

By the Fiscal Responsibility Council and Representatives  
Byrd and Lynn

1                                   A bill to be entitled  
2           An act relating to Alzheimer's disease  
3           research; establishing the Florida Alzheimer's  
4           Center and Research Institute at the University  
5           of South Florida; requiring the State Board of  
6           Education to enter into an agreement with a  
7           not-for-profit corporation for the governance  
8           and operation of the institute; providing that  
9           the corporation shall act as an instrumentality  
10          of the state; authorizing the creation of  
11          subsidiaries by the corporation; providing  
12          powers of the corporation; providing for a  
13          board of directors of the corporation and the  
14          appointment and terms of its membership;  
15          authorizing the State Board of Education to  
16          secure and provide liability protection;  
17          providing for an annual audit and report;  
18          providing for assumption of certain  
19          responsibilities of the corporation by the  
20          State Board of Education under certain  
21          circumstances; providing for administration of  
22          the institute; providing for dispersal and use  
23          of income; providing for reporting of  
24          activities; requiring the appointment of a  
25          council of scientific advisers; providing  
26          responsibilities and terms of the council;  
27          providing that the corporation and its  
28          subsidiaries are not agencies within the  
29          meaning of s. 20.03(11), F.S.; providing  
30          appropriations; providing an effective date.  
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1 Be It Enacted by the Legislature of the State of Florida:

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3 Section 1. Florida Alzheimer's Center and Research  
4 Institute.--

5 (1) There is established the Florida Alzheimer's  
6 Center and Research Institute at the University of South  
7 Florida.

8 (2)(a) The State Board of Education shall enter into  
9 an agreement for the utilization of the facilities on the  
10 campus of the University of South Florida to be known as the  
11 Florida Alzheimer's Center and Research Institute, including  
12 all furnishings, equipment, and other chattels used in the  
13 operation of said facilities, with a Florida not-for-profit  
14 corporation organized solely for the purpose of governing and  
15 operating the Florida Alzheimer's Center and Research  
16 Institute. This not-for-profit corporation, acting as an  
17 instrumentality of the state, shall govern and operate the  
18 Florida Alzheimer's Center and Research Institute in  
19 accordance with the terms of the agreement between the State  
20 Board of Education and the not-for-profit corporation. The  
21 not-for-profit corporation may, with the prior approval of the  
22 State Board of Education, create not-for-profit corporate  
23 subsidiaries to fulfill its mission. The not-for-profit  
24 corporation and its subsidiaries are authorized to receive,  
25 hold, invest, and administer property and any moneys received  
26 from private, local, state, and federal sources, as well as  
27 technical and professional income generated or derived from  
28 practice activities of the institute, for the benefit of the  
29 institute and the fulfillment of its mission.

30 (b)1. The affairs of the not-for-profit corporation  
31 shall be managed by a board of directors who shall serve

1 without compensation. The board of directors shall consist of  
2 the President of the University of South Florida and the chair  
3 of the State Board of Education, or their designees, five  
4 representatives of the state universities, and no fewer than  
5 nine nor more than 14 representatives of the public who are  
6 neither medical doctors nor state employees. Each director  
7 who is a representative of a state university or of the public  
8 shall serve a term of 3 years. The chair of the board of  
9 directors shall be selected by a majority vote of the  
10 directors. Each director shall have only one vote.

11       2. The initial board of directors shall consist of the  
12 President of the University of South Florida and the chair of  
13 the State Board of Education, or their designees; the five  
14 university representatives, of whom one shall be appointed by  
15 the Governor, two by the President of the Senate, and two by  
16 the Speaker of the House of Representatives; and nine public  
17 representatives, of whom three shall be appointed by the  
18 Governor, three by the President of the Senate, and three by  
19 the Speaker of the House of Representatives. Upon the  
20 expiration of the terms of the initial appointed directors,  
21 all directors subject to 3-year terms of office under this  
22 paragraph shall be elected by a majority vote of the directors  
23 and the board may be expanded to include additional public  
24 representative directors up to the maximum number allowed.  
25 Any vacancy in office shall be filled for the remainder of the  
26 term by majority vote of the directors. Any director may be  
27 reelected.

28       (3) The State Board of Education shall provide in the  
29 agreement with the not-for-profit corporation for the  
30 following:  
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1       (a) Approval by the State Board of Education of the  
2 articles of incorporation of the not-for-profit corporation.

3       (b) Approval by the State Board of Education of the  
4 articles of incorporation of any not-for-profit corporate  
5 subsidiary created by the not-for-profit corporation.

6       (c) Utilization of hospital facilities and personnel  
7 by the not-for-profit corporation and its subsidiaries for  
8 mutually approved teaching and research programs conducted by  
9 the University of South Florida or other accredited medical  
10 schools or research institutes.

11       (d) Preparation of an annual postaudit of the  
12 not-for-profit corporation's financial accounts and the  
13 financial accounts of any subsidiaries to be conducted by an  
14 independent certified public accountant. The annual audit  
15 report shall include management letters and shall be submitted  
16 to the Auditor General and the State Board of Education for  
17 review. The State Board of Education, the Auditor General,  
18 and the Office of Program Policy Analysis and Government  
19 Accountability shall have the authority to require and receive  
20 from the not-for-profit corporation and any subsidiaries or  
21 from their independent auditor any detail or supplemental data  
22 relative to the operation of the not-for-profit corporation or  
23 subsidiary.

24       (e) Provision by the not-for-profit corporation and  
25 its subsidiaries of equal employment opportunities to all  
26 persons regardless of race, color, religion, sex, age, or  
27 national origin.

28       (4) The State Board of Education is authorized to  
29 secure comprehensive general liability protection, including  
30 professional liability protection, for the not-for-profit  
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1 corporation and its subsidiaries, pursuant to s. 240.213,  
2 Florida Statutes.

3 (5) In the event that the agreement between the  
4 not-for-profit corporation and the State Board of Education is  
5 terminated for any reason, the State Board of Education shall  
6 assume governance and operation of the facilities.

7 (6) The institute shall be administered by a chief  
8 executive officer who shall be appointed by and serve at the  
9 pleasure of the board of directors of the not-for-profit  
10 corporation and who shall have the following powers and  
11 duties, subject to the approval of the board of directors:

12 (a) The chief executive officer shall establish  
13 programs that fulfill the mission of the institute in  
14 research, education, treatment, prevention, and early  
15 detection of Alzheimer's disease; however, the chief executive  
16 officer may not establish academic programs for which academic  
17 credit is awarded and which terminate in the conferring of a  
18 degree, without prior approval of the State Board of  
19 Education.

20 (b) The chief executive officer shall have control  
21 over the budget and the dollars appropriated or donated to the  
22 institute from private, local, state, and federal sources, as  
23 well as technical and professional income generated or derived  
24 from practice activities of the institute. However,  
25 professional income generated by university faculty from  
26 practice activities at the institute shall be shared between  
27 the institute and the university as determined by the chief  
28 executive officer and the appropriate university dean or vice  
29 president.

30 (c) The chief executive officer shall appoint members  
31 to carry out the research, patient care, and educational

1 activities of the institute and determine compensation,  
2 benefits, and terms of service. Members of the institute  
3 shall be eligible to hold concurrent appointments at  
4 affiliated academic institutions. University faculty shall be  
5 eligible to hold concurrent appointments at the institute.

6 (d) The chief executive officer shall have control  
7 over the use and assignment of space and equipment within the  
8 facilities.

9 (e) The chief executive officer shall have the power  
10 to create the administrative structure necessary to carry out  
11 the mission of the institute.

12 (f) The chief executive officer shall have a reporting  
13 relationship to the Commissioner of Education.

14 (g) The chief executive officer shall provide a copy  
15 of the institute's annual report to the Governor and Cabinet,  
16 the President of the Senate, the Speaker of the House of  
17 Representatives, and the chair of the State Board of  
18 Education.

19 (7) The board of directors of the not-for-profit  
20 corporation shall create a council of scientific advisers to  
21 the chief executive officer comprised of leading researchers,  
22 physicians, and scientists. The council shall review programs  
23 and recommend research priorities and initiatives to maximize  
24 the state's investment in the institute. The members of the  
25 council shall be appointed by the board of directors of the  
26 not-for-profit corporation, except for five members appointed  
27 by the State Board of Education. Each member of the council  
28 shall be appointed to serve a 2-year term and may be  
29 reappointed to the council.

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1           (8) In carrying out the provisions of this section,  
2 the not-for-profit corporation and its subsidiaries are not  
3 agencies within the meaning of s. 20.03(11), Florida Statutes.

4           Section 2. The sum of \$20 million is appropriated for  
5 fiscal year 2002-2003 from the Public Education Capital Outlay  
6 and Debt Service Trust Fund to the University of South Florida  
7 for partial construction of a \$40 million research facility at  
8 the university for the Florida Alzheimer's Center and Research  
9 Institute.

10           Section 3. The sum of \$20 million is appropriated for  
11 fiscal year 2002-2003 from the General Revenue Fund to the  
12 University of South Florida for the operations of the Florida  
13 Alzheimer's Center and Research Institute. From this amount  
14 \$15 million shall be used by the institute to contract with  
15 the following entities, at \$5 million each, to support the  
16 purposes of this act: the Mayo Clinic in Jacksonville,  
17 Florida; the University of Florida; and the University of  
18 Miami.

19           Section 4. This act shall take effect July 1, 2002.

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22           HOUSE SUMMARY

23           Provides for the establishment of the Florida Alzheimer's  
24           Center and Research Institute at the University of South  
25           Florida, to be governed and operated by a not-for-profit  
26           corporation. See bill for details.