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LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
04/25/2013	.	
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The Committee on Appropriations (Latvala) recommended the following:

1 **Senate Amendment to Amendment (456632) (with title**
2 **amendment)**

3
4 Between lines 742 and 743
5 insert:

6 Section 5. Paragraph (c) of subsection (1), paragraph (a)
7 of subsection (2), paragraph (a) of subsection (3), and
8 paragraph (a) of subsection (7) of section 1010.62, Florida
9 Statutes, are amended to read:

10 1010.62 Revenue bonds and debt.—

11 (1) As used in this section, the term:

12 (c) "Debt" means bonds, except revenue bonds as defined in



13 paragraph (e), loans, promissory notes, lease-purchase
14 agreements, certificates of participation, installment sales,
15 leases, public-private partnership agreements, or any other
16 financing mechanism or financial arrangement, whether or not a
17 debt for legal purposes, for financing or refinancing for or on
18 behalf of a state university or a direct-support organization or
19 for the acquisition, construction, improvement, or purchase of
20 capital outlay projects.

21 (2) (a) The Board of Governors may request the issuance of
22 revenue bonds pursuant to the State Bond Act and s. 11(d), Art.
23 VII of the State Constitution to finance or refinance capital
24 outlay projects permitted by law. Revenue bonds may be secured
25 by or payable only from those revenues authorized for such
26 purpose, including the Capital Improvement Trust Fund fee, ~~the~~
27 ~~building fee~~, the health fee, the transportation access fee,
28 hospital revenues, or those revenues derived from or received in
29 relation to sales and services of auxiliary enterprises or
30 component units of the university, including, but not limited
31 to, housing, transportation, health care, research or research-
32 related activities, foodservice, retail sales, athletic
33 activities, or other similar services, other revenues
34 attributable to the projects to be financed or refinanced, any
35 other revenue approved by the Legislature for facilities
36 construction or for securing revenue bonds issued pursuant to s.
37 11(d), Art. VII of the State Constitution, or any other revenues
38 permitted by law. Revenues from the activity and service fee and
39 the athletic fee may be used to pay and secure revenue bonds
40 except that the annual debt service may ~~shall~~ not exceed an
41 amount equal to 5 percent of the fees collected during the most



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42 recent 12 consecutive months for which collection information is
43 available before ~~prior to~~ the sale of the bonds. The assets of a
44 university foundation and the earnings thereon may also be used
45 to pay and secure revenue bonds of the university or its direct-
46 support organizations. Revenues from royalties and licensing
47 fees may also be used to pay and secure revenue bonds so long as
48 either the facilities being financed are functionally related to
49 the university operation or direct-support organization
50 reporting such royalties and licensing fees, or such revenues
51 are used to secure revenue bonds issued to finance academic,
52 educational, or research facilities that are part of a
53 multipurpose capital outlay project. Revenue bonds may not be
54 secured by or be payable from, directly or indirectly, tuition,
55 the financial aid fee, ~~sales and services of educational~~
56 ~~departments,~~ revenues from grants and contracts, except for
57 money received for overhead and indirect costs and other moneys
58 not required for the payment of direct costs, or any other
59 operating revenues of a state university. Revenues from one
60 auxiliary enterprise may ~~not~~ be used to secure revenue bonds of
61 another only if ~~unless~~ the Board of Governors, after review and
62 analysis, determines that either the facilities being financed
63 are functionally related to the auxiliary enterprise revenues
64 being used to secure such revenue bonds or such revenues are
65 used to secure revenue bonds issued to finance academic,
66 educational, or research facilities that are part of a
67 multipurpose capital outlay project.

68 (3) (a) A state university or direct-support organization
69 may not issue debt without the approval of the Board of
70 Governors. The Board of Governors may approve the issuance of



71 debt by a state university or a direct-support organization only
72 when such debt is used to finance or refinance capital outlay
73 projects. The debt may be secured by or payable only from those
74 revenues authorized for such purpose, including the health fee,
75 the transportation access fee, hospital revenues, or those
76 revenues derived from or received in relation to sales and
77 services of auxiliary enterprises or component units of the
78 university, including, but not limited to, housing,
79 transportation, health care, research or research-related
80 activities, food service, retail sales, athletic activities, or
81 other similar services. Revenues derived from the activity and
82 service fee and the athletic fee may be used to pay and secure
83 debt except that the annual debt service may ~~shall~~ not exceed an
84 amount equal to 5 percent of the fees collected during the most
85 recent 12 consecutive months for which collection information is
86 available before ~~prior to~~ incurring the debt. The assets of
87 university foundations and the earnings thereon may be used to
88 pay and secure debt of the university or its direct-support
89 organizations. Gifts and donations or pledges of gifts may also
90 be used to secure debt so long as the maturity of the debt,
91 including extensions, renewals, and refundings, does not exceed
92 5 years. Revenues from royalties and licensing fees may also be
93 used to secure debt so long as either the facilities being
94 financed are functionally related to the university operation or
95 direct-support organization reporting such royalties and
96 licensing fees or such revenues are used to secure debt issued
97 to finance academic, educational, or research facilities that
98 are part of a multipurpose capital outlay project. The debt may
99 not be secured by or be payable from, directly or indirectly,



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100 tuition, the financial aid fee, ~~sales and services of~~
101 ~~educational departments,~~ revenues from grants and contracts,
102 except for money received for overhead and indirect costs and
103 other moneys not required for the payment of direct costs of
104 grants, or any other operating revenues of a state university.
105 The debt of direct-support organizations may not be secured by
106 or be payable under an agreement or contract with a state
107 university unless the source of payments under such agreement or
108 contract is limited to revenues that universities are authorized
109 to use for payment of debt service. Revenues from one auxiliary
110 enterprise may ~~not~~ be used to secure debt of another only if
111 ~~unless~~ the Board of Governors, after review and analysis,
112 determines that either the facilities being financed are
113 functionally related to the auxiliary enterprise revenues being
114 used to secure such debt or such revenues are used to secure
115 debt issued to finance academic, educational, or research
116 facilities that are part of a multipurpose capital outlay
117 project. Debt may not be approved to finance or refinance
118 operating expenses of a state university or a direct-support
119 organization. The maturity of debt used to finance or refinance
120 the acquisition of equipment or software, including any
121 extensions, renewals, or refundings thereof, shall be limited to
122 5 years or the estimated useful life of the equipment or
123 software, whichever is shorter. The Board of Governors may
124 establish conditions and limitations on such debt as it
125 determines to be advisable.

126 (7) (a) As required pursuant to s. 11(d), Art. VII of the
127 State Constitution and subsection (6), the Legislature approves
128 capital outlay projects meeting the following requirements:



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129 1. The project is located on a campus of a state university
130 or on land leased to the university or is used for activities
131 relating to the state university;

132 2. The project is included in the master plan of the state
133 university or is for facilities that are not required to be in a
134 university's master plan;

135 3. The project is approved by the Board of Governors as
136 being consistent with the strategic plan of the state university
137 and the programs offered by the state university; and

138 4. The project is for purposes relating to the housing,
139 transportation, health care, research or research-related
140 activities, food service, retail sales, ~~or~~ student activities,
141 or academic or educational activities of the state university.

142
143 ===== T I T L E A M E N D M E N T =====

144 And the title is amended as follows:

145 Delete line 781

146 and insert:

147 applicability; amending s. 1010.62, F.S.; adding
148 public-private partnership agreements to the
149 definition of the term university "debt"; revising
150 sources that may be used to secure or pay revenue
151 bonds; authorizing revenues from royalties and
152 licensing and auxiliary enterprise revenues to be used
153 to secure debt for academic, educational, and research
154 facilities that are part of a multipurpose project;
155 authorizing academic and educational activities to be
156 bonded without legislative approval of the specific
157 project; providing an effective date.