HB 1781 2004 A bill to be entitled

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An act relating to higher education finance policy; creating s. 1004.09, F.S.; requiring community colleges and state universities to submit annual reports that examine affordability and access; prescribing contents of the report; creating s. 1004.215, F.S.; requiring university boards of trustees to develop policies and procedures relating to program completion; providing credit hours to be included in enrollment calculations; providing that certain credit hours be omitted from enrollment calculations; authorizing state universities to establish an excess hour surcharge; requiring approval of policies by the Board of Governors prior to implementation; specifying that provisions become effective for students entering a community college or state university for the first time in the 2004-2005 academic year and thereafter; requiring a study and a report by the Office of Program Policy Analysis and Government Accountability; amending s. 1007.27, F.S.; requiring community colleges and state universities to award credit for certain dual enrollment courses; deleting obsolete provisions; amending s. 1009.21, F.S.; requiring classification as a resident or nonresident for purposes of assessing tuition for certain programs and determining eligibility to participate in selected financial assistance programs; revising definitions; revising provisions relating to determination of resident status; classifying certain dependent children as residents for tuition purposes; updating obsolete terminology; amending

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s. 1009.23, F.S., relating to community college student fees; providing authorization for tuition and fees in selected baccalaureate degree programs; revising provisions relating to the financial aid fee; revising eligibility requirements for financial aid fee award recipients; revising provisions relating to the fee for capital improvements, technology enhancements, or equipping student buildings; deleting provisions relating to fines assessed by community colleges; amending s. 1009.24, F.S., relating to state university student fees; revising provisions relating to tuition and out-of-state fees; deleting the cap on annual increases of certain fees; revising eligibility requirements for financial aid fee award recipients; increasing the capital improvement and building fees and authorizing an additional discretionary amount; authorizing a technology fee not to exceed certain limits; providing requirements for establishment or modification of the technology fee; requiring a billing statement each semester; requiring each university board of trustees to propose a block tuition and fee policy and other incentive policies; requiring each university board of trustees to establish a fee policy for nondegree-seeking students; providing exemption for certain students; amending s. 1009.25, F.S.; revising provisions relating to fee exemptions for students in apprenticeship programs; amending s. 1009.40, F.S.; revising provisions relating to general eligibility requirements for state financial aid awards; creating s. 1011.901, F.S.; providing incentive funding for targeted

degree programs at state universities; specifying the targeted discipline areas for the 2004-2005 fiscal year; providing for identification of certain academic disciplines and courses; establishing a process to identify targeted critical areas in future years; requiring an allocation methodology; requiring an annual report; amending s. 1011.94, F.S., relating to the Trust Fund for University Major Gifts; revising provisions relating to the use of proceeds; deleting provisions that authorize encumbrances; revising provisions that prescribe the manner in which donations must be matched; replacing references to the State Board of Education with references to the Board of Governors; deleting references to New College and the New College Foundation; specifying implementation contingent upon legislative appropriation and as provided by law; providing an effective date.

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

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Section 1. Section 1004.09, Florida Statutes, is created to read:

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1004.09 Reports of affordability and access.--

(1) No later than February 1, 2005, and annually

82 83 thereafter, each community college and each state university shall forward to its board of trustees a report for the fall,

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spring, and summer semesters of the preceding academic year that

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examines the affordability of and access to the institution. A copy of each community college report shall be forwarded to the

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State Board of Education, the Governor, the President of the

HB 1781 2004 88 Senate, and the Speaker of the House of Representatives. A copy of each university report shall be forwarded to the Board of 89 Governors, the Governor, the President of the Senate, and the 90 91 Speaker of the House of Representatives. 92 (2) The report shall include: (a) A description of the criteria used by the institution 93 94 to admit undergraduate students to the institution. 95 (b) A description of the criteria used by the institution to award financial assistance to undergraduate students. 96 97 (c) An analysis of the total number of credits awarded 98 during the report year to students who enroll in the institution 99 for the acceleration mechanisms identified in s. 1007.27, the 100 average number of credits awarded to the students who received 101 such credits, and the value in tuition and fees for such 102 credits. 103 (d) An analysis of the percentage of gross family income 104 required for a student who is a resident of this state to pay 105 tuition and required fees charged by the institution. (e) An analysis of the percentage of gross family income 106 107 required for a student who is a resident of this state to fully 108 pay the estimated cost of attendance at the institution. 109 Section 2. Section 1004.215, Florida Statutes, is created 110 to read: 1004.215 Timely completion of baccalaureate degree 111 112 programs. --(1) Each university board of trustees shall develop 113

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policies and procedures to ensure that students enrolled in

baccalaureate degree programs complete their programs in a

timely manner in order to make the most efficient use of

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instructional resources and provide capacity within the institution for additional students.

- (2) Once a resident undergraduate student has taken 115 percent of the credit hours required for the degree program in which the student is enrolled, any subsequent credit hours generated by that student as an undergraduate or unclassified student shall not be included in calculations of full-time equivalent enrollments for state funding purposes.
- (3) Except as otherwise provided by law, the following hours shall be included when calculating, for purposes of this section, the number of hours taken by a student:
- (a) All credit hours for courses taken at the state university from which the student is seeking a degree, including repeated courses and failed courses, except as provided in s. 1009.285, and courses that are dropped after the university's advertised last day of drop and add.
- (b) All credit hours earned at another institution and accepted for transfer.
- (4) The following hours shall not be included when calculating, for purposes of this section, the number of hours taken by a student:
- (a) Credit hours earned through an acceleration mechanism identified in s. 1007.27.
- (b) Credit hours earned in a course that does not count toward any degree at the institution.
 - (c) Credit hours earned in military science courses.
 - (d) Credit hours required to achieve a dual major.
- (e) Credit hours required to achieve teacher certification that are not credited toward the student's first baccalaureate

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146 <u>degree</u>.

- (f) Credit hours taken by active duty military personnel.
- (g) Credit hours in courses from which a student must withdraw due to medical or personal hardship reasons.
- (5) Policies established pursuant to this section may include assessment by the institution of a surcharge in addition to regular tuition and fees for any credit hours taken by the student in excess of 115 percent of the credit hours required for the student's degree program. The surcharge plus tuition may not exceed 100 percent of the full cost of instruction.
- (6) Policies established pursuant to this section must be submitted to the Board of Governors for review and approval prior to implementation by a university.
- (7) The provisions of this section shall become effective for students who enter a community college or a state university for the first time in the 2004-2005 academic year and thereafter.
- (8) In order to determine whether excess hours is an issue that should also be addressed for associate and graduate-level programs, the Office of Program Policy Analysis and Government Accountability shall conduct a study to determine how the number of credit hours taken by students at community colleges and state universities compares to the number of hours required to complete degree requirements. The study shall also review degree requirements across institutions to identify the range of degree requirements for similar programs. A report of the results of the study shall be submitted to the Governor, the President of the Senate, and the Speaker of the House of Representatives by February 1, 2005.

Section 3. Subsection (11) of section 1007.27, Florida Statutes, is amended to read:

- 1007.27 Articulated acceleration mechanisms. --
- award credit for dual enrollment courses completed at an independent college or university eligible for inclusion in the dual enrollment or early admission program pursuant to s.

 1011.62(1)(i). (a) The State Board of Education shall conduct a review of the extent to which the acceleration mechanisms authorized by this section are currently utilized by school districts and public postsecondary educational institutions and shall submit a report to the Governor and the Legislature by December 31, 2003.
- (b) The report must include a summary of ongoing activities and a plan to increase and enhance the use of acceleration mechanisms as a way to shorten the length of time as well as the funding required for a student, including a student with a documented disability, to obtain a postsecondary degree.
- (c) The review and plan shall address, but are not limited to, the following issues:
- 1. The manner in which students, including students with documented disabilities, are advised regarding the availability of acceleration mechanism options.
- 2. The availability of acceleration mechanism options to eligible students, including students with documented disabilities, who wish to participate.
- 3. The grading practices, including weighting of courses, of school districts and public postsecondary educational

HB 1781 2004 institutions with regard to credit earned through acceleration mechanisms.

- 4. The extent to which credit earned through an acceleration mechanism is used to meet the general education requirements of a public postsecondary educational institution.
- 5. The extent to which the secondary instruction associated with acceleration mechanism options could be offered at sites other than public K through 12 school sites to assist in meeting class size reduction needs.
- 6. The manner in which funding for instruction associated with acceleration mechanism options is provided.
- 7. The feasibility of providing students, including students with documented disabilities, the option of choosing Advanced Placement credit or College Level Examination Program (CLEP) credit as an alternative to dual enrollment credit upon completion of a dual enrollment course.
- Section 4. Section 1009.21, Florida Statutes, is amended to read:
- 1009.21 Determination of resident status for tuition and financial assistance eligibility purposes.—Students shall be classified as residents or nonresidents for the purpose of assessing tuition in community colleges and state universities, for the purpose of assessing tuition for instruction in postsecondary career and technical programs offered by school districts, and for the purpose of determining student eligibility to participate in financial assistance programs established pursuant to s. 1009.50, s. 1009.51, s. 1009.52, s. 1009.53, s. 1009.54, s. 1009.56, s. 1009.57, s. 1009.60, s.

232 1009.62, s. 1009.63, s. 1009.68, s. 1009.72, s. 1009.73, s. 1009.76, s. 1009.77, or s. 1009.89.

(1) As used in this section, the term:

- (a) The term "Dependent child" means any person, whether or not living with his or her parent, who is eligible to be claimed by his or her parent as a dependent under the federal income tax code.
 - (b) "Initial enrollment" means the first day of class.
- (c)(b) The term "Institution of higher education" means any public community college or state university.
- (d)(c) A "Legal resident" or "resident" means is a person who has maintained his or her residence in this state for the preceding year, has purchased a home which is occupied by him or her as his or her residence, or has established a domicile in this state pursuant to s. 222.17.
- (e) "Nonresident for tuition purposes" means a person who does not qualify for the in-state tuition rate.
- $\underline{(f)}$ (d) The term "Parent" means the natural or adoptive parent or legal guardian of a dependent child.
- $\underline{(g)(e)}$ A "Resident for tuition purposes" \underline{means} is a person who qualifies as provided in subsection (2) for the in-state tuition rate; a "nonresident for tuition purposes" is a person who does not qualify for the in-state tuition rate.
 - (2)(a) To qualify as a resident for tuition purposes:
- 1. A person or, if that person is a dependent child, his or her parent or parents must have established legal residence in this state and must have maintained legal residence in this state for at least 12 months immediately prior to his or her

HB 1781 2004 initial enrollment in a postsecondary education program in this

261 state qualification.

2. Every applicant for admission to an institution of higher education shall be required to make a statement as to his or her length of residence in the state and, further, shall establish that his or her presence or, if the applicant is a dependent child, the presence of his or her parent or parents in the state currently is, and during the requisite 12-month qualifying period was, for the purpose of maintaining a bona fide domicile, rather than for the purpose of maintaining a mere temporary residence or abode incident to enrollment in an institution of higher education.

- (b) However, with respect to a dependent child living with an adult relative other than the child's parent, such child may qualify as a resident for tuition purposes if the adult relative is a legal resident who has maintained legal residence in this state for at least 12 months immediately prior to the child's initial enrollment in a postsecondary education program in this state qualification, provided the child has resided continuously with such relative for the 5 years immediately prior to the child's initial enrollment qualification, during which time the adult relative has exercised day-to-day care, supervision, and control of the child.
- (c) The legal residence of a dependent child whose parents are divorced, separated, or otherwise living apart will be deemed to be this state if either parent is a legal resident of this state, regardless of which parent is entitled to claim, and does in fact claim, the minor as a dependent pursuant to federal individual income tax provisions.

(d) A person who is classified as a nonresident for tuition purposes may become eligible for reclassification as a resident for tuition purposes if that person or, if that person is a dependent child, his or her parent presents documentation that supports permanent residency in this state rather than temporary residency for the purpose of pursuing an education, such as documentation of full-time permanent employment for the previous 12 months or the purchase of a home in this state and residence therein for the prior 12 months.

- (3) An individual shall not be classified as a resident for tuition purposes and, thus, shall not be eligible to receive the in-state tuition rate until he or she has provided such evidence related to legal residence and its duration as may be required by officials of the institution of higher education from which he or she seeks the in-state tuition rate.
- (4) With respect to a dependent child, the legal residence of such individual's parent or parents is prima facie evidence of the individual's legal residence, which evidence may be reinforced or rebutted, relative to the age and general circumstances of the individual, by the other evidence of legal residence required of or presented by the individual. However, the legal residence of an individual whose parent or parents are domiciled outside this state is not prima facie evidence of the individual's legal residence if that individual has lived in this state for 5 consecutive years prior to enrolling or reregistering at the institution of higher education at which resident status for tuition purposes is sought.
- (5) In making a domiciliary determination related to the classification of a person as a resident or nonresident for

tuition purposes, the domicile of a married person, irrespective of sex, shall be determined, as in the case of an unmarried person, by reference to all relevant evidence of domiciliary intent. For the purposes of this section:

- (a) A person shall not be precluded from establishing or maintaining legal residence in this state and subsequently qualifying or continuing to qualify as a resident for tuition purposes solely by reason of marriage to a person domiciled outside this state, even when that person's spouse continues to be domiciled outside of this state, provided such person maintains his or her legal residence in this state.
- (b) A person shall not be deemed to have established or maintained a legal residence in this state and subsequently to have qualified or continued to qualify as a resident for tuition purposes solely by reason of marriage to a person domiciled in this state.
- (c) In determining the domicile of a married person, irrespective of sex, the fact of the marriage and the place of domicile of such person's spouse shall be deemed relevant evidence to be considered in ascertaining domiciliary intent.
- (6) Any nonresident person, irrespective of sex, who marries a legal resident of this state or marries a person who later becomes a legal resident may, upon becoming a legal resident of this state, accede to the benefit of the spouse's immediately precedent duration as a legal resident for purposes of satisfying the 12-month durational requirement of this section.
- (7) A person shall not lose his or her resident status for tuition purposes solely by reason of serving, or, if such person

is a dependent child, by reason of his or her parent's or parents' serving, in the Armed Forces outside this state.

- (8) A person who has been properly classified as a resident for tuition purposes but who, while enrolled in an institution of higher education in this state, loses his or her resident tuition status because the person or, if he or she is a dependent child, the person's parent or parents establish domicile or legal residence elsewhere shall continue to enjoy the in-state tuition rate for a statutory grace period, which period shall be measured from the date on which the circumstances arose that culminated in the loss of resident tuition status and shall continue for 12 months. However, if the 12-month grace period ends during a semester or academic term for which such former resident is enrolled, such grace period shall be extended to the end of that semester or academic term.
- (9) Any person who ceases to be enrolled at or who graduates from an institution of higher education while classified as a resident for tuition purposes and who subsequently abandons his or her domicile in this state shall be permitted to reenroll at an institution of higher education in this state as a resident for tuition purposes without the necessity of meeting the 12-month durational requirement of this section if that person has reestablished his or her domicile in this state within 12 months of such abandonment and continuously maintains the reestablished domicile during the period of enrollment. The benefit of this subsection shall not be accorded more than once to any one person.
- (10) The following persons shall be classified as residents for tuition purposes:

(a) Active duty members of the Armed Services of the United States residing or stationed in this state, their spouses, and dependent children, and active members of the Florida National Guard who qualify under s. 250.10(7) and (8) for the tuition assistance program.

- (b) Active duty members of the Armed Services of the United States, and their spouses, and their dependent children attending a public community college or state university within 50 miles of the military establishment where they are stationed, if such military establishment is within a county contiguous to Florida.
- (c) United States citizens living on the Isthmus of Panama, who have completed 12 consecutive months of college work at the Florida State University Panama Canal Branch, and their spouses and dependent children.
- (d) Full-time instructional and administrative personnel employed by state public schools, community colleges, and institutions of higher education, as defined in s. 1000.04, and their spouses and dependent children.
- (e) Students from Latin America and the Caribbean who receive scholarships from the federal or state government. Any student classified pursuant to this paragraph shall attend, on a full-time basis, a Florida institution of higher education.
- (f) Southern Regional Education Board's Academic Common Market graduate students attending Florida's state universities.
- (g) Full-time employees of state agencies or political subdivisions of the state when the student fees are paid by the state agency or political subdivision for the purpose of jobrelated law enforcement or corrections training.

(h) McKnight Doctoral Fellows and Finalists who are United States citizens.

- (i) United States citizens living outside the United States who are teaching at a Department of Defense Dependent School or in an American International School and who enroll in a graduate level education program which leads to a Florida teaching certificate.
- (j) Active duty members of the Canadian military residing or stationed in this state under the North American <u>Aerospace</u>

 <u>Defense Command Air Defense</u> (NORAD) agreement, and their spouses and dependent children, attending a community college or state university within 50 miles of the military establishment where they are stationed.
- (11) The State Board of Education shall by rule designate classifications of students as residents or nonresidents for tuition purposes at community colleges and state universities.
- Section 5. Subsections (1), (3), (8), (11), and (12) of section 1009.23, Florida Statutes, are amended to read:
 - 1009.23 Community college student fees. --
- (1) Unless otherwise provided, the provisions of this section apply only to fees charged for college credit instruction leading to an associate in arts degree, an associate in applied science degree, or an associate in science degree, or a baccalaureate degree authorized by the State Board of Education pursuant to s. 1007.33 and noncollege credit college-preparatory courses defined in s. 1004.02.
- (3) The State Board of Education shall adopt by December 31 of each year a resident fee schedule for the following fall for advanced and professional, associate in science degree, and

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college-preparatory programs and baccalaureate degree programs 435 authorized by the State Board of Education pursuant to s. 1007.33 that produce revenues in the amount of 25 percent of the 436 437 full prior year's cost of these programs. Fees for courses in 438 college-preparatory programs and associate in arts and associate 439 in science degree programs may be established at the same level. 440 In the absence of a provision to the contrary in an

appropriations act, the fee schedule shall take effect and the

colleges shall expend the funds on instruction. If the

Legislature provides for an alternative fee schedule in an appropriations act, the fee schedule shall take effect the

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- (8)(a) Each community college board of trustees is authorized to establish a separate fee for financial aid purposes in an additional amount up to, but not to exceed, 5 percent of the total student tuition and or out-of-state fees collected. Each community college board of trustees may collect up to an additional 2 percent if the amount generated by the total financial aid fee is less than \$250,000. If the amount generated is less than \$250,000, a community college that charges tuition and out-of-state fees at least equal to the average fees established by rule may transfer from the general current fund to the scholarship fund an amount equal to the difference between \$250,000 and the amount generated by the total financial aid fee assessment. No other transfer from the general current fund to the loan, endowment, or scholarship fund, by whatever name known, is authorized.
- All funds collected under this program shall be placed in the loan and endowment fund or scholarship fund of the

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college, by whatever name known. Such funds shall be disbursed to students as quickly as possible. An amount not greater than 40 percent of the fees collected in a fiscal year may be carried forward unexpended to the following fiscal year. However, funds collected prior to July 1, 1989, and placed in an endowment fund may not be considered part of the balance of funds carried forward unexpended to the following fiscal year.

Up to 25 percent or \$300,000, whichever is greater, of the financial aid fees collected may be used to assist students who demonstrate academic merit; who participate in athletics, public service, cultural arts, and other extracurricular programs as determined by the institution; or who are identified as members of a targeted gender or ethnic minority population. The financial aid fee revenues allocated for athletic scholarships and fee exemptions provided pursuant to s. 1009.25(3) for athletes shall be distributed equitably as required by s. 1000.05(3)(d). A minimum of 75 percent of the balance of these funds for new awards shall be used to provide financial aid based on absolute need, and the remainder of the funds shall be used for academic merit purposes and other purposes approved by the boards of trustees. Such other purposes shall include the payment of child care fees for students with financial need. The State Board of Education shall develop criteria for making financial aid awards. Each college shall report annually to the Department of Education on the revenue collected pursuant to this paragraph, the amount carried forward, the criteria used to make awards, the amount and number of awards for each criterion, and a delineation of the distribution of such awards. The report shall include an

assessment by category of the financial need of every student who receives an award, regardless of the purpose for which the award is received. Awards which are based on financial need shall be distributed in accordance with a nationally recognized system of need analysis approved by the State Board of Education. An award for academic merit shall require a minimum overall grade point average of 3.0 on a 4.0 scale or the equivalent for both initial receipt of the award and renewal of the award.

- (d) These funds may not be used for direct or indirect administrative purposes or salaries.
- (e) Beginning with awards for the 2005-2006 academic year, a student must have submitted a completed Free Application for Federal Student Aid to the United States Department of Education to be eligible to receive an award pursuant to the provisions of this subsection.
- establish a separate fee for capital improvements, technology enhancements, or equipping student buildings which may not exceed 10 percent of tuition for resident students or 10 percent of the sum of tuition and out-of-state fees for nonresident students. The fee for resident students shall be limited to an increase of \$2 per credit hour over the prior year \$1 per credit hour or credit-hour equivalent for residents. Funds collected by community colleges through these fees may be bonded only for the purpose of financing or refinancing new construction and equipment, renovation, or remodeling of educational facilities. The fee shall be collected as a component part of the tuition

HB 1781 2004 521 and fees, paid into a separate account, and expended only to 522 construct and equip, maintain, improve, or enhance the educational facilities of the community college. Projects funded 523 through the use of the capital improvement fee shall meet the 524 525 survey and construction requirements of chapter 1013. Pursuant 526 to s. 216.0158, each community college shall identify each 527 project, including maintenance projects, proposed to be funded 528 in whole or in part by such fee. Capital improvement fee 529 revenues may be pledged by a board of trustees as a dedicated revenue source to the repayment of debt, including lease-530 531 purchase agreements and revenue bonds, with a term not to exceed 532 20 years, and not to exceed the useful life of the asset being 533 financed, only for the new construction and equipment, 534 renovation, or remodeling of educational facilities. Community 535 colleges may use the services of the Division of Bond Finance of 536 the State Board of Administration to issue any bonds authorized 537 through the provisions of this subsection. Any such bonds issued 538 by the Division of Bond Finance shall be in compliance with the provisions of the State Bond Act. Bonds issued pursuant to the 539 540 State Bond Act shall be validated in the manner provided by 541 chapter 75. The complaint for such validation shall be filed in 542 the circuit court of the county where the seat of state government is situated, the notice required to be published by 543 544 s. 75.06 shall be published only in the county where the 545 complaint is filed, and the complaint and order of the circuit 546 court shall be served only on the state attorney of the circuit 547 in which the action is pending. A maximum of 15 percent cents 548 per credit hour may be allocated from the capital improvement 549 fee for child care centers conducted by the community college.

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In addition to tuition, out-of-state, financial aid, capital improvement, student activity and service, and technology fees authorized in this section, each community college board of trustees is authorized to establish fee schedules for the following user fees and fines: laboratory fees; parking fees and fines; library fees and fines; fees and fines relating to facilities and equipment use or damage; access or identification card fees; duplicating, photocopying, binding, or microfilming fees; standardized testing fees; diploma replacement fees; transcript fees; application fees; graduation fees; and late fees related to registration and payment. Such user fees and fines shall not exceed the cost of the services provided and shall only be charged to persons receiving the service. A community college may not charge any fee except as authorized by law or rules of the State Board of Education. Parking fee revenues may be pledged by a community college board of trustees as a dedicated revenue source for the repayment of debt, including lease-purchase agreements and revenue bonds with terms not exceeding 20 years and not exceeding the useful life of the asset being financed. Community colleges shall use the services of the Division of Bond Finance of the State Board of Administration to issue any revenue bonds authorized by the provisions of this subsection. Any such bonds issued by the Division of Bond Finance shall be in compliance with the provisions of the State Bond Act. Bonds issued pursuant to the State Bond Act shall be validated in the manner established in chapter 75. The complaint for such validation shall be filed in the circuit court of the county where the seat of state government is situated, the notice required to be published by

s. 75.06 shall be published only in the county where the complaint is filed, and the complaint and order of the circuit court shall be served only on the state attorney of the circuit in which the action is pending.

Section 6. Subsections (3), (6), and (7) of section 1009.24, Florida Statutes, are amended, and subsections (15) through (18) are added to said section, to read:

1009.24 State university student fees.--

- (3) Within proviso in the General Appropriations Act and law, each board of trustees shall set university tuition and fees.
- (a) Except as otherwise provided by law, the sum of nonresident student tuition and out-of-state fees must be sufficient to defray the full cost of each program.
- (b) The sum of the activity and service, health, and athletic fees a student is required to pay to register for a course shall not exceed 40 percent of the tuition established in law or in the General Appropriations Act. No university shall be required to lower any fee in effect on the effective date of this act in order to comply with this subsection. Within the 40 percent cap, universities may not increase the aggregate sum of activity and service, health, and athletic fees more than 5 percent per year unless specifically authorized in law or in the General Appropriations Act. This subsection does not prohibit a university from increasing or assessing optional fees related to specific activities if payment of such fees is not required as a part of registration for courses.
- (6) A university board of trustees is authorized to collect for financial aid purposes an amount not to exceed 5

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HB 1781 2004 percent of the tuition and out-of-state fee. The revenues from fees are to remain at each campus and replace existing financial aid fees. Such funds shall be disbursed to students as quickly as possible. A minimum of 75 percent of funds from the student financial aid fee for new financial aid awards shall be used to provide financial aid based on absolute need. A student who has received an award prior to July 1, 1984, shall have his or her eligibility assessed on the same criteria that were used at the time of his or her original award. The State Board of Education shall develop criteria for making financial aid awards. Each university shall report annually to the Department of Education on the revenue collected pursuant to this subsection, the amount carried forward, the criteria used to make awards, the amount and number of awards for each criterion, and a delineation of the distribution of such awards. The report shall include an assessment by category of the financial need of every student who receives an award, regardless of the purpose for which the award is received. Awards which are based on financial need shall be distributed in accordance with a nationally recognized system of need analysis approved by the State Board of Education. An award for academic merit shall require a minimum overall grade point average of 3.0 on a 4.0 scale or the equivalent for both initial receipt of the award and renewal of the award. Beginning with awards for the 2005-2006 academic year, a student must have submitted a completed Free Application for Federal Student Aid to the United State Department of Education to be eligible to receive an award pursuant to the provisions of this subsection.

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(7) The Capital Improvement Trust Fund fee is established as \$2.94 \$2.44 per credit hour per semester. The building fee is established as \$2.82 \$2.32 per credit hour per semester. Each university board of trustees is further authorized to increase each of the Capital Improvement Trust Fund and building fees by no more than \$0.50 above the amount established in this section.

(15) Each university board of trustees is authorized to establish a technology fee to be expended to enhance, expand, and improve technology access and support according to technology improvement plans approved by the university's board of trustees with prior consultation with the university's student government association. The fee may be modified annually according to the technology improvement plan and according to funding needs. The technology fee shall not exceed 5 percent of tuition for resident students or 5 percent of the sum of tuition and out-of-state fees for nonresident students. The establishment of, and any subsequent modification to, the technology fee must be recommended by a technology fee committee at least one-half of whose members are students appointed by the student body president. The remainder of the committee shall be appointed by the university president. A chair, appointed jointly by the university president and the student body president, shall vote only in the case of a tie. The recommendations of the committee shall take effect only after approval by the university president, with prior consultation with the student body president, and final approval by the university board of trustees. An increase in the technology fee may occur only once each fiscal year and must be implemented beginning with the fall term. Revenues generated from the

HB 1781 2004 technology fee shall be retained by each university and paid

into a separate technology fund. Revenues generated from the

technology fee may not be bonded. Notwithstanding the provisions

of ss. 1009.534, 1009.535, and 1009.536, any technology fee

assessed pursuant to the provisions of this subsection shall not

be included in calculating the amount a student receives for a

Florida Academic Scholars award, a Florida Medallion Scholars

672 award, or a Florida Gold Seal Vocational Scholars award.

student who is charged tuition and fees with a billing statement at the beginning of each semester that clearly identifies the amount of funding the state and the respective university are paying on behalf of the student to reflect the true costs of the student's education. State funding to the university and state—supported financial assistance shall be itemized and included in the billing statement. The billing statement required by this subsection may be transmitted to the student by e-mail, web page, or other electronic means. A sample of the billing statement format shall be submitted to the Board of Governors for its review and approval prior to August 15 of each year.

(17) Each university board of trustees shall develop a proposal to establish a block tuition and fee policy and other incentive policies such as differential fees by program area, location of course offering, or time of offering to decrease the time required for students to complete their degrees and to encourage more efficient use of facilities and other resources. The proposals must describe the impact of such policies on costs to students and to the state with respect to the Florida Bright Futures Scholarship Program and the Florida Prepaid College

Program and the impact of such policies on students who do not
have a Florida Bright Futures Scholarship or a Florida Prepaid
College contract. The proposals must be submitted to the Board
of Governors, the Governor, the President of the Senate, and the
Speaker of the House of Representatives no later than December

699 15, 2004.

- (18)(a) Beginning with the 2004-2005 academic year, each university board of trustees shall establish a fee policy for nondegree-seeking students. For purposes of this subsection, the term "nondegree-seeking student" means a student who has not been formally admitted to the university as an undergraduate, graduate, or professional student.
- (b) Such policy shall require nondegree-seeking students to pay tuition at 100 percent of the full cost of instruction per credit hour, but shall provide an exemption for the following students:
- 1. Students who provide documentation that the course or courses in which they seek to enroll are required for professional licensure, certification, or recertification.
 - 2. Active duty military personnel.
- 3. Retired military personnel within 2 years after retirement.
- 4. Full-time employees of state agencies or political subdivisions of the state when the student's tuition and fees are paid by the state agency or political subdivision for the purpose of taking job-related courses.
- (c) The policy must be submitted to the Board of Governors for its review and approval prior to implementation.

(d) Student credit hours generated by nondegree-seeking students, excluding those who have been provided an exemption pursuant to the provisions of this subsection, must be identified separately when reporting full-time equivalent enrollments.

Section 7. Paragraph (b) of subsection (2) of section 1009.25, Florida Statutes, is amended to read:

1009.25 Fee exemptions.--

- (2) The following students are exempt from the payment of tuition and fees, including lab fees, at a school district that provides postsecondary career and technical programs, community college, or state university:
- (b) A student enrolled in an approved apprenticeship program, as defined in s. 446.021, but only with respect to such apprenticeship program.
 - Section 8. Paragraph (a) of subsection (1) of section 1009.40, Florida Statutes, is amended to read:
 - 1009.40 General requirements for student eligibility for state financial aid.--
 - (1)(a) The general requirements for eligibility of students for state financial aid awards consist of the following:
 - 1. Achievement of the academic requirements of and acceptance at a state university or community college; a nursing diploma school approved by the Florida Board of Nursing; a Florida college, university, or community college which is accredited by an accrediting agency recognized by the State Board of Education; any Florida institution the credits of which are acceptable for transfer to state universities; any technical

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center; or any private technical institution accredited by an accrediting agency recognized by the State Board of Education.

- 2. Residency in this state for no less than 1 year preceding the award of aid for a program established pursuant to s. 1009.50, s. 1009.51, s. 1009.52, s. 1009.53, s. 1009.54, s. 1009.56, s. 1009.57, s. 1009.60, s. 1009.62, s. 1009.63, s. 1009.68, s. 1009.72, s. 1009.73, s. 1009.76, s. 1009.77, or s. 1009.89. Residency in this state must be for purposes other than to obtain an education. Resident status for purposes of receiving state financial aid awards shall be determined in the same manner as resident status for tuition purposes pursuant to s. 1009.21 and rules of the State Board of Education.
- 3. Submission of certification attesting to the accuracy, completeness, and correctness of information provided to demonstrate a student's eligibility to receive state financial aid awards. Falsification of such information shall result in the denial of any pending application and revocation of any award currently held to the extent that no further payments shall be made. Additionally, students who knowingly make false statements in order to receive state financial aid awards shall be guilty of a misdemeanor of the second degree subject to the provisions of s. 837.06 and shall be required to return all state financial aid awards wrongfully obtained.
- 4. Beginning with awards for the 2005-2006 academic year, submission to the United States Department of Education of a completed Free Application for Federal Student Aid for the award of aid for a program established pursuant to s. 1009.50, s. 1009.51, s. 1009.52, s. 1009.53, s. 1009.54, s. 1009.56, s. 1009.57, s. 1009.60, s. 1009.62, s. 1009.63, s. 1009.68, s.

HB 1781 2004 780 1009.72, s. 1009.73, s. 1009.76, s. 1009.77, or s. 1009.89 or 781 for the award of aid from funds directly appropriated to an 782 institution by the Legislature for student financial assistance. Section 9. Section 1011.901, Florida Statutes, is created 783 784 to read: 785 1011.901 Incentive funding for targeted degree production 786 at state universities. --787 (1) INCENTIVE FUNDING FOR INCREASED DEGREE PRODUCTION IN 788 CRITICAL AREAS. -- Subject to legislative appropriation, the Board 789 of Governors shall annually allocate an amount specified in the 790 General Appropriations Act as incentive awards to individual 791 university boards of trustees for establishing programs, 792 policies, and procedures that lead to increased degree 793 production in academic discipline areas deemed critical to 794 future job growth needs of this state. 795 (2) TARGETED CRITICAL AREAS DURING FISCAL YEAR 2004-796 2005. -- The targeted academic discipline areas deemed critical to 797 future job growth needs of this state for fiscal year 2004-2005 798 shall be: 799 (a) Teacher education programs in areas that have been 800 identified by the State Board of Education pursuant to s. 801 1012.07 as critical teacher shortage areas. 802 (b) Nursing. 803 (c) Engineering. 804 (d) Science and technology. 805 (3) ALLOCATION OF INCENTIVE AWARDS FOR FISCAL YEAR 2004-806 2005.--807 (a) By July 15, 2004, the Board of Governors, in 808 conjunction with the individual university boards of trustees,

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shall identify the specific academic disciplines and the
appropriate upper-level and graduate-level academic courses that
articulate to the targeted career areas identified in subsection
(2).

- (b) Prior to allocating any appropriated incentive awards, the Board of Governors shall establish a base from the 2003-2004 full-time equivalent student enrollments in the upper-level and graduate-level academic courses identified pursuant to this subsection and taken by students who are officially seeking an undergraduate or graduate degree in targeted academic disciplines identified pursuant to this subsection.
- (c) By August 15, 2004, the Board of Governors shall develop a methodology for allocating incentive awards for the 2004-2005 fiscal year based on a prorated share of the actual number of full-time equivalent student enrollment growth above the base year. Any appropriated funds for incentives that are not awarded by the end of the fiscal year shall revert to the General Revenue Fund unallocated.
- (4) TARGETED CRITICAL AREAS DURING FISCAL YEAR 2005-2006 AND THEREAFTER.--
- (a) By October 1, 2004, the Board of Governors, in consultation with the Agency for Workforce Innovation, Workforce Florida, Inc., and Enterprise Florida, Inc., shall develop a multiyear forecasting mechanism for identifying occupations in areas that may require an increase in undergraduate and graduate degree production. By October 1 of each year, such forecasting shall identify occupations with the largest unmet growth rates as well as the highest wage potential for subsequent years.

(b) By November 1, 2004, the Board of Governors shall develop a methodology for allocating incentive awards beginning with the 2005-2006 fiscal year based on increasing undergraduate and graduate degree production in academic disciplines linked to occupations identified by the forecasting specified in paragraph (a). Any funds appropriated for incentives that are not awarded by the end of the fiscal year shall revert to the General Revenue Fund unallocated.

- (5) ANNUAL REPORT.--By December 1 of each year, the Board of Governors shall submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives that details the implementation of this section, including any university successes or barriers to such implementation.
- Section 10. Section 1011.94, Florida Statutes, is amended to read:
 - 1011.94 Trust Fund for University Major Gifts.--
 - (1) There is established a Trust Fund for University Major Gifts. The purpose of the trust fund is to enable each university and New College to provide donors with an incentive in the form of matching grants for donations for the establishment of permanent endowments and sales tax exemption matching funds received pursuant to s. 212.08(5)(j), which must be invested, with the proceeds of the investment used to support libraries and instruction and research programs, as defined by the Board of Governors State Board of Education. All funds appropriated for the challenge grants, new donors, major gifts, sales tax exemption matching funds pursuant to s. 212.08(5)(j), or eminent scholars program must be deposited into the trust

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fund and invested pursuant to s. 17.61 until the Board of Governors State Board of Education allocates the funds to universities to match private donations. Notwithstanding s. 216.301 and pursuant to s. 216.351, any undisbursed balance remaining in the trust fund and interest income accruing to the portion of the trust fund which is not matched and distributed to universities must remain in the trust fund and be used to increase the total funds available for challenge grants. Funds deposited in the trust fund for the sales tax exemption matching program authorized in s. 212.08(5)(j), and interest earnings thereon, shall be maintained in a separate account within the Trust Fund for University Major Gifts, and may be used only to match qualified sales tax exemptions that a certified business designates for use by state universities and community colleges to support research and development projects requested by the certified business. The State Board of Education may authorize any university to encumber the state matching portion of a challenge grant from funds available under s. 1011.45.

- (2) The <u>Board of Governors</u> State Board of Education shall specify the process for submission, documentation, and approval of requests for matching funds, accountability for endowments and proceeds of endowments, allocations to universities, restrictions on the use of the proceeds from endowments, and criteria used in determining the value of donations.
- (3)(a) The <u>Board of Governors</u> State Board of Education shall allocate the amount appropriated to the trust fund to each university and New College based on the amount of the donation and the restrictions applied to the donation.

(b) Donations <u>from a private source must be</u> for a specific purpose <u>to support university priorities as established by the university's board of trustees and must be matched in the following manner:</u>

- 1. Each university that raises at least \$100,000 but no more than \$999,999 \$599,999 from a private source must receive a matching grant equal to 50 percent of the private contribution.
- 2. Each university that raises a contribution of at least \$600,000 but no more than \$1 million from a private source must receive a matching grant equal to 70 percent of the private contribution.
- 2.3. Each university that raises a contribution in excess of at least \$1 million but less no more than \$3 \$1.5 million from a private source must receive a matching grant equal to 60 percent of the private contribution.
- 4. Each university that raises a contribution in excess of \$1.5 million but no more than \$2 million from a private source must receive a matching grant equal to 80 percent of the private contribution.
- 3.5. Each university that raises a contribution in excess of \$3\$ \$2 million or more from a private source must receive a matching grant equal to 85 100 percent of the private contribution.
- 4. The maximum amount of matching funds that may be used to match a single gift in any given year is \$3 million. The maximum total amount of matching funds that may be used to match any single gift is \$15 million, to be distributed in equal amounts of \$3 million per year over a period of 5 years, subject to availability of funds.

(c) The State Board of Education shall encumber state matching funds for any pledged contributions, pro rata, based on the requirements for state matching funds as specified for the particular challenge grant and the amount of the private donations actually received by the university for the respective challenge grant.

- (4) Matching funds may be provided for contributions encumbered or pledged under the Eminent Scholars Act prior to July 1, 1994, and for donations or pledges of any amount equal to or in excess of the prescribed minimums which are pledged for the purpose of this section.
- Foundation shall establish a challenge grant account for each challenge grant as a depository for private contributions and state matching funds to be administered on behalf of the <u>Board of Governors or State Board of Education</u>, the university, or New College. State matching funds must be transferred to a university foundation or New College Foundation upon notification that the university or New College has received and deposited the amount specified in this section in a foundation challenge grant account.
- (b) The foundation serving a university and New College
 Foundation each has the responsibility for the maintenance and investment of its challenge grant account and for the administration of the program on behalf of the university or New College, pursuant to procedures specified by the Board of Governors State Board of Education. Each foundation shall include in its annual report to the Board of Governors State

 Board of Education information concerning collection and

HB 1781 2004 investment of matching gifts and donations and investment of the account.

- (c) A donation of at least \$600,000 and associated state matching funds may be used to designate an Eminent Scholar Endowed Chair pursuant to procedures specified by the State Board of Education.
- (6) The donations, state matching funds, or proceeds from endowments established under this section may not be expended for the construction, renovation, or maintenance of facilities or for the support of intercollegiate athletics.
- (7) Implementation of this section is contingent upon legislative appropriation and as provided by law.
 - Section 11. This act shall take effect July 1, 2004.