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| Tab 1 | SB 4 by Galvano (CO-INTRODUCERS) Perry, Young, Bradley, Stewart, Stargel, Simpson, Steube, Passidomo, Bean, Baxley, Hukill, Benacquisto; (Identical to H 00423) Higher Education |
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The Florida Senate
COMMITTEE MEETING EXPANDED AGENDA
 APPROPRIATIONS SUBCOMMITTEE ON HIGHER
 EDUCATION
 Senator Galvano, Chair
 Senator Perry, Vice Chair

MEETING DATE: Wednesday, November 8, 2017
TIME: 2:00—4:00 p.m.
PLACE: Pat Thomas Committee Room, 412 Knott Building

MEMBERS: Senator Galvano, Chair; Senator Perry, Vice Chair; Senators Bradley, Farmer, Lee, Simpson, and Stewart

| TAB | BILL NO. and INTRODUCER | BILL DESCRIPTION and SENATE COMMITTEE ACTIONS | COMMITTEE ACTION |
|-----|--|---|----------------------------|
| 1 | SB 4 Galvano (Identical H 423, Compare S 540) | Higher Education; Citing this act as the "Florida Excellence in Higher Education Act of 2018"; establishing the World Class Faculty and Scholar Program; authorizing state university investments in certain faculty retention, recruitment, and recognition activities; establishing the State University Professional and Graduate Degree Excellence Program; authorizing a student to use Florida Bright Futures Scholarship Program awards for summer term enrollment; extending coverage of the Benacquisto Scholarship Program to include tuition and fees for qualified nonresident students, etc. ED 09/12/2017 ED 10/09/2017 Favorable AHE 11/08/2017 Favorable AP | Favorable Yeas 6 Nays 0 |

Other Related Meeting Documents

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Appropriations Subcommittee on Higher Education

BILL: SB 4

INTRODUCER: Senator Galvano and others

SUBJECT: Higher Education

DATE: November 8, 2017 REVISED: _____

| | ANALYST | STAFF DIRECTOR | REFERENCE | ACTION |
|----|--------------|----------------|------------|------------------|
| 1. | <u>Bouck</u> | <u>Graf</u> | <u>ED</u> | Favorable |
| 2. | <u>Sikes</u> | <u>Elwell</u> | <u>AHE</u> | Favorable |
| 3. | _____ | _____ | <u>AP</u> | _____ |

I. Summary:

SB 4 establishes the “Florida Excellence in Higher Education Act of 2018” to expand financial aid provisions and incentivize postsecondary institutions to emphasize on-time graduation. The bill also expands policy and funding options for state universities to recruit and retain exemplary faculty and enhance the quality of professional and graduate schools. Specifically, the bill:

- Increases student financial aid and tuition assistance programs in the following ways:
 - Expands the Florida Bright Futures Scholarship Program Academic Scholars award to cover 100 percent of tuition and specified fees plus \$300 per semester for textbooks, and authorize use of the award for summer term enrollment as funded in the General Appropriations Act (GAA).
 - Expands the Florida Bright Futures Scholarship Program Medallion Scholars award to an amount equal to 75 percent of tuition and specified fees to pay for educational expenses.
 - Extends the Benacquisto Scholarship Program to eligible students from out of state.
 - Revises the state-to-private match requirements for contributions to the First Generation Matching Grant Program from 1:1 to 2:1.
 - Establishes the Florida Farmworker Student Scholarship Program for farmworkers and the children of farmworkers.
 - Requires each state university board of trustees to adopt, for implementation in the fall 2018 semester, a block tuition policy for full-time, first-time-in-college students.
- Modifies state university performance accountability metrics to promote on-time student graduation in 4 years.
- Establishes the World Class Faculty and Scholar Program to fund and support the efforts of state universities to recruit and retain exemplary faculty and research scholars.
- Establishes the State University Professional and Graduate Degree Excellence Program to enhance the quality of professional and graduate schools and degree programs in medicine, law, and business.
- Requires state universities to use data-driven gap analyses to identify internship opportunities in high-demand fields for students.

- Strengthens accountability of state university direct-support organizations.

The bill has an estimated fiscal impact of \$99.2 million in the 2018-19 fiscal year. The cost of the Florida Bright Futures award changes is estimated to be \$98 million from the Educational Enhancement Trust Fund (EETF) while the cost of the Benacquisto Scholarship Program expansion is an estimated \$1.2 million from the General Revenue Fund.

The fiscal impacts relating to the World Class Faculty and Scholar, State University Professional and Graduate Degree Excellence, and Florida Farmworker Student Scholarship programs are contingent upon appropriations provided in the GAA.

The bill takes effect upon becoming a law.

II. Present Situation:

The present situation for the relevant portions of the bill is discussed in the Effect of Proposed Changes section of this bill analysis.

III. Effect of Proposed Changes:

The State University System of Florida (SUS) is established to achieve excellence through teaching students, advancing research, and providing public service for the benefit of Florida's citizens, their communities and economies.¹ The Board of Governors of the State University System (BOG) must support, promote, and enhance accountability; fiscal responsibility; articulation among state universities and with public schools and other postsecondary educational institutions; and affordable access to postsecondary educational opportunities for Florida residents.²

The bill expands financial aid and tuition assistance programs, which may help to address financial insecurity concerns of students and their families and assist students to graduate on time. The bill also provides supports to enhance the national competitiveness of the state universities in Florida and modifies state university accountability mechanisms to emphasize on-time student graduation and institutional transparency.

Institution Accountability (Sections 2, 3, 4, 5, and 8)

The BOG has established the following accountability mechanisms to maintain a consistent focus on state university excellence:³

¹ Art. IX, Sec. 7(a), Fla. Const.

² Section 20.155(4)(b), F.S.

³ Board of Governors, *Focus on Excellence: Board of Governors' State University System Initiatives*, Presentation to the Committee on Education, The Florida Senate (Dec. 12, 2016), available at http://www.flsenate.gov/PublishedContent/Committees/2016-2018/ED/MeetingRecords/MeetingPacket_3540.pdf.

- The annual *System Accountability Report*⁴ tracks performance trends on key metrics over five years.
- The *2025 System Strategic Plan*⁵ provides a long-range roadmap for the SUS.
- The *University Work Plans*⁶ provide a three-year plan of action.

Additionally, the Legislature has established performance-based funding models in recent years to evaluate the performance of Florida's state universities based on identified metrics and standards.

The bill strengthens institutional accountability by modifying state university performance and accountability metrics and standards to promote on-time student graduation in 4 years with a baccalaureate degree.

State University System Performance-Based Incentive (Section 4)

Present Situation

The SUS Performance-Based Incentive is awarded to state universities using performance-based metrics⁷ adopted by the BOG.⁸ The metrics include, but are not limited to, bachelor's degree graduates' employment and wages, average cost per bachelor's degree, a 6-year graduation rate, academic progress rates, access for students with a Pell grant,⁹ and bachelor's and graduate degrees in areas of strategic emphasis.

Currently, the 6-year and 4-year graduation rates for first-time-in-college (FTIC) students within the SUS are approximately 70 percent¹⁰ and 47 percent,¹¹ respectively. During the 2015-2016 academic year, the 6-year graduation rate for such students ranged from approximately 87 percent at the University of Florida (UF) to 41 percent at Florida Agricultural and Mechanical

⁴ Board of Governors, *2015-16 System Accountability Report*, available at http://www.flbog.edu/board/doc/accountability/ar_2015-16/2015_16_System_Accountability_Report_Summary_FINAL_2017-03-30.pdf.

⁵ Board of Governors, *2025 System Strategic Plan*, available at http://www.flbog.edu/board/doc/strategicplan/2025_System_Strategic_Plan_Amended_FINAL.pdf.

⁶ Board of Governors, *2017 Work Plan Reports*, http://www.flbog.edu/board/workplan/2017_workplan.php (last visited Oct. 6, 2017).

⁷ Board of Governors, *Performance Funding Model Overview*, available at http://www.flbog.edu/board/office/budget/doc/performance_funding/Overview-Doc-Performance-Funding-10-Metric-Model-Condensed-Version.pdf.

⁸ Section 1001.92(1), F.S.

⁹ Board of Governors, *Performance Funding Model Overview*, available at http://www.flbog.edu/board/office/budget/doc/performance_funding/Overview-Doc-Performance-Funding-10-Metric-Model-Condensed-Version.pdf.

¹⁰ State University System of Florida, *2015-16 System Accountability Report*, available at http://www.flbog.edu/board/doc/accountability/ar_2015-16/2015_16_System_Accountability_Report_Summary_FINAL_2017-03-30.pdf, at 7.

¹¹ *Id.* at 15.

University (FAMU).¹² The 4-year graduation rate during the same period ranged from approximately 67 percent at UF to 18 percent at FAMU.¹³

In comparison, the 4-year graduation rate for selected universities in other states during the same period was 86 percent at the University of Virginia; 81 percent at the University of North Carolina-Chapel Hill; 76 percent at the University of Michigan, Ann Arbor; 72 percent at the University of California, Berkeley; and 51 percent at the University of Texas at Austin.¹⁴

Graduation rates are one of the key accountability measures that demonstrate how well an institution is serving its FTIC students.¹⁵ On-time graduation in 4 years with a baccalaureate degree may result in savings related to cost of attendance for students and their families. For example, nationally, every extra year beyond 4 years to graduate with a baccalaureate degree from a public 4-year college costs a student \$22,826.¹⁶ This may also result in lost wages owing to delayed entrance into the workforce. The median wage of 2014-2015 baccalaureate degree graduates employed full-time one year after graduation was \$38,000.¹⁷

The BOG is required to adopt benchmarks to evaluate each state university's performance on the metrics.¹⁸ The evaluation assists with measuring a state university's achievement of institutional excellence or need for improvement, which determines the university's eligibility to receive performance funding.¹⁹

Effect of Proposed Changes

Section 4 amends s. 1001.92, F.S., to require that, beginning with the BOG's determination of each university's performance improvement and achievement rating for 2018 and related distribution of the 2018-2019 fiscal year appropriation, the SUS performance-based metric for graduation rate must include a 4-year graduation rate.

The shift in focus from 6-year to 4-year graduation rate will likely prompt a modification to the SUS strategic plan, as well as state university accountability mechanisms, which may assist with elevating the prominence and national competitiveness of the state universities in Florida.

Additionally, section 4 specifies that the performance-based metric related to access must include benchmarks that reward institutions with access rates at or above 50 percent. In fall

¹² *Id.* at 7.

¹³ *Id.* at 15.

¹⁴ Integrated Postsecondary Education Database, <https://nces.ed.gov/ipeds/datacenter/InstitutionByName.aspx> (last visited Oct. 6, 2017).

¹⁵ Board of Governors, *2025 System Strategic Plan*, March 2016, at 26, available at http://www.flbog.edu/board/doc/strategicplan/2025_System_Strategic_Plan_Amended_FINAL.pdf.

¹⁶ Complete College America, *Four-Year Myth: Make College More Affordable. Restore the Promise of Graduating on Time* (2014), available at <http://completecollege.org/wp-content/uploads/2014/11/4-Year-Myth.pdf>, at 5.

¹⁷ State University System of Florida, *2015-16 System Accountability Report*, available at http://www.flbog.edu/board/doc/accountability/ar_2015-16/2015_16_System_Accountability_Report_Summary_FINAL_2017-03-30.pdf, at 7.

¹⁸ Section 1001.92(1), F.S.

¹⁹ *Id.*

2015, the access rate for the SUS was 39 percent. FAMU (at 65.4 percent) and Florida International University (at 51.4 percent) exceeded the specified access rate.²⁰

Preeminent State Research Universities Program (Section 3)

Present Situation

The Preeminent State Research Universities Program is a collaborative partnership between the BOG and the Legislature to raise the academic and research preeminence of the highest performing state research universities in Florida.²¹ A state university that meets 11 of the 12 academic and research excellent standards specified in law²² is designated a “preeminent state research university.”²³ Currently, the University of Florida and the Florida State University are designated as preeminent state research universities.²⁴

A state research university that meets at least 6 of the 12 standards is designated as an “emerging preeminent state research university.”²⁵ Currently, the University of Central Florida and the University of South Florida-Tampa are designated as emerging preeminent state research universities.²⁶ Each designated emerging preeminent state research university receives an amount of funding that is equal to one-half of the total increased amount awarded to each designated preeminent state research university.²⁷

Courses Unique to the Institution

A university designated as a preeminent state research university may require its incoming FTIC students to take a six-credit set of unique courses.²⁸ Currently, UF lists two such courses and Florida State University lists 136 such courses.²⁹ The university may stipulate that credit for such

²⁰ *Id.* at 8.

²¹ Section 1001.7065(1), F.S.

²² Section 1001.7065(2), F.S. The standards include: incoming freshman academic characteristics (average weighted GPA and average SAT score); institutional ranking nationally; freshman retention rate; 6-year graduation rate; national academy membership of institution faculty; research expenditures and patents awarded annually; doctoral degrees awarded annually; postdoctoral appointees annually; and institutional endowment.

²³ Section 1001.7065(3)(a), F.S.

²⁴ Board of Governors, State University System of Florida, *2017 System Summary of University Work Plans*, at 10, available at

http://www.flbog.edu/board/doc/workplan/workplan_2017/2017_SYSTEM_WORK_PLAN_FINAL_2017-06-15.pdf.

²⁵ Section 1001.7065(3)(b), F.S.

²⁶ Board of Governors, State University System of Florida, *2017 System Summary of University Work Plans 2016*, available at

http://www.flbog.edu/board/doc/workplan/workplan_2017/2017_SYSTEM_WORK_PLAN_FINAL_2017-06-15.pdf, at 10.

²⁷ Section 1001.7065(5)(c)2., F.S. The 2017-2018 GAA appropriated \$52,000,000 to fund the preeminent and emerging preeminent state research universities. Specific Appropriation 141, 2017-70, L.O.F.

²⁸ Section 1001.7065(6), F.S.

²⁹ The Florida Senate staff analysis of the Florida Statewide Course Numbering System (Oct. 6, 2017), at <http://scns.fldoe.org>.

courses may not be earned through any acceleration mechanism³⁰ or any other transfer credit specifically determined by the university.³¹

Programs of National Excellence

The BOG is encouraged to establish standards and measures to identify individual programs in state universities that objectively reflect national excellence and make recommendations to the Legislature about ways to enhance and promote such programs.³²

Effect of Proposed Changes

Consistent with the emphasis on a 4-year graduation rate metric for the SUS Performance-Based Incentive program, section 3 amends s. 1001.7065, F.S., to revise the full-time FTIC student graduation rate metric for the preeminent state research university program from a rate of 70 percent or higher within 6 years to a rate of 60 percent or higher within four years.³³ However, for the 2018 determination of a university's preeminent designation and distribution of the 2018-2019 fiscal year appropriation, section 3 retains the current graduation rate metric (6-year graduation rate of 70 percent or higher) as of October 1, 2017. The BOG must confirm this 6-year graduation rate reported to the Integrated Postsecondary Education Data System (IPEDS).³⁴

Section 3 also revises the amount of funding provided to emerging preeminent state research universities from one-half to one-quarter of the total additional funding awarded to preeminent state research universities, beginning in the 2018-2019 fiscal year.

Courses Unique to the Institution

Section 3 eliminates the authority for the preeminent state research universities to require FTIC students to take a 6-credit set of courses unique to the institution. By deleting the authority for unique courses, the bill may provide to students flexibility in applying earned college credits purposefully toward degree requirements, which may assist the students to graduate on time in 4 years with a baccalaureate degree.

Programs of National Excellence

Consistent with efforts to strengthen institutional accountability to elevate the prominence of state universities, section 3 requires, rather than merely permit, the BOG to establish standards and measures for programs of excellence throughout the SUS, including undergraduate,

³⁰ Acceleration mechanisms include Advanced Placement (AP), International Baccalaureate (IB), Advanced International Certificate of Education (AICE), credit by examination, and dual enrollment. Section 1007.27(1), F.S.

³¹ Section 1001.7065(6), F.S.

³² Section 1001.7065(8), F.S.

³³ The bill also modifies the criterion for an increase in the tuition differential at a preeminent state research university from a 6-year to a 4-year graduation rate.

³⁴ IPEDS is a system of surveys conducted annually by the National Center for Education Statistics, which is a part of the Institute for Education Sciences within the United States Department of Education. National Center for Education Statistics, *IPEDS*, <https://nces.ed.gov/ipeds/> (last visited Oct. 6, 2017). Participation in the IPEDS surveys is mandatory for all institutions that participate in federal financial aid programs. 20 USC 1094, Section 487(a)(17) and 34 CFR 668.14(b)(19).

graduate, and professional degree programs. The BOG must make recommendations to the Legislature by September 1, 2018, regarding how these programs can be enhanced and promoted.

Experiential Learning Opportunities (Section 2)

Present Situation

The BOG is required to develop a strategic plan specifying goals and objectives for the State University System and each constituent university, including each university's contribution to overall system goals and objectives.³⁵

The strategic plan must include criteria for designating baccalaureate and master's degree programs at specified universities as high-demand programs of emphasis.³⁶ Fifty percent of the criteria for designation as high-demand programs of emphasis must be based on achievement of performance outcome thresholds determined by the BOG, and 50 percent of the criteria must be based on achievement of performance outcome thresholds specifically linked to:³⁷

- Job placement in employment of 36 hours or more per week and average full-time wages of graduates of the degree programs 1 year and 5 years after graduation.
- Data-driven gap analyses, conducted by the BOG, of the state's job market demands and the outlook for jobs that require a baccalaureate or higher degree.

In 2012, in response to a call from the chair of the BOG, the Commission on Higher Education Access and Educational Attainment (Commission) examined the alignment between higher education and workforce, which resulted in a method for a gap analysis of baccalaureate-level workforce demand.³⁸ In 2013, the Legislature appropriated \$15 million to the BOG to provide competitive awards to address high demand program areas identified in the Commission's gap analysis.³⁹ The gap analysis identified computer information and technology, and accounting and finance as high demand programs, requiring at least a bachelor's degree, with more than 1,000 unfilled annual openings in Florida.⁴⁰ In March 2014, the BOG approved four partnerships between universities and Florida College System institutions to receive \$15 million in funding for the Targeted Educational Attainment Grant Program, also known as the TEAm Grant Initiative.⁴¹

³⁵ Section 1001.706(5)(b), F.S.

³⁶ Section 1001.706(5)(b)4., F.S.

³⁷ *Id.*

³⁸ Board of Governors, *Aligning Workforce and Higher Education for Florida's Future* (Nov. 21, 2013), available at <http://www.flbog.edu/board/advisorygroups/doc/commission-materials/Access-and-Educational-Attainment-Commission-Outline.docx>.

³⁹ Board of Governors, *TEAm Grant Initiative Update* (Sept. 21, 2016), available at http://www.flbog.edu/documents_meetings/0201_1005_7558_2.10.1%20ASA%2010a_TEA%20Grant%20Initiative%20Update%20ai_JMI.pdf.

⁴⁰ Board of Governors, *Aligning Workforce and Higher Education for Florida's Future* (Nov. 21, 2013), available at http://www.flbog.edu/about/doc/commission-materials/Access-and-Attainment-Comm-FINAL-REPORT-10_29_13_rev.docx.

⁴¹ *Id.*

Effect of Proposed Changes

Section 2 amends s. 1001.706, F.S., to modify the requirements of the strategic plan, developed by the BOG, to require state universities to use data-driven gap analyses to identify internship opportunities in high-demand fields for students.

*Developmental Education (Section 8)**Present Situation*

Developmental education is instruction through which a high school graduate who applies for any college credit program may attain the communication and computation skills necessary to successfully complete college credit instruction.⁴² Developmental education may be delivered through a variety of strategies, including:⁴³

- Modularized instruction that is customized and targeted to address specific skills gaps.
- Compressed course structures that accelerate student progression from developmental instruction to college-level coursework.
- Contextualized developmental instruction that is related to meta-majors.
- Corequisite developmental instruction or tutoring that supplements credit instruction while a student is concurrently enrolled in a credit-bearing course.

Each FCS institution board of trustees is required to develop a plan to implement the developmental education strategies defined in law⁴⁴ and rules⁴⁵ of the SBE.⁴⁶ A state university BOT may contract with a FCS institution to provide developmental education services for university students in need of developmental education.⁴⁷ A state university that offered college-preparatory instruction as of January 1, 1996, is allowed to provide such services without contracting with a FCS institution. Currently, Florida Agricultural and Mechanical University (FAMU) is the only state university authorized to offer developmental education.⁴⁸

Effect of Proposed Changes

Section 8 amends s. 1008.30, F.S., to require a state university offering college-preparatory instruction to provide developmental education instruction as defined in s. 1008.02(1), F.S. As a result, FAMU may be required to revise its developmental education program to incorporate the developmental education strategies specified in law.

⁴² Section 1008.02(1), F.S.

⁴³ *Id.* Strategies include modularized instruction that is customized and targeted to address specific skills gaps, compressed course structures that accelerate student progression from developmental instruction to college level coursework, contextualized developmental instruction that is related to meta-majors, and corequisite developmental instruction or tutoring that supplements credit instruction while a student is concurrently enrolled in a credit-bearing course.

⁴⁴ *Id.*

⁴⁵ Rule 6A-14.030(12), F.A.C.

⁴⁶ Section 1008.30(5)(a), F.S.

⁴⁷ Section 1008.30(5)(c), F.S.

⁴⁸ Board of Governors Regulation 6.008(1).

State University System Direct Support Organizations (Section 5)

Present Situation

Each of the 12 state universities has at least one direct-support organization (DSO).⁴⁹ A state university DSO is:⁵⁰

- A Florida corporation not for profit, incorporated under the provisions of chapter 617, and approved by the Department of State;
- Organized and operated exclusively to receive, hold, invest, and administer property and to make expenditures to, or for the benefit of, a state university; and
- An organization reviewed and certified by the state university board of trustees (BOT) to be operating in a manner consistent with the goals of the college or university and in the best interest of the state.

State university boards of trustees are currently authorized to permit the use of property, facilities, and personal services at their college or university by the university DSOs.⁵¹ “Personal services” includes full-time or part-time personnel as well as payroll processing.⁵² Each state university board of trustees must establish conditions with which a DSO must comply in order to use university property, facilities, or personal services and such additional conditions, controls, and requirements for support organizations as each board deems appropriate to provide for budget and audit review and oversight.⁵³

State university DSOs are currently prohibited from giving, either directly or indirectly, any gift to a political committee for any purpose other than those certified by a majority roll call vote of the governing board of the DSO at a regularly scheduled meeting as being directly related to the educational mission of the institution.⁵⁴

Currently, all records of the state university DSOs other than the auditor’s report, management letter, and any supplemental data requested by the BOG, university BOT, the Auditor General, and the Office of Program Policy Analysis and Government Accountability are confidential.⁵⁵

Effect of Proposed Changes

Section 5 amends s. 1004.28, F.S., to enhance transparency and strengthen accountability for state university DSOs. Specifically, this section:

- Prohibits state university BOTs from permitting:

⁴⁹ State University System of Florida, *University Direct-Support Organizations*, July 2016, available at http://www.flbog.edu/pressroom/doc/DSO_Info_Brief_with_Attachments.pdf.

⁵⁰ Section 1004.28(1)(a), F.S.

⁵¹ *Id.* at (2)(a). Currently, all state universities, except for New College of Florida, have at least one DSO that utilizes state university personal services. Board of Governors, *2018 Bill Analysis for SB 4* (Sept. 22, 2017), at 9.

⁵² Section 1004.28(1)(b).

⁵³ Board of Governors Regulation 9.011(1).

⁵⁴ Section 1004.28(4), F.S. Currently, state university DSOs do not give gifts to political committees. Board of Governors, *2018 Agency Bill Analysis for SB 4* (Sept. 22, 2017), at 10.

⁵⁵ *Id.* at (5)(b).

- Any university DSO to use personal services beginning July 1, 2023.⁵⁶
- The use of state funds for travel expenses by any university DSO.
- Excludes DSO records related to the expenditure of state funds, and records related to the expenditure of private funds for travel from the current public records exemption for other records of the DSO that are deemed confidential and exempt from public records requirements. Accordingly, this section narrows the scope of the exemption from public records requirements for a state university DSO.
- Eliminates the exception that allows gifts to be made to a political committee if the gift is certified by a majority roll call vote of the governing board of the DSO at a regularly scheduled meeting as being directly related to the educational mission of the university.

Institution Excellence (Sections 6 and 7)

The ability of the state universities to recruit talented faculty and researchers, make strategic investments in research infrastructure, and connect university research to economic development, is key to advancing Florida's research and innovation competitiveness and effectiveness.⁵⁷

Present Situation

According to the BOG, for Florida to “secure its place as a national leader in the 21st century, it must prove competitive in discovery and innovation.”⁵⁸ The stronger the universities and the State of Florida are in research and development (R&D) performance and reputation, the more competitive Florida becomes in attracting and retaining the best and most promising faculty, students, staff, and companies.⁵⁹

In a 2014-15 National Science Foundation survey of R&D spending across the United States, the State of Florida ranked 4th on total research and development expenditures among public universities, behind California, Texas, and Michigan.⁶⁰ States with strong and competitive research enterprises support the research infrastructure in their state with a wide range of statewide grant programs to make their state universities more competitive for federal grant opportunities.⁶¹

⁵⁶ According to the BOG, the prohibition on the use of personal services by a state university DSO may limit or reduce the number of staff working for the state university DSOs. Board of Governors, *2018 Agency Bill Analysis for SB 4* (Sept. 22, 2017), at 9.

⁵⁷ Board of Governors, *Draft of Advancing Research and Innovation Legislative Budget Request*, Presentation to the Board of Governors Task Force on University Research (Sept. 22, 2016), available at [http://www.flbog.edu/documents_meetings/0201_1017_7616_10.3.2%20TF-RSRCH%2003b%20LBR%Request%20VPRs%20_2017_18%201aug2016%20Form%201%20\(002\)_JMI.pdf](http://www.flbog.edu/documents_meetings/0201_1017_7616_10.3.2%20TF-RSRCH%2003b%20LBR%Request%20VPRs%20_2017_18%201aug2016%20Form%201%20(002)_JMI.pdf).

⁵⁸ Board of Governors, *Draft of Advancing Research and Innovation Legislative Budget Request*, Presentation to the Board of Governors Task Force on University Research (Sept. 22, 2016), available at [http://www.flbog.edu/documents_meetings/0201_1017_7616_10.3.2%20TF-RSRCH%2003b%20LBR%Request%20VPRs%20_2017_18%201aug2016%20Form%201%20\(002\)_JMI.pdf](http://www.flbog.edu/documents_meetings/0201_1017_7616_10.3.2%20TF-RSRCH%2003b%20LBR%Request%20VPRs%20_2017_18%201aug2016%20Form%201%20(002)_JMI.pdf).

⁵⁹ *Id.*

⁶⁰ Email. Board of Governors (Jan. 12, 2017).

⁶¹ Board of Governors, *Draft of Advancing Research and Innovation Legislative Budget Request*, Presentation to the Board of Governors Task Force on University Research (Sept. 22, 2016), available at [http://www.flbog.edu/documents_meetings/0201_1017_7616_10.3.2%20TF-RSRCH%2003b%20LBR%Request%20VPRs%20_2017_18%201aug2016%20Form%201%20\(002\)_JMI.pdf](http://www.flbog.edu/documents_meetings/0201_1017_7616_10.3.2%20TF-RSRCH%2003b%20LBR%Request%20VPRs%20_2017_18%201aug2016%20Form%201%20(002)_JMI.pdf).

In Florida, the state universities have identified the need for funding to support university efforts to:⁶²

- Increase research capacity, output, and impact through targeted cluster hiring of talented faculty and strategic investments in research infrastructure.
- Increase and enhance undergraduate student participation in research through undergraduate research programs.
- Connect university research to Florida's industry and economic development through industry-sponsored research at state universities and research commercialization activities.

Effect of Proposed Changes

Sections 6 and 7 establish the World Class Faculty and Scholar Program and the State University Professional and Graduate Degree Excellence Program to advance the national competitiveness of the state universities in Florida.

World Class Faculty and Scholar Program

Section 6 creates s. 1004.6497, F.S., to establish the World Class Faculty and Scholar Program to elevate the national prominence of state universities in Florida. Specifically, this section:

- Authorizes state university investments in recruiting and retaining talented faculty; and specifies that funding for the program will be as provided in the GAA, beginning in the 2017-2018 fiscal year.
- Specifies that such investments may include, but not be limited to, investments in research-centric cluster hires, faculty research and research commercialization efforts, instructional and research infrastructure, undergraduate student participation in research, professional development, awards for outstanding performance, and postdoctoral fellowships.
- Requires the BOG to, annually, by March 15, provide to the Governor, President of the Senate, and Speaker of the House of Representatives, an accountability report which includes specific expenditure information on program funds and the impact of those expenditures in elevating the national competitiveness of the universities, specifically relating to the:
 - Success in recruiting research faculty and the resulting research funding;
 - 4-year graduation rate;
 - Number of undergraduate courses offered with fewer than 50 students; and
 - Increased national academic standing of targeted programs.

Section 6 creates a funding mechanism to assist the state universities with faculty recruitment and retention efforts to attract exemplary faculty and research scholars to Florida, which may ultimately help Florida's state universities improve their national competitiveness.

State University Professional and Graduate Degree Excellence Program

Section 7 creates s. 1004.6498, F.S., to establish the State University Professional and Graduate Degree Excellence Program (Degree Excellence Program) to fund and support the efforts of state universities to enhance the quality and excellence of professional schools and graduate degree

⁶² *Id.*

programs in medicine, law, and business, and expand the economic impact of state universities. Specifically, this section:

- Authorizes quality improvement efforts of the state universities, and specifies that funding for the program will be as provided in the GAA, beginning in the 2017-2018 fiscal year.
- Specifies that such efforts may include, but not be limited to, targeted investments in faculty, students, research, infrastructure, and other strategic endeavors to elevate the national and global prominence of state university medicine, law, and graduate-level business degree programs.
- Requires the BOG to, annually, by March 15, provide to the Governor, President of the Senate, and Speaker of the House of Representatives, an accountability report which includes specific expenditure information on program funds and the impact of those expenditures in elevating the national and global prominence of the university medicine, law, and graduate-level business programs, specifically relating to the:
 - First-time pass rate on the United States Medical Licensing Examination;
 - First-time pass rate on the Florida Bar Examination;
 - Percentage of graduates enrolled or employed at a wage threshold that reflects the added value of a graduate-level business degree;
 - Advancement in rankings of the state university medicine, law, and graduate-level business degree programs; and
 - Added economic benefit of the universities to the state.

The Degree Excellence Program creates a funding mechanism to boost the excellence of state university professional schools and graduate degree programs in specified areas. The Degree Excellence Program may bolster the state universities' efforts to recruit and retain talented students and faculty, which may help to raise the national and international prominence of the state universities and the programs within such universities. The Degree Excellence Program may also assist in improving the national rankings of the state universities in medicine, law, and business. The table below lists the 2018 U.S. News and World Report rankings⁶³ for such programs.

⁶³The Florida Senate staff analysis of U.S. News & World Report, *Graduate School Rankings*, <https://www.usnews.com/best-graduate-schools> (last visited Oct. 6, 2017).

| Institution | Medicine (Research) ⁶⁴ | Medicine (Primary Care) ⁶⁵ | Law ⁶⁶ | Business ⁶⁷ |
|----------------------------------|-----------------------------------|---------------------------------------|-------------------|------------------------|
| Florida Atlantic University | Unranked ⁶⁸ | Unranked | | Unranked |
| Florida A&M University | | | RNP ⁶⁹ | Unranked |
| Florida Gulf Coast University | | | | Unranked |
| Florida International University | Unranked | Unranked | 100 | Unranked |
| Florida State University | RNP | RNP | 48 | Unranked |
| University of Central Florida | RNP | RNP | | Unranked |
| University of Florida | 40 | 61 | 41 | 40 |
| University of North Florida | | | | Unranked |
| University of South Florida | 56 | 77 | | Unranked |
| University of West Florida | | | | Unranked |

Access and Affordability

The Legislature has established various student financial aid and tuition assistance programs to assist students in accessing and pursuing higher education in Florida.

Florida Bright Futures Scholarship Program (Sections 9, 10, 11, 12, 13, 14, and 19)

Present Situation

The Florida Bright Futures Scholarship (Bright Futures) Program was established in 1997⁷⁰ as a lottery-funded scholarship program to reward a Florida high school graduate who merits recognition for high academic achievement. The student must enroll in a degree program, certificate program, or applied technology program at an eligible public or private postsecondary

⁶⁴ The Florida Senate staff analysis of U.S. News & World Report, *Medical Schools (Research)*, <https://www.usnews.com/best-graduate-schools/top-medical-schools/research-rankings?int=af3309&int=b3b50a&int=b14409> (last visited Oct. 6, 2017).

⁶⁵ The Florida Senate staff analysis of U.S. News & World Report, *Medical Schools (Primary Care)*, <https://www.usnews.com/best-graduate-schools/top-medical-schools/primary-care-rankings?int=af3309&int=b3b50a&int=aac509> (last visited Oct. 6, 2017).

⁶⁶ The Florida Senate staff analysis of U.S. News & World Report, *Law Schools*, <https://www.usnews.com/best-graduate-schools/top-law-schools/law-rankings?int=a1d108> (last visited Oct. 6, 2017).

⁶⁷ The Florida Senate staff analysis of U.S. News & World Report, *Business Schools*, <https://www.usnews.com/best-graduate-schools/top-business-schools/mba-rankings?int=9dc208> (last visited Oct. 6, 2017).

⁶⁸ “Unranked” indicates a school or program attribute does not align with U.S. News & World Report ranking metrics.

⁶⁹ “RNP” indicates a ranking not published, which indicates the program is in the bottom 25 percent of the U.S. News & World Report rankings.

⁷⁰ Section 2, ch. 1997-77, L.O.F.

education institution⁷¹ in Florida after graduating from high school.⁷² The Bright Futures program consists of three types of awards:⁷³

- Florida Academic Scholars (FAS);⁷⁴
- Florida Medallion Scholars (FMS);⁷⁵ and
- Florida Gold Seal Vocational Scholars and Florida Gold Seal CAPE Scholars.⁷⁶

Bright Futures program award amounts are specified annually in the General Appropriations Act (GAA).⁷⁷ The 2017-2018 GAA provides FAS awards equal to 100 percent of tuition and applicable fees, and an additional \$300 each fall and spring semester for textbooks and college-related expenses.⁷⁸ The applicable fees include the activity and service fee, health fee, athletic fee, financial aid fee, capital improvement fee, campus access/transportation fee, technology fee, and the tuition differential fee.⁷⁹ However, current law prohibits both the technology fee and tuition differential fee from being included in any Florida Bright Futures Scholarship Program award.⁸⁰ The Department of Education (DOE) authorized these fees to be included in the 2017-2018 FAS awards⁸¹ as appropriated in the 2017-2018 GAA. Students attending a private postsecondary education institution receive a comparable amount.^{82, 83}

A student may use a Bright Futures award for summer term enrollment if funds are available.⁸⁴ Funds have not been appropriated for Bright Futures summer term awards since the 2000-2001

⁷¹ A student who receives any award under the Florida Bright Futures Scholarship Program, who is enrolled in a nonpublic postsecondary education institution, and who is assessed tuition and fees that are the same as those of a full-time student at that institution, receives a fixed award calculated by using the average tuition and fee calculation as prescribed by the Department of Education for full-time attendance at a public postsecondary education institution at the comparable level. Section 1009.538, F.S.

⁷² Sections 1009.53(1) and 1009.531(2)(a)-(c), F.S. Starting with 2012-2013 graduates, a student graduating from high school is able to accept an initial award for 2 years following high school and to accept a renewal award for 5 years following high school graduation.

⁷³ Section 1009.53(2), F.S.

⁷⁴ Section 1009.534, F.S.

⁷⁵ Section 1009.535, F.S.

⁷⁶ Section 1009.536, F.S.

⁷⁷ Sections 1009.534(2), 1009.535(2), and 1009.536(3), F.S.

⁷⁸ Specific Appropriation 4, 2017-70, L.O.F. The 2017-2018 GAA also provides FMS awards at \$77 at 4-year institutions, \$63 at 2-year institutions, \$53 for upper-division programs at Florida Colleges, and \$39 for career and technical centers. *Id.*

⁷⁹ Florida Department of Education, *2017-18 Bright Futures Scholarship Program Award Amounts Update*, July 12, 2017, available at <http://edr.state.fl.us/content/conferences/financialaid/DOEMemorandum.pdf>.

⁸⁰ Sections 1009.22(7), 1009.23(10), 1009.24(13) and (16), F.S.

⁸¹ Florida Department of Education, *2017-18 Bright Futures Scholarship Program Award Amounts Update*, July 12, 2017, available at <http://edr.state.fl.us/content/conferences/financialaid/DOEMemorandum.pdf>.

⁸² *Id.*

⁸³ Section 1009.538, F.S.

⁸⁴ Section 1009.53(9), F.S.

fiscal year.⁸⁵ However, the 2017-2018 GAA provides funds for 2018 summer term FAS awards at an amount equal to 100 percent of tuition and applicable fees.⁸⁶

Effect of Proposed Changes

The bill modifies the awards for the Bright Futures FAS and FMS programs.

Florida Bright Futures Scholarship Program – Florida Academic Scholars

Section 13 amends s. 1009.534, F.S., to codify the FAS award amount⁸⁷ to cover 100 percent of tuition and certain tuition-indexed fees⁸⁸ plus \$300 for textbooks and educational expenses during each fall and spring semester or the equivalent, beginning in the 2017-2018 academic year. The Legislature appropriated \$397.3 million in the 2017-2018 GAA for the Bright Futures Program, which includes \$274.1 million⁸⁹ to provide FAS awards at an amount equal to 100 percent of tuition and specified fees, including a \$300 per semester textbook stipend.⁹⁰ Section 19 provides that section 13 applies retroactive to July 1, 2017.

Additionally, section 12 amends s. 1009.53, F.S., to limit the use of Florida Bright Futures Scholarship Program awards, including an FAS award, for summer term enrollment, only if such awards for summer term are funded in the GAA. In the 2017-2018 GAA, \$39.5 million is appropriated for 2018 summer term FAS awards. Section 19 provides that section 12 applies retroactively to July 1, 2017.

Florida Bright Futures Scholarship Program – Florida Medallion Scholars

Section 14 amends s. 1009.535, F.S., to increase the FMS award to an amount required to pay 75 percent of tuition and specified fees, beginning in the 2018 fall semester. Compared to 2017 FMS awards, the 75 percent award amount is projected to increase the per-credit-hour awards as shown in the table below:

⁸⁵ Florida Office of Economic and Demographic Research, Student Financial Aid Impact Conference (March 2015), *available at* <http://edr.state.fl.us/Content/conferences/financialaidimpact/archives/150303financialaidimpact.pdf>.

⁸⁶ Specific Appropriation 4, 2017-70, L.O.F.

⁸⁷ The 2017-2018 GAA provides that Florida Academic Scholars must receive an award equal to 100 percent of tuition and applicable fees, and an additional \$300 each fall and spring semester for textbooks and college-related expenses. Specific Appropriation 4, 2017-70, L.O.F.

⁸⁸ The tuition-indexed fees specified in SB 4 include financial aid, capital improvements, technology enhancements, equipping buildings, or the acquisition of improved real property, and technology (s. 1009.22, F.S.); activity and service, financial aid, technology, capital improvements, technology enhancements, and equipping student buildings or the acquisition of improved real property (s. 1009.23, F.S.); financial aid, Capital Improvement Trust Fund, activity and service, health, athletic, technology, transportation access, and includes the tuition differential (s. 1009.24, F.S.). The bill specifies that only university-wide transportation access fees may be included in any Bright Futures award.

⁸⁹ Office of Economic & Demographic Research, *Florida Bright Futures Scholarship Program, Awards History and Forecast*, *available at* <http://edr.state.fl.us/Content/conferences/financialaid/ConferenceResults.pdf>, at 7.

⁹⁰ Specific Appropriation 4, 2017-70 L.O.F.

| | 2017-2018 FMS Per-Credit-Hour Award⁹¹ | Projected 2018-2019 FMS Per-Credit-Hour Award |
|----------------------------|---|--|
| 4-Year Institutions | \$77 | \$159 |
| 2-Year Institutions | \$63 | \$80 |
| Upper Division in the FCS | \$53 | \$92 |
| Career/Technical Education | \$39 | \$62 |

Accordingly, the expansion of the FMS program further facilitates higher education access and affordability for a projected 43,892⁹² eligible students.

Sections 9 through 11 amend ss. 1009.22, 1009.23, 1009.24, F.S., to eliminate the prohibitions in Florida law⁹³ regarding the inclusion of the following fees in Florida Bright Futures Scholarship Program awards:

- Technology fees at state universities and Florida College System institutions, and for postsecondary workforce education provided by school districts and Florida College System institutions.
- The tuition differential fee at a state university.

Section 19 provides that sections 9 through 11 apply retroactively to July 1, 2017.

Benacquisto Scholarship Program (Section 16)

Present Situation

The Benacquisto Scholarship Program, created in 2014,⁹⁴ rewards any Florida high school graduate who receives recognition as a National Merit Scholar (NMS) or National Achievement Scholar (NAS) and who enrolls in a baccalaureate degree program at an eligible Florida public or independent postsecondary education institution.⁹⁵ Among other statutory eligibility requirements,⁹⁶ the student must earn a standard Florida high school diploma or equivalent⁹⁷ and be a state resident.⁹⁸

The award amounts are as follows:

⁹¹ Specific Appropriation 4, 2017-70, L.O.F.

⁹² Office of Economic & Demographic Research, *Florida Bright Futures Scholarship Program, Awards History and Forecast*, available at <http://edr.state.fl.us/Content/conferences/financialaid/ConferenceResults.pdf>, at 3.

⁹³ Sections 1009.22(7), 1009.23(10), and 1009.24(13), F.S.

⁹⁴ The Benacquisto Scholarship Program was formerly titled the Florida National Merit Scholar Incentive Program. Section 26, ch. 2016-237, L.O.F.

⁹⁵ Section 1009.893, F.S.

⁹⁶ Section 1009.893(4), F.S.

⁹⁷ Other graduation options include Academically Challenging Curriculum to Enhance Learning (ACCEL) options (s. 1002.3105, F.S.), early high school graduation (s. 1003.4281, F.S.), a high school equivalency diploma (s.1003.435, F.S.), completion of a home education program (s. 1002.41, F.S.), or earning a high school diploma from a school outside Florida while living with a parent or guardian who is on military or public service assignment outside Florida.

⁹⁸ Section 1009.893(4)(a), F.S. Section 1009.40(1)(a)2., F.S., specifies that a student must meet the requirements of Florida residency for tuition purposes under s. 1009.21, F.S.; see also Rule 6A-10.044, F.A.C.

- At a Florida public postsecondary education institution the award is equal to the institutional cost of attendance less the sum of the student's Bright Futures Scholarship and NMS or NAS award.^{99,100}
- At a Florida independent postsecondary education institution the award is equal to the highest cost of attendance at a Florida public university, as reported by the BOG, less the sum of the student's Bright Futures Scholarship and NMS or NAS award.¹⁰¹

In the 2015-2016 and 2016-2017 academic years, an estimated average of 59102 National Merit Scholars and National Achievement Scholars who initially enrolled in a Florida college or university graduated from out-of-state high schools.

Effect of Proposed Changes

Section 16 amends s. 1009.893, F.S., to modify eligibility requirements for the Benacquisto Scholarship Program to recruit talented and qualified students from out of state and assist out-of-state students to access higher education in Florida, graduate on time, and incur less education-related debt. Specifically, this section:

- Establishes student eligibility criteria, to apply to students who are not residents of the state and who initially enroll in a baccalaureate degree program in the 2018-2019 academic year or thereafter, requiring such students to:
 - Physically reside in Florida on or near the campus of the postsecondary education institution in which they enroll;
 - Earn a high school diploma or equivalent or complete a home education program, comparable to Florida; and
 - Be accepted by and enroll full-time in a baccalaureate degree program at an eligible regionally accredited public or private postsecondary education institution during the fall academic term following high school graduation.
- Provides that for an eligible student who is not a resident of the state and who attends:
 - A public postsecondary education institution, the award amount must be equal to the institutional cost of attendance¹⁰³ for a resident of the state less the student's National Merit Scholarship. The bill exempts such student from out-of-state fees.

⁹⁹ The National Merit Scholarship Corporation discontinued the National Achievement Scholarship Program with the conclusion of the 2015 program,

<http://www.nationalmerit.org/s/1758/interior.aspx?sid=1758&gid=2&pgid=433> (last visited Oct. 6, 2017).

¹⁰⁰ Section 1009.893(5)(a), F.S.

¹⁰¹ *Id.* at (5)(b).

¹⁰² Economic and Demographic Research, *Education Estimating Conference on Students Financial Aid Impact*, available at <http://edr.state.fl.us/Content/conferences/financialaidimpact/archives/170612financialaidimpact.pdf>, at 10.

¹⁰³ The 2017-2018 cost of attendance on campus for full time undergraduate Florida resident students includes tuition and fees, books and supplies, room and board, transportation, and other expenses; the average annual cost of attendance for the State University System is \$21,790.31. Board of Governors, *Fall/Spring Cost of Attendance On-Campus for Full-Time Undergraduate Florida Residents 2017-2018*, available at http://www.flbog.edu/board/office/budget/_doc/attendance/CostAttendance2017_18_FINAL.xlsx.

- A private postsecondary education institution, the award amount must be equal to the highest cost of attendance¹⁰⁴ for a resident of the state enrolled at a state university, less the student's National Merit Scholarship.

First Generation Matching Grant Program (Section 15)

Present Situation

The First Generation Matching Grant Program (FGMG) was established in 2006¹⁰⁵ to enable each state university to provide donors with a matching grant incentive for contributions to create grant-based student financial aid for undergraduate students who demonstrate financial need and whose parents have not earned a baccalaureate degree.¹⁰⁶ Funds appropriated for the program must be allocated by the Office of Student Financial Assistance (within the Florida Department of Education) to match private contributions on a dollar-for-dollar basis.¹⁰⁷

In the 2016-2017 fiscal year, 8,361 state university and Florida College System (FCS) students received an initial or renewal average award of \$1,269.83.¹⁰⁸ Additionally, there were 15,442 students who were eligible for the FGMG award but did not receive the award.¹⁰⁹

Although limited to state universities in the statutory provisions, the Legislature has expanded eligibility for participation to the FCS through proviso in the annual general appropriations acts since 2007. In the 2016-17 fiscal year, 51 percent (4,293) of all FGMG recipients were FCS students.

Effect of Proposed Changes

Section 15 amends s. 1009.701, F.S., to expand need-based financial aid by revising the state to private match requirements from a 1:1 match to a 2:1 match, beginning in the 2018-2019 fiscal year.

To the extent that an increase in the state matching contribution rate results in the availability of more funds for this purpose, the award amount may be increased, more eligible students may receive an award, or a combination of the two.

Section 15 also codifies the authority for FCS institutions to raise funds to match the state appropriations for FGMG to provide need-based financial assistance to students attending FCS institutions.

¹⁰⁴ The highest State University System cost of attendance in 2017-2018 is \$23,960 at Florida Atlantic University. *Id.*

¹⁰⁵ Section 1, ch. 2006-73, L.O.F.

¹⁰⁶ Section 1009.701(1), F.S.

¹⁰⁷ *Id.* at (2).

¹⁰⁸ Florida Department of Education, Office of Student Financial Assistance, *End-of-Year Report, 2016-17, First Generation Matching Grant Program*, available at https://www.floridastudentfinancialaidsg.org/pdf/EOY_Reports/2016-17/FGMG_2016_2017.pdf.

¹⁰⁹ *Id.*

Florida Farmworker Student Scholarship Program (Section 17)

Present Situation

Student eligibility requirements for state financial aid awards and tuition assistance grants¹¹⁰ typically include, but are not limited to, residency in this state for no less than one year preceding the award of aid or a tuition assistance grant for specific programs established in law.¹¹¹ Residency in this state must be for purposes other than to obtain an education.¹¹² The residency status for financial aid awards and tuition assistance must be determined in the same manner as resident status for tuition purposes.¹¹³

A dependent child who is a United States citizen may not be denied classification as a resident for tuition purposes based solely upon the immigration status of his or her parent.¹¹⁴

Effect of Proposed Changes

Section 17 creates s. 1009.894, F.S., to establish the Florida Farmworker Scholarship Program (Farmworker Scholarship) administered by the Department of Education (DOE). Beginning in the 2017-2018 academic year, up to 50 scholarships must be awarded annually to farmworkers, as defined in s. 420.503, F.S.,¹¹⁵ and the children of such farmworkers, who meet the scholarship eligibility criteria. To be eligible for an initial scholarship, a student must, at a minimum:

- Have resident status as required by s. 1009.40 F.S.,¹¹⁶ and rules of the State Board of Education;
- Earn a minimum cumulative 3.5 weighted grade point average (GPA) for all high school courses creditable towards a diploma;
- Complete a minimum of 30 hours of community service; and
- Have at least a 90 percent attendance rate and not have had any disciplinary action brought against him or her, as documented on the student's high school transcript.

A Farmworker Scholarship recipient, who is enrolled full-time, is eligible for an award equal to 100 percent of tuition and specified fees at a public postsecondary education institution. A scholarship recipient must maintain at least a cumulative 2.5 college GPA to renew the award, and may receive funding for a maximum of 100 percent of the number of credit hours required to complete an associate or baccalaureate degree program. The bill specifies that funding for the

¹¹⁰ See section 1009.40, F.S.

¹¹¹ *Id.* at (1)(a)2., F.S. The residency requirement applies to programs under ss. 1009.50, 1009.505, 1009.51, 1009.52, 1009.53, 1009.60, 1009.62, 1009.72, 1009.73, 1009.77, 1009.89, and 1009.89, F.S.

¹¹² *Id.*

¹¹³ *Id.*

¹¹⁴ Section 1009.21(2)(d), F.S.

¹¹⁵ A "Farmworker" is a laborer who is employed on a seasonal, temporary, or permanent basis in the planting, cultivating, harvesting, or processing of agricultural or aquacultural products and who derived at least 50 percent of her or his income in the immediately preceding 12 months from such employment.

Section 420.503(18)(a), F.S.

¹¹⁶ Students must meet the requirement related to residency in this state for no less than 1 year preceding the award. Residency must be for purposes other than to obtain an education and the student's resident status must be determined in the same manner as the resident status for tuition purposes pursuant to s. 1009.21, F.S. Section 1009.40(1)(a)2., F.S.

Farmworker Scholarship is contingent upon an appropriation in the GAA.¹¹⁷ Undocumented immigrants are not eligible for a Farmworker Scholarship award.

William L. Boyd, IV, Florida Resident Access Grant (Section 20)

Present Situation

The William L. Boyd, IV, Florida Resident Access Grant (FRAG) is a tuition assistance program that is available to full-time degree-seeking undergraduate students registered at an independent nonprofit college or university which is located in and chartered by the state; which is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools; which grants baccalaureate degrees; which is not a state university or FCS institution; and which has a secular purpose.¹¹⁸

Effect of Proposed Changes

Section 20 directs the Division of Law Revision and Information to substitute the term “Effective Access to Student Education Grant Program” for “Florida Resident Access Grant Program” wherever that term appears in the Florida Statutes, effectively renaming the FRAG Program as the William L. Boyd, IV, Effective Access to Student Education (EASE) Grant Program.

Stanley G. Tate Florida Prepaid College Program (Section 18)

Present Situation

The Florida Prepaid College Program (Prepaid Program) provides families an affordable and secure way to save for tuition and specified fees at Florida’s postsecondary institutions.¹¹⁹ The Prepaid Program allows a family to pay for tuition and specified fees in advance of enrollment in a state postsecondary institution at a rate lower than the projected corresponding cost at the time of actual enrollment.¹²⁰ These payments are invested in a manner that yields sufficient interest to generate the difference between the prepaid amount and the cost of tuition and specified fees at the time of actual enrollment. For the fall 2015 semester, 59,019 students used a Florida Prepaid College Plan at a state university.¹²¹

Effect of Proposed Changes

Section 18 amends s. 1009.98, F.S., to allow a Florida Prepaid College Program plan (Prepaid Plan), purchased prior to July 1, 2024, to pay only for the credit hours in which a student is enrolled. In effect, this provision maximizes the number of credit hours a Prepaid Plan will fund under a block tuition plan but may shift costs to the student to the extent the student enrolls in fewer credit hours than the rate at which the block tuition is set.

¹¹⁷ The 2017-2018 GAA appropriated \$500,000 to the Florida Farmworker Scholarship Program.

¹¹⁸ Section 1009.89(1) and (3), F.S.

¹¹⁹ Florida Prepaid College Board, *2016 Annual Report*, available at http://www.myfloridaprepaid.com/wp-content/uploads/fpcb_2016_annual_report.pdf, at 6.

¹²⁰ Section 1009.98, F.S.

¹²¹ Florida Prepaid College Board, *2016 Annual Report*, available at http://www.myfloridaprepaid.com/wp-content/uploads/fpcb_2016_annual_report.pdf, at 11.

Block Tuition (Section 11)

Present Situation

The BOG is authorized to approve a proposal from a university board of trustees to implement flexible tuition¹²² policies including, but not limited to, block tuition.¹²³ The block tuition policy for resident undergraduate students or undergraduate-level courses must be based on the established per-credit-hour undergraduate tuition.¹²⁴ The block tuition policy for nonresident undergraduate students must be based on the established per-credit-hour undergraduate tuition and out-of-state fee.¹²⁵ The BOG has not received a block tuition policy proposal for approval from any state university.¹²⁶

Institutions in other states that have implemented a block tuition policy include, but are not limited to, the University of Michigan, the Ohio State University and the University of North Carolina at Chapel Hill.¹²⁷ Additionally, the University of Oklahoma¹²⁸ and Oklahoma State University¹²⁹ have implemented block tuition policies that incentivize students to complete 15 credits in each of the fall and spring semesters, or 30 credits in the fall, spring, and summer semesters.

Under current law, each state university must publicly notice and notify all enrolled students of any proposal to increase tuition and fees. Such notice must be given at least 28 days before the board of trustees considers such proposal.

Effect of Proposed Changes

Section 11 amends s. 1009.24, F.S., to require each state university boards of trustees (BOT) to adopt, for implementation beginning in the fall 2018 academic semester, a block tuition policy for the entering freshman class of full-time, FTIC students. Such policy may provide students with a financial incentive to enroll in additional courses and graduate in 4 years with a baccalaureate degree. Each block tuition policy must, at a minimum:

- Include block tuition and any required fees;
- Require the university to maximize the application of appropriate acceleration credits; and
- Enable students to have the flexibility to earn at least 30 credits in any combination of fall, spring, and summer academic semesters or terms.

¹²² Section 1009.01, F.S., defines tuition as the basic fee charged to a student for instruction provided by a public postsecondary education institution in this state.

¹²³ Section 1009.24(15)(a), F.S.

¹²⁴ *Id.* at 3.

¹²⁵ *Id.*

¹²⁶ Board of Governors, *2018 Bill Analysis for SB 4* (Sept. 22, 2017), at 6.

¹²⁷ Presentation to the Committee on Education, The Florida Senate (Dec. 12, 2016), Office of Program Policy and Government Accountability, *State University System Undergraduate Student Success Overview*, available at http://www.flsenate.gov/PublishedContent/Committees/2016-2018/ED/MeetingRecords/MeetingPacket_3540.pdf, at 33.

¹²⁸ University of Oklahoma, *Flat-Rate Tuition*, <http://www.ou.edu/bursar/flat-rate-tuition.html> (last visited Oct. 6, 2017).

¹²⁹ Oklahoma State University, *Block Rate Information*, <http://blockrate.okstate.edu/faq> (last visited Oct. 6, 2017).

Each state university BOT must submit to the BOG its block tuition policy by April 1, 2018, along with information on the potential impact of such policy on students. By August 1, 2018, the Chancellor of the State University System must submit to the Governor and the Legislature a summary of the block tuition policies, the status of the BOG's review and approval of such policies, and the BOG's recommendations for improving block tuition and fee benefits for students.

Section 11 also expands the public notification requirements placed upon state universities¹³⁰ related to tuition and fees to include any changes to tuition and fees rather than just increases to tuition and fees.

Section 21 provides that the bill takes effect upon becoming a law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

SB 4 increases financial aid and tuition assistance to students. Specifically, the bill:

- Modifies the Florida Medallion Scholars (FMS) award to an amount equal to 75 percent of public postsecondary education institution tuition and specified fees for educational expenses. The increase in the FMS award to cover 75 percent of tuition and specified fees may increase the current average FMS award per academic year by approximately:
 - \$2,000 if the student is enrolled at a 4-year institution.
 - \$300 if the student is enrolled at a 2-year institution.
- Expands the Benacquisto Scholarship Program to include out-of-state National Merit Scholar students who meet the specified eligibility criteria, which is likely to provide

¹³⁰ Section 1009.24(20), F.S.

a significant cost savings to such students. Such students may be eligible for an annual award of approximately \$21,148.

- Doubles the state match for the First Generation in College Matching Grant, which may make the matching grant available to more students, result in an increased award amount for eligible students, or a combination of the two.
- Establishes the Florida Farmworker Student Scholarship Program for farmworkers and the children of farmworkers. Scholarship recipients are eligible for an award equal to 100 percent of tuition and specified fees at a public postsecondary institution. A scholarship recipient who enrolls in 30 credit hours per academic year at a state university is estimated to receive an award of approximately \$6,000.
- Requires state universities to adopt and implement a block tuition policy. The impact on students will depend upon the parameters of the various policies implemented and the number of credits in which a particular student enrolls. Some students may enjoy cost savings while other students may not be impacted or may incur additional costs.

C. Government Sector Impact:

Section 13 codifies the funding policies set forth in the 2017-2018 General Appropriations Act for the Florida Academic Scholars (FAS) award, retroactively to July 1, 2017. Under the new funding policies for FAS, the workload increase for the 2018-2019 fiscal year is expected to cost \$21 million from the Educational Enhancement Trust Fund for 3,510 additional FAS students.¹³¹

Section 14 increases the FMS award to cover 75 percent of tuition and specified fees. In 2018-2019, for 43,892 FMS-eligible students,¹³² such increase in the FMS award is projected to cost an additional \$77 million¹³³ from the Educational Enhancement Trust Fund.¹³⁴

Section 16 expands eligibility in the Benacquisto Scholarship Program to include certain out-of-state students. Dependent upon the participation by the eligible students, this expansion may cost an estimated \$1.2 million from the General Revenue Fund for a projected 59 additional scholars.¹³⁵

Additionally, the following provisions are expected to have an indeterminate impact on state revenues and expenditures:

¹³¹ Office of Economic & Demographic Research, *Florida Bright Futures Scholarship Program, Awards History and Forecast*, available at <http://edr.state.fl.us/Content/conferences/financialaid/ConferenceResults.pdf>, at 3. There are projected to be 46,570 FAS awards in 2017-2018, and 50,080 FAS awards in 2018-2019.

¹³² *Id.*

¹³³ Senate staff analysis of Economic and Demographic Research, *Education Estimating Conference on Students Financial Aid Impact*, available at <http://edr.state.fl.us/Content/conferences/financialaidimpact/archives/170612financialaidimpact.pdf>, at 10.

¹³⁴ Office of Economic & Demographic Research, *Florida Bright Futures Scholarship Program, Awards History and Forecast*, available at <http://edr.state.fl.us/Content/conferences/financialaid/ConferenceResults.pdf>, at 7.

¹³⁵ Economic and Demographic Research, *Education Estimating Conference on Students Financial Aid Impact*, available at <http://edr.state.fl.us/Content/conferences/financialaidimpact/archives/170612financialaidimpact.pdf>, at 10.

- Section 11, which requires state universities to adopt and implement a block tuition policy for resident and non-resident undergraduate students at the state universities.
- Sections 6, which establishes the World Class Faculty and Scholar Program and specifies that funding must be as provided in the GAA.
- Section 7, which establishes the State University Professional and Graduate Degree Excellence programs and specifies that funding must be as provided in the GAA.
- Section 17, which establishes the Florida Farmworker Student Scholarship Program, effective for the 2017-18 fiscal year, which was appropriated \$500,000 in the 2017-2018 GAA.

VI. Technical Deficiencies:

Lines 452-504 relate to the authority of the Board of Governors to approve (or not) certain tuition and fee proposals. Embedded in this language (at lines 473-488) is a requirement for each university board of trustees to approve and implement a block tuition plan. Moving lines 473-488 (and any related provisions) to a statutory placement relating to board of trustee powers and duties may add clarity to the proposed law.

Lines 639-644 allows Florida Academic Scholar awards to be used for summer term enrollment “as funded in the General Appropriations Act” and other Bright Futures Scholarship awards to be used “if funded in the General Appropriations Act.” To give the Legislature the greatest flexibility authorizing the use of the awards for summer term enrollment, the Legislature may consider substituting the phrase “contingent upon an appropriation by the legislature.” Such an appropriation may be contained in a general appropriations act or another general bill that is not defined as a general appropriations act.¹³⁶

Line 667 may be clarified by substituting the term “necessary” for the term “required”.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 1001.706, 1001.7065, 1001.92, 1004.28, 1008.30, 1009.22, 1009.23, 1009.24, 1009.53, 1009.534, 1009.535, 1009.701, 1009.893, and 1009.98.

This bill creates the following sections of the Florida Statutes: 1004.6497, 1004.6498, and 1009.894.

This bill creates three undesignated sections of the Florida Statutes.

¹³⁶ Rule 2.2 of the Joint Rules of the Florida Legislature defines “general appropriations bill” to mean “a bill that provides for the salaries of public officers and other current expenses of the state and contains no subject other than appropriations.” A general appropriations act is subject to a 72-hour public review period before a vote is taken on final passage of the bill in the form that will be presented to the Governor.

IX. Additional Information:

- A. **Committee Substitute – Statement of Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

- B. **Amendments:**

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

By Senator Galvano

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1 A bill to be entitled
 2 An act relating to higher education; providing a short
 3 title; amending s. 1001.706, F.S.; requiring state
 4 universities to identify internship opportunities in
 5 high-demand fields; amending s. 1001.7065, F.S.;
 6 revising the preeminent state research universities
 7 program graduation rate requirements and funding
 8 distributions; deleting the authority for such
 9 universities to stipulate a special course requirement
 10 for incoming students; requiring the Board of
 11 Governors to establish certain standards by a
 12 specified date; amending s. 1001.92, F.S.; requiring
 13 certain performance-based metrics to include specified
 14 graduation rates and access benchmarks; amending s.
 15 1004.28, F.S.; directing a state university board of
 16 trustees to limit the services, activities, and
 17 expenses of its direct-support organizations;
 18 requiring the chair of the board of trustees to
 19 appoint at least one representative to the board of
 20 directors and executive committee of a university
 21 direct-support organization; requiring the disclosure
 22 of certain financial documents; creating s. 1004.6497,
 23 F.S.; establishing the World Class Faculty and Scholar
 24 Program; providing the purpose and intent; authorizing
 25 state university investments in certain faculty
 26 retention, recruitment, and recognition activities;
 27 specifying funding as provided in the General
 28 Appropriations Act; requiring an annual report to the
 29 Governor and the Legislature by a specified date;

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30 creating s. 1004.6498, F.S.; establishing the State
 31 University Professional and Graduate Degree Excellence
 32 Program; providing the purpose; listing the quality
 33 improvement efforts that may be used to elevate the
 34 prominence of state university medicine, law, and
 35 graduate-level business programs; specifying funding
 36 as provided in the General Appropriations Act;
 37 requiring an annual report to the Governor and the
 38 Legislature by a specified date; amending s. 1008.30,
 39 F.S.; authorizing certain state universities to
 40 continue to provide developmental education
 41 instruction; amending ss. 1009.22 and 1009.23, F.S.;
 42 removing the prohibition on the inclusion of a
 43 technology fee in the Florida Bright Futures
 44 Scholarship Program award; amending s. 1009.24, F.S.;
 45 removing the prohibition on the inclusion of a
 46 technology fee and a tuition differential fee in the
 47 Florida Bright Futures Scholarship Program award;
 48 requiring each state university board of trustees to
 49 implement a block tuition policy for specified
 50 undergraduate students beginning in a specified
 51 academic semester; requiring the Chancellor of the
 52 State University System to submit a report to the
 53 Governor and the Legislature by a specified date;
 54 amending s. 1009.53, F.S.; authorizing a student to
 55 use Florida Bright Futures Scholarship Program awards
 56 for summer term enrollment; amending s. 1009.534,
 57 F.S.; specifying Florida Academic Scholars award
 58 amounts to cover tuition, fees, textbooks, and other

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59 educational expenses; amending s. 1009.535, F.S.;

60 specifying Florida Medallion Scholars award amounts to

61 cover specified tuition and fees; amending s.

62 1009.701, F.S.; revising the state-to-private match

63 requirement for contributions to the First Generation

64 Matching Grant Program beginning in a specified fiscal

65 year; extending the program to include Florida College

66 System institution students; amending s. 1009.893,

67 F.S.; extending coverage of the Benacquisto

68 Scholarship Program to include tuition and fees for

69 qualified nonresident students; creating s. 1009.894,

70 F.S.; creating the Florida Farmworker Student

71 Scholarship Program; providing a purpose; requiring

72 the Department of Education to administer the

73 scholarship program; providing student eligibility

74 criteria; specifying award amounts and distributions;

75 providing for funding as specified in the General

76 Appropriations Act; amending s. 1009.98, F.S.;

77 providing that certain payments from the Florida

78 Prepaid College Board to a state university on behalf

79 of a qualified beneficiary may not exceed a specified

80 amount; providing for retroactive application;

81 providing a directive to the Division of Law Revision

82 and Information; providing an effective date.

84 Be It Enacted by the Legislature of the State of Florida:

85

86 Section 1. This act shall be cited as the "Florida

87 Excellence in Higher Education Act of 2018."

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88 Section 2. Paragraph (b) of subsection (5) of section

89 1001.706, Florida Statutes, is amended to read:

90 1001.706 Powers and duties of the Board of Governors.—

91 (5) POWERS AND DUTIES RELATING TO ACCOUNTABILITY.—

92 (b) The Board of Governors shall develop a strategic plan

93 specifying goals and objectives for the State University System

94 and each constituent university, including each university's

95 contribution to overall system goals and objectives. The

96 strategic plan must:

97 1. Include performance metrics and standards common for all

98 institutions and metrics and standards unique to institutions

99 depending on institutional core missions, including, but not

100 limited to, student admission requirements, retention,

101 graduation, percentage of graduates who have attained

102 employment, percentage of graduates enrolled in continued

103 education, licensure passage, average wages of employed

104 graduates, average cost per graduate, excess hours, student loan

105 burden and default rates, faculty awards, total annual research

106 expenditures, patents, licenses and royalties, intellectual

107 property, startup companies, annual giving, endowments, and

108 well-known, highly respected national rankings for institutional

109 and program achievements.

110 2. Consider reports and recommendations of the Higher

111 Education Coordinating Council pursuant to s. 1004.015 and the

112 Articulation Coordinating Committee pursuant to s. 1007.01.

113 3. Include student enrollment and performance data

114 delineated by method of instruction, including, but not limited

115 to, traditional, online, and distance learning instruction.

116 4. Include criteria for designating baccalaureate degree

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117 and master's degree programs at specified universities as high-
 118 demand programs of emphasis. Fifty percent of the criteria for
 119 designation as high-demand programs of emphasis must be based on
 120 achievement of performance outcome thresholds determined by the
 121 Board of Governors, and 50 percent of the criteria must be based
 122 on achievement of performance outcome thresholds specifically
 123 linked to:

124 a. Job placement in employment of 36 hours or more per week
 125 and average full-time wages of graduates of the degree programs
 126 1 year and 5 years after graduation, based in part on data
 127 provided in the economic security report of employment and
 128 earning outcomes produced annually pursuant to s. 445.07.

129 b. Data-driven gap analyses, conducted by the Board of
 130 Governors, of the state's job market demands and the outlook for
 131 jobs that require a baccalaureate or higher degree. Each state
 132 university must use the gap analyses to identify internship
 133 opportunities for students to benefit from mentorship by
 134 industry experts, earn industry certifications, and become
 135 employed in high-demand fields.

136 Section 3. Paragraph (d) of subsection (2), paragraph (c)
 137 of subsection (5), and subsections (6), (7), and (8) of section
 138 1001.7065, Florida Statutes, are amended to read:

139 1001.7065 Preeminent state research universities program.—

140 (2) ACADEMIC AND RESEARCH EXCELLENCE STANDARDS.—The
 141 following academic and research excellence standards are
 142 established for the preeminent state research universities
 143 program:

144 (d) A 4-year graduation rate of 60 percent or higher for
 145 full-time, first-time-in-college students, as reported annually

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146 to the IPEDS. However, for the 2018 determination of a state
 147 university's preeminence designation and the related
 148 distribution of the 2018-2019 fiscal year appropriation
 149 associated with preeminence and emerging preeminence, a
 150 university is considered to have satisfied this graduation rate
 151 measure by attaining a 6-year graduation rate of 70 percent or
 152 higher by October 1, 2017, for full-time, first-time-in-college
 153 students, as reported annually to the IPEDS and confirmed by the
 154 Board of Governors.

155 (5) PREEMINENT STATE RESEARCH UNIVERSITIES PROGRAM
 156 SUPPORT.—

157 (c) The award of funds under this subsection is contingent
 158 upon funding provided in the General Appropriations Act to
 159 support the preeminent state research universities program
 160 created under this section. Funding increases appropriated
 161 beyond the amounts funded in the previous fiscal year shall be
 162 distributed as follows:

163 1. Each designated preeminent state research university
 164 that meets the criteria in paragraph (a) shall receive an equal
 165 amount of funding.

166 2. Each designated emerging preeminent state research
 167 university that meets the criteria in paragraph (b) shall,
 168 beginning in the 2018-2019 fiscal year, receive an amount of
 169 funding that is equal to one-fourth ~~one-half~~ of the total
 170 increased amount awarded to each designated preeminent state
 171 research university.

172 ~~(6) PREEMINENT STATE RESEARCH UNIVERSITY SPECIAL COURSE~~
 173 ~~REQUIREMENT AUTHORITY. In order to provide a jointly shared~~
 174 ~~educational experience, a university that is designated a~~

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175 ~~preeminent state research university may require its incoming~~
 176 ~~first-time-in-college students to take a six-credit set of~~
 177 ~~unique courses specifically determined by the university and~~
 178 ~~published on the university's website. The university may~~
 179 ~~stipulate that credit for such courses may not be earned through~~
 180 ~~any acceleration mechanism pursuant to s. 1007.27 or s. 1007.271~~
 181 ~~or any other transfer credit. All accelerated credits earned up~~
 182 ~~to the limits specified in ss. 1007.27 and 1007.271 shall be~~
 183 ~~applied toward graduation at the student's request.~~

184 (6)(7) PREEMINENT STATE RESEARCH UNIVERSITY FLEXIBILITY
 185 AUTHORITY.—The Board of Governors is encouraged to identify and
 186 grant all reasonable, feasible authority and flexibility to
 187 ensure that each designated preeminent state research university
 188 and each designated emerging preeminent state research
 189 university is free from unnecessary restrictions.

190 (7)(8) PROGRAMS OF EXCELLENCE THROUGHOUT THE STATE
 191 UNIVERSITY SYSTEM.—The Board of Governors shall ~~is encouraged to~~
 192 establish standards and measures whereby individual
 193 undergraduate, graduate, and professional degree programs in
 194 state universities which ~~that~~ objectively reflect national
 195 excellence can be identified and make recommendations to the
 196 Legislature by September 1, 2018, as to how any such programs
 197 could be enhanced and promoted.

198 Section 4. Subsection (1) of section 1001.92, Florida
 199 Statutes, is amended to read:

200 1001.92 State University System Performance-Based
 201 Incentive.—

202 (1) A State University System Performance-Based Incentive
 203 shall be awarded to state universities using performance-based

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204 metrics adopted by the Board of Governors of the State
 205 University System. Beginning with the Board of Governors'
 206 determination of each university's performance improvement and
 207 achievement ratings for 2018, and the related distribution of
 208 the 2018-2019 fiscal year appropriation, the performance-based
 209 metrics must include 4-year graduation rates; retention rates;
 210 postgraduation education rates; degree production;
 211 affordability; postgraduation employment and salaries, including
 212 wage thresholds that reflect the added value of a baccalaureate
 213 degree; access, with benchmarks that reward institutions with
 214 access rates at or above 50 percent; and other metrics approved
 215 by the board in a formally noticed meeting. The board shall
 216 adopt benchmarks to evaluate each state university's performance
 217 on the metrics to measure the state university's achievement of
 218 institutional excellence or need for improvement and minimum
 219 requirements for eligibility to receive performance funding.

220 Section 5. Subsections (2), (3), and (4) and paragraph (b)
 221 of subsection (5) of section 1004.28, Florida Statutes, are
 222 amended to read:

223 1004.28 Direct-support organizations; use of property;
 224 board of directors; activities; audit; facilities.—

225 (2) USE OF PROPERTY.—

226 (a) Each state university board of trustees is authorized
 227 to permit the use of property, facilities, and personal services
 228 at any state university by any university direct-support
 229 organization, and, subject to the provisions of this section,
 230 direct-support organizations may establish accounts with the
 231 State Board of Administration for investment of funds pursuant
 232 to part IV of chapter 218. Beginning July 1, 2023, a state

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233 university board of trustees may not permit any university
 234 direct-support organization to use personal services.

235 (b) The board of trustees, in accordance with regulations
 236 ~~rules~~ and guidelines of the Board of Governors, shall prescribe
 237 by regulation ~~rule~~ conditions with which a university direct-
 238 support organization must comply in order to use property,
 239 facilities, or personal services at any state university. Such
 240 regulations ~~rules~~ shall provide for budget and audit review and
 241 oversight by the board of trustees.

242 (c) The board of trustees shall not permit the use of
 243 property, facilities, or personal services at any state
 244 university by any university direct-support organization that
 245 does not provide equal employment opportunities to all persons
 246 regardless of race, color, religion, gender, age, or national
 247 origin.

248 (d) The board of trustees may not permit the use of state
 249 funds for travel expenses by any university direct-support
 250 organization.

251 (3) BOARD OF DIRECTORS.—The chair of the university board
 252 of trustees shall may appoint at least one ~~a~~ representative to
 253 the board of directors and the executive committee of any
 254 direct-support organization established under this section. The
 255 president of the university for which the direct-support
 256 organization is established, or his or her designee, shall also
 257 serve on the board of directors and the executive committee of
 258 any direct-support organization established to benefit that
 259 university.

260 (4) ACTIVITIES; RESTRICTION.—A university direct-support
 261 organization is prohibited from giving, either directly or

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262 indirectly, any gift to a political committee as defined in s.
 263 106.011 for any purpose ~~other than those certified by a majority~~
 264 ~~roll call vote of the governing board of the direct-support~~
 265 ~~organization at a regularly scheduled meeting as being directly~~
 266 ~~related to the educational mission of the university.~~

267 (5) ANNUAL AUDIT; PUBLIC RECORDS EXEMPTION; PUBLIC MEETINGS
 268 EXEMPTION.—

269 (b) All records of the organization other than the
 270 auditor's report, management letter, any records related to the
 271 expenditure of state funds, any records related to the
 272 expenditure of private funds for travel, and any supplemental
 273 data requested by the Board of Governors, the university board
 274 of trustees, the Auditor General, and the Office of Program
 275 Policy Analysis and Government Accountability shall be
 276 confidential and exempt from s. 119.07(1).

277 Section 6. Section 1004.6497, Florida Statutes, is created
 278 to read:

279 1004.6497 World Class Faculty and Scholar Program.—

280 (1) PURPOSE AND LEGISLATIVE INTENT.—The World Class Faculty
 281 and Scholar Program is established to fund, beginning in the
 282 2017-2018 fiscal year, and support the efforts of state
 283 universities to recruit and retain exemplary faculty and
 284 research scholars. It is the intent of the Legislature to
 285 elevate the national competitiveness of Florida's state
 286 universities through faculty and scholar recruitment and
 287 retention.

288 (2) INVESTMENTS.—Retention, recruitment, and recognition
 289 efforts, activities, and investments may include, but are not
 290 limited to, investments in research-centric cluster hires,

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291 faculty research and research commercialization efforts,
 292 instructional and research infrastructure, undergraduate student
 293 participation in research, professional development, awards for
 294 outstanding performance, and postdoctoral fellowships.

295 (3) FUNDING AND USE.—Funding for the program shall be as
 296 provided in the General Appropriations Act. Each state
 297 university shall use the funds only for the purpose and
 298 investments authorized under this section. These funds may not
 299 be used to construct buildings.

300 (4) ACCOUNTABILITY.—By March 15 of each year, the Board of
 301 Governors shall provide to the Governor, the President of the
 302 Senate, and the Speaker of the House of Representatives a report
 303 summarizing information from the universities in the State
 304 University System, including, but not limited to:

305 (a) Specific expenditure information as it relates to the
 306 investments identified in subsection (2).

307 (b) The impact of those investments in elevating the
 308 national competitiveness of the universities, specifically
 309 relating to:

310 1. The success in recruiting research faculty and the
 311 resulting research funding;

312 2. The 4-year graduation rate for undergraduate students;

313 3. The number of undergraduate courses offered with fewer
 314 than 50 students; and

315 4. The increase in national academic standing of targeted
 316 programs, specifically advancement in ranking among top 50
 317 universities in the targeted programs in well-known and highly
 318 respected national public university rankings, including, but
 319 not limited to, the U.S. News and World Report rankings, which

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320 reflect national preeminence, using the most recent rankings.

321 Section 7. Section 1004.6498, Florida Statutes, is created
 322 to read:

323 1004.6498 State University Professional and Graduate Degree
 324 Excellence Program.—

325 (1) PURPOSE.—The State University Professional and Graduate
 326 Degree Excellence Program is established to fund, beginning in
 327 the 2017-2018 fiscal year, and support the efforts of state
 328 universities to enhance the quality and excellence of
 329 professional and graduate schools and degree programs in
 330 medicine, law, and business and expand the economic impact of
 331 state universities.

332 (2) INVESTMENTS.—Quality improvement efforts may include,
 333 but are not limited to, targeted investments in faculty,
 334 students, research, infrastructure, and other strategic
 335 endeavors to elevate the national and global prominence of state
 336 university medicine, law, and graduate-level business programs.

337 (3) FUNDING AND USE.—Funding for the program shall be as
 338 provided in the General Appropriations Act. Each state
 339 university shall use the funds only for the purpose and
 340 investments authorized under this section. These funds may not
 341 be used to construct buildings.

342 (4) ACCOUNTABILITY.—By March 15 of each year, the Board of
 343 Governors shall provide to the Governor, the President of the
 344 Senate, and the Speaker of the House of Representatives a report
 345 summarizing information from the universities in the State
 346 University System, including, but not limited to:

347 (a) Specific expenditure information as it relates to the
 348 investments identified in subsection (2).

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349 (b) The impact of those investments in elevating the
 350 national and global prominence of the state university medicine,
 351 law, and graduate-level business programs, specifically relating
 352 to:

353 1. The first-time pass rate on the United States Medical
 354 Licensing Examination;

355 2. The first-time pass rate on The Florida Bar Examination;

356 3. The percentage of graduates enrolled or employed at a
 357 wage threshold that reflects the added value of a graduate-level
 358 business degree;

359 4. The advancement in the rankings of the state university
 360 medicine, law, and graduate-level programs in well-known and
 361 highly respected national graduate-level university rankings,
 362 including, but not limited to, the U.S. News and World Report
 363 rankings, which reflect national preeminence, using the most
 364 recent rankings; and

365 5. The added economic benefit of the universities to the
 366 state.

367 Section 8. Paragraph (c) of subsection (5) of section
 368 1008.30, Florida Statutes, is amended to read:

369 1008.30 Common placement testing for public postsecondary
 370 education.—

371 (5)

372 (c) A university board of trustees may contract with a
 373 Florida College System institution board of trustees for the
 374 Florida College System institution to provide developmental
 375 education on the state university campus. Any state university
 376 in which the percentage of incoming students requiring
 377 developmental education equals or exceeds the average percentage

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378 of such students for the Florida College System may offer
 379 developmental education without contracting with a Florida
 380 College System institution; however, any state university
 381 offering college-preparatory instruction as of January 1, 1996,
 382 may continue to provide developmental education instruction as
 383 defined in s. 1008.02(1) ~~such services.~~

384 Section 9. Subsection (7) of section 1009.22, Florida
 385 Statutes, is amended to read:

386 1009.22 Workforce education postsecondary student fees.—

387 (7) Each district school board and Florida College System
 388 institution board of trustees is authorized to establish a
 389 separate fee for technology, not to exceed 5 percent of tuition
 390 per credit hour or credit-hour equivalent for resident students
 391 and not to exceed 5 percent of tuition and the out-of-state fee
 392 per credit hour or credit-hour equivalent for nonresident
 393 students. Revenues generated from the technology fee shall be
 394 used to enhance instructional technology resources for students
 395 and faculty ~~and shall not be included in any award under the~~
 396 ~~Florida Bright Futures Scholarship Program.~~ Fifty percent of
 397 technology fee revenues may be pledged by a Florida College
 398 System institution board of trustees as a dedicated revenue
 399 source for the repayment of debt, including lease-purchase
 400 agreements, not to exceed the useful life of the asset being
 401 financed. Revenues generated from the technology fee may not be
 402 bonded.

403 Section 10. Subsection (10) of section 1009.23, Florida
 404 Statutes, is amended to read:

405 1009.23 Florida College System institution student fees.—

406 (10) Each Florida College System institution board of

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407 trustees is authorized to establish a separate fee for
 408 technology, which may not exceed 5 percent of tuition per credit
 409 hour or credit-hour equivalent for resident students and may not
 410 exceed 5 percent of tuition and the out-of-state fee per credit
 411 hour or credit-hour equivalent for nonresident students.
 412 Revenues generated from the technology fee shall be used to
 413 enhance instructional technology resources for students and
 414 faculty. The technology fee may apply to both college credit and
 415 developmental education ~~and shall not be included in any award~~
 416 ~~under the Florida Bright Futures Scholarship Program.~~ Fifty
 417 percent of technology fee revenues may be pledged by a Florida
 418 College System institution board of trustees as a dedicated
 419 revenue source for the repayment of debt, including lease-
 420 purchase agreements, not to exceed the useful life of the asset
 421 being financed. Revenues generated from the technology fee may
 422 not be bonded.

423 Section 11. Subsection (13), paragraph (r) of subsection
 424 (14), paragraphs (a) and (b) of subsection (15), paragraphs (a),
 425 (b), and (e) of subsection (16), and subsection (20) of section
 426 1009.24, Florida Statutes, are amended to read:

427 1009.24 State university student fees.—

428 (13) Each university board of trustees may establish a
 429 technology fee of up to 5 percent of the tuition per credit
 430 hour. The revenue from this fee shall be used to enhance
 431 instructional technology resources for students and faculty. ~~The~~
 432 ~~technology fee may not be included in any award under the~~
 433 ~~Florida Bright Futures Scholarship Program established pursuant~~
 434 ~~to ss. 1009.53-1009.538.~~

435 (14) Except as otherwise provided in subsection (15), each

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436 university board of trustees is authorized to establish the
 437 following fees:

438 (r) Traffic and parking fines, charges for parking decals,
 439 and transportation access fees. Only universitywide
 440 transportation access fees may be included in any state
 441 financial assistance award authorized under part III of chapter
 442 1009, as specifically authorized by law or the General
 443 Appropriations Act.

444 With the exception of housing rental rates and except as
 445 otherwise provided, fees assessed pursuant to paragraphs (h)-(s)
 446 shall be based on reasonable costs of services. The Board of
 447 Governors shall adopt regulations and timetables necessary to
 448 implement the fees and fines authorized under this subsection.
 449 The fees assessed under this subsection may be used for debt
 450 only as authorized under s. 1010.62.

452 (15) (a) The Board of Governors may approve:

453 1. A proposal from a university board of trustees to
 454 establish a new student fee that is not specifically authorized
 455 by this section.

456 2. A proposal from a university board of trustees to
 457 increase the current cap for an existing fee authorized pursuant
 458 to paragraphs (14) (a)-(g).

459 3. a. A proposal from a university board of trustees to
 460 implement flexible tuition policies, such as undergraduate or
 461 graduate block tuition, block tuition differential, or market
 462 tuition rates for graduate-level online courses or graduate-
 463 level courses offered through a university's continuing
 464 education program. A block tuition policy for resident

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465 undergraduate students or undergraduate-level courses must ~~shall~~
 466 be based on the per-credit-hour undergraduate tuition
 467 established under subsection (4). A block tuition policy for
 468 nonresident undergraduate students must ~~shall~~ be based on the
 469 per-credit-hour undergraduate tuition and out-of-state fee
 470 established under subsection (4). Flexible tuition policies,
 471 including block tuition, may not increase the state's fiscal
 472 liability or obligation.

473 b. A block tuition policy, which must be adopted by each
 474 university board of trustees for implementation beginning in the
 475 fall 2018 academic semester. The policy must apply to the
 476 entering freshman class of full-time, first-time-in-college
 477 students and may be extended to include other enrolled students.
 478 The policy must, at a minimum:

479 (I) Include block tuition and any required fees, including,
 480 but not limited to, tuition differential fees, activity and
 481 service fees, financial aid fees, capital improvement fees,
 482 athletic fees, health fees, and technology fees.

483 (II) Require the university to maximize the application of
 484 appropriate accelerated credits to minimize unnecessary credits
 485 and excess hours.

486 (III) Enable students to have the flexibility to earn at
 487 least 30 credits per academic year in any combination of fall,
 488 spring, and summer academic terms or semesters.

489 (b) A proposal developed pursuant to paragraph (a) shall be
 490 submitted in accordance with the public notification
 491 requirements of subsection (20) and guidelines established by
 492 the Board of Governors. Approval by the Board of Governors of
 493 such proposals ~~proposal~~ must be made in accordance with ~~the~~

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494 ~~provisions of this subsection. By April 1, 2018, each state~~
 495 university board of trustees must submit to the Board of
 496 Governors its block tuition policy, adopted pursuant to
 497 subparagraph (a)3., along with information on the potential
 498 impact of the policy on students. By August 1, 2018, the
 499 Chancellor of the State University System must submit to the
 500 Governor, the President of the Senate, and the Speaker of the
 501 House of Representatives a summary report of such policies, the
 502 status of the board's review and approval of such policies, and
 503 the board's recommendations for improving block tuition and fee
 504 benefits for students.

505 (16) Each university board of trustees may establish a
 506 tuition differential for undergraduate courses upon receipt of
 507 approval from the Board of Governors. However, beginning July 1,
 508 2014, the Board of Governors may only approve the establishment
 509 of or an increase in tuition differential for a state research
 510 university designated as a preeminent state research university
 511 pursuant to s. 1001.7065(3). The tuition differential shall
 512 promote improvements in the quality of undergraduate education
 513 and shall provide financial aid to undergraduate students who
 514 exhibit financial need.

515 (a) Seventy percent of the revenues from the tuition
 516 differential shall be expended for purposes of undergraduate
 517 education. Such expenditures may include, but are not limited
 518 to, increasing course offerings, improving graduation rates,
 519 increasing the percentage of undergraduate students who are
 520 taught by faculty, decreasing student-faculty ratios, providing
 521 salary increases for faculty who have a history of excellent
 522 teaching in undergraduate courses, improving the efficiency of

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523 the delivery of undergraduate education through academic
 524 advisement and counseling, and reducing the percentage of
 525 students who graduate with excess hours. This expenditure for
 526 undergraduate education may not be used to pay the salaries of
 527 graduate teaching assistants. Except as otherwise provided in
 528 this subsection, the remaining 30 percent of the revenues from
 529 the tuition differential, or the equivalent amount of revenue
 530 from private sources, shall be expended to provide financial aid
 531 to undergraduate students who exhibit financial need, including
 532 students who are scholarship recipients under s. 1009.984, to
 533 meet the cost of university attendance. This expenditure for
 534 need-based financial aid shall not supplant the amount of need-
 535 based aid provided to undergraduate students in the preceding
 536 fiscal year from financial aid fee revenues, the direct
 537 appropriation for financial assistance provided to state
 538 universities in the General Appropriations Act, or from private
 539 sources. The total amount of tuition differential waived under
 540 subparagraph (b)7. ~~(b)8.~~ may be included in calculating the
 541 expenditures for need-based financial aid to undergraduate
 542 students required by this subsection. If the entire tuition and
 543 fee costs of resident students who have applied for and received
 544 Pell Grant funds have been met and the university has excess
 545 funds remaining from the 30 percent of the revenues from the
 546 tuition differential required to be used to assist students who
 547 exhibit financial need, the university may expend the excess
 548 portion in the same manner as required for the other 70 percent
 549 of the tuition differential revenues.

550 (b) Each tuition differential is subject to the following
 551 conditions:

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552 1. The tuition differential may be assessed on one or more
 553 undergraduate courses or on all undergraduate courses at a state
 554 university.
 555 2. The tuition differential may vary by course or courses,
 556 by campus or center location, and by institution. Each
 557 university board of trustees shall strive to maintain and
 558 increase enrollment in degree programs related to math, science,
 559 high technology, and other state or regional high-need fields
 560 when establishing tuition differentials by course.
 561 3. For each state university that is designated as a
 562 preeminent state research university by the Board of Governors,
 563 pursuant to s. 1001.7065, the aggregate sum of tuition and the
 564 tuition differential may be increased by no more than 6 percent
 565 of the total charged for the aggregate sum of these fees in the
 566 preceding fiscal year. The tuition differential may be increased
 567 if the university meets or exceeds performance standard targets
 568 for that university established annually by the Board of
 569 Governors for the following performance standards, amounting to
 570 no more than a 2-percent increase in the tuition differential
 571 for each performance standard:
 572 a. An increase in the 4-year ~~6-year~~ graduation rate for
 573 full-time, first-time-in-college students, as reported annually
 574 to the Integrated Postsecondary Education Data System.
 575 b. An increase in the total annual research expenditures.
 576 c. An increase in the total patents awarded by the United
 577 States Patent and Trademark Office for the most recent years.
 578 4. The aggregate sum of undergraduate tuition and fees per
 579 credit hour, including the tuition differential, may not exceed
 580 the national average of undergraduate tuition and fees at 4-year

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581 degree-granting public postsecondary educational institutions.

582 ~~5. The tuition differential shall not be included in any~~
 583 ~~award under the Florida Bright Futures Scholarship Program~~
 584 ~~established pursuant to ss. 1009.53-1009.538.~~

585 ~~5.6.~~ Beneficiaries having prepaid tuition contracts
 586 pursuant to s. 1009.98(2)(b) which were in effect on July 1,
 587 2007, and which remain in effect, are exempt from the payment of
 588 the tuition differential.

589 ~~6.7.~~ The tuition differential may not be charged to any
 590 student who was in attendance at the university before July 1,
 591 2007, and who maintains continuous enrollment.

592 ~~7.8.~~ The tuition differential may be waived by the
 593 university for students who meet the eligibility requirements
 594 for the Florida public student assistance grant established in
 595 s. 1009.50.

596 ~~8.9.~~ Subject to approval by the Board of Governors, the
 597 tuition differential authorized pursuant to this subsection may
 598 take effect with the 2009 fall term.

599 (e) The Board of Governors shall submit a report to the
 600 President of the Senate, the Speaker of the House of
 601 Representatives, and the Governor describing the implementation
 602 of the provisions of this subsection no later than February 1 of
 603 each year. The report shall summarize proposals received by the
 604 board during the preceding fiscal year and actions taken by the
 605 board in response to such proposals. In addition, the report
 606 shall provide the following information for each university that
 607 has been approved by the board to assess a tuition differential:

608 1. The course or courses for which the tuition differential
 609 was assessed and the amount assessed.

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610 2. The total revenues generated by the tuition
 611 differential.

612 3. With respect to waivers authorized under subparagraph
 613 ~~(b)7. (b)8.~~, the number of students eligible for a waiver, the
 614 number of students receiving a waiver, and the value of waivers
 615 provided.

616 4. Detailed expenditures of the revenues generated by the
 617 tuition differential.

618 5. Changes in retention rates, graduation rates, the
 619 percentage of students graduating with more than 110 percent of
 620 the hours required for graduation, pass rates on licensure
 621 examinations, the number of undergraduate course offerings, the
 622 percentage of undergraduate students who are taught by faculty,
 623 student-faculty ratios, and the average salaries of faculty who
 624 teach undergraduate courses.

625 (20) Each state university shall publicly notice and notify
 626 all enrolled students of any proposal to change ~~increase~~ tuition
 627 or fees at least 28 days before its consideration at a board of
 628 trustees meeting. The notice must:

629 (a) Include the date and time of the meeting at which the
 630 proposal will be considered.

631 (b) Specifically outline the details of existing tuition
 632 and fees, the rationale for the proposed change ~~increase~~, and
 633 how the funds from the proposed change ~~increase~~ will be used.

634 (c) Be posted on the university's website and issued in a
 635 press release.

636 Section 12. Subsection (9) of section 1009.53, Florida
 637 Statutes, is amended to read:

638 1009.53 Florida Bright Futures Scholarship Program.—

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639 (9) A student may use a Florida Academic Scholar ~~an~~ award
 640 for summer term enrollment beginning in the 2018 summer term, as
 641 funded in the General Appropriations Act. A student may use
 642 other Florida Bright Futures Scholarship Program awards for
 643 summer term enrollment, if funded in the General Appropriations
 644 Act if funds are available.

645 Section 13. Subsection (2) of section 1009.534, Florida
 646 Statutes, is amended to read:

647 1009.534 Florida Academic Scholars award.—

648 (2) A Florida Academic Scholar who is enrolled in a
 649 certificate, diploma, associate, or baccalaureate degree program
 650 at a public or nonpublic postsecondary education institution is
 651 eligible, beginning in the 2017-2018 academic year, for an award
 652 equal to the amount required to pay 100 percent of tuition and
 653 fees established under ss. 1009.22(3), (5), (6), and (7);
 654 1009.23(3), (4), (7), (8), (10), and (11); and 1009.24(4), (7)-
 655 (13), (14) (r), and (16), as applicable, and is eligible for an
 656 additional \$300 each fall and spring academic semester or the
 657 equivalent for textbooks and ~~specified in the General~~
 658 Appropriations Act to assist with the payment of educational
 659 expenses.

660 Section 14. Subsection (2) of section 1009.535, Florida
 661 Statutes, is amended to read:

662 1009.535 Florida Medallion Scholars award.—

663 (2) A Florida Medallion Scholar who is enrolled in a
 664 certificate, diploma, associate, or baccalaureate degree program
 665 at a public or nonpublic postsecondary education institution is
 666 eligible, beginning in the fall 2018 semester, for an award
 667 equal to the amount required to pay 75 percent of tuition and

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668 fees established under ss. 1009.22(3), (5), (6), and (7);
 669 1009.23(3), (4), (7), (8), (10), and (11); and 1009.24(4), (7)-
 670 (13), (14) (r), and (16), as applicable ~~specified in the General~~
 671 Appropriations Act to assist with the payment of educational
 672 expenses.

673 Section 15. Subsections (1), (2), and (4) and paragraph (c)
 674 of subsection (5) of section 1009.701, Florida Statutes, are
 675 amended to read:

676 1009.701 First Generation Matching Grant Program.—

677 (1) The First Generation Matching Grant Program is created
 678 to enable each state university and Florida College System
 679 institution to provide donors with a matching grant incentive
 680 for contributions that will create grant-based student financial
 681 aid for undergraduate students who demonstrate financial need
 682 and whose parents, as defined in s. 1009.21(1), have not earned
 683 a baccalaureate degree. In the case of any individual who
 684 regularly resided with and received support from only one
 685 parent, an individual whose only such parent did not complete a
 686 baccalaureate degree would also be eligible.

687 (2) Funds appropriated by the Legislature for the program
 688 shall be allocated by the Office of Student Financial Assistance
 689 to match private contributions on a dollar-for-dollar basis;
 690 however, beginning in the 2018-2019 fiscal year, such funds
 691 shall be allocated at a ratio of \$2 of state funds to \$1 of
 692 private contributions. Contributions made to a state university
 693 or a Florida College System institution and pledged for the
 694 purposes of this section are eligible for state matching funds
 695 appropriated for this program and are not eligible for any other
 696 state matching grant program. Pledged contributions are not

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697 eligible for matching prior to the actual collection of the
 698 total funds. The Office of Student Financial Assistance shall
 699 reserve a proportionate allocation of the total appropriated
 700 funds for each state university and Florida College System
 701 institution on the basis of full-time equivalent enrollment.
 702 Funds that remain unmatched as of December 1 shall be
 703 reallocated to state universities and colleges that have
 704 remaining unmatched private contributions for the program on the
 705 basis of full-time equivalent enrollment.

706 (4) Each participating state university and Florida College
 707 System institution shall establish an application process,
 708 determine student eligibility for initial and renewal awards in
 709 conformance with subsection (5), identify the amount awarded to
 710 each recipient, and notify recipients of the amount of their
 711 awards.

712 (5) In order to be eligible to receive a grant pursuant to
 713 this section, an applicant must:

714 (c) Be accepted at a state university or Florida College
 715 System institution.

716 Section 16. Subsections (2), (4), and (5) of section
 717 1009.893, Florida Statutes, are amended to read:

718 1009.893 Benacquisto Scholarship Program.—

719 (2) The Benacquisto Scholarship Program is created to
 720 reward a any Florida high school graduate who receives
 721 recognition as a National Merit Scholar or National Achievement
 722 Scholar and who initially enrolls in the 2014-2015 academic year
 723 or, later, in a baccalaureate degree program at an eligible
 724 Florida public or independent postsecondary educational
 725 institution.

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726 (4) In order to be eligible for an award under the
 727 scholarship program, a student must meet the requirements of
 728 paragraph (a) or paragraph (b).+

729 (a) A student who is a resident of the state, ~~Be a state~~
 730 ~~resident~~ as determined in s. 1009.40 and rules of the State
 731 Board of Education, must:+

732 1. ~~(b)~~ Earn a standard Florida high school diploma or its
 733 equivalent pursuant to s. 1002.3105, s. 1003.4281, s. 1003.4282,
 734 or s. 1003.435 unless:

735 a.1. The student completes a home education program
 736 according to s. 1002.41; or

737 b.2. The student earns a high school diploma from a non-
 738 Florida school while living with a parent who is on military or
 739 public service assignment out of this state;

740 2. ~~(e)~~ Be accepted by and enroll in a Florida public or
 741 independent postsecondary educational institution that is
 742 regionally accredited; and

743 3. ~~(d)~~ Be enrolled full-time in a baccalaureate degree
 744 program at an eligible regionally accredited Florida public or
 745 independent postsecondary educational institution during the
 746 fall academic term following high school graduation.

747 (b) A student who initially enrolls in a baccalaureate
 748 degree program in the 2018-2019 academic year or later and who
 749 is not a resident of this state, as determined in s. 1009.40 and
 750 rules of the State Board of Education, must:

751 1. Physically reside in this state on or near the campus of
 752 the postsecondary educational institution in which the student
 753 is enrolled;

754 2. Earn a high school diploma from a school outside Florida

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755 which is comparable to a standard Florida high school diploma or
 756 its equivalent pursuant to s. 1002.3105, s. 1003.4281, s.
 757 1003.4282, or s. 1003.435 or must complete a home education
 758 program in another state; and

759 3. Be accepted by and enrolled full-time in a baccalaureate
 760 degree program at an eligible regionally accredited Florida
 761 public or independent postsecondary educational institution
 762 during the fall academic term following high school graduation.

763 (5) (a) 1. An eligible student who meets the requirements of
 764 paragraph (4) (a), who is a National Merit Scholar or National
 765 Achievement Scholar, and who attends a Florida public
 766 postsecondary educational institution shall receive a
 767 scholarship award equal to the institutional cost of attendance
 768 minus the sum of the student's Florida Bright Futures
 769 Scholarship and National Merit Scholarship or National
 770 Achievement Scholarship.

771 2. An eligible student who meets the requirements under
 772 paragraph (4) (b), who is a National Merit Scholar, and who
 773 attends a Florida public postsecondary educational institution
 774 shall receive a scholarship award equal to the institutional
 775 cost of attendance for a resident of this state minus the
 776 student's National Merit Scholarship. Such student is exempt
 777 from the payment of out-of-state fees.

778 (b) An eligible student who is a National Merit Scholar or
 779 National Achievement Scholar and who attends a Florida
 780 independent postsecondary educational institution shall receive
 781 a scholarship award equal to the highest cost of attendance for
 782 a resident of this state enrolled at a Florida public
 783 university, as reported by the Board of Governors of the State

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784 University System, minus the sum of the student's Florida Bright
 785 Futures Scholarship and National Merit Scholarship or National
 786 Achievement Scholarship.

787 Section 17. Section 1009.894, Florida Statutes, is created
 788 to read:

789 1009.894 Florida Farmworker Student Scholarship Program.—
 790 The Legislature recognizes the vital contribution of farmworkers
 791 to the economy of this state. The Florida Farmworker Student
 792 Scholarship Program is created to provide scholarships for
 793 farmworkers, as defined in s. 420.503, and the children of such
 794 farmworkers.

795 (1) The Department of Education shall administer the
 796 Florida Farmworker Student Scholarship Program according to
 797 rules and procedures established by the State Board of
 798 Education. Beginning in the 2017-2018 academic year, up to 50
 799 scholarships shall be awarded annually according to the criteria
 800 established in subsection (2) and contingent upon an
 801 appropriation in the General Appropriations Act.

802 (2) (a) To be eligible for an initial scholarship, a student
 803 must, at a minimum:

- 804 1. Have a resident status as required by s. 1009.40 and
 805 rules of the State Board of Education;
 806 2. Earn a minimum cumulative weighted grade point average
 807 of 3.5 for all high school courses creditable toward a diploma;
 808 3. Complete a minimum of 30 hours of community service; and
 809 4. Have at least a 90 percent attendance rate and not have
 810 had any disciplinary action brought against him or her, as
 811 documented on the student's high school transcript.
 812

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813 For purposes of this section, students who are undocumented for
 814 federal immigration purposes are not eligible for an award.

815 (b) The department shall rank eligible initial applicants
 816 for the purposes of awarding scholarships based on need, as
 817 determined by the department.

818 (c) To renew a scholarship awarded pursuant to this
 819 section, a student must maintain at least a cumulative grade
 820 point average of 2.5 or higher on a 4.0 scale for college
 821 coursework.

822 (3) A scholarship recipient must enroll in a minimum of 12
 823 credit hours per term, or the equivalent, at a public
 824 postsecondary educational institution in this state to receive
 825 funding.

826 (4) A scholarship recipient may receive an award for a
 827 maximum of 100 percent of the number of credit hours required to
 828 complete an associate or baccalaureate degree program or receive
 829 an award for a maximum of 100 percent of the credit hours or
 830 clock hours required to complete up to 90 credit hours of a
 831 program that terminates in a career certificate. The scholarship
 832 recipient is eligible for an award equal to the amount required
 833 to pay the tuition and fees established under ss. 1009.22(3),
 834 (5), (6), and (7); 1009.23(3), (4), (7), (8), (10), and (11);
 835 and 1009.24(4), (7)-(13), (14)(r), and (16), as applicable, at a
 836 public postsecondary educational institution in this state.
 837 Renewal scholarship awards must take precedence over new
 838 scholarship awards in a year in which funds are not sufficient
 839 to accommodate both initial and renewal awards. The scholarship
 840 must be prorated for any such year.

841 (5) Subject to appropriation in the General Appropriations

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842 Act, the department shall annually issue awards from the
 843 scholarship program. Before the registration period each
 844 semester, the department shall transmit payment for each award
 845 to the president or director of the postsecondary educational
 846 institution, or his or her representative. However, the
 847 department may withhold payment if the receiving institution
 848 fails to submit the following reports or make the following
 849 refunds to the department:

850 (a) Each institution shall certify to the department the
 851 eligibility status of each student to receive a disbursement
 852 within 30 days before the end of its regular registration
 853 period, inclusive of a drop and add period. An institution is
 854 not required to reevaluate the student eligibility after the end
 855 of the drop and add period.

856 (b) An institution that receives funds from the scholarship
 857 program must certify to the department the amount of funds
 858 disbursed to each student and remit to the department any
 859 undisbursed advance within 60 days after the end of the regular
 860 registration period.

861 (6) The department shall allocate funds to the appropriate
 862 institutions and collect and maintain data regarding the
 863 scholarship program within the student financial assistance
 864 database as specified in s. 1009.94.

865 (7) Funding for this program shall be as provided in the
 866 General Appropriations Act.

867 Section 18. Present paragraphs (e) and (f) of subsection
 868 (10) of section 1009.98, Florida Statutes, are redesignated as
 869 paragraphs (f) and (g), respectively, and a new paragraph (e) is
 870 added to that subsection, to read:

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871 1009.98 Stanley G. Tate Florida Prepaid College Program.-
872 (10) PAYMENTS ON BEHALF OF QUALIFIED BENEFICIARIES.-
873 (e) Notwithstanding the number of credit hours used by a
874 state university to assess the amount for registration fees,
875 tuition, tuition differential, or local fees, the amount paid by
876 the board to any state university on behalf of a qualified
877 beneficiary of an advance payment contract purchased before July
878 1, 2024, may not exceed the number of credit hours taken by that
879 qualified beneficiary at the state university.

880 Section 19. The provisions of this act creating ss.
881 1004.6497, 1004.6498, and 1009.894, Florida Statutes, and the
882 provisions amending ss. 1009.22, 1009.23, 1009.24, 1009.53, and
883 1009.534(2), Florida Statutes, apply retroactively to July 1,
884 2017.

885 Section 20. The Division of Law Revision and Information is
886 directed to substitute the term "Effective Access to Student
887 Education Grant Program" for "Florida Resident Access Grant
888 Program" and the term "Effective Access to Student Education
889 grant" for "Florida resident access grant" wherever those terms
890 appear in the Florida Statutes.

891 Section 21. This act shall take effect upon becoming a law.

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

11/3/17

Meeting Date

4
Bill Number (if applicable)

Topic Higher Ed Excellence Bill

Amendment Barcode (if applicable)

Name MARSHALL OGLETREE

Job Title Executive Director

Address 115 N. Calhoun St., Suite 6
Street

Phone (850) 224-8220

Tallahassee FL 32301
City State Zip

Email marshall.ogletree@floridaea.org

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing United Faculty of Florida

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

11/8/17

Meeting Date

SB 4

Bill Number (if applicable)

Topic SB 4

Amendment Barcode (if applicable)

Name MICHAEL MURO

Job Title FAU STUDENT BODY PRESIDENT 2016-2017

Address RR SW 33RD PL

Phone 561 396 6176

Street

B'

City

State

Zip

Email MCMURO2013@FAU.EDU

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing FLORIDA STUDENT ASSOCIATION

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/14/14)

THE FLORIDA SENATE
APPEARANCE RECORD

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4

Meeting Date _____

Bill Number (if applicable) _____

Topic SB 9

Amendment Barcode (if applicable) _____

Name Jon Carter

Job Title Student Government

Address 1111 S Ocean Blvd apt 1222

Phone 561 218 2254

Street Boca Raton State FL Zip 33432

Email _____

City _____

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Florida Student Association

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/14/14)

THE FLORIDA SENATE
APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

SB4

Meeting Date _____

Bill Number (if applicable) _____

Topic SB4

Amendment Barcode (if applicable) _____

Name Kevin Buchanan

Job Title Student Government

Address 511 NE 17th St

Phone 239-273-0218

Street Boca Raton FL 33432
City State Zip

Email kbuchanan2016@flaoweb.org

Speaking: For Against Information

Waive Speaking: In Support Against
(The Chair will read this information into the record.)

Representing Florida Student Association

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.



THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

COMMITTEES:

Community Affairs, *Chair*
Appropriations Subcommittee on Higher
Education
Appropriations Subcommittee on Pre-K - 12
Education
Education
Ethics and Elections
Rules

SENATOR TOM LEE

20th District

November 8, 2017

The Honorable Bill Galvano, Chair
The Florida Senate
420 Senate Office Building
404 South Monroe Street
Tallahassee, FL 32399

Dear Senator Galvano:

I respectfully request to be excused from today's meeting of the Appropriations Subcommittee on Higher Education.

Sincerely,

A handwritten signature in blue ink that reads "Tom Lee".

Tom Lee
Florida State Senator
20th District

REPLY TO:

- 915 Oakfield Drive, Suite D, Brandon, Florida 33511 (813) 653-7061
- 418 Senate Office Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5020

Senate's Website: www.flsenate.gov

JOE NEGRON
President of the Senate

ANITERE FLORES
President Pro Tempore

CourtSmart Tag Report

Room: KN 412
Caption: Senate Appropriations Subcommittee on Higher Education

Case No.:

Type:
Judge:

Started: 11/8/2017 2:01:20 PM
Ends: 11/8/2017 2:14:39 PM
Length: 00:13:20

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|-------------------|--|
| 2:01:23 PM | Sen. Galvano (Chair) |
| 2:01:48 PM | Sen. Perry |
| 2:01:50 PM | SB 4 |
| 2:01:55 PM | Sen. Galvano |
| 2:03:56 PM | Roll Call |
| 2:04:17 PM | Sen. Perry |
| 2:04:36 PM | Marshall Ogletree, Executive Director, United Faculty of Florida |
| 2:06:36 PM | Sen. Galvano |
| 2:06:47 PM | Michael Cairo, Florida Atlantic University Student Body President 2016-2017, Florida Student Association |
| 2:08:52 PM | Jon Carter, Director of Governmental Relations, Florida Atlantic University |
| 2:10:45 PM | Kevin Buchanan, Student Government, Florida Student Association |
| 2:11:56 PM | Sen. Perry |
| 2:12:10 PM | Sen. Farmer |
| 2:12:59 PM | Sen. Galvano |
| 2:13:40 PM | Roll Call (SB 4) |
| 2:14:10 PM | Sen. Galvano |