

By Senator Sobel

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1 A bill to be entitled
2 An act relating to postsecondary education student
3 debt; amending ss. 1008.45 and 1008.46, F.S.; revising
4 the accountability standards of Florida College System
5 institutions and State University System institutions
6 to include standards for student retention and
7 placement rates; amending s. 1009.01, F.S.; defining
8 the term "student default risk index"; amending ss.
9 1009.89 and 1009.891, F.S.; prohibiting an institution
10 whose student default risk index exceeds a specified
11 percentage from receiving William L. Boyd, IV, Florida
12 resident access grant payments and Access to Better
13 Learning and Education Grant Program payments until
14 the student default risk index declines below a
15 specified percentage; creating s. 1009.965, F.S.;
16 establishing the Student Loan Debt Advisory Council;
17 providing for the membership, organization, and duties
18 of the advisory council; requiring the council to
19 furnish a report to the Governor, the President of the
20 Senate, and the Speaker of the House of
21 Representatives; requiring the Board of Governors to
22 consider an institution's student default risk index
23 in their Performance Based Funding Model; requiring
24 that the Office of Program Policy Analysis and
25 Government Accountability conduct a study on the
26 effectiveness of the Florida Bright Futures
27 Scholarship Program, the William L. Boyd, IV, Florida
28 Resident Access Grant Program, and the Access to
29 Better Learning and Education Grant Program by a

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30 specified date; providing an effective date.

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32 WHEREAS, the Legislature finds that postsecondary education
33 has expanded opportunities for Floridians to qualify for high-
34 quality jobs and entry into the middle class, providing an
35 enhanced workforce that strengthens this state's economy, and

36 WHEREAS, the Legislature finds that rising higher education
37 costs force an increasing number of students to borrow greater
38 amounts of money to pay for higher education, with the resulting
39 burden of substantial student debt damaging not only the
40 individual student's ability to succeed financially but also
41 posing grave consequences for the future economy of this state,
42 NOW, THEREFORE,

43
44 Be It Enacted by the Legislature of the State of Florida:

45
46 Section 1. Present subsections (2) and (3) of section
47 1008.45, Florida Statutes, are redesignated as subsections (3)
48 and (4), respectively, and a new subsection (2) is added to that
49 section, to read:

50 1008.45 Florida College System institution accountability
51 process.—

52 (2) The State Board of Education shall implement standards
53 to require Florida College System institutions to track, report,
54 and maintain acceptable student retention and placement rates.

55 Section 2. Section 1008.46, Florida Statutes, is amended to
56 read:

57 1008.46 State university accountability process.—It is the
58 intent of the Legislature that an accountability process be

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59 implemented that provides for the systematic, ongoing evaluation
60 of quality and effectiveness of state universities. It is
61 further the intent of the Legislature that this accountability
62 process monitor performance at the system level in each of the
63 major areas of instruction, research, and public service, while
64 recognizing the differing missions of each of the state
65 universities. The accountability process shall provide for the
66 adoption of systemwide performance standards and performance
67 goals for each standard identified through a collaborative
68 effort involving state universities, the Board of Governors, the
69 Legislature, and the Governor's Office, consistent with
70 requirements specified in s. 1001.706. These standards must
71 include requirements for institutions to track, report, and
72 maintain acceptable student retention and placement rates. These
73 standards and goals shall be consistent with s. 216.011(1) to
74 maintain congruity with the performance-based budgeting process.
75 This process requires that university accountability reports
76 reflect measures defined through performance-based budgeting.
77 The performance-based budgeting measures must also reflect the
78 elements of teaching, research, and service inherent in the
79 missions of the state universities.

80 (1) By December 31 of each year, the Board of Governors
81 shall submit an annual accountability report providing
82 information on the implementation of performance standards,
83 actions taken to improve university achievement of performance
84 goals, the achievement of performance goals during the prior
85 year, and initiatives to be undertaken during the next year. The
86 accountability reports shall be designed in consultation with
87 the Governor's Office, the Office of Program Policy Analysis and

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88 Government Accountability, and the Legislature.

89 (2) The Board of Governors shall recommend in the annual
90 accountability report any appropriate modifications to this
91 section.

92 Section 3. Section 1009.01, Florida Statutes, is reordered
93 and amended to read:

94 1009.01 Definitions.—The term:

95 (3)~~(1)~~ "Tuition" means the basic fee charged to a student
96 for instruction provided by a public postsecondary educational
97 institution in this state. A charge for any other purpose may
98 ~~shall~~ not be included within this fee.

99 (1)~~(2)~~ "Out-of-state fee" means the additional fee for
100 instruction provided by a public postsecondary educational
101 institution in this state, which fee is charged to a student who
102 does not qualify for the in-state tuition rate pursuant to s.
103 1009.21. A charge for any other purpose may ~~shall~~ not be
104 included within this fee.

105 (2) "Student default risk index" means an institution's
106 cohort default rate multiplied by the percentage of students who
107 have student loans at that institution.

108 (4)~~(3)~~ "Tuition differential" means the supplemental fee
109 charged to a student by a public university in this state
110 pursuant to s. 1009.24(16).

111 Section 4. Subsection (3) of section 1009.89, Florida
112 Statutes, is amended to read:

113 1009.89 The William L. Boyd, IV, Florida resident access
114 grants.—

115 (3) The department shall issue through the program a
116 William L. Boyd, IV, Florida resident access grant to any full-

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117 time degree-seeking undergraduate student registered at an
118 independent nonprofit college or university which is located in
119 and chartered by the state; which is accredited by the
120 Commission on Colleges of the Southern Association of Colleges
121 and Schools; which grants baccalaureate degrees; which is not a
122 state university or Florida College System institution; and
123 which has a secular purpose, so long as the receipt of state aid
124 by students at the institution would not have the primary effect
125 of advancing or impeding religion or result in an excessive
126 entanglement between the state and any religious sect. Any
127 independent college or university that was eligible to receive
128 tuition vouchers on January 1, 1989, and which continues to meet
129 the criteria under which its eligibility was established, shall
130 remain eligible to receive William L. Boyd, IV, Florida resident
131 access grant payments. An eligible institution whose student
132 default risk index exceeds 20 percent is ineligible to receive a
133 William L. Boyd, IV, Florida resident access grant payment for
134 an incoming student until the institution's student default risk
135 index declines to 20 percent or less.

136 Section 5. Subsection (3) of section 1009.891, Florida
137 Statutes, is amended to read:

138 1009.891 The Access to Better Learning and Education Grant
139 Program.—

140 (3) The department shall issue an access grant to any full-
141 time student seeking a baccalaureate degree who is registered at
142 a for-profit college or university that is located in and
143 chartered by the state and that is accredited by the Commission
144 on Colleges of the Southern Association of Colleges and Schools
145 or who is registered at a nonprofit college or university that

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146 is chartered out of the state, that has been located in the
147 state for 10 years or more, and that is accredited by the
148 Commission on Colleges of the Southern Association of Colleges
149 and Schools, the Middle States Association of Colleges and
150 Schools, the North Central Association of Colleges and Schools,
151 or the New England Association of Colleges and Schools; that
152 grants baccalaureate degrees; that is not a state university or
153 Florida College System institution; and that has a secular
154 purpose, if the receipt of state aid by students at the
155 institution would not have the primary effect of advancing or
156 impeding religion or result in an excessive entanglement between
157 the state and any religious sect. Institutions eligible for the
158 Access to Better Learning and Education Grant Program in the
159 initial year of funding shall include only those for-profit
160 colleges or universities identified in this subsection.

161 Nonprofit colleges or universities identified in this subsection
162 shall be eligible for financial support in the second year of
163 funding. An eligible institution whose student default risk
164 index exceeds 20 percent shall be ineligible to receive an
165 Access to Better Learning and Education Grant Program payment
166 for an incoming student until the institution's student default
167 risk index declines to 20 percent or less.

168 Section 6. Section 1009.965, Florida Statutes, is created
169 to read:

170 1009.965 Student Loan Debt Advisory Council.—There is
171 established within the department a Student Loan Debt Advisory
172 Council, which is an advisory council as defined in s. 20.03.

173 (1) MEETINGS; ORGANIZATION.—

174 (a) The council shall consist of nine members, five of whom

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175 are appointed by the Governor, two of whom are appointed by the
176 President of the Senate, and two of whom are appointed by the
177 Speaker of the House of Representatives. The council members
178 shall serve 4-year terms, except that for the purpose of
179 providing staggered terms, the Governor, the President of the
180 Senate, and the Speaker of the House of Representatives
181 initially shall each appoint one member to serve a 2-year term,
182 and the Governor shall appoint at least one member to serve a 3-
183 year term. All other initial appointments and any subsequent
184 appointments are for 4-year terms.

185 (b) The council shall adopt internal organizational
186 procedures as necessary for its efficient organization which
187 must, at a minimum, require the council to elect a chair and
188 vice chair whose duties shall be established by the council.

189 (c) The department shall provide the staff, information,
190 and other assistance reasonably necessary to assist the council
191 in carrying out its responsibilities.

192 (d) Members of the council serve without compensation, but
193 may receive reimbursement as provided in s. 112.061, for travel
194 and other necessary expenses incurred in the performance of
195 their official duties.

196 (e) The department shall establish a time and place for
197 regular meetings of the council. The council must meet at least
198 twice a year.

199 (2) DUTIES.—The council shall compile and review
200 information regarding an institution's student default risk
201 index and student loan rates, repayment plans, default rates,
202 and monthly loan payment amounts at public and nonpublic
203 postsecondary institutions in this state.

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204 (3) REPORT.—By December 1 of each year, the council shall
205 prepare a written report for the Governor, the President of the
206 Senate, and the Speaker of the House of Representatives
207 containing an accounting of its activities and recommending
208 policies, priorities, and objectives to help reduce the burden
209 of student loan debt in this state.

210 Section 7. The Board of Governors shall consider an
211 institution's student default risk index in the board's
212 Performance Based Funding Model.

213 Section 8. The Office of Program Policy Analysis and
214 Government Accountability (OPPAGA) shall conduct a study of the
215 effectiveness of the Florida Bright Futures Scholarship Program
216 established pursuant to ss. 1009.53-1009.538, the William L.
217 Boyd, IV, Florida Resident Access Grant Program, and the Access
218 to Better Learning and Education Grant Program. OPPAGA shall
219 submit the results of the study to the Governor, the President
220 of the Senate, and the Speaker of the House of Representatives
221 no later than July 2, 2016.

222 Section 9. This act shall take effect July 1, 2015.