

**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 Committee on Education

BILL: SB 1720

INTRODUCER: Senator Galvano

SUBJECT: College Instruction

DATE: March 11, 2013

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Harkey	Klebacha	ED	<b>Pre-meeting</b>
2.			AED	
3.			AP	
4.				
5.				
6.				

**I. Summary:**

SB 1720 creates options in the delivery of postsecondary education to give students better access to degree programs. The bill:

- Requires flexibility in the delivery of developmental education in Florida College System institutions to permit students to begin credit courses immediately while they develop the particular skills they need to successfully perform college work;
- Gives Florida colleges the ability to waive all or a portion of tuition and fees in order to provide a bachelor's degree program to Florida residents for \$10,000;
- Authorizes the Board of Governors (BOG) to create an on-line arm of a preeminent research university; and
- Makes the Degree Completion Pilot Program into a permanent degree completion program called Complete Florida Degree Program.

The bill also repeals the requirement for Bright futures Scholarship recipients to file a Free Application for Student Financial Aid (FASFA) form, codifies the authority of the Board of Governors over state universities in regard to audit findings, and revises general education requirements.

The bill takes effect July 1, 2013.

SB 1720 amends ss. 11.45, 1001.02, 1001.64, 1004.02, 1004.58, 1004.93, 1006.735, 1007.23, 1007.25, 1007.263, 1007.271, 1008.30, 1008.37, 1009.22, 1009.23, 1009.26, 1009.285, 1009.286, 1009.40, 1009.53, 1009.531, and 1011.84, Florida Statutes.

SB 1720 creates ss. 1001.7065, 1008.02, 1008.322, Florida Statutes.

SB 1720 repeals s. 1009.28, Florida Statutes.

## II. Present Situation:

### College Remediation

All first-time-in-college (FTIC) degree-seeking students, who have not already demonstrated college readiness, must be evaluated in reading, writing, and math prior to initial registration in a public postsecondary educational institution.<sup>1</sup> Students may demonstrate college readiness by meeting specified cut scores on one of four approved assessment tools.<sup>2</sup>

Students who are unable to achieve any of the cut scores established by rule must enroll in developmental (also known as remedial or college-preparatory) instruction courses. A degree-seeking student who is required to complete a developmental education course must successfully complete the required developmental education studies by the time the student has accumulated 12 hours of lower-division college credit degree coursework; however, a student may continue enrollment in degree-earning coursework provided the student maintains enrollment in college-preparatory coursework for each subsequent semester until college-preparatory coursework requirements are completed.<sup>3</sup>

The vast majority of students needing developmental education attend Florida College System (FCS) institutions. With the exception of Florida Agricultural and Mechanical University, state universities are not permitted to offer developmental education courses but may contract with FCS institutions to provide developmental education services for their students in need of remediation.<sup>4</sup>

The practice of requiring students to enroll in non-credit remedial classes before attempting college classes for credit frequently does not lead to student success. Complete College America reports that, “Graduation rates for students who started in remediation are deplorable: Fewer than 1 in 10 graduate from community colleges within three years and little more than a third complete bachelor’s degrees in six years.”<sup>5</sup> Complete College America, Inc. recommends that extra academic help be a corequisite, not a prerequisite, to college credit instruction.<sup>6</sup> A joint statement by the Charles A. Dana Center, Complete College America, Inc., the Education Commission of the States, and Jobs for the Future, calls for new core principals to reform remedial education that include completing gateway courses that align with the student’s program of study, integrating academic support with a gateway college-credit course, requiring students to enter a meta-major when they enroll in college and begin a program of study in their first year, and using multiple measures to assess students’ preparedness for college-level work,

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<sup>1</sup> Rule 6A-10.0315(1), F.A.C.

<sup>2</sup> Rule 6A-10.0315(1), (2), F.A.C.

<sup>3</sup> s. 1008.30(4)(a), F.S.

<sup>4</sup> s. 1008.30(4)(b), F.S.

<sup>5</sup> “Remediation: Higher Education’s Bridge to Nowhere”, Complete College America, Inc., 2012, p. 3, readable at : <http://www.completecollege.org/docs/CCA-Remediation-final.pdf>

<sup>6</sup> *Ibid.*, p. 3.

and providing accelerated routes for students who are significantly underprepared to enter programs of study.<sup>7</sup>

### **BOG Authority Over State Universities**

The Auditor General is required to annually conduct financial audits of state universities, and at least every three years, conduct operational audits.<sup>8</sup> The audits determine whether financial resources are properly accounted for; whether public officials comply with applicable laws, rules, regulations and other legal requirements; whether proper and effective internal controls are in place over operations; and whether assets are appropriately safeguarded.

BOG Regulation 1.001 requires each board of trustees to establish an audit committee and appropriate policies and procedures for conducting audits of university operations. In addition to internal audits, pursuant to section 11.45(7)(j), F.S., the Auditor General is required to notify the Joint Legislative Audit Committee (JLAC) of any audit review that indicates a state university has failed to take corrective action in response to a recommendation that was included in the two preceding audit reports. If the JLAC determines that the university has failed to take full corrective action for which there is no justifiable reason or has failed to comply with committee requests, the committee may proceed under section 11.40(2), F.S. While section 11.40(2), F.S. provides for JLAC to refer these matters to the appropriate governing authorities for charter schools and special districts, the statute does not address referral to the Board of Governors for university-related matters or to the State Board of Education for college-related matters.

Under s. 1008.32, F.S., the State Board of Education's (SBE) oversight enforcement authority for the Florida College System (FCS) includes the authority to request information, data, and reports from FCS institutions. The Commissioner of Education may investigate allegations of noncompliance with law or SBE rule and determine probable cause and report such findings to the SBE. Once a determination of probable cause for violation of a law or rule is reported to the SBE, the SBE must require the FCS institution's board of trustees to document compliance with the law or rule. If the board of trustees cannot satisfactorily document compliance, the SBE may order compliance within a specified time frame.

### **Preeminent State Research University/On-line University**

The 2012 Legislature provided funds to the Board of Governors to obtain the services of a consulting firm that would study on-line education in Florida. Through a competitive bidding process, the contract was awarded to The Parthenon Group. The Scope of Services provided that the study would include, among other requirements, a description of the nature and extent of existing on-line postsecondary programs in Florida; an assessment of educational opportunities needed to boost Florida's economy; options for expanding the awarding of degrees; and, for each option, a ten-year plan for start-up and operating costs, enrollments, degree production, and revenue generated.<sup>9</sup> The report by the Parthenon Group provided four options for on-line postsecondary programs: institutions continuing to independently offer on-line courses and programs; coordinating on-line education state-wide through a single coordinating body; having

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<sup>7</sup> "Core Principals for Transforming Remedial Education: A Joint Statement, Charles A. Dana Center, Complete College America, Inc., the Education Commission of the States, and Jobs for the Future, December 2012, p. 6., readable at: <http://www.ecs.org/docs/STATEMENTCorePrinciples.pdf>

<sup>8</sup> s. 11.45(2), F.S.

<sup>9</sup> Florida Board of Governors, [http://www.flbog.edu/resources/publications/on-line\\_university.php](http://www.flbog.edu/resources/publications/on-line_university.php)

a lead institution drive the development of new on-line offerings in targeted degrees; or creating a new on-line institution.<sup>10</sup>

The BOG Strategic Planning committee discussed the findings of the Parthenon report and heard testimony from various experts in on-line programs. The committee recommended that the BOG:

1. Use the Strategic Plan preeminence metrics to designate the university which would create a separate arm to provide on-line degree programs of the highest quality, and that funds be requested of the Legislature to support such an effort. The preeminence metrics would be those passed by the 2012 Legislature and approved by the Board for use in the 2012-2013 university workplans. Further, the selected university would create an innovation and research center to (1) ensure the State is a leader in the development of cutting-edge technology and instructional design for the on-line programs and (2) conduct research that would help strengthen on-line degree programs and the success of on-line students.
2. Direct the Chancellor to form a systemwide work group that would report back to the Strategic Planning Committee and continue to work with our colleges and universities and the other delivery systems to determine ways in which services and on-line degree programs, including market-based job analyses, can be better coordinated to ensure state and student needs are being met in a cost-efficient and effective manner.<sup>11</sup>

In a February 21, 2103 conference call the BOG approved the Strategic Planning Committee's recommendations.

Currently, 10 of Florida's 12 state universities offer on-line courses and on-line degree programs. Each institution has its own, independent on-line strategy, with its own marketing, course design, instruction, support services, and IT capabilities. Systemwide, state universities offer a total of 389 on-line programs for undergraduate and graduate certificates, bachelor's degrees, master's degrees, and doctorate degrees. Of the 389 on-line programs currently offered by state universities, only 46 are baccalaureate programs. The majority of these consist of only upper-division courses.<sup>12</sup>

### **Performance Metrics**

The SUS Annual Accountability Report includes metrics including, but not limited to, student retention, graduation rates, degrees granted by level, research expenditures, patents and licenses, and national rankings which are included in university work plans. In addition, the average high school grade point average (GPA) and average SAT scores for each university are calculated annually and published as part of the State University System on-line Fact Book. Additionally, universities regularly report data on performance to a number of nationally recognized organizations including the National Science Foundation (NSF) and the Center for Measuring University Performance<sup>13</sup>

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<sup>10</sup> "Summary: Post-Secondary On-line Expansion in Florida", The Parthenon Group, November 7, 2012.

<sup>11</sup> Florida Board of Governors, [http://www.flbog.edu/documents\\_meetings/0176\\_0683\\_5273\\_204%20BOG\\_SPC%20On-line%20Ed\\_AI.pdf](http://www.flbog.edu/documents_meetings/0176_0683_5273_204%20BOG_SPC%20On-line%20Ed_AI.pdf)

<sup>12</sup> Florida Board of Governors bill analysis for SB 1720, on file with the Senate Education Committee.

<sup>13</sup> *Ibid.*

Currently, students who enroll at state universities frequently bring with them several hours of accelerated college credit earned either through Advanced Placement (AP), International Baccalaureate (IB), or dual enrollment courses while in high school. Florida law and the Statewide Articulation Agreement require that these students be given college credit for any such course that counts towards their degree.

### **\$10,000 College Degree at Florida College System Institutions**

On November 26, 2012, Florida Governor Rick Scott issued a challenge to the FCS institutions to develop baccalaureate degree programs that would cost students no more than a total of \$10,000.<sup>14</sup> All 23 Florida College System institutions currently offering baccalaureate degree programs have announced their support for the challenge<sup>15</sup>.

Florida College System institution boards of trustees establish the rate of tuition and out-of-state fees for their respective institutions within parameters established by the Legislature. The rate established by the board of trustees may vary by up to 15 percent above or 10 percent below the combined total of the standard tuition and fees set by law.<sup>16</sup> Tuition and out-of-state fees for upper-division courses must reflect the fact that FCS institutions have a less expensive cost structure than that of state universities.<sup>17</sup> Florida College System boards of trustees are authorized to establish a number of fees including an activity and service fee, financial aid fee, technology fee, and capital improvement fee.<sup>18</sup>

### **Degree Completion Pilot Project**

The 2012 Legislature created the Degree Completion Pilot Project to recruit, recover, and retain the state's adult learners and assist them in completing an associate or baccalaureate degree that is aligned to high-wage, high-skill workforce needs<sup>19</sup>. The Pilot is led by the University of West Florida, in collaboration with other FCS and SUS institutions statewide. However, funding for the pilot, set by the 2012 General Appropriations Act at approximately \$2.5 million, was vetoed by the Governor.

### **General Education Requirements**

The 2012 Legislature reduced the number of required general education course credit hours from 36 to 30, for the purpose of providing institutions with flexibility in developing a solid foundation for students enrolled in their undergraduate programs, beginning with students initially entering a FCS institution or state university in 2014-2015.<sup>20</sup> However, the Southern Association of Colleges and Schools (SACS) Commission on Colleges informed institutions that a reduction in general education credit hours would constitute a substantive change requiring SACS approval. Each FCS institution and state university would be required, for accreditation

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<sup>14</sup> Executive Office of the Governor, news release, readable at: <http://www.flgov.com/2012/11/26/governor-rick-scott-announces-governors-10000-degree-challenge-to-make-college-more-affordable/>

<sup>15</sup> Executive Office of the Governor, news release, readable at: <http://www.flgov.com/2013/01/28/gov-scott-announces-all-23-florida-state-colleges-with-baccalaureate-degrees-have-accepted-10k-degree-challenge/>

<sup>16</sup> s. 1009.23(4), F.S.

<sup>17</sup> s.1009.23(2)(b), F.S.

<sup>18</sup> s. 1009.23, F.S.

<sup>19</sup> s. 1006.735, F.S.

<sup>20</sup> ch. 2012-195, L.O.F.

purposes, to submit to SACS formal notice of the reduction at least six months in advance of implementation in 2013.

### **FASFA Requirement**

The 2011 Legislature required students who receive funds under the Florida Bright Futures Scholarship Program, the William L. Boyd, IV, Florida resident access grant (FRAG), and the Access to Better Learning and Education (ABLE) Grant Program, to submit a complete and error-free Free Application for Federal Student Aid (FAFSA) as a condition of eligibility. The Bright Futures Scholarship is a merit scholarship, whereas the FRAG and ABLE grants are tuition assistance payments that are not based on merit or need. The Legislature required students to submit the FASFA to gather more comprehensive data on students who are provided state student financial aid in programs that are not based on the student's financial need. Some parents of Bright Futures Scholarships complained that they did not want to be compelled to disclose family financial information in order for their child to be eligible for a merit-based scholarship.

## **III. Effect of Proposed Changes:**

### **Remedial Education in Colleges and Universities**

SB 1720 replaces college preparatory instruction with developmental education. The bill repeals the authority for Florida College System institutions to provide college preparatory instruction as stand-alone non-credit courses and requires instead developmental education—skill-building instruction—that is co-requisite with credit courses. The bill repeals the authorization for institutions to use Florida College System program funds for remedial education and authorizes using the funds for developmental education.

The bill changes requirements related to testing, placement, and instructional requirements and options for preparing students with communication and computation skills necessary to succeed in college-level work and directs state and local boards to develop rules and requirements to implement the change from college preparatory education to developmental education.

Developmental education may be implemented through an accelerated course structure which allows students to attain specific skills at their own pace and through corequisite education, which means that developmental education is required along with a credit course. Developmental education may be provided through modularized instruction or embedded in the credit-bearing course. The credit course may be offered over an extended period of time, such as two semesters instead of one. Entering students will be able to enroll in gateway courses, the entry-level courses for their meta-major. A meta-major is a group of programs of study that share common foundational skills. By October 1, 2013, The State Board of Education in conjunction with the BOG must approve a series of meta-majors and identify the gateway courses required for success in each meta-major.

By January 1, 2014, the State Board of Education must adopt rules to implement developmental education which must include:

- Student achievements that may be considered by institutional boards, such as performance on college placement tests, grade point averages, work history, military experience, career interests, degree major declaration;

- Recommended options for students performing at levels indicating adult education as an appropriate place for students to develop needed college-entry skills;
- Sufficient flexibility for local professional judgment and determinations of appropriate student options for achieving necessary skills; and
- Limits on credit course enrollment for students indicating the need for college preparatory assistance in two or more content areas.

The bill authorizes colleges to charge fees for developmental education and repeals the authorization to charge fees for non-credit remedial courses. The current requirement for a student to pay 100 percent of the cost of a college-credit course after taking the course twice is changed to require a student to pay 100% of cost of instruction after taking a credit course once except for students enrolled in a gateway course.

### **\$10,000 College Degree at Florida College System Institutions**

SB 1720 authorizes a Florida College System institution to waive any or all of tuition and the fees that are indexed to tuition, plus the distance-learning user fee when applicable, in order to provide a baccalaureate degree for Florida residents that costs no more than \$10,000 for tuition and specified fees.

### **Repeal of FASFA Requirement for Bright Futures Scholarship Recipients**

SB 1720 repeals the requirement for Bright Futures Scholarship recipients to submit a Free Application for Federal Student Aid (FAASFA) form in order to be eligible to receive the scholarship.

### **Preeminent University/On-line Postsecondary Education**

SB 1720 grants the BOG authority to designate a qualifying institution as a preeminent state research university if it has met the benchmarks for 11 of the 12 specified standards. The state university that has attained the highest level on the academic and research standards for preeminence must establish a fully on-line arm of the university, subject to funds appropriated by the Legislature. The bill creates a board of directors to develop, implement, and oversee the business aspects of the university's on-line arm. The academic quality, accreditation, and curricular standards of the on-line arm are the responsibility of the university president and board of trustees, in conjunction with the Board of Governors.

Membership of the on-line arm's board of directors is specified, with appointments being made by the university president, chair of the Board of Trustees, the Governor, the Senate President, the House Speaker, the chair of the Board of Governors, and the chair of the Florida Polytechnic Board of Trustees. The university president and the Board of Trustees chair appoint "permanent" members.

The proposed language requires the university to offer, as part of its on-line arm, a fully on-line Masters in Business Administration degree program. The board of directors may set market rate tuition for nonresident students for all programs to be offered through the on-line arm. Currently, an institution's Board of Trustees submits a proposal to the Board of Governors for approval to set market rate tuition for graduate-level on-line programs or graduate-level programs offered through a university's continuing education program.

The state research university that attains the second highest level on the academic and research standards for preeminence is required to recruit National Academy Members, expedite provision of a master's degree in cloud virtualization, and institute an entrepreneurs-in-residence program throughout its campus, subject to funds appropriated by the Legislature.

### **Preeminent State Research University Special Courses**

The bill authorizes a preeminent state research university to establish special course requirements for incoming first-time-in-college students to take a 9-to-12 credit set of courses specifically determined by the university. The university may stipulate that credit for such courses may not be earned through any acceleration mechanism pursuant to ss. 1007.27 or 1007.271, F.S., or other transfer credit. Any accelerated credits earned up to the limits specified in ss. 1007.27 and 1007.271, F.S., must be applied toward graduation at the student's request.

### **University Flexibility**

The Board of Governors is instructed to identify and grant all reasonable feasible authority and flexibility to keep designated preeminent universities free from unnecessary restrictions. It is the Board's constitutional responsibility to "operate, regulate, control, and be fully responsible for the management of the whole university system. These responsibilities shall include, but not be limited to ensuring the well-planned coordination and operation of the system, and avoiding wasteful duplication of facilities or programs."<sup>21</sup> The bill also encourages the Board of Governors to identify individual programs within state universities that objectively reflect national excellence and to make recommendations to the Legislature as to how any such programs could be enhanced and promoted.

### **Revision of General Education Requirements**

The bill extends implementation of the revised core course requirements for one year, from 2014-15 to 2015-16. This extension will allow additional time for each institution's faculty review, approval, and implementation processes for academic curricular revisions to occur. The bill also allows for the inclusion of an additional core course option, if recommended by a faculty discipline committee and approved by the Articulation Coordinating Committee. This amendment will provide a deliberative process for specific courses to be reviewed and proposed for inclusion in the general education core under the oversight of faculty in each academic discipline.

The bill reinstates the general education credit hour requirement to 36 semester hours from the proposed 30 hours. The core general education requirements will remain at 15 semester hours while the institutionally-specific portion will be provided the additional six hours of flexibility, thereby raising that component of the general education requirements to 21 semester hours. The reinstatement of the 36 credit hour requirement will also address accreditation concerns identified by SACS.

### **BOG Oversight of Universities**

The bill provides the Board of Governors with the same oversight enforcement authority over state universities that the SBE has over FCS institutions. The bill amends s. 1008.32, F.S., to conform language concerning the withholding of discretionary lottery funds to new s. 1008.322,

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<sup>21</sup> Art. IX, s. 7(d), Florida Constitution.



F.S. The bill also provides for the JLAC to refer college and university-related matters to the SBE and Board of Governors, respectively, in the event JLAC determines that a college or university has failed to take full corrective action.

#### **Complete Florida Degree Program**

The Degree Completion Pilot Project is renamed as the Complete Florida Degree Program, and the implementation date is changed to 2013-2014, with a project work plan being submitted by September 1, 2013. The University of West Florida remains the lead institution and is directed to coordinate with other Florida College System institutions, state universities, and private postsecondary institutions in the implementation of the program. Language is deleted which would have transferred the pilot to the Florida Virtual Campus.

An evaluation report must be submitted to the participating institutions, the chairs of the legislative appropriations committees, and the Executive Office of the Governor. A detailed project plan is to be submitted to the chairs of the legislative appropriations committee, but no mention is made of the chancellors or their respective boards.

#### **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:

The options provided to students in this bill—more flexibility in achieving necessary academic skills while earning college credit, increased options for on-line education, and degree recovery options for student returning to a university will be of benefit to the students and will better prepare them for employment.

C. Government Sector Impact:

The BOG could incur additional workload in implementing the on-line arm of the preeminent research university.

Faculty of colleges and universities will be engaged in the identification of meta-majors. Both the BOG and the FCS will incur additional workload in coordinating the identification of the meta-majors.

According to the Department of Education, developmental education contributed 8.75 percent of Florida College System Operating expenditures in 2010-2011, or \$172.3 million of a \$1.9 billion budget. For that same year, developmental education accounted for 10 percent of the total FTE. Under the bill, colleges will no longer be able to enroll students in non-credit remedial courses. The developmental education required by this bill will have costs associated with it that were formerly paid by students paying tuition for non-credit courses.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

The state constitution requires the BOG to establish the powers and duties of the state university boards of trustees. BOG Regulation 1.001(6) requires the board of trustees to be responsible for the financial management of the university. Standard 3.2 of the Southern Association of Colleges and Schools (SACS) requires the institution's governing body (i.e., Board of Trustees) to have legal authority and operating control of the institution, including its fiscal stability. Giving the board of directors of the on-line arm of the preeminent research university the authority to contract and to oversee the business aspect of the on-line arm, with no ultimate accountability to the Board of Trustees, could create concerns for SACS, the institution's accrediting body. According to the BOG, there are four instances in which the Board of Trustees recommends an action to the board of directors, with the board of directors making the final decision. This decision-making structure could generate concerns by SACS because of its Standard 3.2:

- Offering of fully on-line Master's degree programs;
- Development and offering of competency-based courses and programs;
- Expansion of on-line baccalaureate programs; and
- Differentiating tuition by degree program<sup>22</sup>

**VIII. Additional Information:**

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

None.

- B. **Amendments:**

None.

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<sup>22</sup> Florida Board of Governors bill analysis for SB 1720, on file with the Senate Education Committee.

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

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