

By the Committee on Governmental Oversight and Productivity;
and Senator Clary

302-2399-03

1 A bill to be entitled
2 An act relating to the Florida Institute for
3 Human and Machine Cognition; creating s.
4 1004.447, F.S.; establishing the Florida
5 Institute for Human and Machine Cognition at
6 the University of West Florida; requiring the
7 State Board of Education to enter into an
8 agreement with a not-for-profit corporation for
9 the governance and operation of the institute;
10 providing that the corporation shall act as an
11 instrumentality of the state; authorizing the
12 creation of subsidiaries by the corporation;
13 providing powers of the corporation; providing
14 for a board of directors; providing for an
15 annual postaudit report; authorizing the board
16 of directors to secure liability protection;
17 providing for assumption of responsibilities of
18 the corporation by the University of West
19 Florida under certain circumstances; providing
20 for administration of the institute by a chief
21 executive officer and providing duties;
22 requiring appointment of a council of
23 scientific advisers and providing duties;
24 providing that the corporation and its
25 subsidiaries are not agencies for certain
26 purposes; authorizing contracts without
27 competitive bidding; providing that the
28 institute is a corporation acting as an
29 instrumentality of the state for purposes of
30 sovereign immunity; providing an effective
31 date.

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

2

3 Section 1. Section 1004.447, Florida Statutes, is
4 created to read:

5 1004.447 Florida Institute for Human and Machine
6 Cognition.--

7 (1)(a) The Florida Institute for Human and Machine
8 Cognition is established at the University of West Florida as
9 a Florida not-for-profit corporation organized under the
10 provisions of chapter 617.

11 (b) The corporation is authorized to create
12 not-for-profit corporate subsidiaries that are organized under
13 the provisions of chapter 617 upon the prior approval of the
14 State Board of Education, to fulfill its mission.

15 (c) The corporation and any authorized and approved
16 subsidiary:

17 1. Shall be a corporation primarily acting as an
18 instrumentality of the state, pursuant to s. 768.28(2), for
19 purposes of sovereign immunity.

20 2. Is not an agency within the meaning of s.
21 30.03(11).

22 3. Is subject to the open records and meeting
23 requirements of s. 24, Art. I of the State Constitution,
24 chapter 119, and s. 286.011.

25 4. May receive, hold, invest, and administer property
26 and any moneys acquired from private, local, state, and
27 federal sources, as well as technical and professional income
28 generated or derived from practice activities of the
29 institute, for the benefit of the institute and the
30 fulfillment of its mission.

31

1 5. May perform all things necessary to secure letters
2 of patent, copyrights, and trademarks on any work products and
3 to enforce its rights therein.

4 6. May secure comprehensive general liability
5 protection, including professional liability protection, for
6 the not-for-profit corporation and its subsidiaries.

7 7. May enter into affiliation agreements with other
8 universities or research institutes.

9 (d) The officers, directors, and employees of the
10 corporation or any authorized subsidiary shall be governed by
11 the code of ethics for public officers and employees as set
12 forth in part III of chapter 112.

13 (e) The articles of incorporation of the corporation,
14 or any authorized and approved subsidiary, shall include that:

15 1. The corporation shall provide equal employment
16 opportunities for all persons regardless of race, color,
17 religion, gender, national origin, age, handicap, or marital
18 status;

19 2. The corporation is subject to the open records and
20 meeting requirements of s. 24, Art. I of the State
21 Constitution.

22 3. All officers, directors, and employees of the
23 corporation shall be governed by the code of ethics for public
24 officers and employees as set forth in part III of chapter
25 112.

26 4. The board members are responsible for the prudent
27 use of all public and private funds and that they will ensure
28 that the use of funds is in accordance with all applicable
29 laws, bylaws, or contractual requirements.

30 5. The fiscal year of the corporation and any
31 authorized subsidiary is from July 1 to June 30.

1 (2)(a) The affairs of the corporation shall be managed
2 by a board of directors who shall serve without compensation.

3 (b) The board of directors shall consist of:

4 1. The chair of the State Board of Education or his or
5 her designee;

6 2. The chair of the University of West Florida Board
7 of Trustees or his or her designee;

8 3. The President of the University of West Florida or
9 his or her designee;

10 4. Three state university representatives, one of whom
11 shall be appointed by the Governor, one by the President of
12 the Senate, and one by the Speaker of the House of
13 Representatives; and

14 5. Nine public representatives who are neither state
15 university employees nor state employees, three of whom shall
16 be appointed by the Governor, two by the President of the
17 Senate, two by the Speaker of the House of Representatives,
18 and two by the chair of the University of West Florida Board
19 of Trustees.

20 (c) Each director who is a representative of a state
21 university shall be appointed for an initial term of 3 years
22 and each director who is a representative of the public shall
23 be appointed to serve an initial term of 2 years.

24 (d) Upon the expiration of the initial terms, a
25 director appointed under subparagraph 4. or subparagraph 5.
26 shall be appointed to a 3-year term by a majority vote of the
27 directors.

28 (3) Any vacancy in office of a director appointed
29 under subparagraphs 4. and 5. shall be filled for the
30 remainder of the term by majority vote of the directors.

31 (4) Any director may be reappointed.

1 (5) The chair of the board of directors shall be
2 selected by a majority vote of the directors, a quorum being
3 present.

4 (6) The State Board of Education shall enter into an
5 agreement with the corporation that provides for:

6 (a) Approval by the State Board of Education of the
7 articles of incorporation of the corporation.

8 (b) Approval by the State Board of Education by July
9 1, 2003, of the articles of incorporation of any
10 not-for-profit corporate subsidiary created by the
11 corporation.

12 (7) The corporation shall, by August 1, 2003, enter
13 into an affiliation agreement with the University of West
14 Florida Board of Trustees for:

15 (a) The use of or mutual provision or participation in
16 university programs or services, including use of the
17 university's moneys, facilities, furnishings, equipment, other
18 chattels, personnel, or services.

19 (b) Utilization of facilities and personnel for
20 mutually approved teaching and research programs conducted by
21 universities or research institutes.

22 (c) Preparation of an annual postaudit of the
23 corporation's financial accounts and the financial accounts of
24 any subsidiaries to be conducted by an independent certified
25 public accountant. The annual audit report shall include
26 management letters and be submitted to the Auditor General and
27 the State Board of Education for review.

28 (d) Use of the facilities of the University of West
29 Florida, including all furnishings, equipment, and other
30 chattels used in the operation of those facilities, which
31 shall govern and operate the Florida Institute for Human and

1 Machine Cognition in accordance with the terms of the
2 agreement between the State Board of Education and the
3 not-for-profit corporation.

4 (e) If the agreement between the corporation and the
5 State Board of Education is terminated, all property,
6 including buildings, land, furnishings, equipment and other
7 chattels originally leased to the corporation, as well as any
8 subsequently constructed or otherwise acquired facilities in
9 connection with the operation of the institute, automatically
10 reverts to full ownership by the University of West Florida.

11 Such a reversionary interest of the state in all
12 after-acquired facilities of the corporation is in furtherance
13 of the goals of this legislation and such a present ownership
14 interest by the university is a continuing and insurable
15 public interest.

16 (8) The corporation shall employ a chief executive
17 officer to administer the affairs of the Florida Institute for
18 Human and Machine Cognition. The chief executive officer shall
19 be appointed by and serve at the pleasure of the board of
20 directors. The chief executive officer shall exercise the
21 following powers and duties, subject to the approval of the
22 board of directors:

23 (a) Establish programs that fulfill the mission of the
24 institute, as one of the nation's premier
25 information-technology-related research organizations, in
26 research, education, scientific advancement, and economic
27 development. However, the chief executive officer may not
28 establish academic programs for which academic credit is
29 awarded, or programs that culminate in the conferring of a
30 degree, without prior approval of the University of West
31 Florida.

1 (b) Control the budget and the moneys appropriated or
2 donated to the institute from private, local, state, and
3 federal sources, as well as technical and professional income
4 generated or derived from research activities of the
5 institute. However, income generated by university faculty
6 from research activities at the institute shall be shared
7 between the institute and the university, as determined by the
8 chief executive officer and the appropriate university
9 president or the president's designee.

10 (c) Appoint representatives of the institute to carry
11 out the research and educational activities of the institute
12 and establish the compensation, benefits, and terms of service
13 of such representatives. Representatives may hold concurrent
14 appointments at affiliated academic institutions. University
15 faculty may hold concurrent appointments at the institute.

16 (d) Control the use and assignment of space and
17 equipment within the facilities.

18 (e) Create the administrative structure necessary to
19 carry out the mission of the institute.

20 (f) Annually report in writing to the Commissioner of
21 Education on the activities of the institute and state budget
22 allocation expenditures.

23 (g) Provide a copy of the institute's annual report to
24 the Governor, the President of the Senate, the Speaker of the
25 House of Representatives, the chair of the State Board of
26 Education, and the University of West Florida.

27 (h) Appoint a council of scientific advisers to the
28 chief executive officer comprised of leading researchers and
29 scientists who shall review programs and recommend research
30 priorities and initiatives to maximize the state's investment
31 in the institute.

1 1. The board of directors shall ratify the
2 appointments of scientific advisers to the council.

3 2. Each member of the council shall be appointed to
4 serve a 2-year term and may be reappointed.

5 (9) The State Board of Education, the Auditor General,
6 and the Office of Program Policy Analysis and Government
7 Accountability may require and receive from the corporation
8 and any subsidiaries, or from their independent auditor, any
9 detail or supplemental data relative to the operation of the
10 corporation or subsidiary.

11 (10) The Board of Trustees of the University of West
12 Florida shall annually certify to the Governor, the President
13 of the Senate, the Speaker of the House of Representatives,
14 and the State Board of Education that the corporation, and any
15 of its authorized subsidiaries, are complying with the
16 requirements of this section and are acting in the best
17 interests of the state.

18 Section 2. This act shall take effect upon becoming a
19 law.

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21 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
22 COMMITTEE SUBSTITUTE FOR
23 Senate Bill 1414

24 Provides that the institute is the corporate entity created by
25 the bill.

26 Clarifies the methods of appointment for members of the board
27 of directors.

28 Provides that the corporation is subject to requirements of
29 open meetings and open records.

30 Subjects board members to code of ethics for public officers.

31 Establishes responsibility of board members to oversee proper
use of corporate funds.