Mrs. Cliff Hinkle, Mr. Charles O. Hinson, Mr. John Hogan, Capital Health Plan, Mr. S. Curtis Kiser, Mabry & Associates, Mr. Paul Mitchell, Larry J. Overton & Associates, Inc., Pennington, Moore, Wilkinson, Bell & Dunbar, P.A., Mr. David Pingree, Mr. Jim Rathbun, Mr. Ron Richmond, P.A., Mr. Gary Runyan, Ms. Nancy Black Stewart, P.A., TECO Energy, Inc., and the FSU Alumni Association. Check out pictures of this festive event on our website later this week at www.govrel.fsu.edu.
The bill expands the instances where a person is required to report child abuse by mandating a person to report known child abuse by anyone, not just child abuse by a caregiver. The bill provides specific penalties for Florida educational institutions whose personnel fail to report certain child abuse at the institution. The bill subjects the institution to a $1 million fine for each failure to report, and the loss of all state funding for 2 years. The bill expands the scope of victims who are eligible to receive monetary relocation assistance to include a victim of sexual battery, and appropriates $1.5 million from the General Revenue Fund for that purpose. The bill increases criminal penalties by reclassifying certain violations involving sexual conduct with minors. The bill reported favorably by the Judiciary Committee and is now in the Health and Human Services Committee. A comparable bill in the Senate, SB 1816 by Senator Lizbeth Benacquisto (R – Wellington), is now in Budget Subcommittee on Criminal and Civil Justice Appropriations.

**UPDATE ON BILLS**

**SJR 1508 – Board of Governors Membership, by Senator Bill Montford (D – Tallahassee, FSU Alum),** proposes an amendment to Section 7, Article IX of the Florida Constitution to change the designation of the board’s student member. The resolution would require the Governor to appoint the student body president of a state university, rather than the president of the Florida Student Association, as a member of the Board of Governors. The bill passed the Senate Higher Education Committee last Thursday. A similar bill in the House, HB 931 by Representative Matt Gaetz (R – Shalimar, FSU Alum) passed the Education Committee last week.

**SB 2024 -- State Retirement, by Senator Jeremy Ring (D – Margate),** cleans up and clarifies a number of issues raised by the enactment last session of Senate Bill 2100, which made a number of substantial changes to the Florida Retirement System (FRS). These changes include:

- A retiree of a state-administered retirement system who is elected or appointed for the first time to an elective office in a regularly established position on or after July 1, 2011, may not be enrolled as a renewed member.

- A retiree of a state-administered retirement system who is initially reemployed in a regularly established position on or after July 1, 2010, may not be enrolled as a renewed member.

- Loans and hardship withdrawals are prohibited in the State University System Optional Retirement Program. The bill also provides a definition of the term “benefit,” to clarify when distributions received by a member prohibit enrollment as a renewed member in a state-administered retirement system.

- A retiree of a state-administered retirement system initially reemployed in a regularly established position on or after July 1, 2010, is not eligible to participate in a state-administered retirement system.

- Loans and hardship withdrawals are prohibited in the FRS Investment Plan.

The bill was amended last week to clarify that a retiree who is a member of the investment plan and is employed on or after July 1, 2012, in a regularly established position shall be a renewed member in the regular class of the investment plan. The bill reported favorably in the Governmental Oversight and Accountability committee. There is no House companion at this time.

**SB 922 - Current and Former Military Personnel, by Senator Mike Bennett (R – Bradenton),** contains a number of provisions relating to current and former military personnel. In general, the bill:

- Creates the National Guard Employment Tax Credit Program. This program allows an eligible business, which employs a current member of the Florida National Guard who has been unemployed for more than 6 months or is returning from duty abroad, to be eligible to receive a $10,000 tax credit.
Expands the vendor preference in state contracting, which currently applies to qualified service-disabled veterans, to include certain businesses owned and operated by wartime veterans.

Allows a school-aged dependent of military personnel the option to remain at the school he or she currently attends if a local school board adjusts school zones, which requires attendance at a different school for that student.

Requires institutions within the Florida College System and State University System of Florida that offer priority course registration for a segment of the student population to provide priority course registration to veterans of the U.S. Armed Forces and dependents of veterans using GI Bill educational benefits.

Allows veterans of the U.S. Armed Forces who physically attend a public college, university or institution of higher learning in Florida, to be automatically classified as a resident of the state for tuition purposes.

The bill has passed out of the Senate and is waiting to be heard in the House. A House companion, HB 45, by Representative Jimmie Smith (R – Locanto) is waiting to be heard by the full House.

SB 94 - Postsecondary Education Course Registration for Veterans, by Senator Mike Fasano (R – New Port Richey),

requires institutions within the Florida College System and the State University System of Florida that offer priority course registration for a segment of the student population, or that establish such a policy, to provide priority course registration to veterans of the U.S. Armed Forces. Those eligible for priority registration under the bill include veterans using GI Bill educational benefits or the spouse or dependent children of a veteran to whom the GI Bill educational benefits have been transferred. The bill provides that qualified GI Bill users will be eligible for priority registration until the expiration of the GI Bill educational benefits. The bill reported favorably out of the Higher Education Appropriations Subcommittee and is now in the Budget Committee. A House companion, HB 977, by Representative Bryan Nelson (R – Apopka) reported favorably by the Economic Affairs Committee.

HB 755 - Relating to Postsecondary Education of Military Veterans by Representative Doug Holder (R – Sarasota),

requires that any veteran who meets specified criteria be admitted to any Florida College System institution or state university of veteran’s choice. The bill is in the K - 20 Innovation Committee. The identical bill in the Senate, SB 202, by Senator Mike Bennett (R – Bradenton) was withdrawn prior to introduction.

HB 5009 – Health Insurance Benefits for State Employees by Representative Denise Grimsley (R – Sebring), codifies the Health Savings Account employer contributions in permanent law rather than in the annual appropriations process. The bill provides that the Department of Management Services (DMS) may implement a 90-day supply limit program for certain maintenance drugs for retail pharmacies participating in the program if DMS finds it is in the best interest of the state. The bill passed the House and is waiting to be heard in the Senate. A comparable bill in the Senate, SB 1510 by Senator Bill Montford (D – Tallahassee, FSU Alum) has been referred to the Governmental Oversight and Accountability, the Health Regulation, and the Budget committees.

CS/HB 1261 – State Employment, by Representative Debbie Mayfield (R – Vero Beach),

makes changes to improve efficiency and to clean up statutory language. Those changes include:

- Authorization of the Department of Management Services to charge a state governmental entity outside of the state personnel system for use of services from the People First system;
- Revision of language pertaining to state employee furloughs to allow the provision to be used;
- Creation of a monetary cap on bonus payments to an employee in a fiscal year; and
- Removal of the annual hourly cap for other-personal-services employees.

The bill requires the Department of Management Services to provide a proposal to restructure and modernize the leave benefits of state personnel by a date certain. The bill is now in the Appropriations Committee. A similar bill in the Senate CS/SB 2084 by Senator Jeremy Ring (D – Margate) is now in the Budget Committee.

HB 7027 – State Unemployment Compensation by Representative Doug Holder (R – Sarasota),

rebrands the state’s unemployment compensation (UC) system as a “Reemployment Assistance Program.” The bill addresses aspects of the state’s UC system related to the initial skills assessment test and the operational efficiency of the program. The bill also extends the temporary extended benefits program and provides reporting flexibility to professional employer organizations. Related to the initial skills assessment test, the bill:

- Requires the Department of Economic Opportunity to establish a numeric score on the initial skills review which demonstrates a minimum proficiency in workforce skills.
- Provides a claimant with the option to undergo workforce skills training if he or she scores below this standard.
- Stipulates that workforce skills training will be provided at no cost to individuals in order to improve their minimum proficiency level.
- Related to improving efficiency in the UC program, the bill:
  - Reduces the number of weekly employer contacts from five to three for individuals that reside in a small county as defined by s. 120.52(19), F.S.
  - Allows a PEO to make a one-time irrevocable election to calculate, report, and pay state UC taxes under the respective unemployment account of each client.
- Clarifies that a disqualification for making a fraudulent claim begins when the fraudulent claim was made. Further, this disqualification may continue up to one year from the date DEO discovers the fraudulent claim and until any fraudulent overpayments are repaid in full.
- Amends the statute of limitations related to the collection of overpayments by providing that the commencement of collections must be initiated within 7 years after the redetermination or decision.
- Authorizes the DEO to non-charge the accounts of employers that are forced to lay off workers due to a man-made disaster of national significance.

The bill has passed out of the House and is waiting to be heard in the Senate. A comparable bill in the Senate, SB 1204 by Senator Nancy Detert (R – Venice) is now in the Budget Committee.

SB 1606 – Postsecondary Education by Senator Mike Bennett (R – Bradenton),

creates the Postsecondary Education Study Committee for the purpose of evaluating and determining whether state university branch campuses should be combined with Florida College System (FCS) campuses to create a three-level postsecondary edu-
cation system in the state. Members on the study commission will be appointed by the Governor, President of the Senate, and Speaker of the House of Representatives and must serve without compensation but are entitled to reimbursement for per diem and travel expense. The Committee must prepare and submit a report to the Governor and the Legislature by January 1, 2013. The law creating the committee will expire on January 1, 2013. The bill passed the Higher Education Committee last week. A similar bill in the House, HB 1375 by Representative Franklin Sands (D – Sunrise) is now in the K-20 Innovation Subcommittee.

SB 1156 - Relating to State University Student Fees by Senator Anitere Flores (R – Miami), authorizes state universities to increase the Capital Improvement Trust Fund (CITF) Fee and building fee to an amount that could not exceed 10 percent of tuition for resident students and 10 percent of the sum of tuition and out-of-state fees for nonresident students. The fees could be used to fund construction projects or property acquisition. A committee comprised of students appointed by the student body president and other members appointed by the university president would have to approve any subsequent increase in the fee. The fee could only be increased once each year and would have to be implemented beginning with the fall term. The bill requires the Board of Governors to adopt regulations and timetables to implement the fees. Additionally, the bill requires the Division of Bond Finance of the State Board of Administration to analyze any proposed reduction to the fees to ensure consistency with prudent financial management of the bond program associated with the revenues from the fee. The bill was scheduled to be heard by the Higher Education Committee yesterday, but was temporarily postponed. There is no House companion at this time.

CS/SB 1366 – Higher Education Reform by Senator Don Gaetz (R – Destin), requires changes in educational delivery and reporting to better inform students and their parents of the employment and economic outcomes for degrees earned at state universities and to provide opportunities for secondary and postsecondary students to earn science, technology, engineering and mathematics (STEM) industry certification necessary for employment. The bill requires:

- Reports of employment and earnings for graduates from state universities to be given to secondary school students and their parents and to university students when they register for classes;
- Reporting of university degrees conferred in STEM fields and university research and endowment funding;
- A career-themed course and a personalized academic and career plan for middle school students and their parents;
- Industry certification courses in middle school; and
- An agreement between the Department of Economic Opportunity (DEO) and the Board of Governors (BOG) to facilitate the re-enrollment and timely degree completion of students who leave their degree program for a tech job and want to return to complete their degree.

The bill directs funding toward education in technical fields by:

- Authorizing universities to use a portion of the tuition differential fee for financial aid for students in technology fields;
- Providing weighted funding for K-12 students in industry certification courses; and
- Providing performance funding for state universities that are most successful in educating students who earn degrees in, and become employed in, technology fields.

The bill reported favorably by the Higher Education Committee and is now in the Budget Committee. There is no House companion at this time.

SESSION SCHEDULE

SENATE SESSION
MONDAY, FEBRUARY 13, 1:00 p.m. to 4:30 p.m.
TUESDAY, FEBRUARY 14, 9:00 a.m. to 12:30 p.m.

HOUSE SESSION
TUESDAY, FEBRUARY 14, 3:00 p.m. to 6:00 p.m.
WEDNESDAY, FEBRUARY 15, 12:30 p.m. until completion
THURSDAY, FEBRUARY 16, 3:00 p.m. to 6:00 p.m.

Kathleen M. Daly, Assistant Vice President
Toni Moore, Program Coordinator
Chris Adcock, Office Administrator