

1                   A bill to be entitled  
2           An act relating to postsecondary education;  
3           amending s. 232.2466, F.S.; revising  
4           requirements for the college-ready diploma  
5           program; amending s. 233.061, F.S.; including  
6           the study of Hispanic and Women's contributions  
7           to the United States in required public school  
8           instruction; amending s. 239.117, F.S.;  
9           exempting specified students from postsecondary  
10          fees; amending s. 239.225, F.S.; revising  
11          provisions relating to the Vocational  
12          Improvement Program; amending s. 240.1163,  
13          F.S.; revising dual enrollment provisions;  
14          amending s. 240.235, F.S.; exempting specified  
15          university students from fees; amending s.  
16          240.311, F.S., relating to powers and duties of  
17          the State Board of Community Colleges; amending  
18          s. 240.321, F.S., relating to duties of  
19          community college district boards of trustees;  
20          requiring notification of alternative remedial  
21          options; amending s. 240.324, F.S., relating to  
22          the community college accountability process;  
23          providing for coinciding reporting deadlines;  
24          clarifying language; amending s. 240.35, F.S.;  
25          exempting specified community college students  
26          from fees; amending s. 240.36, F.S.; revising  
27          provisions relating to the uses of a trust fund  
28          for community colleges; amending s. 240.382,  
29          F.S.; correcting a cross-reference; amending s.  
30          240.4097, F.S., relating to the Florida  
31          Postsecondary Student Assistance Grant Program;

1 requiring the establishment of application  
 2 deadlines; amending s. 246.201, F.S.; revising  
 3 legislative intent; amending s. 246.203, F.S.;  
 4 renaming the State Board of Independent  
 5 Postsecondary Vocational, Technical, Trade, and  
 6 Business Schools the State Board of Nonpublic  
 7 Career Education; revising definition of  
 8 schools regulated by the board; amending s.  
 9 246.205, F.S.; conforming provisions; amending  
 10 s. 246.207, F.S.; revising powers and duties of  
 11 the board; amending s. 246.213, F.S.;  
 12 conforming provisions; amending s. 246.215,  
 13 F.S.; requiring licensing of specified programs  
 14 by the board; creating s. 246.216, F.S.;  
 15 providing for exemption from licensure for  
 16 specified entities; providing for statements of  
 17 exemption; providing for revocation of  
 18 statements of exemption; providing for  
 19 remedies; amending ss. 246.219, 246.220,  
 20 246.2265, 246.227, and 246.31, F.S.; conforming  
 21 provisions; amending ss. 20.15, 240.40204,  
 22 246.011, 246.081, 246.085, 246.091, 246.111,  
 23 246.50, 455.2125, 455.554, 467.009, 476.178,  
 24 477.023, and 488.01, F.S.; conforming  
 25 provisions; amending s. 232.246, F.S.; revising  
 26 credit requirements for high school graduation;  
 27 creating s. 233.0616, F.S.; encouraging  
 28 elementary schools and middle schools to  
 29 implement personal fitness programs and  
 30 providing for the allocation of funds;  
 31 providing for the allocation of funds for

1 upgrading a physical education specialist  
 2 position in the Department of Education;  
 3 amending s. 240.61, F.S.; revising criteria for  
 4 participating in the college reach-out program;  
 5 revising the due date for a report on the  
 6 college reach-out program; removing the  
 7 requirement for including longitudinal cohort  
 8 assessment; repealing s. 240.154, F.S., which  
 9 provides for undergraduate enhancement;  
 10 repealing s. 240.278, F.S., which provides for  
 11 the establishment and use of the Quality  
 12 Assurance Fund; repealing s. 240.521, F.S.,  
 13 which provides for the establishment of a state  
 14 university or a branch of an existing state  
 15 university to be located in East Central  
 16 Florida; repealing s. 240.522, F.S., which  
 17 provides for the establishment of a university  
 18 in Southwest Florida; repealing s. 240.523,  
 19 F.S., which provides for the establishment of a  
 20 4-year college in Dade County; repealing s.  
 21 240.525, F.S., which provides for the  
 22 establishment of a state university or branch  
 23 of an existing state university or state  
 24 college in Duval County; amending s. 216.136,  
 25 F.S.; providing duties of the Education  
 26 Estimating Conference; amending s. 240.409,  
 27 F.S.; authorizing eligibility determination and  
 28 grant distribution for the Florida Public  
 29 Student Assistance Grant Program to be  
 30 conducted by the receiving institution;  
 31 specifying a dollar value range for grant

1 awards; amending s. 240.4095, F.S.; authorizing  
2 eligibility determination and grant  
3 distribution for the Florida Private Student  
4 Assistance Grant Program to be conducted by the  
5 receiving institution; specifying a dollar  
6 value range for grant awards; amending s.  
7 240.4097, F.S.; authorizing eligibility  
8 determination and grant distribution for the  
9 Florida Postsecondary Student Assistance Grant  
10 Program to be conducted by the receiving  
11 institution; specifying a dollar value range  
12 for grant awards; amending s. 240.551, F.S.;  
13 renaming the Florida Prepaid Postsecondary  
14 Education Expense Program, Board, and Trust  
15 Fund the Florida Prepaid College Program,  
16 Board, and Trust Fund, respectively; reordering  
17 provisions and providing technical revisions;  
18 deleting obsolete provisions; conforming  
19 cross-references; permitting soliciting and  
20 contracting for records administration  
21 services; providing for the inclusion of  
22 certain fees within advance payment contracts  
23 for tuition; amending s. 222.22, F.S.;  
24 conforming provisions; amending s. 732.402,  
25 F.S.; exempting Florida Prepaid College Program  
26 contracts from the probate claims of creditors;  
27 reenacting ss. 731.201(13) and 735.301(1),  
28 F.S., relating to probate, to incorporate the  
29 amendment to s. 732.402, F.S., in references;  
30 amending s. 240.207, F.S.; providing terms of  
31 office for members of the Board of Regents;

1 amending s. 240.209, F.S.; revising provisions  
2 relating to the selection of the Chancellor;  
3 deleting a restriction on the faculty  
4 appointment of former university presidents;  
5 creating s. 240.136, F.S.; requiring state  
6 university and community college student  
7 government associations to establish a process  
8 for removal of certain student government  
9 officials; providing requirements; providing  
10 for a referendum; providing effective dates.

11  
12 Be It Enacted by the Legislature of the State of Florida:

13  
14 Section 1. Section 232.2466, Florida Statutes, is  
15 amended to read:

16 232.2466 College-ready diploma program.--

17 (1) Beginning with the 1998-1999 ~~1997-1998~~ school  
18 year, each school district shall award a differentiated  
19 college-ready diploma to each student who:

20 (a) Successfully completes the requirements for a  
21 standard high school diploma as prescribed by s. 232.246.  
22 Among courses taken to fulfill the 24-academic-credit  
23 requirement, a student must take high school courses that are  
24 adopted by the Board of Regents and recommended by the State  
25 Board of Community Colleges as college-preparatory academic  
26 courses.+

27 ~~1. Two credits in algebra and one credit in geometry,~~  
28 ~~or their equivalents, as determined by the state board.~~

29 ~~2. One credit in biology, one credit in chemistry, and~~  
30 ~~one credit in physics, or their equivalents, as determined by~~  
31 ~~the state board.~~

1           ~~3. Two credits in the same foreign language, taken for~~  
2 ~~elective credit. A student whose native language is not~~  
3 ~~English is exempt from this requirement if the student~~  
4 ~~demonstrates proficiency in the native language. American sign~~  
5 ~~language constitutes a foreign language.~~

6           (b) Takes the postsecondary education common placement  
7 test prescribed in s. 240.117, or an equivalent test  
8 identified by the State Board of Education, before graduation  
9 and scores at or above the established statewide passing score  
10 in each test area.

11           (2) A college-ready diploma entitles a student to  
12 admission without additional placement testing to a public  
13 postsecondary education program that terminates in a technical  
14 certificate, an applied technology diploma, an associate in  
15 applied science degree, an associate in science degree, or an  
16 associate in arts degree, if the student enters postsecondary  
17 education within 2 years after earning the college-ready  
18 diploma.

19           (3) The Department of Education shall periodically  
20 convene a task force of educators and employers to recommend  
21 additional incentives for students to pursue a college-ready  
22 diploma. The incentives may include awards and recognition,  
23 preference for positions in firms, and early registration  
24 privileges in postsecondary education institutions.

25           Section 2. Paragraphs (o) and (p) are added to  
26 subsection (2) of section 233.061, Florida Statutes, to read:

27           233.061 Required instruction.--

28           (2) Members of the instructional staff of the public  
29 schools, subject to the rules and regulations of the  
30 commissioner, the state board, and the school board, shall  
31 teach efficiently and faithfully, using the books and

1 materials required, following the prescribed courses of study,  
2 and employing approved methods of instruction, the following:

3 (o) The study of Hispanic contributions to the United  
4 States.

5 (p) The study of Women's Contributions to the United  
6 States.

7 Section 3. Paragraph (f) is added to subsection (4) of  
8 section 239.117, Florida Statutes, to read:

9 239.117 Postsecondary student fees.--

10 (4) The following students are exempt from the payment  
11 of registration, matriculation, and laboratory fees:

12 (f) A student who is a proprietor, owner, or worker of  
13 a company whose business has been at least 50 percent  
14 negatively financially impacted by the buy-out of property  
15 around Lake Apopka by the State of Florida. Such a student may  
16 receive a fee exemption only if the student has not received  
17 compensation because of the buy-out, the student is designated  
18 a Florida resident for tuition purposes, pursuant to s.  
19 240.1201, and the student has applied for and been denied  
20 financial aid, pursuant to s. 240.404, which would have  
21 provided, at a minimum, payment of all student fees. The  
22 student is responsible for providing evidence to the  
23 postsecondary education institution verifying that the  
24 conditions of this paragraph have been met, including support  
25 documentation provided by the Department of Revenue. The  
26 student must be currently enrolled in, or begin coursework  
27 within, a program area by fall semester 2000. The exemption  
28 is valid for a period of 4 years from the date that the  
29 postsecondary education institution confirms that the  
30 conditions of this paragraph have been met.

31

1           Section 4. Subsection (1) and paragraph (c) of  
2 subsection (3) of section 239.225, Florida Statutes, are  
3 amended, and subsection (5) is added to said section, to read:

4           239.225 Vocational Improvement Program.--

5           (1) There is established the Vocational Improvement  
6 Program to be administered by the Department of Education  
7 pursuant to this section ~~and rules of the State Board for~~  
8 ~~Career Education. Such rules must provide for the submission~~  
9 ~~of applications and distribution of funds pursuant to this~~  
10 ~~section.~~ The priorities for allocation of funds for the  
11 program are the development of vocational programs for  
12 disadvantaged persons; recruitment, preservice and inservice  
13 activities for vocational counselors and teachers; the  
14 development of information systems that are compatible between  
15 school districts and community colleges; job placement  
16 services for vocational completers; the development of  
17 exploratory vocational courses; activities that provide  
18 faculty articulation for the purpose of integrating vocational  
19 and academic instruction; and activities that ensure greater  
20 community involvement in career education.

21           (3)

22           ~~(c) The State Board for Career Education may adopt~~  
23 ~~rules necessary to implement the provisions of this~~  
24 ~~subsection.~~

25           (5) The State Board for Career Education may adopt  
26 rules to implement this program.

27           Section 5. Subsections (4) and (5) are added to  
28 section 240.1163, Florida Statutes, to read:

29           240.1163 Joint dual enrollment and advanced placement  
30 instruction.--

31



1           (4) School districts and community colleges must weigh  
2 college-level dual enrollment courses the same as honors  
3 courses and advanced placement courses when grade point  
4 averages are calculated. Alternative grade calculation or  
5 weighting systems that discriminate against dual enrollment  
6 courses are prohibited.

7           (5) The Commissioner of Education may approve dual  
8 enrollment agreements for limited course offerings that have  
9 statewide appeal. Such programs shall be limited to a single  
10 site with multiple county participation.

11           Section 6. Subsections (6), (7), (8), and (9) of  
12 section 240.235, Florida Statutes, are renumbered as  
13 subsections (7), (8), (9), and (10), respectively, and a new  
14 subsection (6) is added to said section to read:

15           240.235 Fees.--

16           (6) Any proprietor, owner, or worker of a company  
17 whose business has been at least 50 percent negatively  
18 financially impacted by the buy-out of property around Lake  
19 Apopka by the State of Florida is exempt from the payment of  
20 registration, matriculation, and laboratory fees. A student  
21 receiving a fee exemption in accordance with this subsection  
22 must not have received compensation because of the buy-out,  
23 must be designated a Florida resident for tuition purposes,  
24 pursuant to s. 240.1201, and must first have applied for and  
25 been denied financial aid, pursuant to s. 240.404, which would  
26 have provided, at a minimum, payment of all student fees. The  
27 student is responsible for providing evidence to the  
28 postsecondary education institution verifying that the  
29 conditions of this subsection have been met, including support  
30 documentation provided by the Department of Revenue. The  
31 student must be currently enrolled in, or begin coursework

1 within, a program area by fall semester 2000. The exemption is  
2 valid for a period of 4 years from the date that the  
3 postsecondary education institution confirms that the  
4 conditions of this subsection have been met.

5 Section 7. Subsection (3) of section 240.311, Florida  
6 Statutes, is amended to read:

7 240.311 State Board of Community Colleges; powers and  
8 duties.--

9 (3) The State Board of Community Colleges shall:

10 (a) Provide for each community college to offer  
11 educational training and service programs designed to meet the  
12 needs of both students and the communities served.

13 (b) Provide, through rule, for the coordination of the  
14 state community college system.

15 (c) Review new associate degree or certificate  
16 programs for relationship to student demand; conduct periodic  
17 reviews of existing programs; and provide rules for  
18 termination of associate degree or certificate programs when  
19 excessive duplication exists.

20 (d) Ensure that the rules and procedures of community  
21 college district boards relating to admission to, enrollment  
22 in, employment in, and programs, services, functions, and  
23 activities of each college provide equal access and equal  
24 opportunity for all persons.

25 (e) Advise presidents of community colleges of the  
26 fiscal policies adopted by the Legislature and of their  
27 responsibilities to follow such policies.

28 (f) Specify, by rule, procedures to be used by the  
29 boards of trustees in the periodic evaluations of presidents  
30 and formally review the evaluations of presidents by the  
31 boards of trustees.

1 (g) Recommend to the State Board of Education minimum  
2 standards for the operation of each community college as  
3 required in s. 240.325, which standards may include, but are  
4 not limited to, general qualifications of personnel,  
5 budgeting, accounting and financial procedures, educational  
6 programs, student admissions and services, and community  
7 services.

8 (h) Establish an effective information system which  
9 will provide composite data about the community colleges and  
10 assure that special analyses and studies about the colleges  
11 are conducted, as necessary, for provision of accurate and  
12 cost-effective information about the colleges and about the  
13 community college system as a whole.

14 (i) Encourage the colleges and the system as a whole  
15 to cooperate with other educational institutions and agencies  
16 and with all levels and agencies of government in the interest  
17 of effective utilization of all resources, programs, and  
18 services.

19 (j) Establish criteria for making recommendations  
20 relative to modifying district boundary lines and for making  
21 recommendations upon all proposals for the establishment of  
22 additional centers or campuses for community colleges.

23 (k) Develop a plan in cooperation with the local  
24 school district and the Department of Education to include any  
25 and all counties in a community college service district.

26 (l) Assess the need to consolidate any community  
27 colleges.

28 (m) Develop and adopt guidelines relating to salary  
29 and fringe benefit policies for community college  
30 administrators, including community college presidents.

31

1 (n) Develop and adopt guidelines relating to official  
2 travel by community college employees.

3 (o) Receive an annual administrative review of each  
4 community college.

5 1. Such review shall include, but is not limited to,  
6 the administrator-to-faculty ratio, the percent of funds for  
7 administrative costs in the total budget, and the percent of  
8 funds in support programs compared to the percent of funds in  
9 instructional programs and may include such other indicators  
10 of quality as are necessary.

11 2. The review shall also include all courses offered  
12 by a community college outside its district. Courses offered  
13 outside the home district which are not approved by the State  
14 Board of Community Colleges shall not be counted for funding  
15 purposes or to meet enrollment assignments. For purposes of  
16 this subparagraph, electronically originated instruction, to  
17 include satellite, broadcast, and internet delivered  
18 instruction, shall be exempt. Exemption is only permitted when  
19 the community college's intent is to offer the instruction for  
20 students residing within the community college's home district  
21 and only markets the instruction to students residing within  
22 the community college's home district. If a community  
23 college's intent is to market the electronically originated  
24 instruction outside its home district and thus recruit  
25 students outside its home district, the community college must  
26 receive the approval of the State Board of Community Colleges.  
27 The State Board of Community Colleges shall have authority to  
28 review any electronically originated instruction for  
29 compliance with this section.

30 (p) Encourage and support activities which promote and  
31 advance college and statewide direct-support organizations.

1 (q) Specify, by rule, the degree program courses that  
2 may be taken by students concurrently enrolled in  
3 college-preparatory instruction.

4 Section 8. Section 240.321, Florida Statutes, is  
5 amended to read:

6 240.321 Community college district board of trustees;  
7 rules for admissions of students.--The board of trustees shall  
8 make rules governing admissions of students. These rules  
9 shall include the following:

10 (1) Admissions counseling shall be provided to all  
11 students entering college credit programs, which counseling  
12 shall utilize tests to measure achievement of college-level  
13 communication and computation competencies by all students  
14 entering college credit programs.

15 (2) Admission to associate degree programs is subject  
16 to minimum standards adopted by the State Board of Education  
17 and shall require:

18 (a) A standard high school diploma, a high school  
19 equivalency diploma as prescribed in s. 229.814, previously  
20 demonstrated competency in college credit postsecondary  
21 coursework, or, in the case of a student who is home educated,  
22 a signed affidavit submitted by the student's parent or legal  
23 guardian attesting that the student has completed a home  
24 education program pursuant to the requirements of s.  
25 232.02(4). Students who are enrolled in a dual enrollment or  
26 early admission program pursuant to s. 240.116 and secondary  
27 students enrolled in college-level instruction creditable  
28 toward the associate degree, but not toward the high school  
29 diploma, shall be exempt from this requirement.

30 (b) A demonstrated level of achievement of  
31 college-level communication and computation skills. Students

1 entering a postsecondary education program within 2 years of  
2 graduation from high school with an earned college-ready  
3 diploma issued pursuant to s. 232.2466 shall be exempt from  
4 this testing requirement.

5 (c) Any other requirements established by the board of  
6 trustees.

7 (3) Admission to other programs within the community  
8 college shall include education requirements as established by  
9 the board of trustees.

10

11 Each board of trustees shall establish policies that notify  
12 students about, and place students into, adult basic  
13 education, adult secondary education, or other instructional  
14 programs that provide students with alternatives to  
15 traditional college-preparatory instruction, including private  
16 provider instruction. Such notification shall include a  
17 written listing or a prominent display of information on  
18 alternative remedial options that must be available to each  
19 student who scores below college level in any area on the  
20 common placement test. The list or display shall include, but  
21 is not limited to, options provided by the community college,  
22 adult education programs, and programs provided by  
23 private-sector providers. The college shall not endorse,  
24 recommend, evaluate, or rank any of the providers. The list of  
25 providers or the display materials shall include all those  
26 providers that request to be included. The written list must  
27 provide students with specific contact information and  
28 disclose the full costs of the course tuition, laboratory  
29 fees, and instructional materials of each option listed. A  
30 student who elects a private provider for remedial instruction  
31 is entitled to enroll in up to 12 credits of college-level

1 courses in skill areas other than those for which the student  
2 is being remediated. A student is prohibited from enrolling in  
3 additional college-level courses until the student scores  
4 above the cut-score on all sections of the common placement  
5 test.

6 Section 9. Section 240.324, Florida Statutes, is  
7 amended to read:

8 240.324 Community college accountability process.--

9 (1) It is the intent of the Legislature that a  
10 management and accountability process be implemented which  
11 provides for the systematic, ongoing improvement and  
12 assessment of the improvement of the quality and efficiency of  
13 the State Community College System. Accordingly, the State  
14 Board of Community Colleges and the community college boards  
15 of trustees shall develop and implement an accountability a  
16 plan to improve and evaluate the instructional and  
17 administrative efficiency and effectiveness of the State  
18 Community College System. This plan shall be designed in  
19 consultation with staff of the Governor and the Legislature  
20 and must address the following issues:

21 (a) Graduation rates of A.A. and A.S. degree-seeking  
22 students compared to first-time-enrolled students seeking the  
23 associate degree.

24 (b) Minority student enrollment and retention rates.

25 (c) Student performance, including student performance  
26 in college-level academic skills, mean grade point averages  
27 for community college A.A. transfer students, and community  
28 college student performance on state licensure examinations.

29 (d) Job placement rates of community college  
30 vocational students.

31

1 (e) Student progression by admission status and  
2 program.

3 (f) Vocational accountability standards identified in  
4 s. 239.229.

5 (g) Other measures as identified by the Postsecondary  
6 Education Planning Commission and approved by the State Board  
7 of Community Colleges.

8 (2) ~~By January 1, 1992, the State Board of Community~~  
9 ~~Colleges shall submit to the Governor, the President of the~~  
10 ~~Senate, and the Speaker of the House of Representatives a plan~~  
11 ~~for addressing these issues. The plan must provide a specific~~  
12 ~~timetable that identifies specific issues to be addressed each~~  
13 ~~year and must provide for full implementation by December 31,~~  
14 ~~1994.~~ Beginning September 1, 1998 ~~December 31, 1992,~~ the State  
15 Board of Community Colleges shall submit an annual interim  
16 report, to coincide with the submission of the agency  
17 strategic plan required by law, providing the results of  
18 initiatives taken during the prior year and the initiatives  
19 and related objective performance measures proposed for the  
20 next year. The initial plan and each interim plan shall be  
21 designed in consultation with staff of the Governor and the  
22 Legislature.

23 (3) ~~Beginning January 1, 1993,~~ The State Board of  
24 Community Colleges shall address within the annual evaluation  
25 of the performance of the executive director, and the boards  
26 of trustees shall address within the annual evaluation of the  
27 presidents, the achievement of the performance goals  
28 established by the accountability process in the community  
29 college accountability plan.

30 Section 10. Subsections (4) through (14) of section  
31 240.35, Florida Statutes, as amended by chapter 97-383, Laws



1 of Florida, are renumbered as subsections (5) through (15),  
2 respectively, paragraph (c) of present subsection (10) is  
3 amended, and a new subsection (4) is added to said section, to  
4 read:

5           240.35 Student fees.--Unless otherwise provided, the  
6 provisions of this section apply only to fees charged for  
7 college credit instruction leading to an associate degree,  
8 including college-preparatory courses defined in s. 239.105.

9           (4) Any proprietor, owner, or worker of a company  
10 whose business has been at least 50 percent negatively  
11 financially impacted by the buy-out of property around Lake  
12 Apopka by the State of Florida is exempt from the payment of  
13 registration, matriculation, and laboratory fees. A student  
14 receiving a fee exemption in accordance with this subsection  
15 must not have received compensation because of the buy-out,  
16 must be designated a Florida resident for tuition purposes  
17 pursuant to s. 240.1201, and must first have applied for and  
18 been denied financial aid, pursuant to s. 240.404, which would  
19 have provided, at a minimum, payment of all student fees. The  
20 student is responsible for providing evidence to the  
21 postsecondary education institution verifying that the  
22 conditions of this subsection have been met, including support  
23 documentation provided by the Department of Revenue. The  
24 student must be currently enrolled in, or begin coursework  
25 within, a program area by fall semester 2000. The exemption  
26 is valid for a period of 4 years from the date that the  
27 postsecondary education institution confirms that the  
28 conditions of this subsection have been met.

29           ~~(11)(10)~~

30           (c) Up to 25 percent or \$250,000, whichever is  
31 greater, of the fees collected may be used to assist students

1 who demonstrate academic merit, who participate in athletics,  
 2 public service, cultural arts, and other extracurricular  
 3 programs as determined by the institution, or who are  
 4 identified as members of a targeted gender or ethnic minority  
 5 population. The financial aid fee revenues allocated for  
 6 athletic scholarships and fee exemptions provided pursuant to  
 7 subsection (15)~~(14)~~ for athletes shall be distributed  
 8 equitably as required by s. 228.2001(3)(d). A minimum of 50  
 9 percent of the balance of these funds shall be used to provide  
 10 financial aid based on absolute need, and the remainder of the  
 11 funds shall be used for academic merit purposes and other  
 12 purposes approved by the district boards of trustees. Such  
 13 other purposes shall include the payment of child care fees  
 14 for students with financial need. The State Board of  
 15 Community Colleges shall develop criteria for making financial  
 16 aid awards. Each college shall report annually to the  
 17 Department of Education on the criteria used to make awards,  
 18 the amount and number of awards for each criterion, and a  
 19 delineation of the distribution of such awards. Awards which  
 20 are based on financial need shall be distributed in accordance  
 21 with a nationally recognized system of need analysis approved  
 22 by the State Board of Community Colleges. An award for  
 23 academic merit shall require a minimum overall grade point  
 24 average of 3.0 on a 4.0 scale or the equivalent for both  
 25 initial receipt of the award and renewal of the award.

26 Section 11. Subsections (4) and (7) of section 240.36,  
 27 Florida Statutes, are amended to read:

28 240.36 Dr. Philip Benjamin Academic Improvement Trust  
 29 Fund for Community Colleges.--

30 (4) Challenge grants shall be proportionately  
 31 allocated from the trust fund on the basis of matching each \$4

1 of state funds with \$6 of local or private funds. ~~The matching~~  
2 ~~funds shall come from contributions made after July 1, 1983,~~  
3 ~~for the purposes of matching this grant.~~ To be eligible, a  
4 minimum of \$4,500 must be raised from private sources, ~~and~~  
5 ~~such contributions must be in excess of the total average~~  
6 ~~annual cash contributions made to the foundation at each~~  
7 ~~community college in the 3 fiscal years before July 1, 1983.~~

8 (7)(a) The board of trustees of the community college  
9 and the State Board of Community Colleges are responsible for  
10 determining the uses for the proceeds of their respective  
11 trust funds. Such uses of the proceeds shall be limited to  
12 expenditure of the funds for:

13 1. Scientific and technical equipment.

14 2. Other activities that will benefit future students  
15 as well as students currently enrolled at the community  
16 college and that will improve the quality of education at the  
17 community college or in the community college system.

18 3. Scholarships, loans, or need-based grants, ~~which~~  
19 ~~are the lowest priority for use of these funds.~~

20 (b) If a community college includes scholarships,  
21 loans, or need-based grants in its proposal, it shall create  
22 an endowment in its academic improvement trust fund and use  
23 the earnings of the endowment to provide scholarships, loans,  
24 or need-based grants. ~~in its proposal, it shall create an~~  
25 ~~endowment in its academic improvement trust fund and use the~~  
26 ~~earnings of the endowment to provide scholarships.~~ ~~Such~~  
27 ~~scholarships must be program specific and require high~~  
28 ~~academic achievement for students to qualify for or retain the~~  
29 ~~scholarship. A scholarship program may be used for minority~~  
30 ~~recruitment but may not be used for athletic participants. The~~  
31 ~~board of trustees may award scholarships to students in~~

1 ~~associate in arts programs and vocational programs. However,~~  
 2 ~~for vocational programs, the board of trustees must have~~  
 3 ~~designated the program as a program of emphasis for quality~~  
 4 ~~improvement, a designation that should be restricted to a~~  
 5 ~~limited number of programs at the community college. In~~  
 6 ~~addition, the board of trustees must have adopted a specific~~  
 7 ~~plan that details how the community college will improve the~~  
 8 ~~quality of the program designated for emphasis and that~~  
 9 ~~includes quality measures and outcome measures. Over a period~~  
 10 ~~of time, the community college operating budget should show~~  
 11 ~~additional financial commitment to the program of emphasis~~  
 12 ~~above and beyond the average increases to other programs~~  
 13 ~~offered by the community college. Fundraising activities must~~  
 14 ~~be specifically identified as being for the program of~~  
 15 ~~emphasis or scholarship money. The community college must~~  
 16 ~~fully levy the amount for financial aid purposes provided by~~  
 17 ~~s. 240.35(10) in addition to the tuition and matriculation fee~~  
 18 ~~before any scholarship funds are awarded to the community~~  
 19 ~~college as part of its approved request.~~

20 (b)(c) Proposals for use of the trust fund shall be  
 21 submitted to the State Board of Community Colleges for  
 22 approval. Any proposal not acted upon in 60 days shall be  
 23 considered not approved.

24 Section 12. Subsection (5) of section 240.382, Florida  
 25 Statutes, is amended to read:

26 240.382 Establishment of child development training  
 27 centers at community colleges.--

28 (5) In addition to revenues derived from child care  
 29 fees charged to parents and other external resources, each  
 30 child development training center may be funded by a portion  
 31 of funds from the student activity and service fee authorized

1 by s. 240.35(10)~~(9)~~ and the capital improvement fee authorized  
2 by s. 240.35(14)~~(13)~~. Community colleges are authorized to  
3 transfer funds as necessary from the college's general fund to  
4 support the operation of the child development training  
5 center.

6 Section 13. Subsection (2) of section 240.4097,  
7 Florida Statutes, is amended to read:

8 240.4097 Florida Postsecondary Student Assistance  
9 Grant Program; eligibility for grants.--

10 (2)(a) Florida postsecondary student assistance grants  
11 through the State Student Financial Assistance Trust Fund may  
12 be made only to full-time degree-seeking students who meet the  
13 general requirements for student eligibility as provided in s.  
14 240.404, except as otherwise provided in this section. Such  
15 grants shall be awarded for the amount of demonstrated unmet  
16 need for tuition and fees and may not exceed a total of \$1,500  
17 per academic year, or as specified in the General  
18 Appropriations Act, to any applicant. A demonstrated unmet  
19 need of less than \$200 shall render the applicant ineligible  
20 for a Florida postsecondary student assistance grant.  
21 Recipients of such grants must have been accepted at a  
22 postsecondary institution that is located in ~~and chartered as~~  
23 ~~a domestic corporation by~~ the state and that is:

24 1. A private nursing diploma school approved by the  
25 Florida Board of Nursing; or

26 2. An institution either licensed by the State Board  
27 of Independent Colleges and Universities or exempt from  
28 licensure pursuant to s. 246.085(1)(a), excluding those  
29 institutions the students of which are eligible to receive a  
30 Florida private student assistance grant pursuant to s.  
31 240.4095.

1  
2 No student may receive an award for more than the equivalent  
3 of 9 semesters or 14 quarters in a period of not more than 6  
4 consecutive years, except as otherwise provided in s.  
5 240.404(3).

6 (b) A student applying for a Florida postsecondary  
7 student assistance grant shall be required to apply for the  
8 Pell Grant. The Pell Grant entitlement shall be considered by  
9 the department when conducting an assessment of the financial  
10 resources available to each student.

11 (c) The criteria and procedure for establishing  
12 standards of eligibility shall be determined by the  
13 department. The department is directed to establish a rating  
14 system upon which to base the approval of grants, including  
15 the use of a nationally recognized system of need analysis.  
16 The system shall include a certification of acceptability by  
17 the school of the applicant's choice. Priority in the  
18 distribution of grant moneys shall be given to students with  
19 the lowest total family resources, as determined pursuant to  
20 this subsection, taking into consideration the receipt of Pell  
21 Grants and student contributions to educational costs.

22 Section 14. Section 246.201, Florida Statutes, is  
23 amended to read:

24 246.201 Legislative intent.--

25 (1) Sections 246.201-246.231 shall provide for the  
26 protection of the health, education, and welfare of the  
27 citizens of Florida and shall facilitate and promote the  
28 acquisition of a minimum satisfactory career, ~~technical,~~  
29 ~~trade, and business~~ education by all the citizens of this  
30 state. ~~There are presently many fine nonpublic schools~~  
31 ~~existing in this state, but there are some nonpublic schools~~

1 ~~which do not generally offer those educational opportunities~~  
 2 ~~which the citizens of Florida deem essential. The latter type~~  
 3 ~~of school also fails to contribute to the ultimate health,~~  
 4 ~~education, and welfare of the citizens of Florida. It shall~~  
 5 be in the interest of, and essential to, the public health and  
 6 welfare that the state create the means whereby all nonpublic  
 7 postsecondary career independent degree career education,  
 8 ~~technical, trade, and business~~ schools as defined in s.  
 9 246.203(1) shall satisfactorily meet minimum educational  
 10 standards and fair consumer practices.

11 (2) A common practice in our society is to use  
 12 diplomas and degrees for many purposes. Some of these  
 13 purposes are: for employers to judge the qualifications of  
 14 prospective employees; for public and nonpublic professional  
 15 groups, vocational groups, educational agencies, governmental  
 16 agencies, and educational institutions to determine the  
 17 qualifications for admission to, and continuation of,  
 18 educational goals, occupational goals, professional  
 19 affiliations, or occupational affiliations; and for public and  
 20 professional assessment of the extent of competency of  
 21 individuals engaged in a wide range of activities within our  
 22 society.

23 (3) Because of the common use of diplomas and degrees,  
 24 the minimum legal requirements provided by ss. 246.201-246.231  
 25 for the establishment and operation of nonpublic postsecondary  
 26 career independent degree career education, ~~technical, trade,~~  
 27 ~~and business~~ schools shall protect the individual student from  
 28 deceptive, fraudulent, or substandard education; protect such  
 29 ~~independent degree career education, technical, trade, and~~  
 30 ~~business~~ schools; and protect the citizens of Florida holding  
 31 diplomas or degrees.

1           ~~(4) Nothing contained herein is intended in any way,~~  
2 ~~nor shall be construed, to regulate the stated purpose of an~~  
3 ~~independent degree career education, technical, trade, and~~  
4 ~~business school or to restrict any religious instruction or~~  
5 ~~training in a nonpublic school. Any school or business~~  
6 ~~regulated by the state or approved, certified, or regulated by~~  
7 ~~the Federal Aviation Administration is hereby expressly exempt~~  
8 ~~from ss. 246.201-246.231. Nonprofit schools, owned,~~  
9 ~~controlled, operated, and conducted by religious,~~  
10 ~~denominational, eleemosynary, or similar public institutions~~  
11 ~~exempt from property taxation under the laws of this state~~  
12 ~~shall be exempt from the provisions of ss. 246.201-246.231.~~  
13 ~~However, such schools may choose to apply for a license~~  
14 ~~hereunder, and, upon approval and issuance thereof, such~~  
15 ~~schools shall be subject to ss. 246.201-246.231.~~

16           Section 15. Subsections (1) and (7) of section  
17 246.203, Florida Statutes, are amended to read:

18           246.203 Definitions.--As used in ss. 246.201-246.231,  
19 unless the context otherwise requires:

20           (1) "School" means any nonpublic postsecondary  
21 noncollegiate career educational institution, association,  
22 corporation, person, partnership, or organization of any type  
23 that:

24           (a) Offers to provide or provides any postsecondary  
25 program of instruction, course, or class through the student's  
26 personal attendance, in the presence of an instructor, in a  
27 classroom, clinical, or other practicum setting or through  
28 correspondence or other distance learning; and

29           (b) Represents, directly or by implication, that the  
30 instruction will qualify the student for employment in any  
31



1 occupation whose practice in this state does not require a  
2 degree, as defined in s. 246.021(5); and

3 (c) Receives remuneration from the student or any  
4 other source on the enrollment of a student or on the number  
5 of students enrolled; or

6 (d) Offers to award or awards a diploma, as defined in  
7 subsection (6), regardless of whether or not it engages in the  
8 activities described in paragraph (a), paragraph (b), or  
9 paragraph (c).nongovernmental, postsecondary, vocational,

10 ~~technical, trade, or business noncollegiate educational~~  
11 ~~institution, organization program, home study course, or class~~  
12 ~~maintained or conducted in residence or through correspondence~~  
13 ~~by any person, partnership, association, organization, or~~  
14 ~~corporation for the purpose of offering instruction of any~~  
15 ~~kind leading to occupational objectives or of furnishing a~~  
16 ~~diploma, as defined in subsection (6), in business,~~  
17 ~~management, trade, technical, or other career education and~~  
18 ~~professional schools not otherwise regulated. Nonpublic~~  
19 ~~colleges and universities which award a baccalaureate or~~  
20 ~~higher degree, and nonpublic junior colleges which award an~~  
21 ~~associate degree in liberal arts do not fall under the~~  
22 ~~authority granted in ss. 246.201-246.231 unless the college,~~  
23 ~~university, or junior college conducts, or seeks to conduct, a~~  
24 ~~program for which a diploma, as defined in subsection (6), is~~  
25 ~~to be awarded. Any nonpublic college, university, or junior~~  
26 ~~college which conducts or seeks to conduct a diploma program~~  
27 ~~shall, for the purposes of ss. 246.201-246.231, be included in~~  
28 ~~the definition of "school." Schools offering only examination~~  
29 ~~preparation courses for which they do not award a diploma as~~  
30 ~~defined in subsection (6) do not fall under the authority~~  
31 ~~granted in ss. 246.201-246.231; nor does a nonprofit class~~

1 ~~provided and operated entirely by an employer, a group of~~  
2 ~~employers in related business or industry, or a labor union~~  
3 ~~solely for its employees or prospective employees or members.~~

4 (7) "Board" means the State Board of Nonpublic Career  
5 Education ~~Independent Postsecondary Vocational, Technical,~~  
6 ~~Trade, and Business Schools.~~

7 Section 16. Subsections (1) and (2) of section  
8 246.205, Florida Statutes, are amended to read:

9 246.205 State Board of Nonpublic Career Education  
10 ~~Independent Postsecondary Vocational, Technical, Trade, and~~  
11 ~~Business Schools.--~~

12 (1) There shall be established in the Department of  
13 Education a State Board of Nonpublic Career Education  
14 ~~Independent Postsecondary Vocational, Technical, Trade, and~~  
15 ~~Business Schools.~~ The board shall be assigned to the  
16 Department of Education only for the purpose of payroll,  
17 procurement, and related administrative functions which shall  
18 be exercised by the head of the department. The board shall  
19 independently exercise the other powers, duties, and functions  
20 prescribed by law. The board shall include nine members,  
21 appointed by the Governor as follows:

- 22 (a) One from a business school;  
23 (b) One from a technical school;  
24 (c) One from a home study school;  
25 (d) One from a nonpublic school;  
26 (e) Four from business and industry; and  
27 (f) An administrator of vocational-technical education  
28 from a public school district or community college.

29 (2) Each of the members shall be appointed by the  
30 Governor, subject to confirmation by the Senate, for a term of  
31 3 years. Of the original members appointed by the Governor,

1 three shall serve for terms of 1 year, three shall serve for  
2 terms of 2 years, and three shall serve for terms of 3 years.  
3 Of the appointive members from the nonpublic postsecondary  
4 career independent schools, each shall have occupied executive  
5 or managerial positions in a nonpublic postsecondary career an  
6 independent school in this state for at least 5 years. All  
7 members shall be residents of this state. In the event of a  
8 vacancy on the board caused other than by the expiration of a  
9 term, the Governor shall appoint a successor to serve the  
10 unexpired term.

11 Section 17. Subsection (1) and paragraph (e) of  
12 subsection (2) of section 246.207, Florida Statutes, are  
13 amended to read:

14 246.207 Powers and duties of board.--

15 (1) The board shall:

16 (a) Hold such meetings as are necessary to administer  
17 efficiently the provisions of ss. 246.201-246.231.

18 (b) Select annually a chairperson and a vice  
19 chairperson.

20 ~~(c) Adopt and use an official seal in the~~  
21 ~~authentication of its acts.~~

22 (c)(d) Make rules for its own government.

23 (d)(e) Prescribe and recommend to the State Board of  
24 Education rules as are required by ss. 246.201-246.231 or as  
25 it may find necessary to aid in carrying out the objectives  
26 and purposes of ss. 246.201-246.231.

27 (e)(f) Administer ss. 246.201-246.231 and execute such  
28 rules adopted pursuant thereto by the State Board of Education  
29 for the establishment and operation of nonpublic postsecondary  
30 career independent schools as defined in s. 246.203(1).  
31

1        (f)~~(g)~~ Appoint, on the recommendation of its  
2 chairperson, executives, deputies, clerks, and employees of  
3 the board.

4        (g)~~(h)~~ Maintain a record of its proceedings.

5        (h)~~(i)~~ Cooperate with other state and federal agencies  
6 in administering ss. 246.201-246.231.

7        (i)~~(j)~~ Prepare an annual budget.

8        (j)~~(k)~~ Transmit all fees, donations, and other  
9 receipts of money to the Institutional Assessment Trust Fund  
10 ~~State Treasurer to be deposited in the General Revenue Fund.~~

11        (k)~~(l)~~ Transmit to the Governor, the Speaker of the  
12 House of Representatives, the President of the Senate, the  
13 minority leader of the Senate, and the minority leader of the  
14 House of Representatives on July 1, 1987, and each succeeding  
15 year an annual report which shall include, but not be limited  
16 to:

17            1. A detailed accounting of all funds received and  
18 expended.

19            2. The number of complaints received and investigated,  
20 by type.

21            3. The number of findings of probable cause.

22            4. A description of disciplinary actions taken, by  
23 statutory classification.

24            5. A description of all administrative hearings and  
25 court actions.

26            6. A description of the board's major activities  
27 during the previous year.

28        (l)~~(m)~~ Assure that no school that has met board  
29 requirements established by law or rule be made to operate  
30 without a current license due to scheduling of board meetings  
31 or application procedures for license renewal.

1            (m)~~(n)~~ Cause to be investigated criminal justice  
2 information, as defined in s. 943.045, for each owner,  
3 administrator, and agent employed by a school applying for  
4 licensure or renewal of licensure.

5            (n)~~(o)~~ Serve as a central agency for collection and  
6 distribution of current information regarding institutions  
7 licensed by the board.

8            1. The data collected by the board shall include  
9 information relating to the school administration, calendar  
10 system, admissions requirements, student costs and financial  
11 obligations, financial aid information, refund policy,  
12 placement services, number of full-time and part-time faculty,  
13 student enrollment and demographic figures, programs, and  
14 off-campus programs. Other information shall be collected in  
15 response to specific needs or inquiries. Financial  
16 information of a strictly proprietary, commercial nature is  
17 excluded from this requirement.

18            2. The data collected by the board must also include  
19 the data for the career education program evaluation reports  
20 required by s. 239.233 for each school that chooses to provide  
21 public information under s. 239.245.

22            3. The board shall provide to each participating  
23 institution annually the format, definitions, and instructions  
24 for submitting the required information.

25            4. The data submitted by each institution shall be  
26 accompanied by a letter of certification signed by the chief  
27 administrative officer of the institution, affirming that the  
28 information submitted is accurate.

29            5. A summary of the data collected by the board shall  
30 be included in the annual report to the Governor, the Speaker  
31 of the House of Representatives and the President of the

1 Senate, the minority leader of the Senate, and the minority  
 2 leader of the House of Representatives. The information  
 3 collected by the board may also be used by the Department of  
 4 Education for such purposes as statewide master planning,  
 5 state financial aid programs, and publishing directories, by  
 6 the Legislature, and to respond to consumer inquiries received  
 7 by the board.

8 ~~(p) Publish and index all policies and agency~~  
 9 ~~statements. If a policy or agency statement meets the criteria~~  
 10 ~~of a rule, as defined in s. 120.52, the board shall adopt it~~  
 11 ~~as a rule.~~

12 (o)~~(q)~~ Establish and publicize the procedures for  
 13 receiving and responding to complaints from students, faculty,  
 14 and others about schools or programs licensed by the board and  
 15 shall keep records of such complaints in order to determine  
 16 their frequency and nature for specific institutions of higher  
 17 education. With regard to any written complaint alleging a  
 18 violation of any provision of ss. 246.201-246.231 or any rule  
 19 promulgated pursuant thereto, the board shall periodically  
 20 notify, in writing, the person who filed the complaint of the  
 21 status of the investigation, whether probable cause has been  
 22 found, and the status of any administrative action, civil  
 23 action, or appellate action, and if the board has found that  
 24 probable cause exists, it shall notify, in writing, the party  
 25 complained against of the results of the investigation and  
 26 disposition of the complaint. The findings of the probable  
 27 cause panel, if a panel is established, shall not be disclosed  
 28 until the information is no longer confidential.

29 (2) The board may:

30 (e) Issue a license to any school subject to ss.  
 31 246.201-246.231 which is exempted ~~excluded~~ from the licensing

1 and regulatory requirements of ss. 246.201-246.231, upon  
2 voluntary application for such license and upon payment of the  
3 appropriate fee as set forth in s. 246.219.

4 Section 18. Section 246.213, Florida Statutes, is  
5 amended to read:

6 246.213 Power of State Board of Education.--

7 (1) The State Board of Education, acting on the  
8 recommendation of the State Board of Nonpublic Career  
9 Education ~~Independent Postsecondary Vocational, Technical,~~  
10 ~~Trade, and Business Schools~~, shall adopt such minimum  
11 standards and rules as are required for the administration of  
12 ss. 246.201-246.231.

13 (2)(a) The minimum educational standards for the  
14 licensing of schools shall include, but not be limited to:  
15 name of school, purpose, administrative organization,  
16 educational program and curricula, finances, financial  
17 stability, faculty, library, student personnel services,  
18 physical plant and facilities, publications, and disclosure  
19 statements about the status of the institution in relation to  
20 professional certification and licensure.

21 (b) Rules of the State Board of Education shall  
22 require that nonpublic schools administer an entry-level test  
23 of basic skills to each student who enrolls in a nondegree  
24 program of at least 450 clock hours, or the credit hour  
25 equivalent, which purports to prepare such student for  
26 employment. The State Board of Nonpublic Career Education  
27 ~~Independent Postsecondary Vocational, Technical, Trade, and~~  
28 ~~Business Schools~~ shall designate examinations authorized for  
29 use for entry-level testing purposes. State Board of Education  
30 rules shall require that applicable schools provide students  
31 who are deemed to lack a minimal level of basic skills with a

1 structured program of basic skills instruction. No student  
 2 shall be granted a diploma, as defined in s. 246.203, until he  
 3 or she has demonstrated mastery of basic skills. Exceptional  
 4 students, as defined in s. 228.041, may be exempted from the  
 5 provisions of this paragraph. The State Board of Education  
 6 shall identify means through which students who are capable of  
 7 demonstrating mastery of basic skills may be exempted from the  
 8 provisions of this paragraph.

9 (c) The State Board of Nonpublic Career Education  
 10 ~~Independent Postsecondary Vocational, Technical, Trade, and~~  
 11 ~~Business Schools~~ may request that schools within its  
 12 jurisdiction provide the board all documents associated with  
 13 institutional accreditation. The board shall solicit from  
 14 schools which provide such documents only such additional  
 15 information undisclosed in the accreditation documents  
 16 provided. The board may conduct a comprehensive study of a  
 17 school that fails to provide all documents associated with its  
 18 institutional accreditation. The cost of such study shall be  
 19 borne by the institution. Standards imposed by the board shall  
 20 not be constrained in quality or quantity to those imposed by  
 21 the respective accrediting body.

22 (d) The State Board of Nonpublic Career Education  
 23 ~~Independent Postsecondary Vocational, Technical, Trade, and~~  
 24 ~~Business Schools~~ shall recommend to the State Board of  
 25 Education minimum placement standards for institutions that  
 26 conduct programs that prepare students for employment.

27 (3) The minimum requirements for the licensing of  
 28 agents shall include: name, residential and business  
 29 addresses, background training, institution or institutions to  
 30 be represented, and demonstrated knowledge of statutes and  
 31 rules related to the authority granted to agents and the



1 limitations imposed upon such authority. No employee of a  
 2 nonpublic school shall solicit prospective students for  
 3 enrollment in such school until that employee is licensed by  
 4 the State Board of Nonpublic Career Education ~~Independent~~  
 5 ~~Postsecondary Vocational, Technical, Trade, and Business~~  
 6 ~~Schools~~ as an agent.

7 (4) The State Board of Nonpublic Career Education  
 8 ~~Independent Postsecondary Vocational, Technical, Trade, and~~  
 9 ~~Business Schools~~ shall adopt criteria for specialized  
 10 associate degrees, diplomas, certificates, or other  
 11 educational credentials that will be recognized in licensed  
 12 schools. The State Board of Nonpublic Career Education  
 13 ~~Independent Postsecondary Vocational, Technical, Trade, and~~  
 14 ~~Business Schools~~ shall adopt a common definition for each  
 15 credential. To determine the level of a nonpublic an  
 16 ~~independent~~ institution's vocational program or to establish  
 17 criteria for a specialized degree, the board shall use  
 18 procedures developed pursuant to s. 239.205, which requires  
 19 the Department of Education to determine the level of each  
 20 public degree career education program.

21 Section 19. Section 246.215, Florida Statutes, is  
 22 amended to read:

23 246.215 License required.--

24 (1) No nonpublic postsecondary career ~~independent~~  
 25 school required to be licensed pursuant to ss. 246.201-246.231  
 26 shall be operated or established within the state until such  
 27 school makes application and obtains a license or  
 28 authorization from the board. Each nonpublic school that  
 29 seeks licensure shall first submit articles of incorporation  
 30 to the Department of State. After the Department of State  
 31 approves such articles and verifies that the articles indicate

1 the corporation is a postsecondary school within the meaning  
2 and intent of s. 246.203, the corporation shall apply for  
3 licensure by the board within 60 days of approval of the  
4 articles. Department of State approval of the articles of  
5 incorporation shall not constitute authorization to operate  
6 the nonpublic school. The Department of State shall  
7 immediately transmit approved articles of incorporation for  
8 nonpublic schools to the board.

9 (2) No agent shall solicit any prospective student for  
10 enrollment in a nonpublic school until both the agent and the  
11 school are appropriately licensed or otherwise authorized by  
12 the board.

13 (3) No nonpublic postsecondary career independent  
14 school required to be licensed pursuant to ss. 246.201-246.231  
15 shall advertise in any manner until such school is granted an  
16 appropriate license by the board, nor shall any licensed  
17 school advertise in any manner while such school is under an  
18 injunction against operating, soliciting students, or offering  
19 diplomas.

20 (4) No license granted by the board shall be  
21 transferable to another nonpublic postsecondary career  
22 ~~independent~~ school or to another agent, nor shall school  
23 licensure transfer upon a change in ownership of the  
24 institution.

25 (5) Each license granted by the board shall delineate  
26 the specific nondegree programs that the nonpublic school is  
27 authorized to offer. No such school shall conduct a program  
28 unless express authority is granted in its license.

29 (6) A diploma program offered by a nonpublic junior  
30 college, college, or university must be licensed by the board,  
31 notwithstanding the fact that such institution is concurrently

1 subject to the jurisdiction of the State Board of Independent  
2 Colleges and Universities, if such program does the following:

3 (a) The program qualifies a student for employment or  
4 engagement in an occupation whose practice in this state does  
5 not require a degree.

6 (b) The program awards a diploma, as defined in s.  
7 246.203(6), for successful completion, including any program  
8 that is organized to give students an option of exiting at a  
9 specified point and receiving a diploma, or continuing and  
10 receiving a degree, as defined in s. 246.021(5).

11 Section 20. Section 246.216, Florida Statutes, is  
12 created to read:

13 246.216 Exemption from licensure.--

14 (1) A person or entity which otherwise fits the  
15 definition of school in s. 246.203(1) shall be exempt from  
16 licensure if it meets the criteria specified in this section  
17 and applies to the board for a statement of exemption. The  
18 board shall issue a statement of exemption if it determines,  
19 based on all available information, that the applicant meets  
20 the following criteria:

21 (a) The entity is a church or religious organization  
22 whose programs of instruction include:

23 1. A religious modifier in the title of the program,  
24 immediately preceding the name of the occupation to which the  
25 instruction relates, and in the title of the diploma.

26 2. No representation, directly or by implication, that  
27 individuals who successfully complete the program will be  
28 qualified to be employed in the field to which the training  
29 relates by an employer other than a church or religious  
30 organization.

31

1           3. No students who receive state or federal financial  
2 aid to pursue the program;

3           (b) The person or entity is regulated by the Federal  
4 Aviation Administration, another agency of the Federal  
5 Government, or an agency of the state whose regulatory laws  
6 are similar in nature and purpose to those of the board and  
7 require minimum educational standards, for at least  
8 curriculum, instructors, and academic progress and provide  
9 protection against fraudulent, deceptive, and substandard  
10 education practices;

11           (c) The person or entity offers only examination  
12 preparation courses provided that:

13           1. A diploma as defined in s. 246.203(6) is not  
14 awarded.

15           2. The courses do not include state licensing  
16 examinations in occupations for which state laws do not  
17 require a licensee to have a bachelor's degree or higher  
18 academic or professional degree;

19           (d) The person or entity is:

20           1. An employer who offers training and trains only its  
21 own bona fide employees;

22           2. A trade or professional association or a group of  
23 employers in the same or related business who in writing agree  
24 to offer training and to train only individuals who are bona  
25 fide employees of an employer who is a member of the  
26 association or a party to the written agreement; or

27           3. An independent contractor engaged by any of the  
28 foregoing by written contract to provide the training on its  
29 behalf exclusively to individuals who are selected by the  
30 employer, association, or group which engaged the contractor  
31 and who are bona fide employees thereof.

1  
2 For purposes of this paragraph, a bona fide employee is an  
3 individual who works for salary or wages paid by the employer  
4 in at least the minimum amount required by law;

5 (e) The entity is a labor union or group of labor  
6 unions which offers training to, and trains only, individuals  
7 who are dues paying members of a participating labor union; or  
8 the person or entity is an independent contractor engaged by  
9 the labor union or group of labor unions, by written contract,  
10 to provide the training on its behalf exclusively to  
11 individuals who are selected by the labor union or group of  
12 labor unions which engaged the contractor and who are dues  
13 paying members thereof;

14 (f) The person or entity offers only continuing  
15 education programs to individuals who engage in an occupation  
16 or profession whose practitioners are subject to licensure,  
17 certification, or registration by a state agency which  
18 recognizes the programs for continuing education purposes and  
19 provides a written statement of such recognition; or

20 (g) The person or entity offers a program of  
21 instruction whose objective is not occupational, but is  
22 avocational and only for personal enrichment and which:

23 1. Prior to enrollment, gives to each enrollee, and  
24 maintains a record copy of, a written statement which states  
25 substantially the following: "This program is not designed or  
26 intended to qualify its participants and graduates for  
27 employment in (the field to which the training pertains). It  
28 is intended solely for the avocation, personal enrichment, and  
29 enjoyment of its participants."

30 2. Makes no other verbal or written statements which  
31 negate the written statement required in subparagraph 1. by

1 stating or implying that persons who enroll in or complete the  
2 program have any more substantial likelihood of getting  
3 employment in the field to which the training pertains than  
4 persons who do not.

5 3. Maintains and makes available to the board, upon  
6 request, records which demonstrate that each enrollee received  
7 the statement required by subparagraph 1. prior to  
8 enrollment.

9  
10 To be eligible for the statement of exemption, the applicant  
11 must maintain records documenting its qualification for  
12 exemption. A person or entity which is exempt pursuant to this  
13 subsection and which is also a licensee for programs which do  
14 not qualify for exemption may not include in the catalog,  
15 contract, or advertising relating to its licensed program any  
16 reference to its unlicensed programs. This restriction does  
17 not apply to a licensee which voluntarily becomes licensed to  
18 offer programs which would otherwise qualify for exemption.

19 (2) The board shall revoke a statement of exemption if  
20 it determines, based on all available information, that the  
21 entity does not meet the criteria required in subsection (1)  
22 because of the following:

23 (a) There has been a material change in circumstances  
24 or in the law;

25 (b) The statement was erroneously issued as a result  
26 of false or misleading information provided by the applicant  
27 or other source;

28 (c) There was a misunderstanding by the board of the  
29 information which it had considered; or

30 (d) New information has been received.

31

1 Probable cause proceedings do not apply to the foregoing board  
2 decisions.

3 (3) The board may invoke the remedies provided in s.  
4 246.227 when no application for a statement of exemption is  
5 pending; in conjunction with, or subsequent to, its notice of  
6 denial of an application; or in conjunction with, or  
7 subsequent to, its notice of revocation. The filing of a civil  
8 action pursuant to s. 246.227 shall have the effect of  
9 suspending administrative proceedings under this section  
10 unless the board takes a voluntary dismissal without prejudice  
11 in a judicial case. An order of the court which determines or  
12 renders moot an issue presented in suspended administrative  
13 proceedings shall be grounds for dismissal of the  
14 administrative proceeding as to that issue.

15 Section 21. Subsection (1) of section 246.219, Florida  
16 Statutes, is amended to read:

17 246.219 License fees.--

18 (1) Each initial application for a license to operate  
19 a nonpublic postsecondary career school shall be accompanied  
20 by a license fee of not less than \$500, and each application  
21 for the renewal of such license shall be accompanied by an  
22 annual license fee of at least \$300, provided that the fee for  
23 a biennial license shall be at least \$600. A fee shall be  
24 charged for a supplementary application for the approval of  
25 any additional field or course of instruction. Such fees  
26 shall be delineated, by rule, by the board.

27 Section 22. Section 246.220, Florida Statutes, is  
28 amended to read:

29 246.220 Surety bonds or insurance.--Surety bonds or  
30 insurance shall not be required of any school licensed by the  
31 State Board of Nonpublic Career Education ~~Independent~~

1 ~~Postsecondary Vocational, Technical, Trade, and Business~~  
2 ~~Schools~~, except as may be required by the board to insure the  
3 train-out of projected or currently enrolled students,  
4 issuance of refunds to projected or currently enrolled  
5 students, payment of liabilities to the Student Protection  
6 Fund, or for the retrieval or safekeeping of student records.

7 Section 23. Subsections (1) and (4) of section  
8 246.2265, Florida Statutes, are amended to read:

9 246.2265 Additional regulatory powers while  
10 disciplinary proceedings are pending; cease and desist  
11 orders.--

12 (1) The board may, in conjunction with an  
13 administrative complaint or notice of denial of licensure,  
14 issue cease and desist orders for the purpose of protecting  
15 the health, safety, and welfare of students, prospective  
16 students, and the general public. Such orders may be  
17 mandatory or prohibitory in form and may order a nonpublic an  
18 ~~independent~~ postsecondary career institution, officer,  
19 employee, or agent to:

20 (a) Cease and desist from specified conduct which  
21 relates to acts or omissions stated in the administrative  
22 complaint or notice of denial of licensure; or

23 (b) Cease and desist from failing to engage in  
24 specified conduct which is necessary to achieve or preserve  
25 the regulatory purposes of ss. 246.201-246.231.

26 (4) The executive director of the board, with the  
27 approval of the chair of the board, may issue and deliver a  
28 cease and desist order to a nonpublic an-independent  
29 postsecondary career institution.

30 Section 24. Subsections (2) and (3) of section  
31 246.227, Florida Statutes, are amended to read:



1           246.227 Injunctive relief; unlicensed operation of a  
2 school; cease and desist notice; civil penalty.--

3           (2) An unlicensed nonpublic ~~independent~~ postsecondary  
4 career institution required to be licensed pursuant to ss.  
5 246.201-246.231 that advertises or causes advertisements to be  
6 made public through which students are solicited for  
7 enrollment or are offered diplomas shall be in violation of  
8 the provisions of ss. 246.201-246.231. A licensed nonpublic  
9 ~~independent~~ postsecondary career institution that is under  
10 temporary or permanent injunction against operating or  
11 offering diplomas that advertises or causes advertisements to  
12 be made public through which students are solicited for  
13 enrollment or are offered diplomas shall be in violation of  
14 such injunctive order upon presentation to the court of the  
15 advertisement.

16           (3) The executive director of the board, with the  
17 approval of the chair of the board, may issue and deliver a  
18 cease and desist order to any nonpublic ~~independent~~  
19 postsecondary career institution or agent required to be  
20 licensed pursuant to ss. 246.201-246.231 that is not so  
21 licensed. The board may file, in the name of the state, a  
22 proceeding which seeks issuance of an injunction against any  
23 person in violation of any provision of such order.

24           Section 25. Subsection (1) of section 246.31, Florida  
25 Statutes, is amended to read:

26           246.31 Institutional Assessment Trust Fund.--

27           (1) There is created an Institutional Assessment Trust  
28 Fund to be administered by the Department of Education  
29 pursuant to this section and rules of the State Board of  
30 Education. The trust fund shall consist of all fees and fines  
31 imposed upon nonpublic colleges and schools pursuant to this

1 chapter, including all fees collected from nonpublic colleges  
2 for participation in the common course designation and  
3 numbering system. The department shall maintain separate  
4 revenue accounts for the State Board of Independent Colleges  
5 and Universities; the State Board of Nonpublic Career  
6 Education ~~Independent Postsecondary Vocational, Technical,~~  
7 ~~Trade, and Business Schools~~; and the Department of Education.

8 Section 26. Subsection (6) of section 20.15, Florida  
9 Statutes, is amended to read:

10 20.15 Department of Education.--There is created a  
11 Department of Education.

12 (6) COUNCILS AND COMMITTEES.--Notwithstanding anything  
13 contained in law to the contrary, the Commissioner of  
14 Education shall appoint all members of all councils and  
15 committees of the Department of Education, except the Board of  
16 Regents, the State Board of Community Colleges, the community  
17 college district boards of trustees, the Postsecondary  
18 Education Planning Commission, the Education Practices  
19 Commission, the Education Standards Commission, the State  
20 Board of Independent Colleges and Universities, the Florida  
21 Commission on Education Reform and Accountability, and the  
22 State Board of Nonpublic Career Education ~~Independent~~  
23 ~~Postsecondary Vocational, Technical, Trade, and Business~~  
24 ~~Schools~~.

25 Section 27. Subsection (5) of section 240.40204,  
26 Florida Statutes, is amended to read:

27 240.40204 Florida Bright Futures Scholarship Program;  
28 eligible postsecondary education institutions.--A student is  
29 eligible for an award or the renewal of an award from the  
30 Florida Bright Futures Scholarship Program if the student  
31 meets the requirements for the program as described in this

1 act and is enrolled in a postsecondary education institution  
2 that meets the description in any one of the following  
3 subsections:

4 (5) A Florida independent postsecondary education  
5 institution that is licensed by the State Board of Nonpublic  
6 Career Education ~~Independent Postsecondary Vocational,~~  
7 ~~Technical, Trade, or Business Schools~~ and which:

8 (a) Has a program completion and placement rate of at  
9 least the rate required by the current Florida Statutes, the  
10 Florida Administrative Code, or the Department of Education  
11 for an institution at its level; and

12 (b) Shows evidence of sound financial condition; and  
13 either:

14 1. Is accredited at the institutional level by an  
15 accrediting agency recognized by the United States Department  
16 of Education and has operated in the state for at least 3  
17 years during which there has been no complaint for which  
18 probable cause has been found; or

19 2. Has operated in Florida for 5 years during which  
20 there has been no complaint for which probable cause has been  
21 found.

22 Section 28. Subsection (3) of section 246.011, Florida  
23 Statutes, is amended to read:

24 246.011 Purpose.--

25 (3) It is the intent of the Legislature that a  
26 nonpublic college which offers both degrees and vocational  
27 certificates or diplomas shall be subject to the rules of the  
28 State Board of Independent Colleges and Universities as  
29 provided by ss. 246.011-246.151 and the State Board of  
30 Nonpublic Career Education ~~Independent Postsecondary~~

31

1 ~~Vocational, Technical, Trade, and Business Schools~~ as provided  
2 by ss. 246.201-246.231.

3 Section 29. Subsection (3) of section 246.081, Florida  
4 Statutes, is amended to read:

5 246.081 License, certificate of exemption, or  
6 authorization required; exceptions.--

7 (3) No nonpublic college shall continue to conduct or  
8 begin to conduct any diploma program, as defined in s.  
9 246.203, unless the college applies for and obtains from the  
10 State Board of Nonpublic Career Education Independent  
11 ~~Postsecondary Vocational, Technical, Trade, and Business~~  
12 ~~Schools~~ a license or authorization for such diploma program in  
13 the manner and form prescribed by the State Board of Nonpublic  
14 Career Education Independent Postsecondary Vocational,  
15 ~~Technical, Trade, and Business Schools~~.

16 Section 30. Subsection (3) of section 246.085, Florida  
17 Statutes, is amended to read:

18 246.085 Certificate of exemption.--

19 (3) Any college which holds a certificate of exemption  
20 and which conducts any diploma program, as defined in s.  
21 246.203, shall be subject to licensure of such diploma program  
22 by the State Board of Nonpublic Career Education Independent  
23 ~~Postsecondary Vocational, Technical, Trade, and Business~~  
24 ~~Schools~~.

25 Section 31. Subsection (3) of section 246.091, Florida  
26 Statutes, is amended to read:

27 246.091 License period and renewal.--

28 (3) A licensed college which seeks to conduct any  
29 diploma program, as defined in s. 246.203, shall apply to the  
30 State Board of Nonpublic Career Education Independent

31

1 ~~Postsecondary Vocational, Technical, Trade, and Business~~  
2 ~~Schools~~ for licensure for such program.

3 Section 32. Subsection (1) of section 246.111, Florida  
4 Statutes, is amended to read:

5 246.111 Denial, probation, or revocation of license or  
6 certificate of exemption.--

7 (1) Any temporary license, provisional license, or  
8 regular license, agent's license, certificate of exemption, or  
9 other authorization required under the provisions of ss.  
10 246.011-246.151 may be denied, placed on probation, or revoked  
11 by the board. A college which has its certificate of  
12 exemption revoked shall become subject to the licensing  
13 provisions of the board. The board shall promulgate rules for  
14 these actions. Placement of a college on probation for a  
15 period of time and subject to such conditions as the board may  
16 specify may also carry the imposition of an administrative  
17 fine not to exceed \$5,000. Such fine shall be deposited into  
18 the Institutional Assessment Trust Fund. Disciplinary action  
19 undertaken pursuant to this section against a college that is  
20 also licensed by the State Board of Nonpublic Career Education  
21 ~~Independent Postsecondary Vocational, Technical, Trade, and~~  
22 ~~Business Schools~~ shall prompt disciplinary proceedings  
23 pursuant to s. 246.226.

24 Section 33. Subsection (1) of section 246.50, Florida  
25 Statutes, is amended to read:

26 246.50 Certified Teacher-Aide Welfare Transition  
27 Program; participation by independent postsecondary  
28 schools.--An independent postsecondary school may participate  
29 in the Certified Teacher-Aide Welfare Transition Program and  
30 may receive incentives for successful performance from the  
31 Performance Based Incentive Funding Program if:

1           (1) The school is accredited by the Southern  
2 Association of Colleges and Schools and licensed by the State  
3 Board of Nonpublic Career Education ~~Independent Postsecondary~~  
4 ~~Vocational, Technical, Trade, and Business Schools;~~

5           Section 34. Section 455.2125, Florida Statutes, is  
6 amended to read:

7           455.2125 Consultation with postsecondary education  
8 boards prior to adoption of changes to training  
9 requirements.--Any state agency or board that has jurisdiction  
10 over the regulation of a profession or occupation shall  
11 consult with the State Board of Independent Colleges and  
12 Universities; the State Board of Nonpublic Career Education  
13 ~~Independent Postsecondary Vocational, Technical, Trade, and~~  
14 ~~Business Schools;~~ the Board of Regents; and the State Board of  
15 Community Colleges prior to adopting any changes to training  
16 requirements relating to entry into the profession or  
17 occupation. This consultation must allow the educational board  
18 to provide advice regarding the impact of the proposed changes  
19 in terms of the length of time necessary to complete the  
20 training program and the fiscal impact of the changes. The  
21 educational board must be consulted only when an institution  
22 offering the training program falls under its jurisdiction.

23           Section 35. Section 455.554, Florida Statutes, is  
24 amended to read:

25           455.554 Consultation with postsecondary education  
26 boards prior to adoption of changes to training  
27 requirements.--Any state agency or board that has jurisdiction  
28 over the regulation of a profession or occupation shall  
29 consult with the State Board of Independent Colleges and  
30 Universities; the State Board of Nonpublic Career Education  
31 ~~Independent Postsecondary Vocational, Technical, Trade, and~~

1 ~~Business Schools~~; the Board of Regents; and the State Board of  
2 Community Colleges prior to adopting any changes to training  
3 requirements relating to entry into the profession or  
4 occupation. This consultation must allow the educational board  
5 to provide advice regarding the impact of the proposed changes  
6 in terms of the length of time necessary to complete the  
7 training program and the fiscal impact of the changes. The  
8 educational board must be consulted only when an institution  
9 offering the training program falls under its jurisdiction.

10 Section 36. Subsection (8) of section 467.009, Florida  
11 Statutes, is amended to read:

12 467.009 Midwifery programs; education and training  
13 requirements.--

14 (8) Nonpublic educational institutions that conduct  
15 approved midwifery programs shall be accredited by a member of  
16 the Commission on Recognition of Postsecondary Accreditation  
17 and shall be licensed by the State Board of Nonpublic Career  
18 Education ~~Independent Postsecondary Vocational, Technical,~~  
19 ~~Trade, and Business Schools.~~

20 Section 37. Section 476.178, Florida Statutes, is  
21 amended to read:

22 476.178 Schools of barbering; licensure.--No private  
23 school of barbering shall be permitted to operate without a  
24 license issued by the State Board of Nonpublic Career  
25 Education ~~Independent Postsecondary Vocational, Technical,~~  
26 ~~Trade, and Business Schools~~ pursuant to chapter 246. However,  
27 this section shall not be construed to prevent certification  
28 by the Department of Education of barber training programs  
29 within the public school system or to prevent government  
30 operation of any other program of barbering in this state.

31

1           Section 38. Section 477.023, Florida Statutes, is  
2 amended to read:

3           477.023 Schools of cosmetology; licensure.--No private  
4 school of cosmetology shall be permitted to operate without a  
5 license issued by the State Board of Nonpublic Career  
6 Education ~~Independent Postsecondary Vocational, Technical,~~  
7 ~~Trade, and Business Schools~~ pursuant to chapter 246. However,  
8 nothing herein shall be construed to prevent certification by  
9 the Department of Education of cosmetology training programs  
10 within the public school system or to prevent government  
11 operation of any other program of cosmetology in this state.

12           Section 39. Section 488.01, Florida Statutes, is  
13 amended to read:

14           488.01 License to engage in business of operating a  
15 driver's school required.--The Department of Highway Safety  
16 and Motor Vehicles shall oversee and license all commercial  
17 driver's schools except truck driving schools. All commercial  
18 truck driving schools shall be required to be licensed  
19 pursuant to chapter 246, and additionally shall be subject to  
20 the provisions of ss. 488.04 and 488.05. No person, group,  
21 organization, institution, business entity, or corporate  
22 entity may engage in the business of operating a driver's  
23 school without first obtaining a license therefor from the  
24 Department of Highway Safety and Motor Vehicles pursuant to  
25 this chapter or from the State Board of Nonpublic Career  
26 Education ~~Independent Postsecondary Vocational, Technical,~~  
27 ~~Trade, and Business Schools~~ pursuant to chapter 246.

28           Section 40. Effective July 1, 1999, subsection (1) and  
29 paragraph (a) of subsection (6) of section 232.246, Florida  
30 Statutes, are amended to read:

31



1           232.246 General requirements for high school  
2 graduation.--

3           (1) Graduation requires successful completion of  
4 either a minimum of 24 academic credits in grades 9 through 12  
5 or an International Baccalaureate curriculum. The 24 credits  
6 shall be distributed as follows:

7           (a) Four credits in English, with major concentration  
8 in composition and literature.

9           (b) Three credits in mathematics. Effective for  
10 students entering the 9th grade in the 1997-1998 school year  
11 and thereafter, one of these credits must be Algebra I, a  
12 series of courses equivalent to Algebra I, or a higher-level  
13 mathematics course.

14           (c) Three credits in science, two of which must have a  
15 laboratory component. The State Board of Education may grant  
16 an annual waiver of the laboratory requirement to a school  
17 district that certifies that its laboratory facilities are  
18 inadequate, provided the district submits a capital outlay  
19 plan to provide adequate facilities and makes the funding of  
20 this plan a priority of the school board.

21           (d) One credit in American history.

22           (e) One credit in world history, including a  
23 comparative study of the history, doctrines, and objectives of  
24 all major political systems.

25           (f) One-half credit in economics, including a  
26 comparative study of the history, doctrines, and objectives of  
27 all major economic systems. The Florida Council on Economic  
28 Education shall provide technical assistance to the department  
29 and local school boards in developing curriculum materials for  
30 the study of economics.

31

1 (g) One-half credit in American government, including  
2 study of the Constitution of the United States. For students  
3 entering the 9th grade in the 1997-1998 school year and  
4 thereafter, the study of Florida government, including study  
5 of the State Constitution, the three branches of state  
6 government, and municipal and county government, shall be  
7 included as part of the required study of American government.

8 (h)1. One credit in practical arts career education or  
9 exploratory career education. Any vocational course as  
10 defined in s. 228.041(22) may be taken to satisfy the high  
11 school graduation requirement for one credit in practical arts  
12 or exploratory career education provided in this subparagraph;

13 2. One credit in performing fine arts to be selected  
14 from music, dance, drama, painting, or sculpture. A course in  
15 any art form, in addition to painting or sculpture, that  
16 requires manual dexterity, or a course in speech and debate,  
17 may be taken to satisfy the high school graduation requirement  
18 for one credit in performing arts pursuant to this  
19 subparagraph; or

20 3. One-half credit each in practical arts career  
21 education or exploratory career education and performing fine  
22 arts, as defined in this paragraph.

23  
24 Such credit for practical arts career education or exploratory  
25 career education or for performing fine arts shall be made  
26 available in the 9th grade, and students shall be scheduled  
27 into a 9th grade course as a priority.

28 (i) One-half credit in life management skills to  
29 include consumer education, positive emotional development,  
30 nutrition, prevention of human immunodeficiency virus  
31 infection and acquired immune deficiency syndrome and other

1 sexually transmissible diseases, benefits of sexual abstinence  
 2 and consequences of teenage pregnancy, information and  
 3 instruction on breast cancer detection and breast  
 4 self-examination, cardiopulmonary resuscitation, drug  
 5 education, and the hazards of smoking. Such credit shall be  
 6 given for a course to be taken by all students in either the  
 7 9th or 10th grade.

8 (j) One ~~One-half~~ credit in physical education to  
 9 include assessment, improvement, and maintenance of personal  
 10 fitness. Participation in an interscholastic sport, ~~whether~~  
 11 at the ~~freshman~~, junior varsity, or varsity level, for two a  
 12 full seasons ~~season~~, shall satisfy the one-credit one-half  
 13 credit requirement in physical education if the student passes  
 14 a competency test on personal fitness with a score of "C" or  
 15 better. The competency test on personal fitness must be  
 16 developed by the Department of Education. A school board may  
 17 not require that the one credit in physical education be taken  
 18 during the 9th grade year.

19 (k) Eight and one-half ~~Nine~~ elective credits.

20  
 21 School boards may award a maximum of one-half credit in social  
 22 studies and one-half elective credit for student completion of  
 23 nonpaid voluntary community or school service work. Students  
 24 choosing this option must complete a minimum of 75 hours of  
 25 service in order to earn the one-half credit in either  
 26 category of instruction. Credit may not be earned for service  
 27 provided as a result of court action. School boards that  
 28 approve the award of credit for student volunteer service  
 29 shall develop guidelines regarding the award of the credit,  
 30 and school principals are responsible for approving specific  
 31 volunteer activities. A course designated in the Course Code

1 Directory as grade 9 through grade 12 which is taken below the  
2 9th grade may be used to satisfy high school graduation  
3 requirements or Florida Academic Scholars award ~~Scholar's~~  
4 ~~Certificate Program~~ requirements as specified in a district's  
5 pupil progression plan.

6 (6) The Legislature recognizes that adult learners are  
7 unique in situation and needs. The following graduation  
8 requirements are therefore instituted for students enrolled in  
9 adult general education in accordance with s. 239.301 in  
10 pursuit of a high school diploma:

11 (a) The one ~~one-half~~ credit in physical education  
12 required for graduation, pursuant to subsection (1), is not  
13 required for graduation and shall be substituted with elective  
14 credit keeping the total credits needed for graduation  
15 consistent with subsection (1).

16 Section 41. Section 233.0616, Florida Statutes, is  
17 created to read:

18 233.0616 Personal fitness programs.--Each elementary  
19 school and middle school is encouraged to implement a personal  
20 fitness program, approved by the Department of Education, that  
21 complies with American Heart Association guidelines for  
22 elementary school and middle school personal fitness courses.  
23 From incentive funds provided in the General Appropriations  
24 Act, the Department of Education shall allocate funds to  
25 schools implementing personal fitness programs pursuant to  
26 this section.

27 Section 42. From funds provided in the General  
28 Appropriations Act, the Department of Education shall allocate  
29 funds to provide for an additional one-fourth-time position to  
30 upgrade the physical education specialist position in the  
31

1 department from a three-fourths-time position to a full-time  
2 position.

3 Section 43. Subsections (3) and (13) of section  
4 240.61, Florida Statutes, are amended to read:

5 240.61 College reach-out program.--

6 (3) To participate in the college reach-out program, a  
7 community college, a public university, or an independent  
8 postsecondary institution ~~that is participating in a special~~  
9 ~~program for students from disadvantaged backgrounds pursuant~~  
10 ~~to 20 U.S.C., ss. 1070d et seq.~~ may submit a proposal to the  
11 Department of Education. The State Board of Education shall  
12 consider the proposals and determine which proposals to  
13 implement as programs that will strengthen the educational  
14 motivation and preparation of low-income educationally  
15 disadvantaged students.

16 (13) By February 15 ~~January 15~~ of each year, the  
17 Postsecondary Education Planning Commission shall submit to  
18 the President of the Senate, the Speaker of the House of  
19 Representatives, the Commissioner of Education, and the  
20 Governor a report that evaluates the effectiveness of the  
21 college reach-out program. The report must be based upon  
22 information provided by participating institutions, the  
23 Division of Universities, the Division of Community Colleges,  
24 and the Division of Workforce Development pursuant to  
25 subsections (7) and (12). ~~The evaluation must include~~  
26 ~~longitudinal cohort assessments of college reach-out program~~  
27 ~~participants from their entry into the program to their~~  
28 ~~graduation from postsecondary institutions.~~ To the extent  
29 feasible, the performance of college reach-out program  
30 participants must be compared to the performance of comparable  
31

1 cohorts of students in public school and postsecondary  
2 education.

3 Section 44. Sections 240.154, 240.278, 240.521,  
4 240.522, 240.523, and 240.525, Florida Statutes, are repealed.

5 Section 45. Subsection (4) of section 216.136, Florida  
6 Statutes, is amended to read:

7 216.136 Consensus estimating conferences; duties and  
8 principals.--

9 (4) EDUCATION ESTIMATING CONFERENCE.--

10 (a) Duties.--The Education Estimating Conference shall  
11 develop such official information relating to the state public  
12 educational system, including forecasts of student  
13 enrollments, the number of students qualified for state  
14 financial aid programs and the appropriation required to fund  
15 the full award amounts for each program, fixed capital outlay  
16 needs, and Florida Education Finance Program formula needs, as  
17 the conference determines is needed for the state planning and  
18 budgeting system. The conference's initial projections of  
19 enrollments in public schools shall be forwarded by the  
20 conference to each school district no later than 2 months  
21 prior to the start of the regular session of the Legislature.  
22 Each school district may, in writing, request adjustments to  
23 the initial projections. Any adjustment request shall be  
24 submitted to the conference no later than 1 month prior to the  
25 start of the regular session of the Legislature and shall be  
26 considered by the principals of the conference. A school  
27 district may amend its adjustment request, in writing, during  
28 the first 3 weeks of the legislative session, and such amended  
29 adjustment request shall be considered by the principals of  
30 the conference. For any adjustment so requested, the district  
31 shall indicate and explain, using definitions adopted by the

1 conference, the components of anticipated enrollment changes  
2 that correspond to continuation of current programs with  
3 workload changes; program improvement; program reduction or  
4 elimination; initiation of new programs; and any other  
5 information that may be needed by the Legislature. For public  
6 schools, the conference shall submit its full-time equivalent  
7 student consensus estimate to the Legislature no later than 1  
8 month after the start of the regular session of the  
9 Legislature. No conference estimate may be changed without the  
10 agreement of the full conference.

11 (b) Adjustments.--No later than 2 months prior to the  
12 start of the regular session of the Legislature, the  
13 conference shall forward to each eligible postsecondary  
14 education institution its initial projections of the number of  
15 students qualified for state financial aid programs and the  
16 appropriation required to fund those students at the full  
17 award amount. Each postsecondary education institution may  
18 request, in writing, adjustments to the initial projection.  
19 Any adjustment request must be submitted to the conference no  
20 later than 1 month prior to the start of the regular session  
21 of the Legislature and shall be considered by the principals  
22 of the conference. For any adjustment so requested, the  
23 postsecondary education institution shall indicate and  
24 explain, using definitions adopted by the conference, the  
25 components of anticipated changes that correspond to  
26 continuation of current programs with enrollment changes,  
27 program reduction or elimination, initiation of new programs,  
28 award amount increases or decreases, and any other information  
29 that is considered by the conference. The conference shall  
30 submit its consensus estimate to the Legislature no later than  
31 1 month after the start of the regular session of the

1 Legislature. No conference estimate may be changed without the  
2 agreement of the full conference.

3 (c)(b) Principals.--The Associate Deputy Commissioner  
4 for Educational Management, the Executive Office of the  
5 Governor, the director of the Division of Economic and  
6 Demographic Research of the Joint Legislative Management  
7 Committee, and professional staff of the Senate and House of  
8 Representatives who have forecasting expertise, or their  
9 designees, are the principals of the Education Estimating  
10 Conference. The Associate Deputy Commissioner for Educational  
11 Management or his or her designee shall preside over sessions  
12 of the conference.

13 Section 46. Effective July ~~January~~ 1, 1999, section  
14 240.409, Florida Statutes, is amended to read:

15 240.409 Florida Public Student Assistance Grant  
16 Program; eligibility for grants.--

17 (1) There is hereby created a Florida Public Student  
18 Assistance Grant Program. The program shall ~~to~~ be administered  
19 by the participating institutions ~~Department of Education~~ in  
20 accordance with rules of the state board.

21 (2)(a) State student assistance grants through the  
22 program may be made only to full-time degree-seeking students  
23 who meet the general requirements for student eligibility as  
24 provided in s. 240.404, except as otherwise provided in this  
25 section. Such grants shall be awarded annually for the amount  
26 of demonstrated unmet need for the cost of education and may  
27 not exceed an amount equal to the average prior academic year  
28 cost of ~~tuition and~~ matriculation fees and other registration  
29 fees for 30 credit hours at state universities or such other  
30 amount as specified in the General Appropriations Act, to any  
31 recipient. A demonstrated unmet need of less than \$200 shall



1 render the applicant ineligible for a state student assistance  
2 grant. Recipients of such grants must have been accepted at a  
3 state university or community college authorized by Florida  
4 law. No student may receive an award for more than the  
5 equivalent of 9 semesters or 14 quarters of full-time  
6 enrollment in a period of not more than 6 consecutive years,  
7 except as otherwise provided in s. 240.404(3).

8 (b) A student applying for a Florida public student  
9 assistance grant shall be required to apply for the Pell  
10 Grant. The Pell Grant entitlement shall be considered ~~by the~~  
11 ~~department~~ when conducting an assessment of the financial  
12 resources available to each student.

13 (c) ~~The criteria and procedure for establishing~~  
14 ~~standards of eligibility shall be determined by the~~  
15 ~~department. The department is directed to establish a rating~~  
16 ~~system upon which to base the approval of grants, and such~~  
17 ~~system shall include a certification of acceptability by the~~  
18 ~~state university or community college of the applicant's~~  
19 ~~choice and the use of a nationally recognized system of need~~  
20 ~~analysis. Priority in the distribution of grant moneys shall~~  
21 ~~be given to students with the lowest total family resources,~~  
22 in accordance with a nationally recognized system of need  
23 analysis as determined pursuant to this subsection, taking  
24 into consideration the receipt of Pell Grants and student  
25 contributions to educational costs. Using the system of need  
26 analysis, the department shall establish a maximum expected  
27 family contribution. An institution may not make a grant from  
28 this program to a student whose expected family contribution  
29 exceeds the level established by the department. An  
30 institution may not impose additional criteria to determine a  
31 student's eligibility to receive a grant award.

1           (d) Each participating institution shall report, to  
 2 the department by the established date, the eligible students  
 3 to whom grant moneys are disbursed each academic term. Each  
 4 institution shall also report to the department necessary  
 5 demographic and eligibility data for such students.~~The~~  
 6 ~~department is directed to establish, for fall enrollment, an~~  
 7 ~~initial application deadline for students attending all~~  
 8 ~~eligible institutions and an additional application deadline~~  
 9 ~~for community college applicants who apply after the initial~~  
 10 ~~application deadline. The second community college deadline~~  
 11 ~~shall be at the close of each institution's drop-add period.~~  
 12 ~~The department shall reserve an amount to be designated~~  
 13 ~~annually in the General Appropriations Act for the purpose of~~  
 14 ~~providing awards to community college students who apply for a~~  
 15 ~~student assistance grant after the initial application~~  
 16 ~~deadline. Community college applicants who apply during the~~  
 17 ~~initial application period and are eligible to receive an~~  
 18 ~~award, but do not receive an award because of insufficient~~  
 19 ~~funds, shall have their applications reconsidered with those~~  
 20 ~~community college applicants who apply after the initial~~  
 21 ~~application deadline. The provisions of this paragraph shall~~  
 22 ~~take effect beginning with the 1990-1991 academic year.~~

23           (3) Based on the unmet financial need of an eligible  
 24 applicant, the full amount of a Florida public student  
 25 assistance grant must be between \$200 and the weighted average  
 26 of the cost of matriculation and other registration fees for  
 27 30 credit hours at state universities~~\$1,500~~ per academic year  
 28 or the amount specified in the General Appropriations Act.  
 29 ~~When funds are not sufficient to make full awards to all~~  
 30 ~~eligible applicants, the department shall reduce the amount of~~  
 31 ~~each recipient's grant award pro rata. For any year in which~~

1 ~~a pro rata grant reduction is necessary, such adjustment shall~~  
 2 ~~be made by reducing the second semester or the second and~~  
 3 ~~third quarter award disbursements to grant recipients. In~~  
 4 ~~each such instance, institutions shall notify students of~~  
 5 ~~award adjustments.~~

6 ~~(4) In the event that a Florida public student~~  
 7 ~~assistance grant recipient transfers from one institution~~  
 8 ~~eligible under this section, s. 240.4095, or s. 240.4097 to~~  
 9 ~~another, his or her eligibility shall be transferable upon~~  
 10 ~~approval of the department. When approved by the department,~~  
 11 ~~the amount of the unmet need shall be recalculated for the new~~  
 12 ~~institution and shall be adjusted accordingly.~~

13 (4)(5)(a) The funds appropriated for the Florida  
 14 Public Student Assistance Grant shall be distributed to  
 15 eligible institutions in accordance with a formula recommended  
 16 by the Department of Education's Florida Council of Student  
 17 Financial Aid Advisors and reviewed by the Postsecondary  
 18 Education Planning Commission, the State Board of Community  
 19 Colleges, and the Board of Regents. The formula shall consider  
 20 at least the prior year's distribution of funds, the number of  
 21 full-time eligible applicants who did not receive awards, the  
 22 standardization of the expected family contribution, and  
 23 provisions for unused funds.

24 (b) Payment of Florida public student assistance  
 25 grants shall ~~may~~ be transmitted to the president of the state  
 26 university or community college ~~which the recipient is~~  
 27 ~~attending~~, or to his or her representative, in advance of the  
 28 registration period. Institutions shall notify students of the  
 29 amount of their awards.

30 ~~(c)(b) Institutions shall certify to the department,~~  
 31 ~~within 30 days of the end of regular registration, the~~

1 ~~eligibility status of each awarded student.~~ The eligibility  
 2 status of each student to receive a disbursement shall be  
 3 determined by each institution as of the end of its regular  
 4 registration period, inclusive of a drop-add period.  
 5 Institutions shall not be required to reevaluate a student's  
 6 eligibility status after this date for purposes of changing  
 7 ~~amending~~ eligibility determinations previously made. ~~However,~~  
 8 ~~an institution shall be required to make refunds for students~~  
 9 ~~who receive award disbursements and terminate enrollment for~~  
 10 ~~any reason during the academic term when an institution's~~  
 11 ~~refund policies permit a student to receive a refund under~~  
 12 ~~these circumstances.~~

13 (d)~~(c)~~ Institutions shall certify to the department  
 14 the amount of funds disbursed to each student and shall remit  
 15 to the department any undisbursed advances by June 1 of each  
 16 year ~~within 60 days of the end of regular registration.~~

17 (5)~~(6)~~ Funds appropriated by the Legislature for state  
 18 student assistance grants shall be deposited in the State  
 19 Student Financial Assistance Trust Fund. Notwithstanding the  
 20 provisions of s. 216.301 and pursuant to s. 216.351, any  
 21 balance in the trust fund at the end of any fiscal year that  
 22 has been allocated to the Florida Public Student Assistance  
 23 Grant Program shall remain therein and shall be available for  
 24 carrying out the purposes of this section.

25 (6)~~(7)~~ The State Board of Education shall establish  
 26 rules necessary to implement this section.

27 Section 47. Effective July 1, 1999, section 240.4095,  
 28 Florida Statutes, is amended to read:

29 240.4095 Florida Private Student Assistance Grant  
 30 Program; eligibility for grants.--

31

1           (1) There is hereby created a Florida Private Student  
2 Assistance Grant Program. The program shall ~~to~~ be administered  
3 by the participating institutions ~~Department of Education~~ in  
4 accordance with rules of the state board.

5           (2)(a) Florida private student assistance grants from  
6 the State Student Financial Assistance Trust Fund may be made  
7 only to full-time degree-seeking students who meet the general  
8 requirements for student eligibility as provided in s.  
9 240.404, except as otherwise provided in this section. Such  
10 grants shall be awarded for the amount of demonstrated unmet  
11 need for tuition and fees and may not exceed an amount equal  
12 to the average matriculation and other registration fees for  
13 30 credit hours at state universities plus \$1,000 ~~a total of~~  
14 ~~\$1,500~~ per academic year, or as specified in the General  
15 Appropriations Act, to any applicant. A demonstrated unmet  
16 need of less than \$200 shall render the applicant ineligible  
17 for a Florida private student assistance grant. Recipients of  
18 such grants must have been accepted at a  
19 baccalaureate-degree-granting independent nonprofit college or  
20 university, which is accredited by the Commission on Colleges  
21 of the Southern Association of Colleges and Schools, ~~and which~~  
22 ~~has a secular purpose,~~ and which is located in and chartered  
23 as a domestic corporation by the state. No student may  
24 receive an award for more than the equivalent of 9 semesters  
25 or 14 quarters of full-time enrollment ~~in a period of not more~~  
26 ~~than 6 consecutive years~~, except as otherwise provided in s.  
27 240.404(3).

28           (b) A student applying for a Florida private student  
29 assistance grant shall be required to apply for the Pell  
30 Grant. The Pell Grant entitlement shall be considered ~~by the~~  
31

1 department when conducting an assessment of the financial  
 2 resources available to each student.

3 ~~(c) The criteria and procedure for establishing~~  
 4 ~~standards of eligibility shall be determined by the~~  
 5 ~~department. The department is directed to establish a rating~~  
 6 ~~system upon which to base the approval of grants, including~~  
 7 ~~the use of a nationally recognized system of need analysis.~~  
 8 ~~The system shall include a certification of acceptability by~~  
 9 ~~the independent nonprofit college or university of the~~  
 10 ~~applicant's choice. Priority in the distribution of grant~~  
 11 ~~moneys shall be given to students with the lowest total family~~  
 12 ~~resources, in accordance with a nationally recognized system~~  
 13 ~~of need analysis as determined pursuant to this subsection,~~  
 14 ~~taking into consideration the receipt of Pell Grants and~~  
 15 ~~student contributions to educational costs. Using the system~~  
 16 ~~of need analysis, the department shall establish a maximum~~  
 17 ~~expected family contribution. An institution may not make a~~  
 18 ~~grant from this program to a student whose expected family~~  
 19 ~~contribution exceeds the level established by the department.~~  
 20 ~~An institution may not impose additional criteria to determine~~  
 21 ~~a student's eligibility to receive a grant award.~~

22 (d) Each participating institution shall report, to  
 23 the department by the established date, the eligible students  
 24 to whom grant moneys are disbursed each academic term. Each  
 25 institution shall also report to the department necessary  
 26 demographic and eligibility data for such students.

27 (3) Based on the unmet financial need of an eligible  
 28 applicant, the full amount of a Florida private student  
 29 assistance grant must be between \$200 and the average cost of  
 30 matriculation and other registration fees for 30 credit hours  
 31 at state universities plus \$1,000\$1,500 per academic year or

1 the amount specified in the General Appropriations Act. ~~When~~  
 2 ~~funds are not sufficient to make full awards to all eligible~~  
 3 ~~applicants, the department shall reduce the amount of each~~  
 4 ~~recipient's grant award pro rata. For any year in which a pro~~  
 5 ~~rata grant reduction is necessary, such adjustment shall be~~  
 6 ~~made by reducing the second semester or the second and third~~  
 7 ~~quarter award disbursements to grant recipients. In each such~~  
 8 ~~instance, institutions shall notify students of award~~  
 9 ~~adjustments.~~

10 ~~(4) In the event that a Florida private student~~  
 11 ~~assistance grant recipient transfers from one institution~~  
 12 ~~eligible under this section, s. 240.409, or s. 240.4097 to~~  
 13 ~~another, his or her eligibility shall be transferable upon~~  
 14 ~~approval of the department. When approved by the department,~~  
 15 ~~the amount of the unmet need shall be recalculated for the new~~  
 16 ~~institution and shall be adjusted accordingly.~~

17 (4)(5)(a) The funds appropriated for the Florida  
 18 Private Student Assistance Grant shall be distributed to  
 19 eligible institutions in accordance with a formula recommended  
 20 by the Department of Education's Florida Council of Student  
 21 Financial Aid Advisors and reviewed by the Postsecondary  
 22 Education Planning Commission and the Independent Colleges and  
 23 Universities of Florida. The formula shall consider at least  
 24 the prior year's distribution of funds, the number of  
 25 full-time eligible applicants who did not receive awards, the  
 26 standardization of the expected family contribution, and  
 27 provisions for unused funds.

28 (b) Payment of Florida private student assistance  
 29 grants shall may be transmitted to the president of the  
 30 college or university which the recipient is attending, or to  
 31 his or her representative, in advance of the registration

1 period. Institutions shall notify students of the amount of  
2 their awards.

3 ~~(c)(b) Institutions shall certify to the department,~~  
4 ~~within 30 days of the end of regular registration, the~~  
5 ~~eligibility status of each awarded student.~~The eligibility  
6 status of each student to receive a disbursement shall be  
7 determined by each institution as of the end of its regular  
8 registration period, inclusive of a drop-add period.  
9 Institutions shall not be required to reevaluate a student's  
10 eligibility status after this date for purposes of changing  
11 ~~amending~~ eligibility determinations previously made. ~~However,~~  
12 ~~an institution shall be required to make refunds for students~~  
13 ~~who receive award disbursements and terminate enrollment for~~  
14 ~~any reason during the academic term when an institution's~~  
15 ~~refund policies permit a student to receive a refund under~~  
16 ~~these circumstances.~~

17 ~~(d)(c)~~ Institutions shall certify to the department  
18 the amount of funds disbursed to each student and shall remit  
19 to the department any undisbursed advances by June 1 of each  
20 year ~~within 60 days of the end of regular registration.~~

21 ~~(e)(d)~~ Each institution that receives moneys through  
22 the Florida Private Student Assistance Grant Program shall  
23 cause to be prepared a biennial report that includes an  
24 independent external audit of the institution's administration  
25 of the program and a complete accounting of moneys in the  
26 State Student Financial Assistance Trust Fund allocated to the  
27 institution for the program. Such report shall be submitted to  
28 the department on or before March 1 every other year. The  
29 department may conduct its own annual or biennial audit of an  
30 institution's administration of the program and its allocated  
31 funds in lieu of the required biennial report and independent



1 external audit. The department may suspend or revoke an  
2 institution's eligibility to receive future moneys from the  
3 trust fund for the program or request a refund of any moneys  
4 overpaid to the institution through the trust fund for the  
5 program if the department finds that an institution has not  
6 complied with the provisions of this section. Any refund  
7 requested pursuant to this paragraph shall be remitted within  
8 60 days.

9 (5)~~(6)~~ Funds appropriated by the Legislature for  
10 Florida private student assistance grants shall be deposited  
11 in the State Student Financial Assistance Trust Fund.  
12 Notwithstanding the provisions of s. 216.301 and pursuant to  
13 s. 216.351, any balance in the trust fund at the end of any  
14 fiscal year that has been allocated to the Florida Private  
15 Student Assistance Grant Program shall remain therein and  
16 shall be available for carrying out the purposes of this  
17 section and as otherwise provided by law.

18 (6)~~(7)~~ The State Board of Education shall adopt rules  
19 necessary to implement this section.

20 Section 48. Effective July 1, 1999, section 240.4097,  
21 Florida Statutes, is amended to read:

22 240.4097 Florida Postsecondary Student Assistance  
23 Grant Program; eligibility for grants.--

24 (1) There is hereby created a Florida Postsecondary  
25 Student Assistance Grant Program. The program shall ~~to be~~  
26 administered by the participating institutions ~~Department of~~  
27 ~~Education~~ in accordance with rules of the state board.

28 (2)(a) Florida postsecondary student assistance grants  
29 through the State Student Financial Assistance Trust Fund may  
30 be made only to full-time degree-seeking students who meet the  
31 general requirements for student eligibility as provided in s.

1 240.404, except as otherwise provided in this section. Such  
 2 grants shall be awarded for the amount of demonstrated unmet  
 3 need for tuition and fees and may not exceed an amount equal  
 4 to the average prior-academic-year cost of matriculation and  
 5 other registration fees for 30 credit hours at state  
 6 universities plus \$1,000 ~~a total of \$1,500~~ per academic year,  
 7 or as specified in the General Appropriations Act, to any  
 8 applicant. A demonstrated unmet need of less than \$200 shall  
 9 render the applicant ineligible for a Florida postsecondary  
 10 student assistance grant. Recipients of such grants must have  
 11 been accepted at a postsecondary institution that is located  
 12 in and chartered as a domestic corporation by the state and  
 13 that is:

- 14 1. A private nursing diploma school approved by the
- 15 Florida Board of Nursing; or
- 16 2. An institution either licensed by the State Board
- 17 of Independent Colleges and Universities or exempt from
- 18 licensure pursuant to s. 246.085(1)(a), excluding those
- 19 institutions the students of which are eligible to receive a
- 20 Florida private student assistance grant pursuant to s.
- 21 240.4095.
- 22

23 No student may receive an award for more than the equivalent  
 24 of 9 semesters or 14 quarters of full-time enrollment ~~in a~~  
 25 ~~period of not more than 6 consecutive years~~, except as  
 26 otherwise provided in s. 240.404(3).

27 (b) A student applying for a Florida postsecondary  
 28 student assistance grant shall be required to apply for the  
 29 Pell Grant. The Pell Grant entitlement shall be considered ~~by~~  
 30 ~~the department~~ when conducting an assessment of the financial  
 31 resources available to each student.

1           (c) ~~The criteria and procedure for establishing~~  
 2 ~~standards of eligibility shall be determined by the~~  
 3 ~~department. The department is directed to establish a rating~~  
 4 ~~system upon which to base the approval of grants, including~~  
 5 ~~the use of a nationally recognized system of need analysis.~~  
 6 ~~The system shall include a certification of acceptability by~~  
 7 ~~the school of the applicant's choice. Priority in the~~  
 8 ~~distribution of grant moneys shall be given to students with~~  
 9 ~~the lowest total family resources, in accordance with a~~  
 10 ~~nationally recognized system of need analysis as determined~~  
 11 ~~pursuant to this subsection, taking into consideration the~~  
 12 ~~receipt of Pell Grants and student contributions to~~  
 13 ~~educational costs. Using the system of need analysis, the~~  
 14 ~~department shall establish a maximum expected family~~  
 15 ~~contribution. An institution may not make a grant from this~~  
 16 ~~program to a student whose expected family contribution~~  
 17 ~~exceeds the level established by the department. An~~  
 18 ~~institution may not impose additional criteria to determine a~~  
 19 ~~student's eligibility to receive a grant award.~~

20           (d) Each participating institution shall report, to  
 21 the department by the established date, the eligible students  
 22 to whom grant moneys are disbursed each academic term. Each  
 23 institution shall also report to the department necessary  
 24 demographic and eligibility data for such students.

25           (3) Based on the unmet financial need of an eligible  
 26 applicant, the ~~full~~ amount of a Florida postsecondary student  
 27 assistance grant must be between \$200 and the average cost of  
 28 matriculation and other registration fees for 30 credit hours  
 29 at state universities plus \$1,000~~\$1,500~~ per academic year or  
 30 the amount specified in the General Appropriations Act. ~~When~~  
 31 funds are not sufficient to make full awards to all eligible

1 ~~applicants, the department shall reduce the amount of each~~  
 2 ~~recipient's grant award pro rata. For any year in which a pro~~  
 3 ~~rata grant reduction is necessary, such adjustment shall be~~  
 4 ~~made by reducing the second semester or the second and third~~  
 5 ~~quarter award disbursements to grant recipients. In each such~~  
 6 ~~instance, institutions shall notify students of award~~  
 7 ~~adjustments.~~

8 ~~(4) In the event that a student assistance grant~~  
 9 ~~recipient transfers from one institution eligible under this~~  
 10 ~~section, s. 240.409, or s. 240.4095 to another, his or her~~  
 11 ~~eligibility shall be transferable upon approval of the~~  
 12 ~~department. When approved by the department, the amount of~~  
 13 ~~the unmet need shall be recalculated for the new institution~~  
 14 ~~and shall be adjusted accordingly.~~

15 (4)(5)(a) The funds appropriated for the Florida  
 16 Postsecondary Student Assistance Grant shall be distributed to  
 17 eligible institutions in accordance with a formula recommended  
 18 by the Department of Education's Florida Council of Student  
 19 Financial Aid Advisors and reviewed by the Postsecondary  
 20 Education Planning Commission and the Florida Association of  
 21 Postsecondary Schools and Colleges. The formula shall consider  
 22 at least the prior year's distribution of funds, the number of  
 23 full-time eligible applicants who did not receive awards, the  
 24 standardization of the expected family contribution, and  
 25 provisions for unused funds.

26 (b) Payment of Florida postsecondary student  
 27 assistance grants shall may be transmitted to the president of  
 28 the eligible institution which the recipient is attending, or  
 29 to his or her representative, in advance of the registration  
 30 period. Institutions shall notify students of the amount of  
 31 their awards.

1           ~~(c)(b)~~ Institutions shall certify to the department,  
 2 within 30 days of the end of regular registration, the  
 3 eligibility status of each awarded student. The eligibility  
 4 status of each student to receive a disbursement shall be  
 5 determined by each institution as of the end of its regular  
 6 registration period, inclusive of a drop-add period.  
 7 Institutions shall not be required to reevaluate a student's  
 8 eligibility status after this date for purposes of changing  
 9 ~~amending~~ eligibility determinations previously made. ~~However,~~  
 10 ~~an institution shall be required to make refunds for students~~  
 11 ~~who receive award disbursements and terminate enrollment for~~  
 12 ~~any reason during the academic term when an institution's~~  
 13 ~~refund policies permit a student to receive a refund under~~  
 14 ~~these circumstances.~~

15           ~~(d)(c)~~ Institutions shall certify to the department  
 16 the amount of funds disbursed to each student and shall remit  
 17 to the department any undisbursed advances by June 1 of each  
 18 year ~~within 60 days of the end of regular registration.~~

19           ~~(e)(d)~~ Each institution that receives moneys through  
 20 the Florida Postsecondary Student Assistance Grant Program  
 21 shall cause to be prepared a biennial report that includes an  
 22 independent external audit of the institution's administration  
 23 of the program and a complete accounting of moneys in the  
 24 State Student Financial Assistance Trust Fund allocated to the  
 25 institution for the program. Such report shall be submitted  
 26 to the department on or before March 1 every other year. The  
 27 department may conduct its own annual or biennial audit of an  
 28 institution's administration of the program and its allocated  
 29 funds in lieu of the required biennial report and independent  
 30 external audit. The department may suspend or revoke an  
 31 institution's eligibility to receive future moneys from the

1 trust fund for the program or request a refund of any moneys  
2 overpaid to the institution through the trust fund for the  
3 program if the department finds that an institution has not  
4 complied with the provisions of this section. Any refund  
5 requested pursuant to this paragraph shall be remitted within  
6 60 days.

7 (5)~~(6)~~ Any institution that was eligible to receive  
8 state student assistance grants on January 1, 1989, and that  
9 is not eligible to receive grants pursuant to s. 240.4095 is  
10 eligible to receive grants pursuant to this section.

11 (6)~~(7)~~ Funds appropriated by the Legislature for  
12 Florida postsecondary student assistance grants shall be  
13 deposited in the State Student Financial Assistance Trust  
14 Fund. Notwithstanding the provisions of s. 216.301 and  
15 pursuant to s. 216.351, any balance in the trust fund at the  
16 end of any fiscal year that has been allocated to the Florida  
17 Postsecondary Student Assistance Grant Program shall remain  
18 therein and shall be available for carrying out the purposes  
19 of this section and as otherwise provided by law.

20 (7)~~(8)~~ The State Board of Education shall adopt rules  
21 necessary to implement this section.

22 Section 49. Section 240.551, Florida Statutes, is  
23 amended to read:

24 240.551 Florida Prepaid College ~~Postsecondary~~  
25 ~~Education Expense~~ Program.--

26 (1) LEGISLATIVE INTENT.--The Legislature recognizes  
27 that educational opportunity at the postsecondary level is a  
28 critical state interest. It further recognizes that  
29 educational opportunity is best ensured through the provision  
30 of postsecondary institutions that are geographically and  
31 financially accessible. Accordingly, it is the intent of the

1 Legislature that a program be established through which many  
2 of the costs associated with postsecondary attendance may be  
3 paid in advance and fixed at a guaranteed level for the  
4 duration of undergraduate enrollment. It is similarly the  
5 intent of the Legislature to provide a program that fosters  
6 timely financial planning for postsecondary attendance and to  
7 encourage employer participation in such planning through  
8 program contributions on behalf of employees and the  
9 dependents of employees.

10 (2) DEFINITIONS. ~~--As used in this section:~~

11 (a) "Advance payment contract" means a contract  
12 entered into by the board and a purchaser pursuant to this  
13 section.

14 (b) "Board" means the Florida Prepaid College  
15 ~~Postsecondary Education Expense~~ Board.

16 (c) "Fund" means the Florida Prepaid College  
17 ~~Postsecondary Education Expense~~ Trust Fund.

18 ~~(d)(g)~~ "Program" means the Florida Prepaid College  
19 ~~Postsecondary Education Expense~~ Program.

20 ~~(e)(d)~~ "Purchaser" means a person who makes or is  
21 obligated to make advance registration or dormitory residence  
22 payments in accordance with an advance payment contract.

23 ~~(f)(e)~~ "Qualified beneficiary" means:

24 1. A resident of this state at the time a purchaser  
25 enters into an advance payment contract on behalf of the  
26 resident;

27 2. A nonresident who is the child of a noncustodial  
28 parent who is a resident of this state at the time that such  
29 parent enters into an advance payment contract on behalf of  
30 the child; or

31

1           3. For purposes of advance payment contracts entered  
2 into pursuant to subsection (22)~~paragraph (5)(j)~~, a graduate  
3 of an accredited high school in this state who is a resident  
4 of this state at the time he or she is designated to receive  
5 the benefits of the advance payment contract.

6           (g)~~(h)~~ "Registration fee" means matriculation fee,  
7 financial aid fee, building fee, and Capital Improvement Trust  
8 Fund fee.

9           (h)~~(f)~~ "State postsecondary institution" means any  
10 community college identified in s. 240.3031 or university  
11 identified in s. 240.2011.

12           (3) FLORIDA PREPAID COLLEGE PROGRAM; CREATION.--There  
13 is created a Florida Prepaid College ~~Postsecondary Education~~  
14 ~~Expense~~ Program to provide a medium through which the cost of  
15 registration and dormitory residence may be paid in advance of  
16 enrollment in a state postsecondary institution at a rate  
17 lower than the projected corresponding cost at the time of  
18 actual enrollment. Such payments shall be combined and  
19 invested in a manner that yields, at a minimum, sufficient  
20 interest to generate the difference between the prepaid amount  
21 and the cost of registration and dormitory residence at the  
22 time of actual enrollment. Students who enroll in a state  
23 postsecondary institution pursuant to this section shall be  
24 charged no fees in excess of the terms delineated in the  
25 advance payment contract.

26           (4) FLORIDA PREPAID COLLEGE TRUST FUND.--There is  
27 created within the State Board of Administration the Florida  
28 Prepaid College ~~Postsecondary Education Expense~~ Trust Fund.  
29 The fund shall consist of state appropriations, moneys  
30 acquired from other governmental or private sources, and  
31 moneys remitted in accordance with advance payment contracts.



1 All funds deposited into the trust fund may be invested  
 2 pursuant to s. 215.47; ~~however, such investment shall not be~~  
 3 ~~mandatory~~. Dividends, interest, and gains accruing to the  
 4 trust fund shall increase the total funds available for the  
 5 program. Notwithstanding the provisions of chapter 717, funds  
 6 associated with terminated contracts ~~terminated~~ pursuant to  
 7 subsection (12)~~paragraph (6)(d)~~ and canceled contracts for  
 8 which no refunds have been claimed shall increase the total  
 9 funds available for the program. However, the board shall  
 10 establish procedures for notifying purchasers who subsequently  
 11 cancel their contracts of any unclaimed refund and shall  
 12 establish a time period after which no refund may be claimed  
 13 by a purchaser who canceled a contract. Any balance contained  
 14 within the fund at the end of a fiscal year shall remain  
 15 therein and shall be available for carrying out the purposes  
 16 of the program. In the event that dividends, interest, and  
 17 gains exceed ~~exceeds~~ the amount necessary for program  
 18 administration and disbursements, the board may designate an  
 19 additional percentage of the fund to serve as a contingency  
 20 fund. Moneys contained within the fund shall be exempt from  
 21 the investment requirements of s. 18.10. Any funds of a  
 22 direct-support organization created pursuant to subsection  
 23 (22)~~paragraph (5)(j)~~ shall be exempt from the provisions of  
 24 this subsection ~~paragraph~~.

25 (5) PROGRAM ADMINISTRATION.--

26 (a) The Florida Prepaid College Postsecondary  
 27 ~~Education Expense~~ Program shall be administered by the Florida  
 28 Prepaid College Postsecondary Education Expense Board as an  
 29 agency of the state. The Florida Prepaid College  
 30 ~~Postsecondary Education Expense~~ Board is hereby created as a  
 31 body corporate with all the powers of a body corporate for the

1 purposes delineated in this section. For the purposes of s.  
2 6, Art. IV of the State Constitution, the board shall be  
3 assigned to and administratively housed within the State Board  
4 of Administration, but it shall independently exercise the  
5 powers and duties specified in this section.

6 (b) The board shall consist of seven members to be  
7 composed of the Insurance Commissioner and Treasurer, the  
8 Comptroller, the Chancellor of the Board of Regents, the  
9 Executive Director of the State Board of Community Colleges,  
10 and three members appointed by the Governor and subject to  
11 confirmation by the Senate. Each member appointed by the  
12 Governor shall possess knowledge, skill, and experience in the  
13 areas of accounting, actuary, risk management, or investment  
14 management. Each member of the board not appointed by the  
15 Governor may name a designee to serve the board on behalf of  
16 the member; however, any designee so named shall meet the  
17 qualifications required of gubernatorial appointees to the  
18 board. Members appointed by the Governor shall serve terms of  
19 3 years ~~except that, in making the initial appointments, the~~  
20 ~~Governor shall appoint one member to serve for 1 year, one~~  
21 ~~member to serve for 2 years, and one member to serve for 3~~  
22 ~~years.~~ Any person appointed to fill a vacancy on the board  
23 shall be appointed in a like manner and shall serve for only  
24 the unexpired term. Any member shall be eligible for  
25 reappointment and shall serve until a successor qualifies.  
26 Members of the board shall serve without compensation but  
27 shall be reimbursed for per diem and travel in accordance with  
28 s. 112.061. Each member of the board shall file a full and  
29 public disclosure of his or her financial interests pursuant  
30 to s. 8, Art. II of the State Constitution and corresponding  
31 statute.

1           ~~(c)(a) The Governor shall appoint a member of the~~  
2 ~~board to serve as the initial chair of the board. Thereafter,~~  
3 ~~the board shall elect a chair annually. The board shall~~  
4 annually elect a board member to serve as chair and a board  
5 member to serve as vice chair and shall designate a  
6 secretary-treasurer who need not be a member of the board.  
7 The secretary-treasurer shall keep a record of the proceedings  
8 of the board and shall be the custodian of all printed  
9 material filed with or by the board and of its official seal.  
10 Notwithstanding the existence of vacancies on the board, a  
11 majority of the members shall constitute a quorum. The board  
12 shall take no official action in the absence of a quorum. The  
13 board shall meet, at a minimum, on a quarterly basis at the  
14 call of the chair.

15           (6) FLORIDA PREPAID COLLEGE BOARD; DUTIES.--The board  
16 shall:

17           ~~(a)(b) The board shall~~ Appoint an executive director  
18 to serve as the chief administrative and operational officer  
19 of the board and to perform other duties assigned to him or  
20 her by the board.

21           (b) Administer the fund in a manner that is  
22 sufficiently actuarially sound to defray the obligations of  
23 the program. The board shall annually evaluate or cause to be  
24 evaluated the actuarial soundness of the fund. If the board  
25 perceives a need for additional assets in order to preserve  
26 actuarial soundness, the board may adjust the terms of  
27 subsequent advance payment contracts to ensure such soundness.

28           (c) Establish a comprehensive investment plan for the  
29 purposes of this section with the approval of the State Board  
30 of Administration. The comprehensive investment plan shall  
31 specify the investment policies to be utilized by the board in

1 its administration of the fund. The board may place assets of  
 2 the fund in savings accounts or use the same to purchase fixed  
 3 or variable life insurance or annuity contracts, securities,  
 4 evidence of indebtedness, or other investment products  
 5 pursuant to the comprehensive investment plan and in such  
 6 proportions as may be designated or approved under that plan.  
 7 Such insurance, annuity, savings, or investment products shall  
 8 be underwritten and offered in compliance with the applicable  
 9 federal and state laws, regulations, and rules by persons who  
 10 are duly authorized by applicable federal and state  
 11 authorities. Within the comprehensive investment plan, the  
 12 board may authorize investment vehicles, or products incident  
 13 thereto, as may be available or offered by qualified companies  
 14 or persons. A contract purchaser may not direct the investment  
 15 of his or her contribution to the trust fund and a contract  
 16 beneficiary may not direct the contribution made on his or her  
 17 behalf to the trust fund. Board members and employees of the  
 18 board are not prohibited from purchasing advance payment  
 19 contracts by virtue of their fiduciary responsibilities as  
 20 members of the board or official duties as employees of the  
 21 board.

22 (d) Solicit proposals and contract, pursuant to s.  
 23 287.057, for the marketing of the Florida Prepaid College  
 24 Program. The entity designated pursuant to this paragraph  
 25 shall serve as a centralized marketing agent for the program  
 26 and shall be solely responsible for the marketing of the  
 27 program. Any materials produced for the purpose of marketing  
 28 the program shall be submitted to the board for review. No  
 29 such materials shall be made available to the public before  
 30 the materials are approved by the board. Any educational  
 31 institution may distribute marketing materials produced for

1 the program; however, all such materials shall have been  
2 approved by the board prior to distribution. Neither the state  
3 nor the board shall be liable for misrepresentation of the  
4 program by a marketing agent.

5 (e) Solicit proposals and contract, pursuant to s.  
6 287.057, for a trustee services firm to select and supervise  
7 investment programs on behalf of the board. The goals of the  
8 board in selecting a trustee services firm shall be to obtain  
9 the highest standards of professional trustee services, to  
10 allow all qualified firms interested in providing such  
11 services equal consideration, and to provide such services to  
12 the state at no cost and to the purchasers at the lowest cost  
13 possible. The trustee services firm shall agree to meet the  
14 obligations of the board to qualified beneficiaries if moneys  
15 in the fund fail to offset the obligations of the board as a  
16 result of imprudent selection or supervision of investment  
17 programs by such firm. Evaluations of proposals submitted  
18 pursuant to this paragraph shall include, but not be limited  
19 to, the following criteria:

20 1. Adequacy of trustee services for supervision and  
21 management of the program, including current operations and  
22 staff organization and commitment of management to the  
23 proposal.

24 2. Capability to execute program responsibilities  
25 within time and regulatory constraints.

26 3. Past experience in trustee services and current  
27 ability to maintain regular and continuous interactions with  
28 the board, records administrator, and product provider.

29 4. The minimum purchaser participation assumed within  
30 the proposal and any additional requirements of purchasers.

31

1           5. Adequacy of technical assistance and services  
2 proposed for staff.

3           6. Adequacy of a management system for evaluating and  
4 improving overall trustee services to the program.

5           7. Adequacy of facilities, equipment, and electronic  
6 data processing services.

7           8. Detailed projections of administrative costs,  
8 including the amount and type of insurance coverage, and  
9 detailed projections of total costs.

10           (f) Solicit proposals and contract, pursuant to s.  
11 287.057, for product providers to develop investment  
12 portfolios on behalf of the board to achieve the purposes of  
13 this section. Product providers shall be limited to authorized  
14 insurers as defined in s. 624.09, banks as defined in s.  
15 658.12, associations as defined in s. 665.012, authorized  
16 Securities and Exchange Commission investment advisers, and  
17 investment companies as defined in the Investment Company Act  
18 of 1940. All product providers shall have their principal  
19 place of business and corporate charter located and registered  
20 in the United States. In addition, each product provider shall  
21 agree to meet the obligations of the board to qualified  
22 beneficiaries if moneys in the fund fail to offset the  
23 obligations of the board as a result of imprudent investing by  
24 such provider. Each authorized insurer shall evidence superior  
25 performance overall on an acceptable level of surety in  
26 meeting its obligations to its policyholders and other  
27 contractual obligations. Only qualified public depositories  
28 approved by the Insurance Commissioner and Treasurer shall be  
29 eligible for board consideration. Each investment company  
30 shall provide investment plans as specified within the request  
31 for proposals. The goals of the board in selecting a product

1 provider company shall be to provide all purchasers with the  
2 most secure, well-diversified, and beneficially administered  
3 postsecondary education expense plan possible, to allow all  
4 qualified firms interested in providing such services equal  
5 consideration, and to provide such services to the state at no  
6 cost and to the purchasers at the lowest cost possible.

7 Evaluations of proposals submitted pursuant to this paragraph  
8 shall include, but not be limited to, the following criteria:

9 1. Fees and other costs charged to purchasers that  
10 affect account values or operational costs related to the  
11 program.

12 2. Past and current investment performance, including  
13 investment and interest rate history, guaranteed minimum rates  
14 of interest, consistency of investment performance, and any  
15 terms and conditions under which moneys are held.

16 3. Past experience and ability to provide timely and  
17 accurate service in the areas of records administration,  
18 benefit payments, investment management, and complaint  
19 resolution.

20 4. Financial history and current financial strength  
21 and capital adequacy to provide products, including operating  
22 procedures and other methods of protecting program assets.

23 (7)(c) FLORIDA PREPAID COLLEGE BOARD; POWERS.--The  
24 board shall have the powers necessary or proper to carry out  
25 the provisions of this section, including, but not limited to,  
26 the power to:

27 (a)1. Adopt an official seal and rules.

28 (b)2. Sue and be sued.

29 (c)3. Make and execute contracts and other necessary  
30 instruments.

31

1        (d)~~4~~. Establish agreements or other transactions with  
2 federal, state, and local agencies, including state  
3 universities and community colleges.

4        (e)~~5~~. Invest funds not required for immediate  
5 disbursement.

6        (f)~~6~~. Appear in its own behalf before boards,  
7 commissions, or other governmental agencies.

8        (g)~~7~~. Hold, buy, and sell any instruments,  
9 obligations, securities, and property determined appropriate  
10 by the board.

11       (h)~~8~~. Require a reasonable length of state residence  
12 for qualified beneficiaries.

13       (i)~~9~~. Restrict the number of participants in the  
14 community college plan, university plan, and dormitory  
15 residence plan, respectively. However, any person denied  
16 participation solely on the basis of such restriction shall be  
17 granted priority for participation during the succeeding year.

18       (j)~~10~~. Segregate contributions and payments to the  
19 fund into various accounts and funds.

20       (k)~~11~~. Contract for necessary goods and services,  
21 employ necessary personnel, and engage the services of private  
22 consultants, actuaries, managers, legal counsel, and auditors  
23 for administrative or technical assistance.

24       (l)~~12~~. Solicit and accept gifts, grants, loans, and  
25 other aids from any source or participate in any other way in  
26 any government program to carry out the purposes of this  
27 section.

28       (m)~~13~~. Require and collect administrative fees and  
29 charges in connection with any transaction and impose  
30 reasonable penalties, including default, for delinquent  
31



1 payments or for entering into an advance payment contract on a  
2 fraudulent basis.

3 (n)~~14.~~ Procure insurance against any loss in  
4 connection with the property, assets, and activities of the  
5 fund or the board.

6 (o)~~15.~~ Impose reasonable time limits on use of the  
7 tuition benefits provided by the program. However, any such  
8 limitation shall be specified within the advance payment  
9 contract.

10 (p)~~16.~~ Delineate the terms and conditions under which  
11 payments may be withdrawn from the fund and impose reasonable  
12 fees and charges for such withdrawal. Such terms and  
13 conditions shall be specified within the advance payment  
14 contract.

15 (q)~~17.~~ Provide for the receipt of contributions in  
16 lump sums or installment payments.

17 ~~18. Establish other policies, procedures, and criteria~~  
18 ~~to implement and administer the provisions of this section.~~

19 (r)~~19.~~ Require that purchasers of advance payment  
20 contracts verify, under oath, any requests for contract  
21 conversions, substitutions, transfers, cancellations, refund  
22 requests, or contract changes of any nature. Verification  
23 shall be accomplished as authorized and provided for in s.  
24 92.525(1)(a).

25 ~~(d) The board shall administer the fund in a manner~~  
26 ~~that is sufficiently actuarially sound to defray the~~  
27 ~~obligations of the program. The board shall annually evaluate~~  
28 ~~or cause to be evaluated the actuarial soundness of the fund.~~  
29 ~~If the board perceives a need for additional assets in order~~  
30 ~~to preserve actuarial soundness, the board may adjust the~~  
31

1 ~~terms of subsequent advance payment contracts to ensure such~~  
 2 ~~soundness.~~

3 ~~(e) The board, acting with the approval of the State~~  
 4 ~~Board of Administration, shall establish a comprehensive~~  
 5 ~~investment plan for the purposes of this section. The~~  
 6 ~~comprehensive investment plan shall specify the investment~~  
 7 ~~policies to be utilized by the board in its administration of~~  
 8 ~~the fund. The board may place assets of the fund in savings~~  
 9 ~~accounts or use the same to purchase fixed or variable life~~  
 10 ~~insurance or annuity contracts, securities, evidence of~~  
 11 ~~indebtedness, or other investment products pursuant to the~~  
 12 ~~comprehensive investment plan and in such proportions as may~~  
 13 ~~be designated or approved under that plan. Such insurance,~~  
 14 ~~annuity, savings, or investment products shall be underwritten~~  
 15 ~~and offered in compliance with the applicable federal and~~  
 16 ~~state laws, regulations, and rules by persons who are duly~~  
 17 ~~authorized by applicable federal and state authorities.~~  
 18 ~~Within the comprehensive investment plan, the board may~~  
 19 ~~authorize investment vehicles, or products incident thereto,~~  
 20 ~~as may be available or offered by qualified companies or~~  
 21 ~~persons. A contract purchaser may not direct the investment of~~  
 22 ~~his or her contribution to the trust fund, and a contract~~  
 23 ~~beneficiary may not direct the contribution made on his or her~~  
 24 ~~behalf to the trust fund. Board members and employees of the~~  
 25 ~~board are not prohibited from purchasing advance payment~~  
 26 ~~contracts by virtue of their fiduciary responsibilities as~~  
 27 ~~members of the board or official duties as employees of the~~  
 28 ~~board.~~

29 ~~(s)(f)~~ The board may Delegate responsibility for  
 30 administration of the comprehensive investment plan required  
 31 in paragraph (6)(c) ~~(e)~~ to a person the board determines to be

1 qualified. Such person shall be compensated by the board.  
2 Directly or through such person, the board may contract with a  
3 private corporation or institution to provide such services as  
4 may be a part of the comprehensive investment plan or as may  
5 be deemed necessary or proper by the board or such person,  
6 including, but not limited to, providing consolidated billing,  
7 individual and collective recordkeeping and accountings, and  
8 asset purchase, control, and safekeeping.

9 (t) Endorse insurance coverage written exclusively for  
10 the purpose of protecting advance payment contracts, and the  
11 purchasers and beneficiaries thereof, which may be issued in  
12 the form of a group life policy and which is exempt from the  
13 provisions of part V of chapter 627.

14 (u) Solicit proposals and contract, pursuant to s.  
15 287.057, for the services of a records administrator. The  
16 goals of the board in selecting a records administrator shall  
17 be to provide all purchasers with the most secure,  
18 well-diversified, and beneficially administered postsecondary  
19 education expense plan possible, to allow all qualified firms  
20 interested in providing such services equal consideration, and  
21 to provide such services to the state at no cost and to the  
22 purchasers at the lowest cost possible. Evaluations of  
23 proposals submitted pursuant to this paragraph shall include,  
24 but not be limited to, the following criteria:

25 1. Fees and other costs charged to purchasers that  
26 affect account values or operational costs related to the  
27 program.

28 2. Past experience in records administration and  
29 current ability to provide timely and accurate service in the  
30 areas of records administration, audit and reconciliation,  
31

1 plan communication, participant service, and complaint  
2 resolution.

3 3. Sufficient staff and computer capability for the  
4 scope and level of service expected by the board.

5 4. Financial history and current financial strength  
6 and capital adequacy to provide administrative services  
7 required by the board.

8 (v) Establish other policies, procedures, and criteria  
9 to implement and administer the provisions of this section.

10 ~~(g) The board shall annually prepare or cause to be~~  
11 ~~prepared a report setting forth in appropriate detail an~~  
12 ~~accounting of the fund and a description of the financial~~  
13 ~~condition of the program at the close of each fiscal year.~~  
14 ~~Such report shall be submitted to the President of the Senate,~~  
15 ~~the Speaker of the House of Representatives, and members of~~  
16 ~~the State Board of Education on or before March 31 each year.~~  
17 ~~In addition, the board shall make the report available to~~  
18 ~~purchasers of advance payment contracts. The board shall~~  
19 ~~provide to the Board of Regents and the State Board of~~  
20 ~~Community Colleges by March 31 each year complete advance~~  
21 ~~payment contract sales information including projected~~  
22 ~~postsecondary enrollments of qualified beneficiaries. The~~  
23 ~~accounts of the fund shall be subject to annual audits by the~~  
24 ~~Auditor General or his or her designee.~~

25 (8)(h) QUALIFIED STATE TUITION PROGRAM  
26 STATUS.--Notwithstanding any other provision of this section,  
27 the board may adopt rules necessary to enable the program to  
28 retain its status as a "qualified state tuition prepaid  
29 program" in order to maintain its tax exempt status or other  
30 similar status of the program, purchasers, and qualified  
31 beneficiaries under the Internal Revenue Code of 1986, as

1 defined in s. 220.03(1). The board shall inform purchasers of  
2 changes to the tax or securities status of contracts purchased  
3 through the program.

4 ~~(i) The board shall solicit proposals for the~~  
5 ~~marketing of the Florida Prepaid Postsecondary Education~~  
6 ~~Expense Program pursuant to s. 287.057. The entity designated~~  
7 ~~pursuant to this paragraph shall serve as a centralized~~  
8 ~~marketing agent for the program and shall be solely~~  
9 ~~responsible for the marketing of the program. Any materials~~  
10 ~~produced for the purpose of marketing the program shall be~~  
11 ~~submitted to the board for review. No such materials shall be~~  
12 ~~made available to the public before the materials are approved~~  
13 ~~by the board. Any educational institution may distribute~~  
14 ~~marketing materials produced for the program; however, all~~  
15 ~~such materials shall have been approved by the board prior to~~  
16 ~~distribution. Neither the state nor the board shall be liable~~  
17 ~~for misrepresentation of the program by a marketing agent.~~

18 ~~(j) The board may establish a direct support~~  
19 ~~organization which is:~~

20 ~~1. A Florida corporation, not for profit, incorporated~~  
21 ~~under the provisions of chapter 617 and approved by the~~  
22 ~~Secretary of State.~~

23 ~~2. Organized and operated exclusively to receive,~~  
24 ~~hold, invest, and administer property and to make expenditures~~  
25 ~~to or for the benefit of the program.~~

26 ~~3. An organization which the board, after review, has~~  
27 ~~certified to be operating in a manner consistent with the~~  
28 ~~goals of the program and in the best interests of the state.~~  
29 ~~Unless so certified, the organization may not use the name of~~  
30 ~~the program.~~

31

1           ~~4. Subject to an annual postaudit by an independent~~  
 2 ~~certified public accountant in accordance with rules~~  
 3 ~~promulgated by the board. The annual audit shall be submitted~~  
 4 ~~to the State Board of Administration and the Auditor General~~  
 5 ~~for review. The State Board of Administration and Auditor~~  
 6 ~~General shall have the authority to require and receive from~~  
 7 ~~the organization or its independent auditor any detail or~~  
 8 ~~supplemental data relative to the operation of the~~  
 9 ~~organization. The identity of donors who desire to remain~~  
 10 ~~anonymous shall be confidential and exempt from the provisions~~  
 11 ~~of s. 119.07(1) and s. 24(a), Art. I of the State~~  
 12 ~~Constitution, and such anonymity shall be maintained in the~~  
 13 ~~auditor's report. Information received by the organization~~  
 14 ~~that is otherwise confidential or exempt by law shall retain~~  
 15 ~~such status. Any sensitive, personal information regarding~~  
 16 ~~contract beneficiaries, including their identities, is exempt~~  
 17 ~~from the provisions of s. 119.07(1) and s. 24(a), Art. I of~~  
 18 ~~the State Constitution.~~

19  
 20 ~~The chair of the board and the executive director shall be~~  
 21 ~~directors of the direct support organization and shall jointly~~  
 22 ~~name three other individuals to serve as directors of the~~  
 23 ~~organization.~~

24           ~~(k) The board may endorse insurance coverage written~~  
 25 ~~exclusively for the purpose of protecting advance payment~~  
 26 ~~contracts, and the purchasers or beneficiaries thereof, which~~  
 27 ~~may be issued in the form of a group life policy and which is~~  
 28 ~~exempt from the provisions of part V of chapter 627.~~

29           (9) PREPAID COLLEGE PLANS.--At a minimum, the board  
 30 shall make advance payment contracts available for two  
 31 independent plans to be known as the community college plan

1 and the university plan. The board may also make advance  
2 payment contracts available for a dormitory residence plan.

3 (a)1. Through the community college plan, the advance  
4 payment contract shall provide prepaid registration fees for a  
5 specified number of undergraduate semester credit hours not to  
6 exceed the average number of hours required for the conference  
7 of an associate degree. The cost of participation in the  
8 community college plan shall be based primarily on the average  
9 current and projected registration fees within the State  
10 Community College System and the number of years expected to  
11 elapse between the purchase of the plan on behalf of a  
12 qualified beneficiary and the exercise of the benefits  
13 provided in the plan by such beneficiary. Qualified  
14 beneficiaries shall bear the cost of any laboratory fees  
15 associated with enrollment in specific courses. Each qualified  
16 beneficiary shall be classified as a resident for tuition  
17 purposes, pursuant to s. 240.1201, regardless of his or her  
18 actual legal residence.

19 2. Effective July 1, 1998, the board may provide  
20 advance payment contracts for additional fees delineated in s.  
21 240.35, not to exceed the average number of hours required for  
22 the conference of an associate degree, in conjunction with  
23 advance payment contracts for registration fees. The cost of  
24 purchasing such fees shall be based primarily on the average  
25 current and projected fees within the State Community College  
26 System and the number of years expected to elapse between the  
27 purchase of the plan on behalf of the beneficiary and the  
28 exercise of benefits provided in the plan by such beneficiary.  
29 Community college plan contracts purchased prior to July 1,  
30 1998, shall be limited to the payment of registration fees as  
31 defined in subsection (2).

1           (b)1. Through the university plan, the advance payment  
 2 contract shall provide prepaid registration fees for a  
 3 specified number of undergraduate semester credit hours not to  
 4 exceed the average number of hours required for the conference  
 5 of a baccalaureate degree. The cost of participation in the  
 6 university plan shall be based primarily on the current and  
 7 projected registration fees within the State University System  
 8 and the number of years expected to elapse between the  
 9 purchase of the plan on behalf of a qualified beneficiary and  
 10 the exercise of the benefits provided in the plan by such  
 11 beneficiary. Qualified beneficiaries shall bear the cost of  
 12 any laboratory fees associated with enrollment in specific  
 13 courses. Each qualified beneficiary shall be classified as a  
 14 resident for tuition purposes pursuant to s. 240.1201,  
 15 regardless of his or her actual legal residence.

16           2. Effective July 1, 1998, the board may provide  
 17 advance payment contracts for additional fees delineated in s.  
 18 240.235(1), for a specified number of undergraduate semester  
 19 credit hours not to exceed the average number of hours  
 20 required for the conference of a baccalaureate degree, in  
 21 conjunction with advance payment contracts for registration  
 22 fees. Such contracts shall provide prepaid coverage for the  
 23 sum of such fees, to a maximum of 45 percent of the cost of  
 24 registration fees. The costs of purchasing such fees shall be  
 25 based primarily on the average current and projected cost of  
 26 these fees within the State University System and the number  
 27 of years expected to elapse between the purchase of the plan  
 28 on behalf of the qualified beneficiary and the exercise of the  
 29 benefits provided in the plan by such beneficiary. University  
 30 plan contracts purchased prior to July 1, 1998, shall be

31



1 limited to the payment of registration fees as defined in  
2 subsection (2).

3 (c) Through the dormitory residence plan, the advance  
4 payment contract may provide prepaid housing fees for a  
5 maximum of 10 semesters of full-time undergraduate enrollment  
6 in a state university. Dormitory residence plans shall be  
7 purchased in increments of 2 semesters. The cost of  
8 participation in the dormitory residence plan shall be based  
9 primarily on the average current and projected housing fees  
10 within the State University System and the number of years  
11 expected to elapse between the purchase of the plan on behalf  
12 of a qualified beneficiary and the exercise of the benefits  
13 provided in the plan by such beneficiary. Qualified  
14 beneficiaries shall have the highest priority in the  
15 assignment of housing within university residence halls.  
16 Qualified beneficiaries shall bear the cost of any additional  
17 elective charges such as laundry service or long-distance  
18 telephone service. Each state university may specify the  
19 residence halls or other university-held residences eligible  
20 for inclusion in the plan. In addition, any state university  
21 may request immediate termination of a dormitory residence  
22 contract based on a violation or multiple violations of rules  
23 of the residence hall or other university-held residences. In  
24 the event that sufficient housing is not available for all  
25 qualified beneficiaries, the board shall refund the purchaser  
26 or qualified beneficiary an amount equal to the fees charged  
27 for dormitory residence during that semester. If a qualified  
28 beneficiary fails to be admitted to a state university or  
29 chooses to attend a community college that operates one or  
30 more dormitories or residency opportunities, or has one or  
31 more dormitories or residency opportunities operated by the

1 community college direct-support organization, the qualified  
 2 beneficiary may transfer or cause to have transferred to the  
 3 community college, or community college direct-support  
 4 organization, the fees associated with dormitory residence.  
 5 Dormitory fees transferred to the community college or  
 6 community college direct-support organization may not exceed  
 7 the maximum fees charged for state university dormitory  
 8 residence for the purposes of this section, or the fees  
 9 charged for community college or community college  
 10 direct-support organization dormitories or residency  
 11 opportunities, whichever is less.

12 (10) TRANSFER OF BENEFITS TO PRIVATE AND OUT-OF-STATE  
 13 COLLEGES AND UNIVERSITIES.--

14 (a) A qualified beneficiary may apply a community  
 15 college plan, university plan, or dormitory residence plan  
 16 toward any eligible independent college or university. An  
 17 independent college or university which is located and  
 18 chartered in Florida, is not for profit, is accredited by the  
 19 Commission on Colleges of the Southern Association of Colleges  
 20 and Schools or the Accrediting Commission of the Association  
 21 of Independent Colleges and Schools, and which confers degrees  
 22 as defined in s. 246.021, shall be eligible for such  
 23 application. The board shall transfer, or cause to have  
 24 transferred, to the eligible independent college or university  
 25 designated by the qualified beneficiary an amount not to  
 26 exceed the redemption value of the advance payment contract  
 27 within a state postsecondary institution. In the event that  
 28 the cost of registration or housing fees at the independent  
 29 college or university is less than the corresponding fees at a  
 30 state postsecondary institution, the amount transferred shall  
 31 not exceed the actual cost of registration or housing fees. No

1 transfer authorized pursuant to this paragraph shall exceed  
 2 the number of semester credit hours or semesters of dormitory  
 3 residence contracted on behalf of a qualified beneficiary.

4 (b) A qualified beneficiary may apply the benefits of  
 5 an advance payment contract toward an eligible out-of-state  
 6 college or university. An out-of-state college or university  
 7 which is not for profit and is accredited by a regional  
 8 accrediting association, and which confers baccalaureate  
 9 degrees, shall be eligible for such application. The board  
 10 shall transfer, or cause to have transferred, an amount not to  
 11 exceed the redemption value of the advance payment contract or  
 12 the original purchase price plus 5 percent compounded  
 13 interest, whichever is less, after assessment of a reasonable  
 14 transfer fee. In the event that the cost of registration or  
 15 housing fees charged the qualified beneficiary at the eligible  
 16 out-of-state college or university is less than this  
 17 calculated amount, the amount transferred shall not exceed the  
 18 actual cost of registration or housing fees. Any remaining  
 19 amount shall be transferred in subsequent semesters until the  
 20 transfer value is depleted. No transfer authorized pursuant to  
 21 this paragraph shall exceed the number of semester credit  
 22 hours or semesters of dormitory residence contracted on behalf  
 23 of a qualified beneficiary.

24 (11)(6)(a) ADVANCE PAYMENT CONTRACTS; CONTENTS.--The  
 25 board shall construct advance payment contracts for  
 26 registration and may construct advance payment contracts for  
 27 dormitory residence as provided in ~~accordance with the~~  
 28 ~~provisions~~ of this section. Advance payment contracts  
 29 constructed for the purposes of this section shall be exempt  
 30 from ~~the provisions of~~ chapter 517 and the Florida Insurance  
 31 Code. ~~The board may request assistance from the Department of~~

1 ~~Legal Affairs in the development of the advance payment~~  
2 ~~contracts. The contents of both~~ Such contracts shall include,  
3 but not be limited to, the following:

4 (a)1. The amount of the payment or payments and the  
5 number of payments required from a purchaser on behalf of a  
6 qualified beneficiary.

7 (b)2. The terms and conditions under which purchasers  
8 shall remit payments, including, but not limited to, the date  
9 or dates upon which each payment shall be due.

10 (c)3. Provisions for late payment charges and for  
11 default.

12 (d)4. Provisions for penalty fees for withdrawals from  
13 the fund.

14 (e)5. Except for an advance payment contract entered  
15 into pursuant to subsection (22)~~paragraph (5)(j)~~, the name  
16 and date of birth of the qualified beneficiary on whose behalf  
17 the contract is drawn and the terms and conditions under which  
18 another person may be substituted as the qualified  
19 beneficiary.

20 (f)6. The name of any person who may terminate the  
21 contract. The terms of the contract shall specify whether the  
22 contract may be terminated by the purchaser, the qualified  
23 beneficiary, a specific designated person, or any combination  
24 of these persons.

25 (g)7. The terms and conditions under which a contract  
26 may be terminated, modified, or converted, the name of the  
27 person entitled to any refund due as a result of termination  
28 of the contract pursuant to such terms and conditions, and the  
29 amount of refund, if any, due to the person so named.

30  
31

1           ~~8. The time limitations, if any, within which the~~  
2 ~~qualified beneficiary must claim his or her benefits through~~  
3 ~~the program.~~

4           ~~9. Other terms and conditions deemed by the board to~~  
5 ~~be necessary or proper.~~

6           ~~(b) In addition to the provisions of paragraph (a), an~~  
7 ~~advance payment contract for registration shall include, but~~  
8 ~~not be limited to, the following:~~

9           ~~(h)1.~~ The number of semester credit hours or semesters  
10 of dormitory residence contracted by the purchaser.

11           ~~(i)2.~~ The state postsecondary system toward which the  
12 contracted credit hours or semesters of dormitory residence  
13 will be applied.

14           ~~(j)3.~~ The assumption of a contractual obligation by  
15 the board to the qualified beneficiary to provide for a  
16 specified number of semester credit hours of undergraduate  
17 instruction at a state postsecondary institution, not to  
18 exceed the average number of credit hours required for the  
19 conference of the degree that corresponds to the plan  
20 purchased on behalf of the qualified beneficiary or to provide  
21 for a specified number of semesters of dormitory residence,  
22 not to exceed the number of semesters of full-time enrollment  
23 required for the conference of a baccalaureate degree.

24           ~~(k) Other terms and conditions deemed by the board to~~  
25 ~~be necessary or proper.~~

26           ~~(c) In addition to the provisions of paragraph (a), an~~  
27 ~~advance payment contract for dormitory residence shall~~  
28 ~~include, but not be limited to, the following:~~

29           ~~1. The number of semesters of dormitory residence~~  
30 ~~contracted by the purchaser.~~

31

1           ~~2. The assumption of a contractual obligation by the~~  
 2 ~~board to the qualified beneficiary to provide for a specified~~  
 3 ~~number of semesters of dormitory residence at a state~~  
 4 ~~university, not to exceed the maximum number of semesters of~~  
 5 ~~full-time enrollment required for the conference of a~~  
 6 ~~baccalaureate degree.~~

7           (12)(d) DURATION OF BENEFITS; ADVANCE PAYMENT

8 CONTRACT.--An advance payment contract may provide that  
 9 contracts which have not been terminated or the benefits  
 10 exercised within a specified period of time shall be  
 11 considered terminated. Time expended by a qualified  
 12 beneficiary as an active duty member of any of the armed  
 13 services of the United States shall be added to the period of  
 14 time specified pursuant to this subsection paragraph. No  
 15 purchaser or qualified beneficiary whose advance payment  
 16 contract is terminated pursuant to this subsection paragraph  
 17 shall be entitled to a refund. The board shall retain any  
 18 moneys paid by the purchaser for an advance payment contract  
 19 that has been terminated in accordance with this subsection  
 20 paragraph. Such moneys retained by the board are exempt from  
 21 chapter 717, and such retained moneys must be used by the  
 22 board to further the purposes of this section.

23           (13) REFUNDS.--

24           (a)(e)1. Except as provided in paragraphs (b) and (c),  
 25 ~~no refund provided pursuant to subparagraph (a)7. shall exceed~~  
 26 ~~the amount paid into the fund by the purchaser. In the event~~  
 27 ~~that an advance payment contract is converted from a~~  
 28 ~~university to a community college registration plan, the~~  
 29 ~~refund amount shall be reduced by the amount transferred to a~~  
 30 ~~community college on behalf of the qualified beneficiary.~~

1 ~~However, refunds may exceed the amount paid into the fund in~~  
2 ~~the following circumstances:~~

3 (b)~~a~~. If the beneficiary is awarded a scholarship, the  
4 terms of which cover the benefits included in the advance  
5 payment contracts, moneys paid for the purchase of the advance  
6 payment contracts shall be returned to the purchaser in  
7 semester installments coinciding with the matriculation by the  
8 beneficiary in amounts of either the original purchase price  
9 plus 5 percent compounded interest, or the current rates at  
10 state postsecondary institutions, whichever is less.

11 (c)~~b~~. In the event of the death or total disability of  
12 the beneficiary, moneys paid for the purchase of advance  
13 payment contracts shall be returned to the purchaser together  
14 with 5 percent compounded interest, or the current rates at  
15 state postsecondary institutions, whichever is less.

16 (d)~~c~~. If an advance payment contract is converted from  
17 one registration plan to a plan of lesser value ~~a university~~  
18 ~~plan to a community college plan or a community college plus~~  
19 ~~university plan, or is converted from a community college plus~~  
20 ~~university plan to a community college plan~~, the amount  
21 refunded shall not exceed the difference between the amount  
22 paid for the original contract and the amount that would have  
23 been paid for the contract to which the plan is converted had  
24 the converted plan been purchased under the same payment plan  
25 at the time the original advance payment contract was  
26 executed.

27 (e)~~d~~. No refund shall be authorized through an advance  
28 payment contract for any school year partially attended but  
29 not completed. For purposes of this section, a school year  
30 partially attended but not completed shall mean any one  
31 semester whereby the student is still enrolled at the

1 conclusion of the official drop-add period, but withdraws  
 2 before the end of such semester. If a beneficiary does not  
 3 complete a community college plan or university plan for  
 4 reasons other than specified in paragraph (c)~~subparagraph 1.~~,  
 5 the purchaser shall receive a refund of the amount paid into  
 6 the fund for the remaining unattended years of the advance  
 7 payment contract pursuant to rules promulgated by the board.

8 (14)(f) CONFIDENTIALITY OF ACCOUNT

9 INFORMATION.--Information that identifies the purchasers or  
 10 beneficiaries of any plan promulgated under this section and  
 11 their advance payment account activities is exempt from the  
 12 provisions of s. 119.07(1). However, the board may authorize  
 13 the program's records administrator to release such  
 14 information to a community college, college, or university in  
 15 which a beneficiary may enroll or is enrolled. Community  
 16 colleges, colleges, and universities shall maintain such  
 17 information as exempt from the provisions of s. 119.07(1).

18 ~~(7) At a minimum, the board shall make advance payment~~  
 19 ~~contracts available for two independent plans to be known as~~  
 20 ~~the community college plan and the university plan. The board~~  
 21 ~~may also make advance payment contracts available for a~~  
 22 ~~dormitory residence plan.~~

23 ~~(a) Through the community college plan, the advance~~  
 24 ~~payment contract shall provide prepaid registration fees for a~~  
 25 ~~specified number of undergraduate semester credit hours not to~~  
 26 ~~exceed the average number of hours required for the conference~~  
 27 ~~of an associate degree. The cost of participation in the~~  
 28 ~~community college plan shall be based primarily on the average~~  
 29 ~~current and projected registration fees within the State~~  
 30 ~~Community College System and the number of years expected to~~  
 31 ~~elapse between the purchase of the plan on behalf of a~~



1 ~~qualified beneficiary and the exercise of the benefits~~  
 2 ~~provided in the plan by such beneficiary. Qualified~~  
 3 ~~beneficiaries shall bear the cost of any laboratory fees~~  
 4 ~~associated with enrollment in specific courses. Each~~  
 5 ~~qualified beneficiary shall be classified as a resident for~~  
 6 ~~tuition purposes pursuant to s. 240.1201 regardless of his or~~  
 7 ~~her actual legal residence.~~

8 ~~(b) Through the university plan, the advance payment~~  
 9 ~~contract shall provide prepaid registration fees for a~~  
 10 ~~specified number of undergraduate semester credit hours not to~~  
 11 ~~exceed the average number of hours required for the conference~~  
 12 ~~of a baccalaureate degree. The cost of participation in the~~  
 13 ~~university plan shall be based primarily on the current and~~  
 14 ~~projected registration fees within the State University System~~  
 15 ~~and the number of years expected to elapse between the~~  
 16 ~~purchase of the plan on behalf of a qualified beneficiary and~~  
 17 ~~the exercise of the benefits provided in the plan by such~~  
 18 ~~beneficiary. Qualified beneficiaries shall bear the cost of~~  
 19 ~~any laboratory fees associated with enrollment in specific~~  
 20 ~~courses. In the event that a qualified beneficiary fails to~~  
 21 ~~be admitted to a state university or chooses to attend a~~  
 22 ~~community college, the qualified beneficiary may convert the~~  
 23 ~~average number of semester credit hours required for the~~  
 24 ~~conference of an associate degree from a university plan to a~~  
 25 ~~community college plan and may retain the remaining semester~~  
 26 ~~credit hours in the university plan or may request a refund~~  
 27 ~~for prepaid credit hours in excess of the average number of~~  
 28 ~~semester credit hours required for the conference of an~~  
 29 ~~associate degree pursuant to subparagraph (6)(a)7. Each~~  
 30 ~~qualified beneficiary shall be classified as a resident for~~  
 31

1 ~~tuition purposes pursuant to s. 240.1201 regardless of his or~~  
2 ~~her actual legal residence.~~

3 ~~(c) Through the dormitory residence plan, the advance~~  
4 ~~payment contract may provide prepaid housing fees for a~~  
5 ~~maximum of 10 semesters of full-time undergraduate enrollment~~  
6 ~~in a state university. Dormitory residence plans shall be~~  
7 ~~purchased in increments of 2 semesters. The cost of~~  
8 ~~participation in the dormitory residence plan shall be based~~  
9 ~~primarily on the average current and projected housing fees~~  
10 ~~within the State University System and the number of years~~  
11 ~~expected to elapse between the purchase of the plan on behalf~~  
12 ~~of a qualified beneficiary and the exercise of the benefits~~  
13 ~~provided in the plan by such beneficiary. Qualified~~  
14 ~~beneficiaries shall bear the cost of any additional elective~~  
15 ~~charges such as laundry service or long-distance telephone~~  
16 ~~service. Each state university may specify the residence~~  
17 ~~halls or other university-held residences eligible for~~  
18 ~~inclusion in the plan. In addition, any state university may~~  
19 ~~request immediate termination of a dormitory residence~~  
20 ~~contract based on a violation or multiple violations of rules~~  
21 ~~of the residence hall or other university-held residences.~~  
22 ~~Qualified beneficiaries shall have the highest priority in the~~  
23 ~~assignment of housing within university residence halls. In~~  
24 ~~the event that sufficient housing is not available for all~~  
25 ~~qualified beneficiaries, the board shall refund the purchaser~~  
26 ~~or qualified beneficiary an amount equal to the fees charged~~  
27 ~~for dormitory residence during that semester. If a qualified~~  
28 ~~beneficiary fails to be admitted to a state university or~~  
29 ~~chooses to attend a community college that operates one or~~  
30 ~~more dormitories or residency opportunities, or has one or~~  
31 ~~more dormitories or residency opportunities operated by the~~

1 ~~community college direct-support organization, the qualified~~  
 2 ~~beneficiary may transfer or cause to have transferred to the~~  
 3 ~~community college, or community college direct-support~~  
 4 ~~organization, the fees associated with dormitory residence.~~  
 5 ~~Dormitory fees transferred to the community college or~~  
 6 ~~community college direct-support organization may not exceed~~  
 7 ~~the maximum fees charged for state university dormitory~~  
 8 ~~residence for the purposes of this section, or the fees~~  
 9 ~~charged for community college or community college~~  
 10 ~~direct-support organization dormitories or residency~~  
 11 ~~opportunities, whichever is less.~~

12 ~~(d) A qualified beneficiary may apply a community~~  
 13 ~~college plan, university plan, or dormitory residence plan~~  
 14 ~~toward any eligible independent college or university. An~~  
 15 ~~independent college or university which is located and~~  
 16 ~~chartered in Florida, is not for profit, is accredited by the~~  
 17 ~~Commission on Colleges of the Southern Association of Colleges~~  
 18 ~~and Schools or the Accrediting Commission of the Association~~  
 19 ~~of Independent Colleges and Schools, and which confers degrees~~  
 20 ~~as defined in s. 246.021 shall be eligible for such~~  
 21 ~~application. The board shall transfer or cause to have~~  
 22 ~~transferred to the eligible independent college or university~~  
 23 ~~designated by the qualified beneficiary an amount not to~~  
 24 ~~exceed the redemption value of the advance payment contract~~  
 25 ~~within a state postsecondary institution. In the event that~~  
 26 ~~the cost of registration or housing fees at the independent~~  
 27 ~~college or university is less than the corresponding fees at a~~  
 28 ~~state postsecondary institution, the amount transferred shall~~  
 29 ~~not exceed the actual cost of registration or housing fees.~~  
 30 ~~No transfer authorized pursuant to this paragraph shall exceed~~  
 31

1 ~~the number of semester credit hours or semesters of dormitory~~  
 2 ~~residence contracted on behalf of a qualified beneficiary.~~

3 ~~(e) A qualified beneficiary may apply the benefits of~~  
 4 ~~an advance payment contract toward an eligible out-of-state~~  
 5 ~~college or university. An out-of-state college or university~~  
 6 ~~which is not for profit, is accredited by a regional~~  
 7 ~~accrediting association, and which confers baccalaureate~~  
 8 ~~degrees shall be eligible for such application. The board~~  
 9 ~~shall transfer, or cause to have transferred, an amount not to~~  
 10 ~~exceed the redemption value of the advance payment contract or~~  
 11 ~~the original purchase price plus 5 percent compounded~~  
 12 ~~interest, whichever is less, after assessment of a reasonable~~  
 13 ~~transfer fee. In the event that the cost of registration or~~  
 14 ~~housing fees charged the qualified beneficiary at the eligible~~  
 15 ~~out-of-state college or university is less than this~~  
 16 ~~calculated amount, the amount transferred shall not exceed the~~  
 17 ~~actual cost of registration or housing fees. Any remaining~~  
 18 ~~amount shall be transferred in subsequent semesters until the~~  
 19 ~~transfer value is depleted. No transfer authorized pursuant~~  
 20 ~~to this paragraph shall exceed the number of semester credit~~  
 21 ~~hours or semesters of dormitory residence contracted on behalf~~  
 22 ~~of a qualified beneficiary.~~

23 ~~(8) The board shall solicit proposals for the~~  
 24 ~~operation of the Florida Prepaid Postsecondary Education~~  
 25 ~~Expense Program pursuant to s. 287.057, through which the~~  
 26 ~~board shall contract for the services of a records~~  
 27 ~~administrator, a trustee services firm, and one or more~~  
 28 ~~product providers.~~

29 ~~(a) The records administrator shall be the entity~~  
 30 ~~designated by the board to conduct the daily operations of the~~  
 31 ~~program on behalf of the board. The goals of the board in~~

1 ~~selecting a records administrator shall be to provide all~~  
2 ~~purchasers with the most secure, well-diversified, and~~  
3 ~~beneficially administered postsecondary education expense plan~~  
4 ~~possible, to allow all qualified firms interested in providing~~  
5 ~~such services equal consideration, and to provide such~~  
6 ~~services to the state at no cost and to the purchasers at the~~  
7 ~~lowest cost possible. Evaluations of proposals submitted~~  
8 ~~pursuant to this paragraph shall include, but not be limited~~  
9 ~~to, the following criteria:~~

10 ~~1. Fees and other costs charged to purchasers that~~  
11 ~~affect account values or operational costs related to the~~  
12 ~~program.~~

13 ~~2. Past experience in records administration and~~  
14 ~~current ability to provide timely and accurate service in the~~  
15 ~~areas of records administration, audit and reconciliation,~~  
16 ~~plan communication, participant service, and complaint~~  
17 ~~resolution.~~

18 ~~3. Sufficient staff and computer capability for the~~  
19 ~~scope and level of service expected by the board.~~

20 ~~4. Financial history and current financial strength~~  
21 ~~and capital adequacy to provide administrative services~~  
22 ~~required by the board.~~

23 ~~(b) The trustee services firm shall be the entity~~  
24 ~~designated by the board to select and supervise investment~~  
25 ~~programs on behalf of the board. The goals of the board in~~  
26 ~~selecting a trustee services firm shall be to obtain the~~  
27 ~~highest standards of professional trustee services, to allow~~  
28 ~~all qualified firms interested in providing such services~~  
29 ~~equal consideration, and to provide such services to the state~~  
30 ~~at no cost and to the purchasers at the lowest cost possible.~~  
31 ~~The trustee services firm shall agree to meet the obligations~~

1 ~~of the board to qualified beneficiaries if moneys in the fund~~  
2 ~~fail to offset the obligations of the board as a result of~~  
3 ~~imprudent selection or supervision of investment programs by~~  
4 ~~such firm. Evaluations of proposals submitted pursuant to~~  
5 ~~this paragraph shall include, but not be limited to, the~~  
6 ~~following criteria:~~

7 ~~1. Adequacy of trustee services for supervision and~~  
8 ~~management of the program, including current operations and~~  
9 ~~staff organization and commitment of management to the~~  
10 ~~proposal.~~

11 ~~2. Capability to execute program responsibilities~~  
12 ~~within time and regulatory constraints.~~

13 ~~3. Past experience in trustee services and current~~  
14 ~~ability to maintain regular and continuous interactions with~~  
15 ~~the board, records administrator, and product provider.~~

16 ~~4. The minimum purchaser participation assumed within~~  
17 ~~the proposal and any additional requirements of purchasers.~~

18 ~~5. Adequacy of technical assistance and services~~  
19 ~~proposed for staff.~~

20 ~~6. Adequacy of a management system for evaluating and~~  
21 ~~improving overall trustee services to the program.~~

22 ~~7. Adequacy of facilities, equipment, and electronic~~  
23 ~~data processing services.~~

24 ~~8. Detailed projections of administrative costs,~~  
25 ~~including the amount and type of insurance coverage, and~~  
26 ~~detailed projections of total costs.~~

27 ~~(c)1. The product providers shall be the entities~~  
28 ~~designated by the board to develop investment portfolios on~~  
29 ~~behalf of the board to achieve the purposes of this section.~~  
30 ~~Product providers shall be limited to authorized insurers as~~  
31 ~~defined in s. 624.09, banks as defined in s. 658.12,~~

1 ~~associations as defined in s. 665.012, authorized Securities~~  
 2 ~~and Exchange Commission investment advisers, and investment~~  
 3 ~~companies as defined in the Investment Company Act of 1940.~~  
 4 ~~All product providers shall have their principal place of~~  
 5 ~~business and corporate charter located and registered in the~~  
 6 ~~United States. In addition, each product provider shall agree~~  
 7 ~~to meet the obligations of the board to qualified~~  
 8 ~~beneficiaries if moneys in the fund fail to offset the~~  
 9 ~~obligations of the board as a result of imprudent investing by~~  
 10 ~~such provider. Each authorized insurer shall evidence superior~~  
 11 ~~performance overall on an acceptable level of surety in~~  
 12 ~~meeting its obligations to its policyholders and other~~  
 13 ~~contractual obligations. Only qualified public depositories~~  
 14 ~~approved by the State Insurance Commissioner and Treasurer~~  
 15 ~~shall be eligible for board consideration. Each investment~~  
 16 ~~company shall provide investment plans as specified within the~~  
 17 ~~request for proposals.~~

18         ~~2. The goals of the board in selecting a product~~  
 19 ~~provider company shall be to provide all purchasers with the~~  
 20 ~~most secure, well-diversified, and beneficially administered~~  
 21 ~~postsecondary education expense plan possible, to allow all~~  
 22 ~~qualified firms interested in providing such services equal~~  
 23 ~~consideration, and to provide such services to the state at no~~  
 24 ~~cost and to the purchasers at the lowest cost possible.~~

25 ~~Evaluations of proposals submitted pursuant to this paragraph~~  
 26 ~~shall include, but not be limited to, the following criteria:~~

27             ~~a. Fees and other costs charged to purchasers that~~  
 28 ~~affect account values or operational costs related to the~~  
 29 ~~program.~~

30             ~~b. Past and current investment performance, including~~  
 31 ~~investment and interest rate history, guaranteed minimum rates~~

1 ~~of interest, consistency of investment performance, and any~~  
2 ~~terms and conditions under which moneys are held.~~

3 ~~c. Past experience and ability to provide timely and~~  
4 ~~accurate service in the areas of records administration,~~  
5 ~~benefit payments, investment management, and complaint~~  
6 ~~resolution.~~

7 ~~d. Financial history and current financial strength~~  
8 ~~and capital adequacy to provide products, including operating~~  
9 ~~procedures and other methods of protecting program assets.~~

10 (15)(9) OBLIGATIONS OF BOARD; PAYMENT.--The state  
11 shall agree to meet the obligations of the board to qualified  
12 beneficiaries if moneys in the fund fail to offset the  
13 obligations of the board. The Legislature shall appropriate to  
14 the Florida Prepaid College Postsecondary Education Expense  
15 Trust Fund the amount necessary to meet the obligations of the  
16 board to qualified beneficiaries.

17 (16)(10) ASSETS OF THE FUND; EXPENDITURE  
18 PRIORITY.--The assets of the fund shall be maintained,  
19 invested, and expended solely for the purposes of this section  
20 and shall not be loaned, transferred, or otherwise used by the  
21 state for any purpose other than the purposes of this section.  
22 This subsection shall not be construed to prohibit the board  
23 from investing in, by purchase or otherwise, bonds, notes, or  
24 other obligations of the state or an agency or instrumentality  
25 of the state. Unless otherwise specified by the board, assets  
26 of the fund shall be expended in the following order of  
27 priority:

28 (a) To make payments to state postsecondary  
29 institutions on behalf of qualified beneficiaries.

30 (b) To make refunds upon termination of advance  
31 payment contracts.



1 (c) To pay the costs of program administration and  
2 operations.

3 (17)~~(11)~~ EXEMPTION FROM CLAIMS OF CREDITORS.--Moneys  
4 paid into or out of the fund by or on behalf of a purchaser or  
5 qualified beneficiary of an advance payment contract made  
6 under this section, which contract has not been terminated,  
7 are exempt, as provided by s. 222.22, from all claims of  
8 creditors of the purchaser or the beneficiary. Neither moneys  
9 paid into the program nor benefits accrued through the program  
10 may be pledged for the purpose of securing a loan.

11 (18)~~(12)~~ PAYROLL DEDUCTION AUTHORITY.--The state or  
12 any state agency, county, municipality, or other political  
13 subdivision may, by contract or collective bargaining  
14 agreement, agree with any employee to remit payments toward  
15 advance payment contracts through payroll deductions made by  
16 the appropriate officer or officers of the state, state  
17 agency, county, municipality, or political subdivision. Such  
18 payments shall be held and administered in accordance with  
19 this section.

20 (19)~~(13)~~ DISCLAIMER.--Nothing in this section shall be  
21 construed as a promise or guarantee that a qualified  
22 beneficiary will be admitted to a state postsecondary  
23 institution or to a particular state postsecondary  
24 institution, will be allowed to continue enrollment at a state  
25 postsecondary institution after admission, or will be  
26 graduated from a state postsecondary institution.

27 (20)~~(14)~~ PROGRAM TERMINATION.--In the event that the  
28 state determines the program to be financially infeasible, the  
29 state may discontinue the provision of the program. Any  
30 qualified beneficiary who has been accepted by and is enrolled  
31 or is within 5 years of enrollment in an eligible independent

1 college or university or state postsecondary institution shall  
 2 be entitled to exercise the complete benefits for which he or  
 3 she has contracted. All other contract holders shall receive  
 4 a refund, ~~pursuant to subparagraph (6)(a)7.~~, of the amount  
 5 paid in and an additional amount in the nature of interest at  
 6 a rate that corresponds, at a minimum, to the prevailing  
 7 interest rates for savings accounts provided by banks and  
 8 savings and loan associations.

9 (21) ANNUAL REPORT.--The board shall annually prepare  
 10 or cause to be prepared a report setting forth in appropriate  
 11 detail an accounting of the fund and a description of the  
 12 financial condition of the program at the close of each fiscal  
 13 year. Such report shall be submitted to the President of the  
 14 Senate, the Speaker of the House of Representatives, and  
 15 members of the State Board of Education on or before March 31  
 16 each year. In addition, the board shall make the report  
 17 available to purchasers of advance payment contracts. The  
 18 board shall provide to the Board of Regents and the State  
 19 Board of Community Colleges, by March 31 each year, complete  
 20 advance payment contract sales information, including  
 21 projected postsecondary enrollments of qualified  
 22 beneficiaries. The accounts of the fund shall be subject to  
 23 annual audits by the Auditor General or his or her designee.

24 (22) DIRECT-SUPPORT ORGANIZATION; AUTHORITY.--

25 (a) The board may establish a direct-support  
 26 organization which is:

27 1. A Florida corporation, not for profit, incorporated  
 28 under the provisions of chapter 617 and approved by the  
 29 Secretary of State.

30  
 31

1           2. Organized and operated exclusively to receive,  
2 hold, invest, and administer property and to make expenditures  
3 to or for the benefit of the program.

4           3. An organization which the board, after review, has  
5 certified to be operating in a manner consistent with the  
6 goals of the program and in the best interests of the state.  
7 Unless so certified, the organization may not use the name of  
8 the program.

9           4. Subject to an annual postaudit by an independent  
10 certified public accountant in accordance with rules  
11 promulgated by the board. The annual audit shall be submitted  
12 to the State Board of Administration and the Auditor General  
13 for review. The State Board of Administration and Auditor  
14 General shall have the authority to require and receive from  
15 the organization or its independent auditor any detail or  
16 supplemental data relative to the operation of the  
17 organization. The identity of donors who desire to remain  
18 anonymous shall be confidential and exempt from the provisions  
19 of s. 119.07(1) and s. 24(a), Art. I of the State  
20 Constitution, and such anonymity shall be maintained in the  
21 auditor's report. Information received by the organization  
22 that is otherwise confidential or exempt by law shall retain  
23 such status. Any sensitive, personal information regarding  
24 contract beneficiaries, including their identities, is exempt  
25 from the provisions of s. 119.07(1) and s. 24(a), Art. I of  
26 the State Constitution.

27           (b) The chair and the executive director of the board  
28 shall be directors of the direct-support organization and  
29 shall jointly name three other individuals to serve as  
30 directors of the organization.

31

1 Section 50. Section 222.22, Florida Statutes, is  
2 amended to read:

3 222.22 Exemption of moneys in the Prepaid  
4 Postsecondary Education Expense Trust Fund from legal  
5 process.--Moneys paid into or out of the Florida Prepaid  
6 College ~~Postsecondary Education Expense~~ Trust Fund by or on  
7 behalf of a purchaser or qualified beneficiary pursuant to an  
8 advance payment contract made under s. 240.551, which contract  
9 has not been terminated, are not liable to attachment,  
10 garnishment, or legal process in the state in favor of any  
11 creditor of the purchaser or beneficiary of such advance  
12 payment contract.

13 Section 51. Subsection (2) of section 732.402, Florida  
14 Statutes, is amended to read:

15 732.402 Exempt property.--

16 (2) Exempt property shall consist of:

17 (a) Household furniture, furnishings, and appliances  
18 in the decedent's usual place of abode up to a net value of  
19 \$10,000 as of the date of death. ~~and~~

20 (b) All automobiles held in the decedent's name and  
21 regularly used by the decedent or members of the decedent's  
22 immediate family as their personal automobiles.

23 (c) Florida Prepaid College Program contracts  
24 purchased pursuant to s. 240.551.

25 Section 52. For the purpose of incorporating the  
26 amendment to s. 732.402, Florida Statutes, in references  
27 thereto, subsection (13) of section 731.201 and subsection (1)  
28 of section 735.301, Florida Statutes, are reenacted to read:

29 731.201 General definitions.--Subject to additional  
30 definitions in subsequent chapters that are applicable to  
31

1 specific chapters or parts, and unless the context otherwise  
2 requires, in this code and chapters 737, 738, and 744:

3 (13) "Exempt property" means the property of a  
4 decedent's estate which is described in s. 732.402.

5 735.301 Disposition without administration.--

6 (1) No administration shall be required or formal  
7 proceedings instituted upon the estate of a decedent leaving  
8 only personal property exempt under the provisions of s.  
9 732.402, personal property exempt from the claims of creditors  
10 under the Constitution of Florida, and nonexempt personal  
11 property the value of which does not exceed the sum of the  
12 amount of preferred funeral expenses and reasonable and  
13 necessary medical and hospital expenses of the last 60 days of  
14 the last illness.

15 Section 53. Effective January 1, 1999, section  
16 240.207, Florida Statutes, is amended to read:

17 240.207 Board of Regents; appointment of members;  
18 qualifications and terms of office.--

19 (1) The Board of Regents shall consist of the  
20 Commissioner of Education and 13 ~~12~~ citizens of this state who  
21 shall be selected from the state at large, representative of  
22 the geographical areas of the state; who shall have been  
23 residents and citizens thereof for a period of at least 10  
24 years prior to their appointment (one of whom shall be a  
25 member registered as a full-time student in the State  
26 University System and who shall have been a resident of this  
27 state for at least 5 years prior to appointment in lieu of the  
28 10 years required of other members); and who shall be  
29 appointed by the Governor, approved by three members of the  
30 Cabinet, and confirmed by the Senate. However, no appointee  
31 shall take office until after his or her appointment has been

1 approved by three members of the Cabinet. The State Board of  
2 Education shall develop rules and procedures for review and  
3 approval of the appointees. Except for the Commissioner of  
4 Education and except for the full-time student member, who  
5 shall serve for 1 year, the terms of office for the members of  
6 the Board of Regents appointed after the effective date of  
7 this act shall be 4 6 years and until their successors are  
8 appointed and qualified, except in case of an appointment to  
9 fill a vacancy, in which case the appointment shall be for the  
10 unexpired term, and except as in this section otherwise  
11 provided. No member shall be selected from any county to  
12 serve with any other member from the same county, except that  
13 not more than two members may be selected from a county which  
14 has a population in excess of 900,000, and with the exceptions  
15 of the student member, who shall be selected at large, and the  
16 Commissioner of Education. The Governor shall fill all  
17 vacancies, subject to the above approval and confirmation,  
18 that may at any time occur on the board.

19 (2) Members may be removed for cause at any time upon  
20 the concurrence of a majority of the members of the State  
21 Board of Education.

22 ~~(3) To create an orderly succession of Regents and the~~  
23 ~~appointment of two Regents each year, one additional Regent~~  
24 ~~shall be appointed in 1991 to serve a 6-year term, and one~~  
25 ~~additional Regent shall be appointed in 1992 to serve a 6-year~~  
26 ~~term. For the four seats with terms ending in 1993, the~~  
27 ~~Governor shall make one appointment for a 3-year term and two~~  
28 ~~appointments for regular 6-year terms. For 1 year, from~~  
29 ~~January 1992 to January 1993, there shall be a total of 15~~  
30 ~~Regents. All the members of the Board of Regents serving on~~  
31

1 ~~May 3, 1991, shall complete their regular terms, as prescribed~~  
2 ~~by the Secretary of State.~~

3 Section 54. Subsections (2) and paragraphs (b) and (e)  
4 of subsection (3) of section 240.209, Florida Statutes, are  
5 amended to read:

6 240.209 Board of Regents; powers and duties.--

7 (2) The Board of Regents shall appoint a Chancellor to  
8 serve at its pleasure who shall perform such duties as are  
9 assigned to him or her by the board. The board shall fix the  
10 compensation and other conditions of employment for the  
11 Chancellor. The board shall also provide for the compensation  
12 and other conditions of employment for employees necessary to  
13 assist the board and the Chancellor in the performance of  
14 their duties. The Chancellor shall be the chief administrative  
15 officer of the board and shall be responsible for appointing  
16 all employees of the board who shall serve under his or her  
17 direction and control. The Chancellor must ~~shall~~ be ~~a person~~  
18 qualified by training and experience to understand the  
19 problems and needs of the state in the field of postsecondary  
20 education. Search committee activities for the selection of  
21 the Chancellor up to the point of transmitting a list of  
22 nominees to the Board of Regents shall be confidential and  
23 exempt from the provisions of ss. 119.07(1) and 286.011.

24 (3) The board shall:

25 (b) Appoint or remove the president of each university  
26 in accordance with procedures and rules adopted by the Board  
27 of Regents. The board may appoint a search committee to  
28 assist in evaluating presidential candidates. Each appointment  
29 of a university president shall be conducted in accordance  
30 with the provisions of ss. 119.07 and 286.011. The board shall  
31 determine the compensation and other conditions of employment

1 for each president. ~~The board shall not provide a tenured~~  
2 ~~faculty appointment to any president who is removed through~~  
3 ~~termination by the board or resignation tendered at the~~  
4 ~~request of the board.~~

5 (e) Establish student fees.

6 1. By no later than December 1 of each year, the board  
7 shall raise the systemwide standard for resident undergraduate  
8 matriculation and financial aid fees for the subsequent fall  
9 term, up to but no more than 25 percent of the prior year's  
10 cost of undergraduate programs. In implementing this  
11 paragraph, fees charged for graduate, medical, veterinary, and  
12 dental programs may be increased by the Board of Regents in  
13 the same percentage as the increase in fees for resident  
14 undergraduates. However, in the absence of legislative action  
15 to the contrary in an appropriations act, the board may not  
16 approve annual fee increases for resident students in excess  
17 of 10 percent. The sum of nonresident student matriculation  
18 and tuition fees must be sufficient to defray the full cost of  
19 undergraduate education. Graduate, medical, veterinary, and  
20 dental fees charged to nonresidents may be increased by the  
21 board in the same percentage as the increase in fees for  
22 nonresident undergraduates. However, in implementing this  
23 policy and in the absence of legislative action to the  
24 contrary in an appropriations act, annual fee increases for  
25 nonresident students may not exceed 25 percent. In the absence  
26 of legislative action to the contrary in the General  
27 Appropriations Act, the fees shall go into effect for the  
28 following fall term.

29 2. When the appropriations act requires a new fee  
30 schedule, the board shall establish a systemwide standard fee  
31 schedule required to produce the total fee revenue established



1 in the appropriations act based on the product of the assigned  
 2 enrollment and the fee schedule. The board may approve the  
 3 expenditure of any fee revenues resulting from the product of  
 4 the fee schedule adopted pursuant to this section and the  
 5 assigned enrollment.

6 3. Upon provision of authority in a General  
 7 Appropriations Act to spend revenue raised pursuant to this  
 8 section, the board shall approve a university request to  
 9 implement a matriculation and out-of-state tuition fee  
 10 schedule which is calculated to generate revenue which varies  
 11 no more than 10 percent from the standard fee revenues  
 12 authorized through an appropriations act. In implementing an  
 13 alternative fee schedule, the increase in cost to a student  
 14 taking 15 hours in one term shall be limited to 5 percent.  
 15 Matriculation and out-of-state tuition fee revenues generated  
 16 as a result of this provision are to be expended for  
 17 implementing a plan for achieving accountability goals adopted  
 18 pursuant to s. 240.214(2) and for implementing a Board of  
 19 Regents-approved plan to contain student costs by reducing the  
 20 time necessary for graduation without reducing the quality of  
 21 instruction. The plans shall be recommended by a  
 22 universitywide committee, at least one-half of whom are  
 23 students appointed by the student body president. A  
 24 chairperson, appointed jointly by the university president and  
 25 the student body president, shall vote only in the case of a  
 26 tie.

27 4. The board is authorized to collect for financial  
 28 aid purposes an amount not to exceed 5 percent of the student  
 29 tuition and matriculation fee per credit hour. The revenues  
 30 from fees are to remain at each campus and replace existing  
 31 financial aid fees. Such funds shall be disbursed to students

1 as quickly as possible. The board shall specify specific  
 2 limits on the percent of the fees collected in a fiscal year  
 3 which may be carried forward unexpended to the following  
 4 fiscal year. A minimum of 50 percent of funds from the student  
 5 financial aid fee shall be used to provide financial aid based  
 6 on absolute need. A student who has received an award prior to  
 7 July 1, 1984, shall have his or her eligibility assessed on  
 8 the same criteria that was used at the time of his or her  
 9 original award.

10 5. The board may recommend to the Legislature an  
 11 appropriate systemwide standard matriculation and tuition fee  
 12 schedule.

13 6. The Education and General Student and Other Fees  
 14 Trust Fund is hereby created, to be administered by the  
 15 Department of Education. Funds shall be credited to the trust  
 16 fund from student fee collections and other miscellaneous fees  
 17 and receipts. The purpose of the trust fund is to support the  
 18 instruction and research missions of the State University  
 19 System. Notwithstanding the provisions of s. 216.301, and  
 20 pursuant to s. 216.351, any balance in the trust fund at the  
 21 end of any fiscal year shall remain in the trust fund and  
 22 shall be available for carrying out the purposes of the trust  
 23 fund.

24 Section 55. Section 240.136, Florida Statutes, is  
 25 created to read:

26 240.136 Suspension and removal from office of elected  
 27 student government officials; referendum.--Each state  
 28 university and community college student government  
 29 association shall establish a process within 60 days of this  
 30 act becoming a law to provide for the removal from office of  
 31 any elected student government official who has been convicted

1 of a violation of criminal law or has been found civilly  
2 liable for an act of moral turpitude, after all available  
3 rights of judicial appeal have been exercised or waived or  
4 have expired. The process shall include a procedure for the  
5 immediate suspension of the student government official from  
6 elected office following the conviction or civil finding and  
7 during any appeal, and shall provide for the temporary  
8 successor to the subject office pending completion of any  
9 appeal. The process must also include a procedure for  
10 registered students to petition for a referendum recommending  
11 to the student government association the removal of a student  
12 official from elected office. The referendum must be held  
13 within 60 days of filing of the petition. The recommendation  
14 to remove the subject official from elected office shall be  
15 made by majority vote of the students participating in the  
16 referendum. The action of a student government association  
17 under this section shall be subject to an appeal to the  
18 university or community college president or designee.

19           Section 56. Except as otherwise provided in this act,  
20 this act shall take effect July 1, 1998.

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