

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** HB 51A State Universities

**SPONSOR(S):** Mealor

**TIED BILLS:** IDEN./SIM. BILLS:

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REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) _____	_____	Tilton	Bohannon
2) _____	_____	_____	_____
3) _____	_____	_____	_____
4) _____	_____	_____	_____
5) _____	_____	_____	_____

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### SUMMARY ANALYSIS

In the 2002 General Election, Floridians amended the State Constitution to require a single state university system comprised of all public universities, with a board of trustees administering each university and a board of governors governing the state university system.

The bill amends the Florida Statutes to reflect the adoption of this constitutional amendment by establishing the Board of Governors as a body corporate comprised of: 14 members appointed by the Governor and subject to confirmation by the Senate; the Commissioner of Education; the chair of the advisory council of faculty senates or the equivalent; and the president of the Florida student association or the equivalent. The appointed members serve staggered seven year terms.

The bill revises statutory provisions relating to university boards of trustees. Each university will be administered by a university board of trustees comprised of 13 members, 6 of whom are appointed by the Governor and 5 of whom are appointed by the Board of Governors. These 11 members are subject to confirmation by the Senate. The chair of the faculty senate or the equivalent, and the president of the student body of the university serve as the final 2 members of the board. The appointed members serve staggered 5 year terms.

The bill authorizes state universities to establish a nonrefundable admissions deposit for undergraduate, graduate, and professional degree programs. The admissions deposit is assessed at the time of a student's acceptance to the institution, may not exceed \$200, and will be applied toward the tuition of the student if the student enrolls in the institution.

The bill caps the annual compensation of state university presidents that can be paid from public funds at \$225,000. The bill defines the terms "remuneration," "public funds," and "cash-equivalent compensation" for purposes of the cap.

The fiscal impact of the bill is indeterminate. See FISCAL COMMENTS section.

The effective date of the bill is July 1, 2003.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

**STORAGE NAME:** h0051A.edk.doc

**DATE:** May 14, 2003

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. DOES THE BILL:

- |                                      |                              |                             |   |
|--------------------------------------|------------------------------|-----------------------------|---|
| 1. Reduce government?                | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. Lower taxes?                      | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. Expand individual freedom?        | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. Empower families?                 | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

#### B. EFFECT OF PROPOSED CHANGES:

##### **Board of Governors / State University Boards of Trustees**

Prior to January 7, 2003, each state university was governed by a 13 member board of trustees (12 appointed by the Governor plus the student body president elected on the main campus of the university). Each member was appointed by the Governor and subject to confirmation by the Senate. Each board of trustees was vested, by law, with the authority to govern and set policy for its university as necessary to provide proper governance and improvement of the university in accordance with law and rules of the Florida Board of Education.

In the 2002 General Election, Floridians amended the State Constitution to require a single state university system comprised of all public universities, with a board of trustees administering each university and a board of governors governing the state university system. The amendment took effect January 7, 2003.

The bill amends the Florida Statutes to reflect the adoption of this constitutional amendment by establishing the Board of Governors as a body corporate comprised of: 14 members appointed by the Governor and subject to confirmation by the Senate; the Commissioner of Education; the chair of the advisory council of faculty senates or the equivalent; and the president of the Florida student association or the equivalent. The appointed members serve staggered seven year terms.

The bill also revises statutory provisions relating to university boards of trustees. Each university will be administered by a university board of trustees comprised of 13 members, 6 of whom are appointed by the Governor and 5 of whom are appointed by the Board of Governors. These 11 members are subject to confirmation by the Senate. The chair of the faculty senate or the equivalent, and the president of the student body of the university serve as the final 2 members of the board. The appointed members serve staggered 5 year terms.

##### **Admissions deposit for state universities**

Current law authorizes the board of trustees of the University of Florida to establish an admissions deposit fee for the University of Florida College of Dentistry in an amount not to exceed \$200. This is the only admissions deposit that state universities are authorized to assess under current law. This bill strikes the specific language relating to the UF College of Dentistry and authorizes state universities to establish a nonrefundable admissions deposit for undergraduate, graduate, and professional degree programs. The admissions deposit is assessed at the time an applicant is accepted by the university, may not exceed \$200, and will be applied toward the tuition of students who enroll at the institution. If

a university board of trustees establishes an admissions deposit, the board must adopt policies that provide for waiver of the deposit in cases of financial hardship.

### **Salaries for state university presidents**

Under current law, each state university board of trustees is directed to establish the personnel program for all employees of the university, including the president. This includes compensation and other conditions of employment. This bill caps the amount of annual compensation that may be paid state university presidents from public funds at \$225,000. The bill defines the terms "cash-equivalent compensation", "public funds", and "remuneration" for purposes of the caps.

#### **C. SECTION DIRECTORY:**

**Section 1.** Creates s. 1001.70, F.S., to establish the 17 member Board of Governors as a body corporate.

**Section 2.** Amends s. 1001.71, F.S., to revise composition and terms of university boards of trustees.

**Section 3.** Amends s. 1009.24, F.S., to authorize state universities to establish a nonrefundable admissions deposit.

**Section 4.** Creates s. 1012.975, F.S., to cap the amount of annual compensation that may be paid to state university presidents from public funds.

## **II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

#### **A. FISCAL IMPACT ON STATE GOVERNMENT:**

##### **1. Revenues:**

See FISCAL COMMENTS.

##### **2. Expenditures:**

See FISCAL COMMENTS.

#### **B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

##### **1. Revenues:**

None.

##### **2. Expenditures:**

None.

#### **C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

See FISCAL COMMENTS.

#### **D. FISCAL COMMENTS:**

The fiscal impact of the bill is indeterminate.

The impact of permitting state universities to establish an admissions deposit fee is indeterminate. The admissions deposit, which may not exceed \$200, is imposed at the time of an applicant's acceptance

and must be applied toward a student's tuition if the student enrolls at the institution. Otherwise, revenues from the deposits must be used to expand financial assistance, scholarships, and counseling services at the universities. The extent to which each university will choose to establish this fee at the maximum amount is not known. Implementation of the fee will result in increased revenues for an institution. The fee will represent an increased cost to the student to the extent the student fails to enroll after paying the admissions deposit. State universities choosing to assess an admissions deposit must adopt a policy that provides for waiver of the deposit on the basis of financial hardship.

### **III. COMMENTS**

#### **A. CONSTITUTIONAL ISSUES:**

##### **1. Applicability of Municipality/County Mandates Provision:**

This bill does not require counties or municipalities to spend funds or to take action which requires the expenditure of funds.

##### **2. Other:**

This bill does not appear to have any other constitutional issues.

#### **B. RULE-MAKING AUTHORITY:**

None.

#### **C. DRAFTING ISSUES OR OTHER COMMENTS:**

None.

### **IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES**