The Florida Senate

BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Higher Education Appropriations Committee

BILL:	CS/SB 1014
INTRODUCER:	Higher Education Committee and Senator Gaetz
SUBJECT:	Historic Pensacola Properties Management
DATE:	April 2, 2008 REVISED:

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Rhea	Wilson	GO	**Fav/1 amendment**
2.	Harkey	Matthews	HE	**Fav/CS**
3.	Belcher	Noble	TA	**Favorable**
4.	Bryant	Hamon	HI	**Favorable**
5.				
6.				

Please see Section VIII. for Additional Information:

A. COMMITTEE SUBSTITUTE.....	X	Statement of Substantial Changes
B. AMENDMENTS.....		Technical amendments were recommended
		Amendments were recommended
		Significant amendments were recommended

I. Summary:

The bill provides for the University of West Florida to lease state-owned properties, which currently are leased to the Department of State, and then in turn subleased to the University of West Florida for management purposes. The bill provides that, upon agreement by all parties to the existing management contracts, the contracts will be rescinded upon execution of a management contract between the Board of Trustees of the Internal Improvement Trust Fund and the University of West Florida. The university is still authorized to contract with its direct-support organization to manage the properties.

The Department of State's current authority to convey ownership of tangible personal property to the university is transferred to the Board of Trustees of the Internal Improvement Trust Fund. Further, the university's current authority to sell or transfer such property is limited by requiring prior authorization from the Department of State before disposal of any tangible personal property that has intrinsic historical or archaeological value relating to the history, government, or culture of the state.

This bill amends section 267.173, Florida Statutes.

II. Present Situation:

Chapter 267, F.S., the "Florida Historical Resources Act," delegates to the Division of Historical Resources of the Department of State the authority to implement the provisions of the act and to enter into contracts ". . . as it may determine are necessary, expedient, or incidental to the performance of its duties or the execution of its powers under this chapter."[1]

Section 267.173(2), F.S., requires the Department of State (department) to contract with the University of West Florida for the management of the various state-owned properties managed by the Historic Pensacola Preservation Board of Trustees prior to July 1, 2001.[2] The university, in turn, is authorized to contract with a direct-support organization to manage the historic properties. The contract requires that the university must use all proceeds derived from the management of the properties for the purpose of advancing historic preservation.

The statute authorizes the department to transfer ownership and responsibility to any artifacts, documents, equipment, and other forms of tangible personal property to the university to assist in management transition. The university is designated as the governing body for the management and maintenance of the state-owned properties contracted by the section and is delegated authority to perform all lawful acts to effectuate its function and purpose.

The university is delegated authority to contract with the direct-support organization authorized by s. 267.1732, F.S.[3] Under s. 267.173(4)(b), F.S., the university or its direct-support organization is authorized to:

- Rent or lease for revenue any land, improved or restored real estate, or personal property directly related to carrying out the purposes for historic preservation under terms and conditions of the contract with the Department of State and deemed by the university to be in the best interest of the state;
- Sell craft products created through the operation and demonstration of historical museums, craft shops, and other facilities; and
- Sell merchandise relating to the historical and antiquarian period of Pensacola and its surrounding territory and the historical period of West Florida from the Apalachicola River to the western boundary of the state.

Under s. 267.173(4)(c), F.S., the university or the direct-support organization is delegated authority to:

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[1] s. 267.031(2), F.S.

[2] According to the Department of State, the State of Florida through the Trustees of the Internal Improvement Trust Fund owns 24 parcels of property in downtown Pensacola including 17 historic buildings dating from 1805 to 1950. The properties were managed by the state-funded Historic Pensacola Preservation Board under the Department of State until 2001 when the Board was dissolved by the Legislature.

[3] The sole purpose of the direct-support organization authorized by this section is to support the historic preservation efforts and the historic preservation education programs and initiatives of the university. The direct-support organization is required to be: (a) a Florida not-for-profit corporation; (b) organized and operated to receive, hold, invest, and administer property and to make expenditures to or for the benefit of the university; and (c) approved by the university to operate for the benefit of and in a manner consistent with the goals of the university and in the best interest of the state.

- Enter into agreements to accept credit card payments as compensation, and establish accounts in credit card banks for the deposit of credit card sales invoices;
- Fix and collect charges for admission to any of the state-owned facilities under contract with the department;
- Permit the acceptance of tour vouchers issued by tour organizations or travel agents for payment of admission; and
- Adopt and enforce reasonable rules to govern the conduct of the visiting public.

Under s. 267.173(7), F.S., upon recommendation by the direct-support organization to the university president, the university may exchange, sell, or otherwise transfer any artifact, document, equipment and other form of tangible personal property if the item no longer appropriately advances historic preservation.

III. Effect of Proposed Changes:

Upon agreement by all parties to the existing management contracts for the various state-owned properties managed by the Historic Pensacola Preservation Board of Trustees prior to July 1, 2001, those existing contracts would be rescinded upon execution of a contract between the Board of Trustees of the Internal Improvement Trust Fund and the University of West Florida for the management of those properties.

The university is required to provide for the management of these state-owned properties and may contract with the direct-support organization authorized by s. 267.1732, F.S. The contract must provide that all proceeds derived from the management of these properties must be used for the purposes of advancing historic preservation, historic preservation research, and historic preservation education.

The Board of Trustees of the Internal Improvement Trust Fund, rather than the Department of State, would have the authority to convey ownership of artifacts, documents, equipment and other tangible personal property to the university. While the university may sell or transfer such personal property if its direct-support organization recommends it to the university president, and if it is determined that the object is no longer appropriate for the purpose of advancing historic preservation, the department must provide prior approval for sale, exchange, or transfer of any tangible personal property that has intrinsic historical or archaeological value relating to the history, government, or culture of the state.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The university and its direct-support organization are eligible to match state funds in the Alec P. Courtelis University Facility Enhancement Challenge Grant Program established pursuant to s. 1013.79, F.S. The grant program is for the purpose of assisting universities build high priority instructional and research-related capital facilities, including common areas connecting such facilities. The associated foundations that serve the universities are required to solicit gifts from private sources to provide matching funds for capital facilities. By October 1 of each year, the Board of Governors must transmit to the Legislature a list of projects that meet all eligibility requirements to participate in the Alec P. Courtelis University Facility Enhancement Challenge Grant Program and a budget request that includes the recommended schedule necessary to complete each project. In order for a project to be eligible under this program, it must be included in the university 5-year capital improvement plan and must receive approval from the Board of Governors or the Legislature. The bill clarifies that the historic Pensacola properties, which at the present time are eligible, will continue to be eligible for the Courtelis grant program.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Education Pre-K – 12 on March 19, 2008:

CS for SB 1014:

The committee substitute clarifies that the University of West Florida or its direct-support organization must use all proceeds derived from management of the state-owned historic properties for the purposes of advancing historic preservation, historic preservation research, and historic preservation education. Further, the committee substitute expands the contract authority delegated to the university and its direct-support organization to permit contracts to enhance the historic properties under their management.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.