

By the Committee on Higher Education Appropriations; and  
Senators Oelrich, Rich and Dockery

605-2599-07

1                                   A bill to be entitled  
2            An act relating to academic fees; amending s.  
3            1009.01, F.S.; defining the term "tuition  
4            differential"; amending s. 1009.24, F.S.;  
5            authorizing a university to transfer revenues  
6            from certain fees to a university  
7            direct-support organization; limiting the  
8            purposes for which such revenues may be used;  
9            limiting the amount that may be transferred;  
10           authorizing the Board of Governors of the State  
11           University System to establish uniform  
12           undergraduate tuition differentials; providing  
13           certain conditions for the tuition  
14           differentials; amending s. 1009.98, F.S.;  
15           authorizing the Florida Prepaid College Board  
16           to provide advance payment contracts for  
17           tuition differentials for a specified number of  
18           undergraduate semester hours; providing an  
19           effective date.

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

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23           Section 1. Section 1009.01, Florida Statutes, is  
24 amended to read:

25           1009.01 Definitions.--The term:

26           (1) "Tuition" means the basic fee charged to a student  
27 for instruction provided by a public postsecondary educational  
28 institution in this state. A charge for any other purpose  
29 shall not be included within this fee.

30           (2) "Out-of-state fee" means the additional fee for  
31 instruction provided by a public postsecondary educational

1 institution in this state, which fee is charged to a  
2 non-Florida student as defined in rules of the State Board of  
3 Education. A charge for any other purpose shall not be  
4 included within this fee.

5 (3) "Tuition differential" means the supplemental fee  
6 charged to a student for instruction provided by a public  
7 university in this state pursuant to s. 1009.24(15).

8 Section 2. Subsection (8) of section 1009.24, Florida  
9 Statutes, is amended, and subsection (15) is added to that  
10 section, to read:

11 1009.24 State university student fees.--

12 (8) Each university board of trustees is authorized to  
13 establish separate activity and service, health, and athletic  
14 fees. When duly established, the fees shall be collected as  
15 component parts of tuition and fees and shall be retained by  
16 the university and paid into the separate activity and  
17 service, health, and athletic funds. Notwithstanding any other  
18 provision of law to the contrary, a university may transfer  
19 revenues derived from the fees authorized pursuant to this  
20 subsection to a university direct-support organization of the  
21 university to be used only for the purpose of paying and  
22 securing debt on projects approved pursuant to s. 1010.62 and  
23 pursuant to a written agreement approved by the Board of  
24 Governors. The amount transferred may not exceed the amount  
25 authorized for annual debt service pursuant to s. 1010.62.

26 (15) The Board of Governors may establish a uniform  
27 maximum undergraduate tuition differential that does not  
28 exceed 40 percent of tuition for all universities that meet  
29 the criteria for Funding Level 1 under s. 1004.635(3), and may  
30 establish a uniform maximum undergraduate tuition differential  
31 that does not exceed 30 percent of tuition for all

1 universities that meet the criteria for Funding Level 2 under  
2 s. 1004.635(3). However, the board shall ensure that the  
3 maximum tuition differential it establishes for universities  
4 meeting the Funding Level 1 criteria is at least 30 percent  
5 greater than the maximum tuition differential the board  
6 establishes for universities that meet Funding Level 2  
7 criteria. The tuition differential is subject to the following  
8 conditions:

9       (a) The sum of tuition and the tuition differential  
10 may not be increased by more than 15 percent of the total  
11 charged for these fees in the preceding fiscal year.

12       (b) The tuition differential may not be calculated as  
13 a part of the scholarship programs established in ss.  
14 1009.53-1009.537.

15       (c) Beneficiaries having prepaid tuition contracts  
16 pursuant to s. 1009.98(2)(b) which were in effect on July 1,  
17 2007, and which remain in effect, are exempt from the payment  
18 of the tuition differential.

19       (d) The tuition differential may not be charged to any  
20 student who was in attendance at the university before July 1,  
21 2007, and who maintains continuous enrollment.

22       (e) The tuition differential may be waived by the  
23 university for students who meet the eligibility requirements  
24 for the Florida public student assistance grant established in  
25 s. 1009.50.

26       (f) A university board of trustees that has been  
27 authorized by the Board of Governors to establish a tuition  
28 differential pursuant to this subsection may establish the  
29 tuition differential at a rate lower than the maximum tuition  
30 differential established by the board, but may not exceed the  
31 maximum tuition differential established by the board.

1           (g) The revenue generated from the tuition  
2 differential must be spent solely for improving the quality of  
3 direct undergraduate instruction and support services.

4           (h) Information relating to the annual receipt and  
5 expenditure of the proceeds from the assessment of the tuition  
6 differential shall be reported by the university in accordance  
7 with guidelines established by the Board of Governors.

8           Section 3. Paragraph (b) of subsection (2) of section  
9 1009.98, Florida Statutes, is amended to read:

10           1009.98 Stanley G. Tate Florida Prepaid College  
11 Program.--

12           (2) PREPAID COLLEGE PLANS.--At a minimum, the board  
13 shall make advance payment contracts available for two  
14 independent plans to be known as the community college plan  
15 and the university plan. The board may also make advance  
16 payment contracts available for a dormitory residence plan.  
17 The board may restrict the number of participants in the  
18 community college plan, university plan, and dormitory  
19 residence plan, respectively. However, any person denied  
20 participation solely on the basis of such restriction shall be  
21 granted priority for participation during the succeeding year.

22           (b)1. Through the university plan, the advance payment  
23 contract shall provide prepaid registration fees for a  
24 specified number of undergraduate semester credit hours not to  
25 exceed the average number of hours required for the conference  
26 of a baccalaureate degree. Qualified beneficiaries shall bear  
27 the cost of any laboratory fees associated with enrollment in  
28 specific courses. Each qualified beneficiary shall be  
29 classified as a resident for tuition purposes pursuant to s.  
30 1009.21, regardless of his or her actual legal residence.

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1           2. Effective July 1, 1998, the board may provide  
2 advance payment contracts for additional fees delineated in s.  
3 1009.24(8)-(11), for a specified number of undergraduate  
4 semester credit hours not to exceed the average number of  
5 hours required for the conference of a baccalaureate degree,  
6 in conjunction with advance payment contracts for registration  
7 fees. Such contracts shall provide prepaid coverage for the  
8 sum of such fees, to a maximum of 45 percent of the cost of  
9 registration fees. University plan contracts purchased prior  
10 to July 1, 1998, shall be limited to the payment of  
11 registration fees as defined in s. 1009.97.

12           3. Effective July 1, 2007, the board may provide  
13 advance payment contracts for the tuition differential  
14 authorized in s. 1009.24(15) for a specified number of  
15 undergraduate semester credit hours, which may not exceed the  
16 average number of hours required for the conference of a  
17 baccalaureate degree, in conjunction with advance payment  
18 contracts for registration fees.

19           Section 4. This act shall take effect July 1, 2007.  
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1                   STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
2                   COMMITTEE SUBSTITUTE FOR  
3                   Senate Bill 1710

4 The Committee Substitute replaces the original bill's academic  
5 enhancement fee with a tuition differential to be established  
6 by the Board Of Governors for certain universities. The growth  
7 of tuition plus the differential cannot exceed 15% for any  
8 fiscal year.

9 The tuition differential will not be covered by the Bright  
10 Futures scholarship. Beneficiaries of prepaid contracts in  
11 effect in July 1, 2007 are exempt from the fee. Students who  
12 are presently enrolled and remain continuously enrolled will  
13 not be charged the fee.

14 The University Board of Trustees of a university which has  
15 been authorized by the Board Of Governors to charge a  
16 differential tuition may establish a differential tuition  
17 lower than the maximum authorized by the Board Of Governors.  
18 Revenue generated by the tuition differential must be spent  
19 solely for improving the quality of direct undergraduate  
20 instruction and support services.

21 The bill also clarifies that activity and service, and  
22 athletic fee revenue may be transferred to the university DSO  
23 for the purpose of paying and securing bonds for university  
24 capital outlay projects. The amount that can be transferred  
25 cannot exceed 5% of the most recent 12 month collection of the  
26 fee.

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