By the Committee on Governmental Oversight and Productivity; and Senators Grant, Dyer, Laurent, Holzendorf and Horne

302-1977-99

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A bill to be entitled An act relating to the State University System; amending s. 121.35, F.S.; revising eligibility for participation in the optional retirement program for the system; amending ss. 239.117, 240.235, 240.35, F.S.; providing a fee exemption for certain postsecondary students; amending s. 240.2093, F.S.; providing a restriction on the issuance of bonds by a direct-support organization; amending s. 240.227, F.S.; defining the term "continuing contract" for purposes of a university president's contracting authority; amending s. 240.233, F.S.; providing for the recalculation of grade-point averages; amending s. 240.289, F.S.; authorizing institutions in the system to accept credit cards and debit cards; authorizing those institutions to absorb the costs of using such cards; amending s. 240.299, F.S.; providing a restriction on financing agreements by direct-support organizations; amending s. 243.19, F.S.; providing findings for institutions for higher education; amending s. 243.20, F.S.; redefining the terms "project" and "cost"; defining the term "loan in anticipation of tuition revenues"; amending s. 243.22, F.S.; authorizing loans in anticipation of tuition revenues; amending s. 378.101, F.S.; revising financial restrictions on the Florida Institute of Phosphate Research and the Phosphate Research Trust Fund; amending s.

381.0403, F.S.; transferring the program of statewide medical education from the Board of Regents to the Department of Health; amending s. 413.613, F.S.; requiring reports by institutions receiving funds from the Brain and Spinal Cord Injury Rehabilitation Trust Fund; repealing provisions relating to the program review process; amending s. 471.005, F.S.; redefining the term "engineering"; repealing s. 240.5335, F.S., relating to the Women's Athletics Trust Fund; providing an effective date.

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

Section 1. Paragraph (a) of subsection (2) of section 121.35, Florida Statutes, 1998 Supplement, is amended to read: 121.35 Optional retirement program for the State University System.--

(2) ELIGIBILITY FOR PARTICIPATION IN OPTIONAL PROGRAM.--

(a) Participation in the optional retirement program provided by this section shall be limited to persons who are otherwise eligible for membership in the Florida Retirement System; who are employed or appointed for no less than one academic year; and who are employed in one of the following State University System positions:

 1. Positions classified as instructional and research faculty which are exempt from the career service under the provisions of s. 110.205(2)(d).

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- 2. Positions classified as administrative and professional which are exempt from the career service under the provisions of s. 110.205(2)(d)., provided that only those positions that are included in the State University System Executive Service, or those which the division determines meet the following criteria, shall be eliqible to participate: The duties and responsibilities of the position shall include either the formulation, interpretation, or implementation of academic policies, or the performance of functions which are unique or specialized within higher education and which frequently involve the support of the academic mission of the university; and recruiting to fill vacancies in the position shall be conducted within the national or regional market. The employer shall submit an application, including a certification that the position meets the criteria for eligibility, to the division for each administrative and professional position not in the Executive Service for which it seeks eligibility for the optional retirement program.
- The Chancellor and the university presidents. Section 2. Paragraph (c) of subsection (4) of section 239.117, Florida Statutes, 1998 Supplement, is amended to read:
 - 239.117 Postsecondary student fees.--
- (4) The following students are exempt from the payment of registration, matriculation, and laboratory fees:
- (c) A student for whom the state is paying a foster care board payment pursuant to s. 409.145(3) or pursuant to parts II and III of chapter 39, for whom the permanency planning goal pursuant to part III of chapter 39 is long-term foster care or independent living, or who is adopted from the 31 Department of Children and Family Services after May 5

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30 31 December 31, 1997. Such exemption includes fees associated with enrollment in vocational-preparatory instruction and completion of the college-level communication and computation skills testing program. Such exemption shall be available to any student adopted from the Department of Children and Family Services after May 5 December 31, 1997; however, the exemption shall be valid for no more than 4 years after the date of graduation from high school.

Section 3. Paragraph (a) of subsection (5) of section 240.235, Florida Statutes, 1998 Supplement, is amended to read:

240.235 Fees.--

(5)(a) Any student for whom the state is paying a foster care board payment pursuant to s. 409.145(3) or parts II and III of chapter 39, for whom the permanency planning goal pursuant to part III of chapter 39 is long-term foster care or independent living, or who is adopted from the Department of Children and Family Services after May 5 December 31, 1997, shall be exempt from the payment of all undergraduate fees, including fees associated with enrollment in college-preparatory instruction or completion of college-level communication and computation skills testing programs. Before a fee exemption can be given, the student shall have applied for and been denied financial aid, pursuant to s. 240.404, which would have provided, at a minimum, payment of all undergraduate fees. Such exemption shall be available to any student adopted from the Department of Children and Family Services after May 5 December 31, 1997; however, the exemption shall be valid for no more than 4 years after the date of graduation from high school.

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           Section 4. Paragraph (a) of subsection (2) of section
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    240.35, Florida Statutes, 1998 Supplement, is amended to read:
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           240.35 Student fees.--Unless otherwise provided, the
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   provisions of this section apply only to fees charged for
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    college credit instruction leading to an associate in arts
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    degree, an associate in applied science degree, or an
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    associate in science degree and noncollege credit
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    college-preparatory courses defined in s. 239.105.
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           (2)(a) Any student for whom the state is paying a
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    foster care board payment pursuant to s. 409.145(3) or parts
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    II and III of chapter 39, for whom the permanency planning
    goal pursuant to part III of chapter 39 is long-term foster
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   December 31, 1997, shall be exempt from the payment of all
   undergraduate fees, including fees associated with enrollment
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    in college-preparatory instruction or completion of the
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    college-level communication and computation skills testing
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   program. Before a fee exemption can be given, the student
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    shall have applied for and been denied financial aid, pursuant
    to s. 240.404, which would have provided, at a minimum,
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   payment of all student fees. Such exemption shall be available
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    to any student adopted from the Department of Children and
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    Family Services after December 31, 1997; however, the
   exemption shall be valid for no more than 4 years after the
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    date of graduation from high school.
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           Section 5. Subsection (2) of section 240.2093, Florida
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    Statutes, is amended to read:
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           240.2093 Board of Regents; issuance of bonds pursuant
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    to s. 11(e), Art. VII, State Constitution. --
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(2) The Board of Regents may approve the issuance of revenue bonds or other forms of indebtedness by a direct-support organization when such revenue bonds or other forms of indebtedness are used to finance or refinance capital projects which are to provide facilities necessary and desirable to serve the needs and purposes of the university, as determined by the systemwide strategic plan adopted by the Board of Regents, and, when the state will be asked for operating funds or funds to purchase the facility, upon approval of the project when the project has been approved by the Legislature. Approval of such bonds is subject to s. 243.151.

Section 6. Subsection (12) of section 240.227, Florida Statutes, 1998 Supplement, is amended to read:

240.227 University presidents; powers and duties.--The president is the chief administrative officer of the university and is responsible for the operation and administration of the university. Each university president shall:

of commodities, goods, equipment, services, leases of real and personal property, and construction to be rendered to or by the university, provided such contracts are made pursuant to rules of the Board of Regents, are for the implementation of approved programs of the university, and do not require expenditures in excess of \$1 million. The acquisition may be made by installment or lease-purchase contract. Such contracts may provide for the payment of interest on the unpaid portion of the purchase price. Notwithstanding any other provisions of this subsection, university presidents shall comply with the provisions of s. 287.055 for the

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procurement of professional services and may approve and 2 execute all contracts for planning, construction, and 3 equipment for projects with building programs and construction 4 budgets approved by the Board of Regents. For the purposes of a university president's contracting authority, a "continuing 5 6 contract" for professional services under the provisions of s. 287.055 is one in which construction costs do not exceed \$1 7 8 million or the fee for study activity does not exceed 9 \$100,000.

Section 7. Subsection (8) is added to section 240.233, Florida Statutes, 1998 Supplement, to read:

240.233 Universities; admissions of students.--Each university shall govern admissions of students, subject to this section and rules of the Board of Regents.

(8) A Florida resident who is denied admission as an undergraduate to a state university for failure to meet the high school grade-point-average requirement may appeal the decision to the university and request a recalculation of the grade point average including in the revised calculation the grades earned in up to three credits of advanced fine arts courses. The university shall provide the student with a description of the appeals process at the same time as notification of the admissions decision. The university shall recalculate the student's grade point average using the additional courses and advise the student of any changes in the student's admission status. For purposes of this section, fine arts courses include courses in music, drama, painting, sculpture, speech, debate, or a course in any art form that requires manual dexterity. Advanced level fine arts courses include fine arts courses identified in the course code directory as Advanced Placement, pre-International

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Baccalaureate, or International Baccalaureate, or fine arts courses taken in the third of fourth year of a fine arts curriculum.

Section 8. Section 240.289, Florida Statutes, is amended to read:

240.289 Credit card, charge card, and debit card use in university system; authority.--

- (1) The several universities in the State University System are authorized, pursuant to s. 215.322, to enter into agreements and accept credit card, charge card, or debit card payments as compensation for goods, services, tuition, and fees in accordance with rules established by the Board of Regents.
- (2) In addition, the several universities are also authorized to accept credit cards and debit cards for the payment of tuition and fees without the imposition of a convenience fee for such card services. The costs incurred by the several universities in accepting credit cards and debit cards may be absorbed by the universities as a cost of doing business. The universities may use any source of nonappropriated funds to cover the costs of accepting such cards. Universities also may negotiate credit card contracts and debit card contracts with financial institutions whereby a compensating balance may be placed on deposit with the financial institutions to cover the costs of accepting credit cards and debit cards. The several universities may accept credit card or debit card payments at any location where compensation is received for goods, services, tuition, or fees, whether the payor makes payment in person or by electronic means.

 Section 9. Subsection (5) of section 240.299, Florida Statutes, 1998 Supplement, is amended to read:

240.299 Direct-support organizations; use of property; board of directors; audit; facilities.--

indebtedness pursuant to s. 240.2093(2), each direct-support organization is authorized to enter into agreements to finance, design and construct, lease, lease-purchase, purchase, or operate facilities necessary and desirable to serve the needs and purposes of the university, as determined by the systemwide strategic plan adopted by the Board of Regents, upon approval of such agreements by the Board of Regents and, when the state will be asked for operating funds or funds to purchase the facility, approval of the project by the Legislature. Such agreements are subject to the provisions of s. 243.151.

Section 10. Paragraph (i) of subsection (1) and paragraph (f) of subsection (3) of section 378.101, Florida Statutes, are amended to read:

378.101 Florida Institute of Phosphate Research.--

- (1) There is created a Florida Institute of Phosphate Research, which is empowered:
- (i) To administer the Phosphate Research Trust Fund and to expend funds therefrom for its administration and for carrying out the purposes set forth in this section. The Phosphate Research Trust Fund shall <u>not</u> be subject to the service charge imposed pursuant to chapter 215.
- (2) The institute may develop work products relating to research which is subject to trademark, copyright, or patent protection. Notwithstanding any law to the contrary, the institute may:

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(f) Do all acts necessary to exercise its powers and perform its duties. Any action taken by the institute in securing or exploiting such patents, copyrights, or trademarks shall, within 30 days, be reported in writing to the Department of State. Any proceeds received by the institute under this subsection shall be deposited in an established account of the not-for-profit foundation of the State

University System institution with administrative responsibility for the institute the Phosphate Research Trust Fund for use consistent with as provided by law and the mission of the institute.

Section 11. Section 243.19, Florida Statutes, is amended to read:

243.19 Findings and declaration of necessity.--It is declared that for the benefit of the people of the state, the increase of their commerce, welfare, and prosperity, and the improvement of their health and living conditions, it is essential that this and future generations of youth be given the fullest opportunity to learn and to develop their intellectual and mental capacities; that it is essential that institutions for higher education within each county in the state be provided with appropriate additional means to assist such youth in achieving the required levels of learning and development of their intellectual and mental capacities; and that it is the purpose of this part to provide a measure of assistance and an alternate method to enable institutions of higher education in each county of this state to provide the facilities and structures which are sorely needed to accomplish the purposes of this part; and that it is essential to provide additional assistance to institutions for higher education by enabling those institutions to coordinate their

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30 31 budgetary needs with the timing of receipt of tuition revenues in a manner similar to programs authorized for school districts within the state. The necessity in the public interest of the provisions hereinafter enacted is hereby declared as a matter of legislative determination.

Section 12. Subsections (5) and (6) of section 243.20, Florida Statutes, are amended and subsection (10) is added to that section to read:

243.20 Definitions.--The following terms, wherever used or referred to in this part shall have the following respective meanings, unless a different meaning clearly appears from the context:

"Project" means a structure suitable for use as a (5) dormitory or other housing facility, dining hall, student union, administration building, academic building, library, laboratory, research facility, classroom, athletic facility, health care facility, and maintenance, storage, or utility facility, and other structures or facilities related thereto, or required thereto, or required or useful for the instruction of students, or the conducting of research, or the operation of an institution for higher education, including parking and other facilities or structures, essential or convenient for the orderly conduct of such institution for higher education and shall also include equipment and machinery and other similar items necessary or convenient for the operation of a particular facility or structure in the manner for which its use is intended but shall not include such items as books, fuel, supplies or other items which are customarily deemed to result in a current operating charge. The term also includes a loan anticipation of tuition revenues by an institution for higher education.

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"Cost," as applied to a project or any portion thereof financed under the provisions of this part, embraces all or any part of the cost of construction and acquisition of all lands, structures, real or personal property, rights, rights-of-way, franchises, easements and interests acquired or used for a project, the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be removed, the cost of all machinery and equipment, financing charges, interest prior to, during and for a period of 30 months after completion of such construction, provisions for working capital, reserves for principal and interest and for extensions, enlargements, additions and improvements, cost of engineering, financial and legal services, plans, specifications, studies, surveys, estimates of cost and of revenues, administrative expenses, expenses necessary or incident to determining the feasibility or practicability of constructing the project and such other expenses as may be necessary or incident to the construction and acquisition of the project, the financing of such construction and acquisition and the placing of the project in operation. In the case of a loan in anticipation of tuition revenues, the term "cost" means the amount of the loan in anticipation of revenues which does not exceed the amount of tuition revenues anticipated to be received by the borrowing institutions for higher education in the 1-year period following the date of the loan, plus costs related to the issuance of the loans, or bonds, the proceeds of which fund the loans, and any related cost of debt service reserve funds associated therewith.

a loan to an institution for higher education under circumstances in which tuition revenues anticipated to be received by the institution in any budget year are estimated to be insufficient at any time during the budget year to pay the operating expenses or other obligations of the institution in accordance with the budget of the institution. The loans are permitted within guidelines adopted by the authority consistent with the provisions for similar loans undertaken by school districts under s. 237.151, excluding provisions applicable to the limitations on borrowings relating to the levy of taxes and the adoption of budgets in accordance with law applicable solely to school districts.

Section 13. Subsection (12) of section 243.22, Florida Statutes, is amended to read:

243.22 Powers of authority.--The purpose of the authority shall be to assist institutions for higher education in the construction, financing, and refinancing of projects, and for this purpose the authority is authorized and empowered:

(12) To make loans to any participating institution for higher education for the cost of a project, including a loan in anticipation of tuition revenues, in accordance with an agreement between the authority and the participating institution for higher education; provided no such loan shall exceed the total cost of the project as determined by the participating institution for higher education and approved by the authority.

Section 14. Paragraphs (a) and (b) of subsection (3), subsection (4), paragraph (d) of subsection (5), and

subsection (6) of section 381.0403, Florida Statutes, are amended to read:

381.0403 The Community Hospital Education Act.--

- (3) PROGRAM FOR COMMUNITY HOSPITAL EDUCATION; STATE AND LOCAL PLANNING.--
- (a) There is established under the <u>Department of Health Board of Regents</u> a program for statewide medical education. It is intended that continuing medical education programs for interns and residents be established on a statewide basis. The program shall provide financial support for interns and residents based on policies recommended and approved by the Community Hospital Education Council, herein established, and the Department of Health Board of Regents.
- (b) Medical institutions throughout the state may apply to the Community Hospital Education Council for grants-in-aid for financial support of their approved programs. Recommendations for funding of approved programs shall be forwarded to the <u>Department of Health</u> Board of Regents.
- (4) FAMILY PRACTICE RESIDENCIES.—In addition to the programs established in subsection (3), the Community Hospital Education Council and the <u>Department of Health Board of Regents</u> shall establish an ongoing statewide program of family practice residencies. The administration of this program shall be in the manner described in this section.
 - (5) COUNCIL AND DIRECTOR. --
- (d) The <u>Secretary of Health</u> Chancellor of the State University System shall designate an administrator to serve as staff director. The council shall elect a chair from among its membership. Such other personnel as may be necessary to carry

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out the program shall be employed as authorized by the Department of Health Board of Regents.

- DEPARTMENT OF HEALTH BOARD OF REGENTS; STANDARDS. --
- (a) The Department of Health Board of Regents, with recommendations from the council, shall establish standards and policies for the use and expenditure of medical education funds appropriated pursuant to subsection (7) for a program of community hospital education. The board shall establish requirements for hospitals to be qualified for participation in the program which shall include, but not be limited to:
- Submission of an educational plan and a training schedule.
- A determination by the council to ascertain that 2. each portion of the program of the hospital provides a high degree of academic excellence and is accredited by the Accreditation Council for Graduate Medical Education of the American Medical Association or is accredited by the American Osteopathic Association.
- 3. Supervision of the educational program of the hospital by a physician who is not the hospital administrator.
- The Department of Health Board of Regents shall periodically review the educational program provided by a participating hospital to assure that the program includes a reasonable amount of both formal and practical training and that the formal sessions are presented as scheduled in the plan submitted by each hospital.

Section 15. Subsections (3) and (4) of section 413.613, Florida Statutes, are amended to read:

413.613 Brain and Spinal Cord Injury Rehabilitation 31 Trust Fund.--

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and Employment Security.

(3) Annually, 5 percent of the revenues deposited monthly in the fund pursuant to s. 318.21(2)(d) shall be appropriated to the University of Florida and 5 percent to the University of Miami for spinal cord injury and brain injury research. The amount to be distributed to the universities shall be calculated based on the deposits into the fund for each quarter in the fiscal year, but may not exceed \$500,000 per university per year. Funds distributed under this subsection shall be made in quarterly payments at the end of each quarter during the fiscal year. Each university receiving funding under this subsection shall produce an annual report of research activities and findings, including an executive summary, which must be submitted to the President of the Senate, the Speaker of the House of Representatives, the Secretary of the Department of Labor and Employment Security, and the Board of Regents by September 1. (4) The Board of Regents shall establish a program review process and may allocate up to \$10,000 of such funds for an overall program review which would include: a prospective program plan with goals, research design and proposed outcomes, and an annual report of research activities and findings. Prospective program plans shall be submitted to the Board of Regents, and funds shall be released upon acceptance of the proposed program plans. The annual report of research activities and findings shall be submitted to the Board of Regents, with the executive summaries submitted to

Section 16. Subsection (6) of section 471.005, Florida 31 Statutes, is amended to read:

Representatives, and the secretary of the Department of Labor

the President of the Senate, the Speaker of the House of

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30 31 471.005 Definitions.--As used in ss. 471.001-471.037, the term:

"Engineering" includes the term "professional (6) engineering" and means any service or creative work, the adequate performance of which requires engineering education, training, and experience in the application of special knowledge of the mathematical, physical, and engineering sciences to such services or creative work as consultation, investigation, evaluation, planning, and design of engineering works and systems, planning the use of land and water, teaching of the principles and methods of engineering design, engineering surveys, and the inspection of construction for the purpose of determining in general if the work is proceeding in compliance with drawings and specifications, any of which embraces such services or work, either public or private, in connection with any utilities, structures, buildings, machines, equipment, processes, work systems, projects, and industrial or consumer products or equipment of a mechanical, electrical, hydraulic, pneumatic, or thermal nature, insofar as they involve safeguarding life, health, or property; and includes such other professional services as may be necessary to the planning, progress, and completion of any engineering services. A person who practices any branch of engineering; who, by verbal claim, sign, advertisement, letterhead, or card, or in any other way, represents himself or herself to be an engineer or, through the use of some other title, implies that he or she is an engineer or that he or she is registered under ss. 471.001-471.037; or who holds himself or herself out as able to perform, or does perform, any engineering service or work or any other service designated by the practitioner which is recognized as engineering shall be

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construed to practice or offer to practice engineering within
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      the meaning and intent of ss. 471.001-471.037.
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                  Section 17. Section 240.5335, Florida Statutes, is
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      repealed.
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                  Section 18. This act shall take effect July 1, 1999.
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                   STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN COMMITTEE SUBSTITUTE FOR
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                                                   SB 1924
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      Changes the date for eligibility for university fee waivers for certain persons in the foster care system or who have been adopted from the Department of Children and Family Services. The date is changed from December 31, 1997 to May 5, 1997.
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      Provides for a limited appeals process for Florida residents who are denied admission as an undergraduate to a state university for failure to meet the high school grade point
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      average requirement.
      Defines the term "project" in s. 243.20(5), F.S., to include a loan in anticipation of tuition revenues by an institution for
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      higher education.
      Defines the phrase "loan in anticipation of tuition revenues."
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