

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/CS/SB 2442

INTRODUCER: Higher Education Appropriations Committee, Higher Education Committee and Senator Lynn

SUBJECT: State University System

DATE: April 6, 2010 **REVISED:** _____

| | ANALYST | STAFF DIRECTOR | REFERENCE | ACTION |
|----|---------|----------------|-----------|--------|
| 1. | Harkey | Matthews | HE | Fav/CS |
| 2. | Bryant | Hamon | HI | Fav/CS |
| 3. | | | WPSC | |
| 4. | | | | |
| 5. | | | | |
| 6. | | | | |

Please see Section VIII. for Additional Information:

A. COMMITTEE SUBSTITUTE..... Statement of Substantial Changes

B. AMENDMENTS..... Technical amendments were recommended

Amendments were recommended

Significant amendments were recommended

I. Summary:

This bill authorizes the Board of Governors to align the missions of the state universities according to:

- The quality of its students;
- The national reputation of its faculty and its academic research programs;
- The quantity of externally generated research, patents, and licenses; and
- The BOG’s strategic and accountability plans.

A research university with international impact shall be afforded the freedom to pursue an agenda on the global stage in fair competition with other institutions of other states in the highest Carnegie classification.

The bill requires a Florida college to submit notice of its intent to propose a baccalaureate degree program to the Chancellor of the State University System at the same time as notice is provided to the Division of Florida Colleges.

This bill amends sections 1001.706, 1004.226, and 1007.33, Florida Statutes.

II. Present Situation:

State University System (SUS)

The state university system (SUS) consists of the following 11 universities and any branch campuses, centers, or other affiliates of the institutions:

- The University of Florida;
- The Florida State University;
- The Florida Agricultural and Mechanical University;
- The University of South Florida;
- The Florida Atlantic University;
- The University of West Florida;
- The University of Central Florida;
- The University of North Florida;
- The Florida International University;
- The Florida Gulf Coast University; and
- New College of Florida.¹

Under s. 1001.75, F.S., the 17-member BOG has the responsibility for managing the SUS and defining the constituent mission of each university. The powers and duties of the board include financial accounting and the preparation of the SUS's budget requests, developing a strategic plan for the SUS with objectives for each constituent university, maintaining an effective information system, establishing the personnel program for all university employees except the president, and developing guidelines for the university boards of trustees relating to property and facilities.

The BOG Strategic Plan

The BOG adopted the SUS Strategic Plan 2005-2013 on June, 2005. The Board established system goals for 2012-2013 in the following areas:

- Goal 1: Access to and production of degrees
- Goal 2: Meeting statewide professional and workforce needs
- Goal 3: Building world-class academic programs and research capacity
- Goal 4: Meeting community needs and fulfilling unique institutional responsibilities

The Strategic Plan includes mission and vision statements for each constituent university.² The university strategic plans and factbooks are available on the BOG website.³

The BOG has developed a planning and accountability framework to help maximize the SUS's capacity to meet state economic development needs through education and research and development. The multi-year university work plans and annual reports reflect each institution's unique mission and focus on core strengths within the context of SUS goals and regional and statewide needs. The 2009 Annual Report,⁴ the first installment in the process, provides an

¹ s. 1000.21(6), F.S.

² http://www.flbog.org/about/doc/strategicplan/StrategicPlan_05-13.pdf

³ <http://www.flbog.org/resources/factbooks/>

⁴ <http://www.flbog.edu/resources/publications/accountability.php>

overview of the System's historical performance on a range of measures, with an emphasis on performance during the last five years for which data are available on any given metric. The report highlights SUS-level performance on key measures and outlines the system's progress on indicators related to the BOG Strategic Plan. The report provides detailed data for the individual institutions.

Education and Research and Development

The 21st Century Technology, Research, and Scholarship Enhancement Act⁵ was created for the purpose of attracting world class scholars to the state universities and building centers of excellence at universities as a means of increasing technology-based business in Florida. The statute requires the BOG to produce an annual report on research centers that received investments under the Act. According to the BOG, the 2009 Annual report includes information that meets that requirement.

Notice of Intent to Offer a Baccalaureate Degree Program at a Florida Colleges

Section 1007.33, F.S., establishes the procedure for establishing a baccalaureate degree program at a Florida college. A Florida college proposing to offer a baccalaureate degree must notify the Division of Florida Colleges of its intent to propose the program at least 100 days before submitting its proposal to the division. Within 10 days of its receipt of the notice, the division must forward the notice to the chancellor of the state university system, the president of the Independent Colleges and Universities of Florida, and the executive director of the Commission for Independent Education. The state universities and private colleges and universities may submit alternative proposals to offer the baccalaureate degree.

III. Effect of Proposed Changes:

This bill authorizes the Board of Governors to align the missions of the state universities according to:

- The quality of its students;
- The national reputation of its faculty and its academic research programs;
- The quantity of externally generated research, patents, and licenses; and
- The BOG's strategic and accountability plans.

The bill authorizes the BOG strategic plan to consider peer institutions among the state universities. The mission alignment and strategic plan must acknowledge that universities with a national and international impact have the greatest capacity to promote Florida's economic development. The bill provides for a nationally recognized and ranked university in the highest Carnegie classification that has a global perspective to be afforded the freedom to pursue an agenda on the global stage in fair competition with comparable institutions of other states.

The bill amends the 21st Century Technology, Research, and Scholarship Act to provide a legislative finding that a university that has a national and international impact has the greatest capacity to promote Florida's economic development through new discoveries, patents, licenses, and technologies that generate state business of global importance.

⁵ s. 1004.226, F.S.

The bill requires a Florida college to submit notice of its intent to propose a baccalaureate degree program to the Chancellor of the State University System at the same time as notice is provided to the Division of Florida Colleges.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. Other Constitutional Issues:

On March 24, 2010, the BOG and the Legislature reached an agreement in the settlement of the lawsuit *Graham et al., v. Pruitt, et al.*, which delineates the roles the Legislature and the BOG in exercising authority over the state's higher education system. The ramifications of the agreement relative to this bill are not known.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

University education and research contributes to the state's economy. The impact of the requirements of this bill on the private sector is indeterminate.

C. Government Sector Impact:

The bill authorizes the BOG to permit certain universities to have the regulatory freedom to compete globally in areas that might lead to economic development. The impact on government is indeterminate.

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 Committee on Higher Education Appropriations on April 6, 2010:

The committee substitute clarifies the term “comparable” to mean nationally recognized and ranked institutions of other states in the highest Carnegie classification. It also adds life sciences to the areas of emphasis and removes the stipulation that the Board of Governors and the Legislature may assign specific projects and responsibilities to nationally recognized state institutions.

CS by Higher Education on March 26, 2010:

The committee substitute requires a Florida college to submit notice of its intent to propose a baccalaureate degree program to the Chancellor of the State University System at the same time as notice is provided to the Division of Florida Colleges.

- B. **Amendments:**

None.