

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 Finance and Tax Committee

BILL: CS/SB 778

INTRODUCER: Higher Education Committee and Senator Constantine

SUBJECT: State Universities/Fees

DATE: March 5, 2010 **REVISED:** _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Harkey	Matthews	HE	Fav/CS
2.	Fournier	McKee	FT	Favorable
3.			HI	
4.			WPSC	
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 a university board of trustees to implement a renewable energy fee with approval from the student body.

This bill amends ss. 1009.01, 1009.24, and 1009.98, Florida Statutes.

II. Present Situation:

University Student Fees

State university students pay a number of fees in addition to tuition. The sum of the activity and service fee, health fee and athletic fee may not exceed 40 percent of tuition. The financial aid fee may not exceed five percent of tuition. The Capital Improvement Trust Fund Fee is \$2.44 per credit hour and the building fee is \$2.32 per credit hour. The technology fee may not exceed five percent of tuition. The tuition differential fee, which supports undergraduate education and provides financial aid, is capped when the aggregate sum of tuition and fees reaches the national average of tuition and fees at public 4-year institutions.

According to information provided by the Board of Governors, \$337,666,699 in fee revenue was collected by state universities in 2008-09.

III. Effect of Proposed Changes:

Student Fee for Renewable Energy

The bill creates a new subsection in s. 1009.24, F.S., which would authorize each university board of trustees to establish a renewable energy fee to be paid by all students, provided the student body of a university approved the fee as well. The fee would be limited to a maximum of \$1 per credit hour during its first year of implementation. The bill does not cap the fee after the first year. The fee would not be covered by Bright Futures Scholarships. A university assessing the fee would have to establish a renewable energy fee committee to determine how the fee would be spent. Use of the fee would be limited to renewable energy technologies or energy efficiencies that directly lower the university's greenhouse gas emissions, waste, or energy costs. A university would have to hold a referendum three years after the implementation of a renewable energy fee to determine if the students were interested in continuing the fee.

The bill conforms cross-references in ss. 1009.01, and 1009.98, F.S.

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:

If a state university's student body voted to establish a renewable energy fee, each student at the university would pay the fee, which would not be covered by Bright Futures Scholarships. If the maximum fee of \$1 per credit hour was assessed, the cost for 30 credit hours would be \$30 during the first year of implementation. The fee could be increased if the students approved the change through a referendum.

C. **Government Sector Impact:**

The renewable energy fee is an optional fee to be approved by a university's student body and established by the university's board of trustees. The Board of Governors estimates that if all universities implemented the energy fee at \$1 per credit hour, the total revenues would be approximately \$7.5 million. Revenue from the fee would provide additional resources for a university to establish or improve renewable energy technologies. The cost of such technologies and any potential cost savings to the university in energy efficiencies 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.)

Committee Substitute by Higher Education on February 18, 2010:

The committee substitute does not revise the definition of a continuing contract for professional architectural, engineering, and mapping services and does not change the authority for university boards of trustees to approve the use of Public Education Capital Outlay (PECO) funds for the replacement of minor facilities up to a cost of \$1 million.

B. **Amendments:**

None.