

1 A bill to be entitled
2 An act relating to higher education; requiring
3 the State Board of Education to adopt by rule
4 uniform procedures to be implemented when a
5 student athlete is arrested for a crime;
6 providing for such procedures to apply to the
7 State University System, community colleges,
8 and institutions that receive state funds;
9 defining the term "student athlete"; requiring
10 that notice be provided to faculty and
11 students; amending s. 112.19, F.S.; providing
12 for graduate or post-baccalaureate professional
13 educational expenses to be waived for children
14 of officers killed in the line of duty;
15 providing for the waiver to apply to a child
16 who attends a state institution as a full-time
17 or part-time student; providing an
18 appropriation; providing findings and
19 declarations; creating the Higher Educational
20 Facilities Financing Authority; providing for
21 its powers; providing for criteria for and
22 covenants relating to the authorization of the
23 issuance of notes and revenue bonds not
24 obligating the full faith and credit of the
25 authority, any municipality, the state, or any
26 political subdivision thereof; providing for
27 loans from revenue bonds to participating
28 institutions; requiring bond-validation
29 proceedings; providing for trust funds and
30 remedies of bondholders; providing for a tax
31 exemption; providing for agreement of the

1 state; providing other powers and authorities
2 incident thereto; requiring reports and audits;
3 amending s. 196.012, F.S.; providing that
4 institutions funded by this act are educational
5 institutions for purposes of state taxation;
6 providing an effective date.
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8 Be It Enacted by the Legislature of the State of Florida:
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10 Section 1. Section 112.19, Florida Statutes, is
11 amended to read:

12 112.19 Law enforcement, correctional, and correctional
13 probation officers; death benefits.--

14 (1) Whenever used in this section, the term:

15 (a) "Employer" means a state board, commission,
16 department, division, bureau, or agency, or a county,
17 municipality, or other political subdivision of the state,
18 which employs, appoints, or otherwise engages the services of
19 law enforcement, correctional, or correctional probation
20 officers.

21 (b) "Law enforcement, correctional, or correctional
22 probation officer" means any officer as defined in s.
23 943.10(14) or employee of the state or any political
24 subdivision of the state, including any law enforcement
25 officer, correctional officer, correctional probation officer,
26 state attorney investigator, or public defender investigator,
27 whose duties require such officer or employee to investigate,
28 pursue, apprehend, arrest, transport, or maintain custody of
29 persons who are charged with, suspected of committing, or
30 convicted of a crime; and the term includes any member of a
31 bomb disposal unit whose primary responsibility is the

1 location, handling, and disposal of explosive devices. The
2 term also includes any full-time officer or employee of the
3 state or any political subdivision of the state, certified
4 pursuant to chapter 943, whose duties require such officer to
5 serve process or to attend terms of circuit or county court as
6 bailiff.

7 (c) "Insurance" means insurance procured from a stock
8 company or mutual company or association or exchange
9 authorized to do business as an insurer in this state.

10 (d) "Fresh pursuit" means the pursuit of a person who
11 has committed or is reasonably suspected of having committed a
12 felony, misdemeanor, traffic infraction, or violation of a
13 county or municipal ordinance. The term does not imply
14 instant pursuit, but pursuit without unreasonable delay.

15 (2)(a) The sum of \$25,000 shall be paid as provided in
16 this section when a law enforcement, correctional, or
17 correctional probation officer, while engaged in the
18 performance of the officer's law enforcement duties, is
19 accidentally killed or receives accidental bodily injury which
20 results in the loss of the officer's life, provided that such
21 killing is not the result of suicide and that such bodily
22 injury is not intentionally self-inflicted.

23 (b) The sum of \$25,000 shall be paid as provided in
24 this section if a law enforcement, correctional, or
25 correctional probation officer is accidentally killed as
26 specified in paragraph (a) and the accidental death occurs as
27 a result of the officer's response to fresh pursuit or to the
28 officer's response to what is reasonably believed to be an
29 emergency. This sum is in addition to any sum provided for in
30 paragraph (a).

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1 (c) If a law enforcement, correctional, or
2 correctional probation officer, while engaged in the
3 performance of the officer's law enforcement duties, is
4 unlawfully and intentionally killed or dies as a result of
5 such unlawful and intentional act, the sum of \$75,000 shall be
6 paid as provided in this section.

7 (d) Such payments, pursuant to the provisions of
8 paragraphs (a), (b), and (c), whether secured by insurance or
9 not, shall be made to the beneficiary designated by such law
10 enforcement, correctional, or correctional probation officer
11 in writing, signed by the officer and delivered to the
12 employer during the officer's lifetime. If no such
13 designation is made, then it shall be paid to the officer's
14 surviving child or children and spouse in equal portions, and
15 if there is no surviving child or spouse, then to the
16 officer's parent or parents. If a beneficiary is not
17 designated and there is no surviving child, spouse, or parent,
18 then it shall be paid to the officer's estate.

19 (e) Such payments, pursuant to the provisions of
20 paragraphs (a), (b), and (c), are in addition to any workers'
21 compensation or pension benefits and are exempt from the
22 claims and demands of creditors of such law enforcement,
23 correctional, or correctional probation officer.

24 (f) If a full-time law enforcement, correctional, or
25 correctional probation officer who is employed by a state
26 agency is killed in the line of duty as a result of an act of
27 violence inflicted by another person while the officer is
28 engaged in the performance of law enforcement duties or as a
29 result of an assault against the officer under riot
30 conditions, the sum of \$1,000 shall be paid, as provided for
31 in paragraph (d), toward the funeral and burial expenses of

1 such officer. Such benefits are in addition to any other
2 benefits which employee beneficiaries and dependents are
3 entitled to under the provisions of the Workers' Compensation
4 Law or any other state or federal statutes.

5 (g) Any political subdivision of the state that
6 employs a full-time law enforcement officer as defined in s.
7 943.10(1) or a full-time correctional officer as defined in s.
8 943.10(2) who is killed in the line of duty on or after July
9 1, 1993, as a result of an act of violence inflicted by
10 another person while the officer is engaged in the performance
11 of law enforcement duties or as a result of an assault against
12 the officer under riot conditions shall pay the entire premium
13 of the political subdivision's health insurance plan for the
14 employee's surviving spouse until remarried, and for each
15 dependent child of the employee until the child reaches the
16 age of majority or until the end of the calendar year in which
17 the child reaches the age of 25 if:

18 1. At the time of the employee's death, the child is
19 dependent upon the employee for support; and

20 2. The surviving child continues to be dependent for
21 support, or the surviving child is a full-time or part-time
22 student and is dependent for support.

23 (h)1. Any employer who employs a full-time law
24 enforcement, correctional, or correctional probation officer
25 who, on or after January 1, 1995, suffers a catastrophic
26 injury, as defined in s. 440.02(37), in the line of duty shall
27 pay the entire premium of the employer's health insurance plan
28 for the injured employee, the injured employee's spouse, and
29 for each dependent child of the injured employee until the
30 child reaches the age of majority or until the end of the
31 calendar year in which the child reaches the age of 25 if the

1 child continues to be dependent for support, or the child is a
2 full-time or part-time student and is dependent for support.
3 The term "health insurance plan" does not include supplemental
4 benefits that are not part of the basic group health insurance
5 plan. If the injured employee subsequently dies, the employer
6 shall continue to pay the entire health insurance premium for
7 the surviving spouse until remarried, and for the dependent
8 children, under the conditions outlined in this paragraph.

9 However:

10 a. Health insurance benefits payable from any other
11 source shall reduce benefits payable under this section.

12 b. It is unlawful for a person to willfully and
13 knowingly make, or cause to be made, or to assist, conspire
14 with, or urge another to make, or cause to be made, any false,
15 fraudulent, or misleading oral or written statement to obtain
16 health insurance coverage as provided under this paragraph. A
17 person who violates this sub-subparagraph commits a
18 misdemeanor of the first degree, punishable as provided in s.
19 775.082 or s. 775.083.

20 c. In addition to any applicable criminal penalty,
21 upon conviction for a violation as described in
22 sub-subparagraph b., a law enforcement, correctional, or
23 correctional probation officer or other beneficiary who
24 receives or seeks to receive health insurance benefits under
25 this paragraph shall forfeit the right to receive such health
26 insurance benefits, and shall reimburse the employer for all
27 benefits paid due to the fraud or other prohibited activity.
28 For purposes of this sub-subparagraph, "conviction" means a
29 determination of guilt that is the result of a plea or trial,
30 regardless of whether adjudication is withheld.

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1 2. In order for the officer, spouse, and dependent
2 children to be eligible for such insurance coverage, the
3 injury must have occurred as the result of the officer's
4 response to fresh pursuit, the officer's response to what is
5 reasonably believed to be an emergency, or an unlawful act
6 perpetrated by another. Except as otherwise provided herein,
7 nothing in this paragraph shall be construed to limit health
8 insurance coverage for which the officer, spouse, or dependent
9 children may otherwise be eligible, except that a person who
10 qualifies under this section shall not be eligible for the
11 health insurance subsidy provided under chapter 121, chapter
12 175, or chapter 185.

13 (i) The Bureau of Crime Prevention and Training within
14 the Department of Legal Affairs shall adopt rules necessary to
15 implement paragraphs (a), (b), and (c).

16 (3) If a law enforcement, correctional, or
17 correctional probation officer is accidentally killed as
18 specified in paragraph (2)(b) on or after June 22, 1990, or
19 unlawfully and intentionally killed as specified in paragraph
20 (2)(c) on or after July 1, 1980, the state shall waive certain
21 educational expenses which children of the deceased officer
22 incur while obtaining a vocational-technical certificate,or
23 an undergraduate education, or a graduate or
24 post-baccalaureate professional degree. The amount waived by
25 the state shall be an amount equal to the cost of tuition and
26 matriculation and registration fees for a total of 120 credit
27 hours for a vocational-technical certificate or an
28 undergraduate education. For a child pursuing a graduate or
29 post-baccalaureate professional degree, the amount waived
30 shall equal the cost of tuition, matriculation, and
31 registration fees incurred while the child continues to

1 fulfill the professional requirements associated with the
2 graduate or post-baccalaureate professional degree program.

3 The child may attend a state vocational-technical school, a
4 state community college, or a state university. The child may
5 attend any or all of the institutions specified in this
6 subsection, on either a full-time or part-time basis. For a
7 child pursuing a vocational-technical certificate or an
8 undergraduate education,the benefits provided under this
9 subsection shall continue to the child until the child's 25th
10 birthday.

11 (a) Upon failure of any child benefited by the
12 provisions of this section to comply with the ordinary and
13 minimum requirements of the institution attended, both as to
14 discipline and scholarship, the benefits shall be withdrawn as
15 to the child and no further moneys may be expended for the
16 child's benefits so long as such failure or delinquency
17 continues.

18 (b) Only a student in good standing in his or her
19 respective institution may receive the benefits thereof.

20 (c) A child receiving benefits under this section must
21 be enrolled according to the customary rules and requirements
22 of the institution attended.

23 (4)(a) The employer of such law enforcement,
24 correctional, or correctional probation officer is liable for
25 the payment of the sums specified in this section and is
26 deemed self-insured, unless it procures and maintains, or has
27 already procured and maintained, insurance to secure such
28 payments. Any such insurance may cover only the risks
29 indicated in this section, in the amounts indicated in this
30 section, or it may cover those risks and additional risks and
31 may be in larger amounts. Any such insurance shall be placed

1 by such employer only after public bid of such insurance
2 coverage which coverage shall be awarded to the carrier making
3 the lowest best bid.

4 (b) Payment of benefits to beneficiaries of state
5 employees, or of the premiums to cover the risk, under the
6 provisions of this section shall be paid from existing funds
7 otherwise appropriated to the department employing the law
8 enforcement, correctional, or correctional probation officers.

9 (5) The Department of Education shall adopt rules and
10 procedures as are necessary to implement the educational
11 benefits provisions of this section.

12 (6) Notwithstanding any provision of this section to
13 the contrary, the death benefits provided in paragraphs (2)(c)
14 and (g) shall also be applicable and paid in cases where an
15 officer received bodily injury prior to July 1, 1993, and
16 subsequently died on or after July 1, 1993, as a result of
17 such in-line-of-duty injury attributable to an unlawful and
18 intentional act, or an act of violence inflicted by another,
19 or an assault on the officer under riot conditions. Payment
20 of such benefits shall be in accordance with provisions of
21 this section. Nothing in this provision shall be construed to
22 limit death benefits for which those individuals listed in
23 paragraph (2)(d) may otherwise be eligible.

24 Section 2. For fiscal year 2000-2001, \$250,000 is
25 appropriated from recurring general revenue funds for waivers
26 authorized by this section for eligible students pursuing
27 graduate or post-baccalaureate professional degrees.

28 Section 3. (1) The State Board of Education shall
29 adopt by rule uniform policies and procedures to be
30 implemented if a student athlete is arrested for a crime. The
31 uniform procedures shall apply to each institution in the

1 State University System, each state community college, and any
2 other institution of higher education that receives state
3 funds. The uniform policies and procedures must be included
4 in the institution's handbook, manual, or other similar
5 document regularly provided to faculty and students.

6 (2) As used in this section, the term "student
7 athlete" means a student who participates in intercollegiate
8 athletics or who has informed the institution in writing of
9 the student's intent to participate in intercollegiate
10 athletics.

11 Section 4. Short title.--This act may be referred to
12 as the "Higher Educational Facilities Financing Act."

13 Section 5. Findings and declarations.--It is declared
14 that for the benefit of the people of the state, the increase
15 of their commerce, welfare, and prosperity, and the
16 improvement of their health and living conditions, it is
17 essential that this and future generations of youth be given
18 the fullest opportunity to learn and to develop their
19 intellectual and mental capacities; that it is essential for
20 private institutions of higher education in the state to be
21 provided with appropriate additional means to assist such
22 youth in achieving the required levels of learning and
23 development of their intellectual and mental capacities; that
24 it is the purpose of this act to provide a measure of
25 assistance and an alternative method enabling private
26 institutions of higher education of this state to provide the
27 facilities and structures that are sorely needed to accomplish
28 the purposes of this act; and that it is essential to provide
29 additional assistance to private institutions of higher
30 education by enabling those institutions to coordinate their

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1 budgetary needs with the timing of receipt of tuition
2 revenues.

3 Section 6. Definitions.--As used in this act, the
4 term:

5 (1) "Authority" or "educational facilities authority"
6 means the public corporation created by this act.

7 (2) "Real property" includes all lands, including
8 improvements and fixtures thereon, and any such property
9 appurtenant thereto, or used in connection therewith and every
10 estate, interest and right, legal or equitable, therein,
11 including terms for years and liens by way of judgment,
12 mortgage, or otherwise and the indebtedness secured by such
13 liens. This definition does not affect the classification of
14 property as real property or tangible personal property for
15 purposes of ad valorem taxation under chapters 192 and 193,
16 Florida Statutes, or sales and use taxation under chapter 212,
17 Florida Statutes.

18 (3) "Project" means a structure suitable for use as a
19 dormitory or other housing facility, dining hall, student
20 union, administration building, academic building, library,
21 laboratory, research facility, classroom, athletic facility,
22 health care facility, and maintenance, storage, or utility
23 facility, and other structures or facilities related thereto,
24 or required thereby, or required or useful for the instruction
25 of students, or the conducting of research, or the operation
26 of an institution of higher education, including parking and
27 other facilities or structures, essential for the orderly
28 conduct of an institution of higher education and shall also
29 include equipment and machinery and other similar items
30 necessary for the operation of a particular facility or
31 structure in the manner for which its use is intended, but the

1 term does not include such items as books, fuel, supplies, or
2 other items that are customarily considered to result in a
3 current operating charge. The term also includes a loan in
4 anticipation of tuition revenues by a private institution of
5 higher education.

6 (4) "Cost," as applied to a project or any portion
7 thereof financed under this act, embraces all or any part of
8 the cost of construction and acquisition of all lands,
9 structures, real or personal property, rights, rights-of-way,
10 franchises, easements, and interests acquired or used for a
11 project, the cost of demolishing or removing any buildings or
12 structures on land so acquired, including the cost of
13 acquiring any lands to which the buildings or structures may
14 be removed, the cost of all machinery and equipment, financing
15 charges, interest before, during, and for a period of 30
16 months after completion of the construction, provisions for
17 working capital, reserves for principal, interest and rebate,
18 and for extensions, enlargements, additions and improvements,
19 cost of engineering, financial and legal services, plans,
20 specifications, studies, surveys, estimates of cost and of
21 revenues, administrative expenses, expenses necessary to
22 determining the feasibility or practicability of constructing
23 the project and other expenses as may be necessary to the
24 construction and acquisition of the project, the financing of
25 the construction and acquisition and the placing of the
26 project in operation. In the case of a loan in anticipation of
27 tuition revenues, the term "cost" means the amount of the loan
28 in anticipation of revenues which does not exceed the amount
29 of tuition revenues anticipated to be received by the
30 borrowing institution of higher education in the 1-year period
31 following the date of the loan, plus costs related to the

1 issuance of the loans, or bonds, the proceeds of which fund
2 the loans, and any related cost of debt service reserve funds
3 and rebate associated therewith.

4 (5) "Bond" or "revenue bond" means a revenue bond of
5 the authority issued under this act, including a revenue
6 refunding bond, notwithstanding that it may be secured by
7 mortgage or the full faith and credit of a participating
8 institution of higher education or any other lawfully pledged
9 security of a participating institution of higher education.

10 (6) "Institution of higher education" means an
11 educational institution that by virtue of law or charter is a
12 nonprofit educational institution empowered to provide a
13 project of education beyond the high school level; is not
14 owned or controlled by the state or any political subdivision,
15 agency, instrumentality, district, or municipality of the
16 state; and otherwise meets the requirements of section 196.012
17 (5), Florida Statutes.

18 (7) "Participating institution" means an institution
19 of higher education that undertakes the financing and
20 construction or acquisition of a project or undertakes the
21 refunding or refinancing of obligations or of a mortgage or of
22 advances as provided in and permitted by this act.

23 (8) "Loan in anticipation of tuition revenues" means a
24 loan to an institution of higher education under circumstances
25 in which tuition revenues anticipated to be received by the
26 institution in any budget year are estimated to be
27 insufficient at any time during the budget year to pay the
28 operating expenses or other obligations of the institution in
29 accordance with the budget of the institution.

30 Section 7. Creation of Higher Educational Facilities
31 Financing Authority.--

1 (1) There is created a public body corporate and
2 politic to be known as the Higher Educational Facilities
3 Financing Authority. The authority is constituted as a public
4 instrumentality and the exercise by the authority of the
5 powers conferred by this act is considered to be the
6 performance of an essential public function. Chapters 119 and
7 286, Florida Statutes, shall apply to the authority.

8 (2) The authority shall consist of five members to be
9 appointed by the Governor, subject to confirmation by the
10 Senate. One member shall be a trustee, director, officer, or
11 employee of an institution of higher education. Of the members
12 first appointed, one shall serve for 1 year, one for 2 years,
13 one for 3 years, one for 4 years, and one for 5 years, and in
14 each case until his or her successor is appointed and has
15 qualified. Thereafter, the Governor shall appoint for terms of
16 5 years each a member or members to succeed those whose terms
17 expire. The Governor shall fill any vacancy for an unexpired
18 term. A member of the authority is eligible for reappointment.
19 Any member of the authority may be removed by the Governor for
20 misfeasance, malfeasance, or willful neglect of duty. Each
21 member of the authority before entering upon his or her duties
22 shall take and subscribe to the oath or affirmation required
23 by the State Constitution. A record of each oath must be filed
24 in the office of the Department of State and with the
25 authority.

26 (3) The authority shall annually elect one of its
27 members as chair and one as vice chair, and shall also appoint
28 an executive director who is not a member of the authority and
29 who serves at the pleasure of the authority and receives
30 compensation as fixed by the authority. The duties of the
31 executive director may be discharged under a contract with the

1 Independent Colleges and Universities of Florida, a
2 not-for-profit corporation representing the independent
3 colleges and universities of the state, or any successor
4 corporation or other such entity providing similar
5 representation, chosen by the authority, or an agency or other
6 entity representing independent colleges and universities
7 providing such services, in which case the entity shall
8 designate a person to perform those duties.

9 (4) The executive director shall keep a record of the
10 proceedings of the authority and shall be custodian of all
11 books, documents, and papers filed with the authority and of
12 the minute book or journal of the authority and of its
13 official seal. He or she may cause copies to be made of all
14 minutes and other records and documents of the authority and
15 may give certificates under the official seal of the authority
16 to the effect that the copies are true copies, and all persons
17 dealing with the authority may rely upon the certificates.

18 (5) A majority of the members of the authority
19 constitutes a quorum, and the affirmative vote of a majority
20 of the members present at a meeting of the authority is
21 necessary for any action taken by the authority. A vacancy in
22 the membership of the authority may not impair the right of a
23 quorum to exercise all the rights and perform all the duties
24 of the authority. Any action taken by the authority under this
25 act may be authorized by resolution at any regular or special
26 meeting, and each resolution shall take effect immediately and
27 need not be published or posted.

28 (6) The members of the authority shall receive no
29 compensation for the performance of their duties, but each
30 member shall be paid his or her necessary expenses incurred
31 while engaged in the performance of his or her duties.

1 (7) The authority is assigned to the Department of
2 Education for administrative purposes.

3 Section 8. Powers of authority.--The purpose of the
4 authority is to assist institutions of higher education in the
5 construction, financing, and refinancing of projects
6 throughout the state and for this purpose the authority may:

7 (1) Exercise all powers granted to corporations under
8 the Florida Business Corporation Act, chapter 607, Florida
9 Statutes.

10 (2) Have perpetual succession as a body politic and
11 corporate and adopt bylaws for the regulation of its affairs
12 and the conduct of its business.

13 (3) Adopt an official seal and alter the same at its
14 pleasure.

15 (4) Maintain an office at any place in the state that
16 it may designate.

17 (5) Sue and be sued in its own name, and plead and be
18 impleaded.

19 (6) Make and execute financing agreements, leases, as
20 lessee or as lessor, contracts, deeds, and other instruments
21 necessary or convenient in the exercise of the powers and
22 functions of the authority under this act, including contracts
23 with persons, firms, corporations, federal and state agencies,
24 and other authorities, which state agencies and other
25 authorities are hereby authorized to enter into contracts and
26 otherwise cooperate with the authority to facilitate the
27 financing, construction, leasing, or sale of any project or
28 the institution of any program; engage in sale-leaseback,
29 lease-purchase, lease-leaseback, or other undertakings and
30 provide for the sale of certificates of participation incident
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1 thereto; enter into interlocal agreements in the manner
2 provided in section 163.01, Florida Statutes.

3 (7) Determine the location and character of any
4 project to be financed under this act and may:

5 (a) Construct, reconstruct, maintain, repair, operate,
6 lease as lessee or lessor, and regulate the project;

7 (b) Enter into contracts for any of those purposes;

8 (c) Enter into contracts for the management and
9 operation of a project; and

10 (d) Designate a participating institution of higher
11 education as its agent to determine the location and character
12 of a project undertaken by a participating institution of
13 higher education under this act and, as the agent of the
14 authority, construct, reconstruct, maintain, repair, operate,
15 own, lease as lessee or lessor, and regulate the project, and,
16 as the agent of the authority, enter into contracts for any of
17 those purposes, including contracts for the management and
18 operation of the project.

19 (8) Issue bonds, bond anticipation notes, and other
20 obligations of the authority for any of its corporate
21 purposes, including the providing of funds to pay all or any
22 part of the cost of any project, and to fund or refund the
23 cost of any project as provided in this act.

24 (9) Generally fix and revise and charge and collect
25 rates, rents, fees, and charges for the use of and for the
26 services furnished or to be furnished by a project or any
27 portion thereof and to contract with any person, partnership,
28 association, or corporation or other body public or private in
29 respect thereof.

30 (10) Establish rules and regulations for the use of a
31 project or any portion thereof and designate a participating

1 institution of higher education as its agent to establish
2 rules and regulations for the use of a project undertaken by
3 the participating institution of higher education.

4 (11) Employ consulting engineers, architects,
5 attorneys, accountants, construction and financial experts,
6 superintendents, managers, and other employees and agents as
7 may be necessary in its judgment, and fix their compensation.

8 (12) Receive and accept from any public agency loans
9 or grants for or in aid of the construction of a project or
10 any portion thereof, and receive and accept loans, grants,
11 aid, or contributions from any source of either money,
12 property, labor, or other things of value, to be held, used,
13 and applied only for the purposes for which the loans, grants,
14 aid, and contributions are made.

15 (13) Mortgage any project and the site thereof for the
16 benefit of the holders of revenue bonds issued to finance
17 projects or those providing credit for that purpose.

18 (14) Make loans to any participating institution of
19 higher education for the cost of a project, including a loan
20 in anticipation of tuition revenues, in accordance with an
21 agreement between the authority and the participating
22 institution of higher education; but no loan may exceed the
23 total cost of the project as determined by the participating
24 institution of higher education and approved by the authority.

25 (15) Make loans to a participating institution of
26 higher education to refund outstanding obligations, mortgages,
27 or advances issued, made, or given by the participating
28 institution of higher education for the cost of a project.

29 (16) Charge to and equitably apportion among
30 participating institutions of higher education its
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1 administrative costs and expenses incurred in the exercise of
2 the powers and duties conferred by this act.

3 (17) Contract with an entity representing independent
4 colleges and universities as its agent to assist the authority
5 in screening applications of institutions of higher education
6 for loans under this act and receive any recommendations the
7 entity may make.

8 (18) Do all things necessary or convenient to carry
9 out the purposes of this act.

10 Section 9. Payment of expenses.--All expenses incurred
11 in carrying out this act are payable solely from funds
12 provided under the authority of this act, and no liability or
13 obligation may be incurred by the authority beyond the extent
14 to which moneys have been provided under this act.

15 Section 10. Acquisition of real property.--The
16 authority may directly, or by and through a participating
17 institution of higher education as its agent, acquire by
18 purchase or lease solely from funds provided under this act,
19 or by gift or devise, any lands, structures, property, real or
20 personal, rights, rights-of-way, franchises, easements, and
21 other interests in lands, including lands lying underwater,
22 and riparian rights, which are located within or outside the
23 state as it may consider necessary or convenient for the
24 construction or operation of a project, upon terms and at
25 prices as are considered by it to be reasonable and that can
26 be agreed upon between it and the owner thereof, and to take
27 title thereto in the name of the authority or in the name of a
28 participating institution of higher education as its agent or
29 as an owner and borrower.

30 Section 11. Conveyance of title or interest to
31 participating institutions.--When the principal of and

1 interest on revenue bonds of the authority issued to finance
2 the cost of a particular project or projects at a
3 participating institution of higher education, including any
4 revenue refunding bonds issued to refund and refinance the
5 revenue bonds, have been fully paid and retired, or when
6 adequate provision has been made to pay fully and retire them,
7 and all other conditions of the resolution or trust agreement
8 authorizing and securing the revenue bonds have been satisfied
9 and the lien of the resolution or trust agreement has been
10 released in accordance with the provisions thereof, the
11 authority shall promptly execute deeds and conveyances
12 necessary and required to convey title to the project or
13 projects to the participating institution of higher education,
14 free and clear of all liens and encumbrances.

15 Section 12. Criteria and requirements.--In undertaking
16 any project under this act, the authority shall be guided by
17 and shall observe the following criteria and requirements;
18 however, the determination of the authority as to compliance
19 with the criteria and requirements is final and conclusive:

20 (1) The project, in the determination of the
21 authority, is appropriate to the needs and circumstances of,
22 and shall make a significant contribution to the purposes of,
23 the authority and this act as set forth in the findings and
24 declarations, and shall serve a public purpose by advancing
25 the prosperity and general welfare of the state and its
26 people.

27 (2) A financing agreement for a project may not be
28 entered into with a participating institution that is not
29 financially responsible and fully capable of and willing to
30 fulfill its obligations under the financing agreement,
31 including the obligations to make payments in the amounts and

1 at the times required; to operate, repair, and maintain at its
2 own expense the project owned or leased; and to serve the
3 purposes of this act and any other responsibilities that may
4 be imposed under the financing agreement. In determining the
5 financial responsibility of the participating institution,
6 consideration must be given to the party's ratio of current
7 assets to current liabilities; net worth; endowments; pledges;
8 earning trends; coverage of all fixed charges; the nature of
9 the project involved; its inherent stability; any guarantee of
10 the obligations by some other financially responsible
11 corporation, firm, or person; means by which the bonds are to
12 be marketed to the public; and other factors determinative of
13 the capability of the participating institution, financially
14 and otherwise, to fulfill its obligations consistently with
15 the purposes of this act. In making findings and
16 determinations, the authority may rely upon the
17 recommendations of the entity representing independent
18 colleges and universities.

19 (3) Adequate provision must be made for the operation,
20 repair, and maintenance of the project at the expense of the
21 owner or lessee and for the payment of principal of and
22 interest on the bonds.

23 (4) The costs to be paid from the proceeds of the
24 bonds are costs of a project within the meaning of this act,
25 except for payments included in the purposes for which revenue
26 refunding bonds may be issued under this act.

27 Section 13. Approval required to issue bonds.--The
28 authority is created for the purpose of promoting higher
29 education and issuing bonds on behalf of the state, and the
30 Governor may approve any bonds issued by the authority which
31 require approval under federal law.

1 Section 14. Agreements of sale, lease, or loan.--
2 (1) A project financed under this act may not be
3 operated by the authority or any other governmental agency,
4 except that the authority may temporarily operate or cause to
5 be operated all or any part of a project to protect its
6 interest therein, pending any leasing or sale of the project.

7 A project acquired or constructed by the authority, unless
8 sold or contracted to be sold, must be leased to one or more
9 persons, firms, or private corporations for operation and
10 maintenance in a manner as will effectuate the purposes of
11 this act, under an agreement of sale, installment sale, lease
12 or loan, in form and substance not inconsistent herewith. Any
13 agreement may provide, among other provisions, that:

14 (a) The owner or lessee shall at its own expense
15 operate, repair, and maintain the project sold or leased
16 thereunder.

17 (b) The payments or rent payable under the agreement
18 will in the aggregate be not less than an amount sufficient to
19 pay all of the interest, principal, and redemption premiums,
20 if any, on the bonds that will be issued by the authority to
21 pay the cost of the project sold or leased thereunder.

22 (c) The owner or lessee shall pay all other costs
23 incurred by the authority in connection with the financing,
24 construction, and administration of the project sold or
25 leased, except as may be paid out of the proceeds of bonds or
26 otherwise, including, but without being limited to, insurance
27 costs, the cost of administering the bond resolution
28 authorizing the bonds and any trust agreement securing the
29 bonds, and the fees and expenses of the authority, trustees,
30 paying agents, attorneys, consultants, and others.

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1 (d) The term of an agreement will terminate not
2 earlier than the date on which all bonds and all other
3 obligations incurred by the authority in connection with the
4 project sold or leased thereunder are paid in full, including
5 interest, principal, and redemption premiums, if any, or on
6 which adequate funds for payment are deposited in trust.

7 (e) The owner or lessee's obligation to pay payments
8 or rent is not subject to cancellation, termination, or
9 abatement until payment of the bonds or provision for payment
10 is made.

11 (2) An agreement may contain additional provisions
12 that in the determination of the authority are necessary to
13 effectuate the purposes of this act, including provisions for
14 extensions of the term and renewals of the sale or the lease
15 and vesting in the lessee an option to purchase the project
16 leased thereunder pursuant to any terms and conditions
17 consistent with this act that are prescribed in the lease;
18 however, except as is otherwise expressly stated in the
19 agreement and except to provide for any contingencies
20 involving the damaging, destruction, or condemnation of the
21 project or any substantial portion thereof, an option to
22 purchase may not be exercised unless all bonds issued for the
23 project, including all principal, interest, and redemption
24 premiums, if any, and all other obligations incurred by the
25 authority in connection with the project have been paid in
26 full or sufficient funds have been deposited in trust or
27 sufficient arrangements have been made for payment. However,
28 the purchase price of the project may not be less than an
29 amount sufficient to pay in full all of the bonds, including
30 all principal, interest, and redemption premium, if any,
31 issued for the project then outstanding and all other

1 obligations incurred by the authority in connection with the
2 project.

3 Section 15. Notes of authority.--The authority may
4 issue its negotiable notes for any corporate purpose and renew
5 any notes by the issuance of new notes, whether the notes to
6 be renewed have or have not matured. The authority may issue
7 notes partly to renew notes or to discharge other obligations
8 then outstanding and partly for any other purpose. The notes
9 may be authorized, sold, executed, and delivered in the same
10 manner as bonds. Any resolution authorizing notes of the
11 authority or any issue thereof may contain any provisions that
12 the authority is authorized to include in any resolution
13 authorizing revenue bonds of the authority or any issue
14 thereof, and the authority may include in any notes any terms,
15 covenants, or conditions that it is authorized to include in
16 any bonds. All the notes must be payable solely from the
17 revenues of the project to be financed, subject only to any
18 contractual rights of the holders of any of its notes or other
19 obligations then outstanding.

20 Section 16. Revenue bonds.--

21 (1) The authority may issue its negotiable revenue
22 bonds for any corporate purpose, including the provision of
23 funds to pay all or any part of the cost of any project. In
24 anticipation of the sale of revenue bonds, the authority may
25 issue negotiable bond anticipation notes and may renew them
26 from time to time, but the maximum maturity of any note,
27 including renewals thereof, may not exceed 5 years from the
28 date of issue of the original note. The notes must be paid
29 from any revenues of the authority available therefor or of
30 the project and not otherwise pledged, or from the proceeds of
31 sale of the revenue bonds of the authority in anticipation of

1 which they were issued. The notes must be issued in the same
2 manner as the revenue bonds. The notes and the resolution
3 authorizing them may contain any provisions, conditions, or
4 limitations that a bond resolution of the authority may
5 contain.

6 (2) The revenue bonds and notes of every issue must be
7 payable solely out of revenues of the authority, including the
8 provision of funds of the participating institution to pay all
9 or any part of the cost of any project, subject only to any
10 agreements with the holders of particular revenue bonds or
11 notes pledging any particular revenues. Notwithstanding that
12 revenue bonds and notes may be payable from a special fund,
13 they are for all purposes negotiable instruments, subject only
14 to the provisions of the revenue bonds and notes for
15 registration.

16 (3) The revenue bonds may be issued as serial bonds or
17 as term bonds; or the authority may issue bonds of both types.
18 The revenue bonds must be authorized by resolution of the
19 authority; must bear the date of issuance, the date of
20 maturity, not exceeding 50 years from issuance, and the
21 interest rate of the bonds, which may be a variable rate,
22 notwithstanding any limitation in other laws relating to
23 maximum interest rates; must be payable at a specified time;
24 must be in specified denominations; must be in specified form,
25 carry registration privileges, be executed in a specified
26 manner, be payable in lawful money of the United States at a
27 specified place, and be subject to the terms of redemption, as
28 the resolution may provide. The revenue bonds or notes may be
29 sold at public or private sale for the price the authority
30 determines. Pending preparation of the definitive bonds, the
31 authority may issue interim receipts or certificates that may

1 be exchanged for the definitive bonds. In case any officer
2 whose signature, or a facsimile of whose signature, appears on
3 any bonds or coupons ceases to be that officer before the
4 delivery of the bonds, the signature or facsimile is
5 nevertheless valid and sufficient for all purposes as if he or
6 she had remained in office until delivery. The authority may
7 also provide for the authentication of the bonds by a trustee
8 or fiscal agent. The bonds may be issued in coupon form or in
9 registered form, or both, as the authority may determine, and
10 provision may be made for the registration of any coupon bonds
11 as to principal alone and also as to both principal and
12 interest; for the reconversion into coupon bonds of any bonds
13 registered as to both principal and interest; and for the
14 interchange of registered and coupon bonds. The authority may
15 sell the bonds either at public or private sale, and for the
16 price it determines will best effectuate the purpose of this
17 act, notwithstanding any limitation in other laws relating to
18 the maximum interest rate permitted for bonds or limitations
19 on the manner by which bonds are sold.

20 (4) Any resolution authorizing any revenue bonds may
21 contain provisions, which are a part of the contract with the
22 holders of the revenue bonds to be authorized, as to:

23 (a) Pledging of all or any part of the revenues of a
24 project or any revenue-producing contract made by the
25 authority with any individual, partnership, corporation, or
26 association or other body, public or private, to secure the
27 payment of the revenue bonds or of any particular issue of
28 revenue bonds, subject to any agreements with bondholders as
29 may then exist.

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1 (b) The rentals, fees, and other charges to be
2 charged, and the amounts to be raised in each year thereby,
3 and the use and disposition of the revenues.

4 (c) The setting aside of reserves or sinking funds and
5 the regulation and disposition thereof.

6 (d) Limitations on the right of the authority or its
7 agent to restrict and regulate the use of the project.

8 (e) Limitations on the purpose to which the proceeds
9 of sale of any issue of revenue bonds then or thereafter to be
10 issued may be applied and pledging the proceeds to secure the
11 payment of the revenue bonds or any issue of the revenue
12 bonds.

13 (f) Limitations on the issuance of additional bonds,
14 the terms upon which additional bonds may be issued and
15 secured, and the refunding of outstanding bonds.

16 (g) The procedure, if any, by which the terms of any
17 contract with bondholders may be amended or abrogated,
18 including the amount of bonds the holders of which must
19 consent thereto and the manner in which consent may be given.

20 (h) Limitations on the amount of moneys derived from
21 the project to be expended for operating, administrative, or
22 other expenses of the authority.

23 (i) The acts or omissions to act that constitute a
24 default in the duties of the authority to holders of its
25 obligations and providing the rights and remedies of the
26 holders in the event of a default.

27 (j) The mortgaging of or granting of a security
28 interest in the project or the site thereof for the purpose of
29 securing the bondholders.

30 (5) Neither the members of the authority nor any
31 person executing the revenue bonds or notes is liable

1 personally on the revenue bonds or notes or is subject to any
2 personal liability or accountability by reason of the issuance
3 thereof.

4 (6) The authority may purchase its bonds or notes out
5 of any funds available therefor. The authority may hold,
6 pledge, cancel, or resell the bonds, subject to and in
7 accordance with agreements with bondholders.

8 (7) Incident to its powers to issue bonds and notes,
9 the authority may enter into interest rate swap agreements,
10 collars, caps, forward securities purchase agreements, delayed
11 delivery bond purchase agreements, and any other financial
12 agreements considered to be in the best interest of the
13 authority.

14 (8) Bonds may be issued under this act without
15 obtaining, except as otherwise expressly provided in this act,
16 the consent of any department, division, commission, board,
17 body, bureau, or agency of the state or any local government,
18 and without any other proceedings or the happening of any
19 conditions or things other than those proceedings, conditions,
20 or things that are specifically required by this act and the
21 resolution authorizing the issuance of bonds or the trust
22 agreement securing them.

23 Section 17. Authority reporting requirement.--

24 (1) Any authority that issues any revenue bonds under
25 this act shall supply the Division of Bond Finance of the
26 State Board of Administration with a copy of the report
27 required in s. 103 of the Internal Revenue Code of 1954, as
28 amended, at the times required under that section.

29 (2) The Division of Bond Finance shall, upon receipt,
30 provide a copy of the information supplied under subsection
31 (1) to the Department of Education.

1 Section 18. Covenants.--Any resolution authorizing the
2 issuance of bonds may contain any covenants the authority
3 considers advisable, including those provisions set forth in
4 section 13(4), and all those covenants constitute valid and
5 legally binding and enforceable contracts between the
6 authority and the bondholders, regardless of the time of
7 issuance thereof. The covenants may include, without
8 limitation, covenants concerning the disposition of the bond
9 proceeds, the use and disposition of project revenues, the
10 pledging of revenues and assessments, the obligations of the
11 authority with respect to the operation of the project and the
12 maintenance of adequate project revenues, the issuance of
13 additional bonds, the appointment, powers, and duties of
14 trustees and receivers, the acquisition of outstanding bonds
15 and obligations, restrictions on the establishing of competing
16 projects or facilities, restrictions on the sale or disposal
17 of the assets and property of the authority, the maintenance
18 of deposits to assure the payment of the bonds issued
19 hereunder, acceleration upon default, the execution of
20 necessary instruments, the procedure for amending or
21 abrogating covenants with the bondholders, and any other
22 covenants considered necessary for the security of the
23 bondholders.

24 Section 19. Validity of bonds; validation
25 proceedings.--Any bonds issued by the authority are
26 incontestable in the hands of bona fide purchasers or holders
27 for value and are not invalid because of any irregularity or
28 defect in the proceedings for the issue and sale thereof.
29 Before the issuance of any bonds, the authority shall publish
30 a notice at least once in a newspaper or newspapers published
31 or of general circulation in the county or counties in the

1 state in which the project will be located, stating the date
2 of adoption of the resolution authorizing the obligations, the
3 amount, maximum rate of interest, and maturity of the
4 obligations, and the purpose in general terms for which the
5 obligations are to be issued, and further stating that no
6 action or proceeding questioning the validity of the
7 obligations or of the proceedings authorizing the issuance
8 thereof, or of any covenants made therein, must be instituted
9 within 20 days after the first publication of the notice, or
10 the validity of the obligations, proceedings, and covenants
11 may not be thereafter questioned in any court. If no action or
12 proceeding is instituted within the 20-day period, then the
13 validity of the obligations, proceedings, and covenants is
14 conclusive, and all persons or parties whatsoever are forever
15 barred from questioning the validity of the obligations,
16 proceedings, or covenants in any court. Notwithstanding this
17 section, the bonds, notes, or other obligations issued by the
18 authority and the obligations of any participating
19 institution, or others providing credit for the obligations,
20 who may be before the jurisdiction of the court, must be
21 validated in the manner provided by chapter 75, Florida
22 Statutes, and the jurisdiction of the action may be in the
23 jurisdiction of the circuit court where the project is to be
24 located, or in the discretion of the authority, in the county
25 seat of state government.

26 Section 20. Act furnishes full authority for issuance
27 of bonds.--This act constitutes full authority for the
28 issuance of bonds and the exercise of the powers of the
29 authority provided in this act. Any bonds issued by the
30 authority are not secured by the full faith and credit of the
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1 state and do not constitute an obligation, either general or
2 special, of the state.

3 Section 21. Security of bondholders.--In the
4 discretion of the authority any revenue bonds issued under
5 this act may be secured by a trust agreement by and between
6 the authority and a corporate trustee or trustees, which may
7 be any trust company or bank having the powers of a trust
8 company within or without the state. The trust agreement or
9 the resolution providing for the issuance of revenue bonds may
10 pledge or assign the revenues to be received or the proceeds
11 of any contract or contracts pledged and may convey or
12 mortgage the project or any portion thereof. The trust
13 agreement or resolution providing for the issuance of revenue
14 bonds may contain provisions for protecting and enforcing the
15 rights and remedies of the bondholders as may be reasonable
16 and proper and not in violation of law, including particularly
17 those provisions specifically authorized by this act to be
18 included in any resolution of the authority authorizing
19 revenue bonds. Any bank or trust company incorporated under
20 the laws of this state or of any other state or the United
21 States which may legally act as depository of the proceeds of
22 bonds or of revenues or other moneys or security may furnish
23 indemnifying bonds or pledge securities required by the
24 authority, if any. Any trust agreement may set forth the
25 rights and remedies of the bondholders and of the trustee or
26 trustees, and may restrict the individual right of action by
27 bondholders. In addition any trust agreement or resolution may
28 contain any other provisions the authority may consider
29 reasonable and proper for the security of the bondholders. All
30 expenses incurred in carrying out the trust agreement or

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1 resolution may be treated as a part of the cost of the
2 operation of a project.

3 Section 22. Payment of bonds.--Revenue bonds issued
4 under this act may not be considered to constitute a debt or
5 liability of the authority, any municipality, the state or any
6 political subdivision thereof or a pledge of the faith and
7 credit of the state, of the authority, of any municipality or
8 of any political subdivision, but are payable solely from
9 revenues of the authority pertaining to the project relating
10 to the issue; payments by participating institutions of higher
11 education, banks, insurance companies, or others under letters
12 of credit or purchase agreements; investment earnings from
13 funds or accounts maintained under the bond resolution;
14 insurance proceeds; loan funding deposits; proceeds of sales
15 of education loans; proceeds of refunding obligations; and
16 fees, charges, and other revenues of the authority from the
17 project. All revenue bonds must contain on the face thereof a
18 statement to the effect that neither the authority, any
19 municipality, the state, nor any political subdivision thereof
20 is obligated to pay the bond or the interest thereon except
21 from revenues of the project or the portion thereof for which
22 they are issued, and that neither the faith and credit nor the
23 taxing power of the authority, any municipality, the state, or
24 any political subdivision thereof is pledged to the payment of
25 the principal of or the interest on the bonds. The issuance of
26 revenue bonds under this act may not directly or indirectly or
27 contingently obligate the authority, any municipality, the
28 state, or any political subdivision thereof to levy or to
29 pledge any form of taxation therefor or to make any
30 appropriation for their payment.

31 Section 23. Rates, rents, fees, and charges.--

1 (1) The authority may fix, revise, charge, and collect
2 rates, rents, fees, and charges for the use of and for the
3 services furnished or to be furnished by each project and may
4 contract with any person, partnership, association or
5 corporation, or other body, public or private, in respect
6 thereof. The rates, rents, fees, and charges must be fixed and
7 adjusted in respect of the aggregate of rates, rents, fees,
8 and charges from the project so as to provide funds sufficient
9 with other revenues, if any:

10 (a) To pay the cost of maintaining, repairing, and
11 operating the project and each portion thereof, to the extent
12 that the payment of the cost has not otherwise been adequately
13 provided for.

14 (b) To pay the principal of and the interest on
15 outstanding revenue bonds of the authority issued in respect
16 of the project as the bonds become due and payable.

17 (c) To create and maintain reserves required or
18 provided for in any resolution authorizing, or trust agreement
19 securing, the revenue bonds of the authority. The rates,
20 rents, fees, and charges are not subject to supervision or
21 regulation by any department, commission, board, body, bureau,
22 or agency of this state other than the authority.

23 (2) A sufficient amount of the revenues derived in
24 respect of a project, except the part of the revenues
25 necessary to pay the cost of maintenance, repair, and
26 operation and to provide reserves and for renewals,
27 replacements, extensions, enlargements, and improvements
28 provided for in the resolution authorizing the issuance of any
29 revenue bonds of the authority or in the trust agreement
30 securing them must be set aside at regular intervals as
31 provided in the resolution or trust agreement in a sinking or

1 other similar fund that is hereby pledged to, and charged
2 with, the payment of the principal of and the interest on the
3 revenue bonds as they become due and the redemption price or
4 the purchase price of bonds retired by call or purchase as
5 therein provided. The pledge must be valid and binding from
6 the time when the pledge is made; the rates, rents, fees,
7 charges, and other revenues or other moneys so pledged and
8 thereafter received by the authority must immediately be
9 subject to the lien of the pledge without any physical
10 delivery thereof or further act, and the lien of any pledge is
11 valid and binding as against all parties having claims of any
12 kind in tort, contract, or otherwise against the authority,
13 irrespective of whether the parties have notice thereof.
14 Neither the resolution nor any trust agreement by which a
15 pledge is created need be filed or recorded except in the
16 records of the authority.

17 (3) The use and disposition of moneys to the credit of
18 a sinking or other similar fund must be subject to the
19 resolution authorizing the issuance of the bonds or of the
20 trust agreement. Except as may otherwise be provided in the
21 resolution or the trust agreement, the sinking or other
22 similar fund must be a fund for all revenue bonds issued to
23 finance projects at a particular institution for higher
24 education without distinction or priority of one over another.
25 However, the authority in any resolution or trust agreement
26 may provide that the sinking or other similar fund be the fund
27 for a particular project at an institution for higher
28 education and for the revenue bonds issued to finance a
29 particular project, and may, additionally, permit and provide
30 for the issuance of revenue bonds having a subordinate lien in
31 respect of the security authorized to other revenue bonds of

1 the authority, and, in such case, the authority may create
2 separate sinking or other similar funds in respect of the
3 subordinate lien bonds.

4 Section 24. Trust funds.--All moneys received under
5 the authority of this act, whether as proceeds from the sale
6 of bonds or as revenues, are considered to be trust funds to
7 be held and applied solely as provided in this act. Any
8 officer with whom, or any bank or trust company with which,
9 the moneys are deposited shall act as trustee of the moneys
10 and shall hold and apply them for the purposes of this act,
11 subject to the regulations this act and the resolution
12 authorizing the bonds of any issue or the trust agreement
13 securing the bonds provides.

14 Section 25. Remedies of bondholders.--Any holder of
15 revenue bonds issued under this act or any of the coupons
16 appertaining thereto, and the trustee or trustees under any
17 trust agreement, except to the extent the rights given may be
18 restricted by any resolution authorizing the issuance of, or
19 any such trust agreement securing, the bonds, may, either at
20 law or in equity, by suit, action, mandamus, or other
21 proceedings, protect and enforce any rights under the laws of
22 the state or granted hereunder or under the resolution or
23 trust agreement, and may enforce and compel the performance of
24 all duties required by this act or by the resolution or trust
25 agreement to be performed by the authority or by any officer,
26 employee, or agent thereof, including the fixing, charging,
27 and collecting of the rates, rents, fees, and charges
28 authorized and required by the provisions of the resolution or
29 trust agreement to be fixed, established, and collected.

30 Section 26. Tax exemption.--The exercise of the powers
31 granted by this act will be in all respects for the benefit of

1 the people of this state, for the increase of their commerce,
2 education, welfare, and prosperity, and for the improvement of
3 their health and living conditions, and because the operation
4 and maintenance of a project by the authority or its agent or
5 the owner or lessee thereof, as authorized in this act, will
6 constitute the performance of an essential public function,
7 neither the authority nor its agent is required to pay any
8 taxes or assessments upon or in respect of a project or any
9 property acquired or used by the authority or its agent under
10 the provisions of this act or upon the income therefrom, and
11 any bonds issued under this act, any security therefor, their
12 transfer, and the income therefrom, including any profit made
13 on the sale thereof, and all notes, mortgages, security
14 agreements, letters of credit, or other instruments that arise
15 out of or are given to secure the repayment of bonds issued in
16 connection with a project financed under this part, shall at
17 all times be free from taxation by the state or any local
18 unit, political subdivision, or other instrumentality of the
19 state. The exemption granted by this section is not applicable
20 to any tax imposed by chapter 220, Florida Statutes, on
21 interest, income, or profits or on debt obligations owned by
22 corporations.

23 Section 27. Refunding bonds.--

24 (1) The authority may provide for the issuance of
25 revenue bonds of the authority for the purpose of refunding
26 any revenue bonds of the authority then outstanding, including
27 the payment of any redemption premium thereon and any interest
28 accrued or to accrue to the earliest or subsequent date of
29 redemption, purchase, or maturity of the revenue bonds, and,
30 if considered advisable by the authority, for the additional
31 purpose of paying all or any part of the cost of constructing

1 and acquiring additions, improvements, extensions, or
2 enlargements of a project or any portion thereof.

3 (2) The proceeds of any revenue bonds issued for the
4 purpose of refunding outstanding revenue bonds may be applied
5 to the purchase or retirement at maturity or redemption of the
6 outstanding revenue bonds either on their earliest or any
7 subsequent redemption date or upon the purchase or at the
8 maturity thereof and may, pending the application, be placed
9 in escrow to be applied to the purchase or retirement at
10 maturity or redemption on the date as may be determined by the
11 authority.

12 (3) Any escrowed proceeds, pending use, may be
13 invested and reinvested in direct obligations of the United
14 States of America, or in certificates of deposit or time
15 deposits secured by direct obligations of the United States,
16 or other investments as the resolution authorizing the
17 issuance and sale of the bonds, or the trust agreement, may
18 provide, maturing at the time or times as shall be appropriate
19 to assure the prompt payment, as to principal, interest, and
20 redemption premium, if any, of the outstanding revenue bonds
21 to be so refunded. The interest, income, and profits, if any,
22 earned or realized on any such investment may also be applied
23 to the payment of the outstanding revenue bonds to be so
24 refunded. After the terms of the escrow have been fully
25 satisfied and carried out, any balance of the proceeds and
26 interest, income and profits, if any, earned or realized on
27 the investments thereof may be returned to the authority or to
28 the participating institution for use by it in any lawful
29 manner.

30 (4) The portion of the proceeds of any revenue bonds
31 issued for the additional purpose of paying all or any part of

1 the cost of constructing and acquiring additions,
2 improvements, extensions, or enlargements of a project may be
3 invested and reinvested in direct obligations of the United
4 States, or in certificates of deposit or time deposits secured
5 by direct obligations of the United States, or other
6 investments as the resolution authorizing the issuance and
7 sale of the bonds, or the trust agreement, may provide,
8 maturing not later than the time or times when the proceeds
9 will be needed for the purpose of paying all or any part of
10 the cost. The interest, income, and profits, if any, earned or
11 realized on the investment may be applied to the payment of
12 all or any part of the cost or may be used by the authority or
13 the participating institution in any lawful manner.

14 (5) All refunding revenue bonds are subject to this
15 act in the same manner and to the same extent as other revenue
16 bonds issued under this act.

17 Section 28. Legal investment.--Bonds issued by the
18 authority under this act are made securities in which all
19 public officers and public bodies of the state and its
20 political subdivisions, all insurance companies, trust
21 companies, banking associations, investment companies,
22 executors, administrators, trustees, and other fiduciaries may
23 properly and legally invest funds, including capital in their
24 control or belonging to them. The bonds are made securities
25 that may properly and legally be deposited with and received
26 by any state or municipal officer or any agency or political
27 subdivision of the state for any purpose for which the deposit
28 of bonds or obligations of the state is now or may hereafter
29 be authorized by law.

30 Section 29. Reports.--Within the first 90 days of each
31 calendar year, the authority shall make a report to the

1 Department of Education of its activities for the preceding
2 calendar year. Each report must set forth a complete operating
3 and financial statement covering its operations during the
4 year. The authority shall cause an audit of its books and
5 accounts to be made at least once each year by a certified
6 public accountant and the cost of the audit shall be paid by
7 the authority from funds available to it under this act.

8 Section 30. State agreement.--The state agrees with
9 the holders of any obligations issued under this act, and with
10 those parties who may enter into contracts with the authority
11 under this act, that the state will not limit or alter the
12 rights vested in the authority until the obligations, together
13 with the interest thereon, are fully met and discharged and
14 the contracts are fully performed on the part of the
15 authority. However, this act does not preclude any limitation
16 or alteration if adequate provision is made by law for the
17 protection of the holders of the obligations of the authority
18 or those entering into contracts with the authority. The
19 authority is authorized to include this pledge and undertaking
20 for the state in any obligations or contracts.

21 Section 31. Alternative means.--This act provides an
22 additional and alternative method for the doing of the things
23 authorized, and shall be regarded as supplemental and
24 additional to powers conferred by other laws; but the issuance
25 of notes, certificates of participation, revenue bonds, and
26 revenue refunding bonds under this act need not comply with
27 the requirements of any other law applicable to the issuance
28 of bonds or such obligations. Except as otherwise expressly
29 provided in this act, the powers granted to the authority
30 under this act are not subject to the supervision or
31 regulation of, or require the approval or consent of, any

1 municipality or political subdivision or any commission,
2 board, body, bureau, official, or agency thereof or of the
3 state.

4 Section 32. Liberal construction.--This act shall be
5 liberally construed to effectively carry out its purposes.

6 Section 33. Act controlling.--To the extent that this
7 act is inconsistent with any general statute or special act or
8 parts thereof, this act controls.

9 Section 34. Subsection (5) of section 196.012, Florida
10 Statutes, is amended to read:

11 196.012 Definitions.--For the purpose of this chapter,
12 the following terms are defined as follows, except where the
13 context clearly indicates otherwise:

14 (5) "Educational institution" means a federal, state,
15 parochial, church, or private school, college, or university
16 conducting regular classes and courses of study required for
17 eligibility to certification by, accreditation to, or
18 membership in the State Department of Education of Florida,
19 Southern Association of Colleges and Schools, or the Florida
20 Council of Independent Schools; a nonprofit private school the
21 principal activity of which is conducting regular classes and
22 courses of study accepted for continuing postgraduate dental
23 education credit by a board of the Division of Medical Quality
24 Assurance; educational direct-support organizations created
25 pursuant to ss. 229.8021, 240.299, and 240.331; and facilities
26 located on the property of eligible entities which will become
27 owned by those entities on a date certain; and institutions of
28 higher education as defined under and participating in the
29 Higher Educational Facilities Financing Act created pursuant
30 to chapter 2000- , Laws of Florida.

31 Section 35. This act shall take effect July 1, 2000.