

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 Appropriations

BILL: PCS/CS/SB 374 (724756)

INTRODUCER: Appropriations Committee (Recommended by Appropriations Subcommittee on Higher Education); Education Committee; and Senator Hukill and others

SUBJECT: Postsecondary Education

DATE: April 4, 2017

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Bouck</u>	<u>Graf</u>	<u>ED</u>	<u>Fav/CS</u>
2.	<u>Sikes</u>	<u>Elwell</u>	<u>AHE</u>	<u>Recommend: Fav/CS</u>
3.	<u>Sikes</u>	<u>Hansen</u>	<u>AP</u>	<u>Pre-meeting</u>

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Technical Changes

I. Summary:

PCS/CS/SB 374 creates the “College Competitiveness Act of 2017” which restructures the governance of the Florida College System and modifies the mission of the system and its institutions. Specifically, the bill:

- Strengthens public college-to-university articulation by establishing the “2+2” targeted pathway program to provide to students guaranteed access to baccalaureate degree programs at state universities.
- Modifies the governance of the Florida Community College System (FCCS) by:
 - Renaming the Florida College System as the FCCS, and
 - Establishing a State Board of Community Colleges (SBCC), and transferring responsibilities regarding Florida’s community colleges from the State Board of Education (SBE) to the SBCC.
- Clarifies expectations and state oversight of baccalaureate degree programs offered by FCCS institutions, and:
 - Aligns the baccalaureate approval process for St. Petersburg College with the approval process for other FCCS institutions.
 - Establishes a cap on upper-level, undergraduate full-time equivalent (FTE) enrollment at Florida’s community colleges, but provides flexibility for planned and purposeful growth of baccalaureate degree programs if certain conditions are met.

- Clarifies the K-20 education system mission by emphasizing the mission must be to avoid wasteful duplication of programs, and reinforces the distinct mission of Florida's community colleges and technical centers in meeting Florida's labor market demands and regional needs.

Implementation of this bill requires the transfer of 34 existing positions and \$2.8 million from the State Board of Education budget for the creation of the State Board of Community Colleges. The State Board of Community Colleges will also need an additional 14 positions and \$1.7 million for necessary positions such as a General Counsel, Inspector General, Board Secretary, and others.

The bill takes effect October 1, 2017, except as otherwise expressly provided.

II. Present Situation:

Public higher education in Florida is delivered by school district-operated technical centers, Florida College System (FCS) institutions, and state universities. It is the intent of the Legislature to facilitate articulation and seamless integration of the K-20 education system by building, sustaining, and strengthening relationships among the various education sectors and delivery systems within the state.¹

2+2 Articulation

The State Board of Education (SBE) and the Board of Governors of the State University System (BOG) are required to enter into a statewide articulation agreement to preserve Florida's "2+2" system of articulation, facilitate the seamless articulation of student credit among Florida's education entities, and reinforce the articulation and admission policies specified in law.²

The articulation agreement must provide that every associate in arts graduate of an FCS institution has met all general education requirements, has indicated a baccalaureate degree offered by an institution of interest by the time the student earns 30 semester hours, and must be granted admission to the upper division, with certain exceptions,³ of a state university or an FCS institution that offers a baccalaureate degree.⁴ However, eligibility for admission to a state university does not provide to a transfer student guaranteed admission to the specific university or degree program that the student chooses.⁵

¹ Section 1007.01(1), F.S.

² Section 1007.23(1), F.S.

³ Exceptions include limited access programs, teacher certification programs, and those requiring an audition.

⁴ Section 1007.23(2)-(3), F.S.

⁵ Board of Governors Regulation 6.004.

Community College Governance

State Board of Education

The SBE⁶ is the “chief implementing and coordinating body of public education in Florida, except for the State University System” and is authorized to adopt rules to implement the provisions of law conferring duties upon the SBE to improve the state system of K-20 public education, except for the state university system.⁷ As such, the SBE has authority over the FCS institutions, and is authorized to delegate SBE’s general powers to the Commissioner of Education (Commissioner) or the directors of the divisions of the Florida Department of Education (DOE or department).⁸

Department of Education

The DOE is the administrative and supervisory agency under the implementation direction of the SBE.⁹ The Commissioner is appointed by the SBE and serves as the executive director of the department.¹⁰ Within the DOE, the Division of Florida Colleges (DFC)¹¹ is directed by the Chancellor of the DFC,¹² who reports directly to the Commissioner.¹³

Florida College System

The Legislature established the system of governance for the FCS to maximize open access for students, respond to community needs for postsecondary academic education and career degree education, and provide associate and baccalaureate degrees that will best meet the state’s employment needs.¹⁴

The FCS is comprised of 28 FCS institutions and the regional service areas for such institutions are specified in law.¹⁵ Each FCS institution is governed by a local board of trustees (BOT).¹⁶ The FCS BOT members are appointed by the Governor to staggered four-year terms, and confirmed

⁶ The State Board of Education is established in Art. IX, s. 2, Fla. Const., as “a body corporate and have such supervision of the system of free public education as is provided by law.”

⁷ Section 1001.02(1), F.S.

⁸ *Id.*

⁹ Section 1001.20(1), F.S.

¹⁰ Section 20.15(2), F.S.

¹¹ *Id.* at (3)(a).

¹² *Id.* at (4).

¹³ Email, Florida Department of Education, *2017 Agency Analysis of SB 374* (Feb. 2, 2017) at 10.

¹⁴ Section 1001.60(1), F.S.

¹⁵ The 28 Florida College System (FCS) institutions are Eastern Florida State College, Broward College, College of Central Florida, Chipola College, Daytona State College, Florida SouthWestern State College, Florida State College at Jacksonville, Florida Keys Community College, Gulf Coast State College, Hillsborough Community College, Indian River State College, Florida Gateway College, Lake-Sumter State College, State College of Florida, Manatee-Sarasota, Miami Dade College, North Florida Community College, Northwest Florida State College, Palm Beach State College, Pasco-Hernando State College, Pensacola State College, Polk State College, St. Johns River State College, St. Petersburg College, Santa Fe College, Seminole State College of Florida, South Florida State College, Tallahassee Community College, and Valencia College. Section 1000.21(3), F.S.

¹⁶ Sections 1001.60(3), 1001.61(1), and 1004.65(1), F.S. FCS institutions are statutorily designated as political subdivisions of the state. Section 1004.67, F.S.

by the Senate.¹⁷ Each FCS BOT is responsible for cost-effective policy decisions regarding the FCS institution's mission, the implementation and maintenance of high-quality education programs within law and rules of the SBE, the measurement of performance, the reporting of information, and the provision of input on state policy, budgeting, and education standards.¹⁸ FCS boards of trustees are authorized to adopt rules, procedures, and policies regarding admissions, programs, administration, personnel, contracts, and facilities.¹⁹

All 28 FCS institutions are regionally accredited by SACS.²⁰

Community College Baccalaureate Approval Process

The Legislature created the site-determined baccalaureate degree access program in 1999 to authorize FCS institutions to offer baccalaureate degrees to meet the economic development and educational needs of place-bound, nontraditional students in areas of the state that are underserved by 4-year institutions.²¹ However, the primary responsibility of FCS institutions is the provision of associate degrees that provide access to a university.²²

In 2001, the Legislature redesignated St. Petersburg Junior College as St. Petersburg College (SPC) and authorized community colleges to offer baccalaureate degrees in populous counties that are underserved by public baccalaureate degree granting institutions.²³ The legislative intent to provide access to baccalaureate degrees was to “address the state’s workforce needs, especially the need for teachers, nurses, and business managers in agencies and firms that require expertise in technology.”²⁴ The Legislature specified the purpose for authorizing SPC to offer high quality undergraduate education at affordable prices is to “promote economic development by preparing people for occupations that require a bachelor’s degree and are in demand by existing or emerging public and private employers in this state.”²⁵

The SBE is responsible for reviewing and approving proposals by FCS institutions to offer baccalaureate degree programs.²⁶ As a part of the approval process:

- FCS institutions must submit a notice of intent to the DFC regarding the proposed baccalaureate degree program 100 days before the submission of the program proposal.²⁷
- Within 10 days after receipt of the notice, the DFC must forward the notice of intent to the Chancellor of the State University System (SUS), the President of Independent Colleges and

¹⁷ Section 1001.61(2), F.S.

¹⁸ Section 1001.64(1), F.S.

¹⁹ *Id.* at (4).

²⁰ Southern Association of Colleges and Schools, Commission on Colleges, *SACSCOC Member and Candidate List*, available at <http://www.sacscoc.org/pdf/webmemlist.pdf>.

²¹ Section 1, ch. 99-290, L.O.F.

²² Section 1007.33(3), F.S.

²³ Section 40, ch. 2001-170, L.O.F.

²⁴ *Id.*

²⁵ *Id.*

²⁶ Section 1001.03(15), F.S.

²⁷ Section 1007.33(5)(a), F.S.

Universities of Florida, and the Executive Director of the Commission for Independent Education.²⁸

- State universities have 60 days, after receipt of the notice by the Chancellor of the SUS, to submit objections to the proposed program or submit an alternative proposal to offer the baccalaureate degree program.
- If the SBE does not receive a proposal from a state university within the 60-day period, the SBE must provide regionally accredited private colleges and universities 30 days to submit objections to the proposed program or submit an alternative proposal.
- Objections and alternative proposals must be submitted to the DFC, and must be considered by the SBE in making its decision to approve or deny a FCS institution's baccalaureate degree program proposal.²⁹
- The DFC must notify the FCS institution of any deficiencies in writing within 30 days following receipt of the proposal, and provide the FCS institution with an opportunity to correct the deficiencies.
- Within 45 days following receipt of a completed proposal by the DFC, the Commissioner must recommend approval or disapproval of the proposal to the SBE.
- The SBE must consider such recommendation, the proposal, and any objections or alternative proposals at its next meeting, and the SBE must provide to the FCS institution written reasons for any disapproval of baccalaureate degree proposals.

Currently, 27 FCS institutions offer 179 baccalaureate degree programs.³⁰ Since August 2015, 10 baccalaureate degree proposals have been approved, the DFC has withdrawn 11 baccalaureate degree proposals from consideration for SBE approval, and FCS institutions have submitted 14 new baccalaureate proposals to the DFC for approval by the SBE.³¹

In 2015-16, funded full-time-equivalent (FTE) enrollment in FCS upper-division programs was 15,281, which represented 4.7 percent of the total funded FCS FTE enrollment of 327,992.³²

²⁸ *Id.* at (5)(b).

²⁹ *Id.*

³⁰ The 27 colleges authorized to offer baccalaureate degree programs are Broward College, Chipola College, College of Central Florida, Daytona State College, Eastern Florida State College, Florida Gateway College, Florida Keys Community College, Florida SouthWestern State College, Florida State College at Jacksonville, Gulf Coast State College, Indian River State College, Lake-Sumter State College, Miami Dade College, North Florida Community College, Northwest Florida State College, Palm Beach State College, Pasco-Hernando State College, Pensacola State College, Polk State College, Santa Fe College, Seminole State College of Florida, South Florida State College, St. Johns River State College, St. Petersburg College, State College of Florida, Manatee-Sarasota, Tallahassee Community College, and Valencia College. Florida College System, *Baccalaureate Programs as of October 2016*, available at http://www.fldoe.org/core/fileparse.php/5592/urlt/0082821-program_list.xls.

³¹ Email, Florida Department of Education (Jan. 18, 2017).

³² Office of Economic & Demographic Research, Education Estimating Conference, Dec. 8, 2016, p. 2 of 39, available at http://edr.state.fl.us/Content/conferences/communitycolleges/DOE_Handout_120816.pdf.

Funded FTE enrollment in upper division programs in the FCS has risen by approximately 102 percent from 7,584 in 2010-11³³ to 15,281 in 2015-16.³⁴

Mission

The mission of Florida's K-20 education system is to allow its students to increase their proficiency by allowing them the opportunity to expand their knowledge and skills through rigorous and relevant learning opportunities in accordance with the mission statement and requirements of the K-20 education performance accountability system.³⁵

Florida College System

The primary mission and responsibility of FCS institutions is responding to community needs for postsecondary academic education and career degree education.³⁶ Florida law specifies the following as the primary mission of FCS institutions:³⁷

- Providing lower-level undergraduate instruction and awarding associate degrees.
- Preparing students directly for careers requiring less than baccalaureate degrees.
- Providing student development services to ensure student success.
- Promoting economic development for the state through special programs (e.g., Enterprise Florida-related programs and workforce literacy programs).
- Providing dual enrollment instruction.
- Providing upper-level instruction and awarding baccalaureate degrees authorized by law.

Additionally, a secondary mission of FCS institutions includes offering programs in:³⁸

- Community services that are not directly related to academic or occupational advancement.
- Adult education services.
- Recreational and leisure services.

Technical Centers

Florida law does not provide a specific mission for the career centers.³⁹ However, the law specifies that career centers, under the control of district school boards,⁴⁰ must offer terminal courses of a technical nature and courses for out-of-school youth and adults.⁴¹

³³ Florida Department of Education, *The Fact Book, Report for the Florida College System, 2016*, Fact Book 3.1F Florida College System FTE Enrollment (Funded) by Program Area, 2010-11 through 2014-15, available at <http://www.fldoe.org/core/fileparse.php/15267/urlt/FactBook2016.pdf>.

³⁴ Office of Economic & Demographic Research, Education Estimating Conference, Dec. 8, 2016, p. 2 of 39, available at http://edr.state.fl.us/Content/conferences/communitycolleges/DOE_Handout_120816.pdf.

³⁵ Section 1000.03(4), F.S.

³⁶ Section 1004.65(5), F.S.

³⁷ *Id.*

³⁸ Section 1004.65(6), F.S.

³⁹ Section 1001.44, F.S.

⁴⁰ There are 48 Council on Occupational Education-accredited career centers operated by school districts, 1 of which is a charter technical career center. Email, Department of Education (Jan. 18, 2017).

⁴¹ Section 1001.44(3)(a), F.S.

The purpose of charter technical career centers is to:⁴²

- Develop a competitive workforce to support local business and industry and economic development.
- Create a training and education model that is reflective of marketplace realities.
- Offer a continuum of career educational opportunities using school-to-work, tech-prep, technical academy, and magnet school model.
- Provide career pathways for lifelong learning and career mobility.
- Enhance career and technical training.

III. Effect of Proposed Changes:

This bill restructures the governance of the Florida College System and modifies the mission of the system and its institutions. Specifically, the bill:

- Strengthens public college-to-university articulation by establishing the “2+2” targeted pathway program to provide to students guaranteed access to baccalaureate degree programs at state universities.
- Modifies the governance of the Florida Community College System (FCCS) by:
 - Renaming the Florida College System as the FCCS.
 - Establishing a State Board of Community Colleges (SBCC), and transferring responsibilities regarding Florida’s community colleges from the State Board of Education (SBE) to the SBCC.
 - Removing the Division of Florida Colleges (DFC) as a division within the Department of Education (DOE).
- Clarifies expectations and state oversight of baccalaureate degree programs offered by FCCS institutions, and:
 - Aligns the baccalaureate approval process for St. Petersburg College with the approval process for other FCCS institutions.
 - Establishes a cap on upper-level, undergraduate FTE enrollment at Florida’s community colleges, but provides flexibility for planned and purposeful growth of baccalaureate degree programs if certain conditions are met.
- Clarifies the K-20 education system mission by emphasizing the mission must be to avoid wasteful duplication of programs, and reinforces the distinct mission of Florida’s community colleges and technical centers in meeting Florida’s labor market demands and community and regional needs. The bill also:
 - Changes providing upper-level instruction and awarding baccalaureate degrees from a primary mission to a secondary mission of Florida’s community colleges.
 - Establishes the primary mission of technical centers to promote workforce preparation and economic development and prohibits technical centers from offering college credit courses, college credit certificates, associate degrees, and baccalaureate degrees.

2+2 Articulation (Sections 55, 56, and 122)

Section 56 of the bill strengthens “2+2” articulation by creating a mechanism for expanding locally-developed “2+2” articulation agreements to include guaranteed pathways to

⁴² Section 1002.34(2), F.S. Currently, Lake Technical College is the only charter technical career center. Email, Florida Department of Education, *2017 Agency Analysis of SB 374* (Feb. 2, 2017), at 11.

baccalaureate degree programs at state universities for students enrolled in associate in arts (AA) degree programs at FCCS institutions. Specifically, the bill:

- Requires each FCCS institution to execute at least one “2+2” targeted pathway articulation agreement to establish a “2+2” targeted pathway program with one or more state universities.
- Requires the “2+2” targeted pathway articulation agreement to provide to students who meet specified requirements guaranteed access to the state university and baccalaureate degree program in accordance with the terms of the agreement.
- Establishes student eligibility criteria to participate in a “2+2” targeted pathway articulation program. A student must:
 - Enroll in the program before completing 30 credit hours;
 - Complete an AA degree; and
 - Meet the university’s transfer requirements.
- Establishes requirements for state universities that execute “2+2” targeted pathway articulation agreements with their partner public college. A state university must:
 - Establish a 4-year on-time graduation plan for a baccalaureate degree program;
 - Advise students enrolled in the program about the university’s transfer and degree program requirements; and
 - Provide students access to academic advisors and campus events, and guarantee admittance to the state university and degree program in accordance with the terms of the agreement.
- Requires the SBCC and Board of Governors of the State University System of Florida (BOG) to collaborate to eliminate barriers to executing “2+2” targeted pathway articulation agreements.

The “2+2” targeted pathway program is consistent with recent efforts by state universities to strengthen regional articulation. The statewide “2+2” articulation agreement established in law⁴³ does not require a 4-year graduation plan and does not guarantee access to a university or degree program of a student’s choice. To provide students a path to on-time graduation in four years with a baccalaureate degree, some state universities have established articulation agreements with regional public colleges.⁴⁴ For instance, the “DirectConnect to UCF”⁴⁵ guarantees admission to the University of Central Florida (UCF) with an associate degree from a partner institution, and offers university advising to develop an academic plan and access to UCF campuses for services and events. Similarly, the University of South Florida’s (USF) “FUSE” program⁴⁶ offers students guaranteed admission to a USF System institution. The FUSE program creates an academic pathway that provides a map for taking required courses, advising at USF and the partner institution regarding university requirements, a specially-designed orientation session for “2+2” students at the beginning of the program, and access to USF facilities and events.

⁴³ Section 1007.23(2), F.S.

⁴⁴ Board of Governors, *Enhancement Programs & Partnerships at State Universities* (Jan. 25, 2017), available at http://www.flbog.edu/documents_meetings/0260_1037_7837_2.2.2%20+2EnhancementPrograms.pdf.

⁴⁵ University of Central Florida, Presentation to the Senate Committee on Education, *DirectConnect to UCF* (Dec. 12, 2016), available at <http://www.flsenate.gov/Committees/Show/ED/Meeting%20Packet/3540/>.

⁴⁶ University of South Florida, Presentation to the Senate Committee on Education, *FUSE* (Dec. 12, 2016), available at <http://www.flsenate.gov/Committees/Show/ED/Meeting%20Packet/3540/>.

The value of such targeted “2+2” agreements is to assist AA-degree graduates to transfer to a state university and graduate on time in 4 years with a baccalaureate degree. In 2014-15, more than 36 percent of AA graduates from the FCS did not apply to the SUS. Forty-five percent of AA graduates from the FCS ultimately enrolled in the SUS.⁴⁷ The graduation rate for a 2011 cohort of AA transfer students to the SUS (those who transferred with an AA and graduated in two more years) was 25 percent.⁴⁸

Additionally, section 55 of the bill clarifies that to preserve Florida’s “2+2” system of articulation, the SBE, the BOG, and the SBCC must collaboratively establish and adopt articulation policies with input from relevant statewide advisory groups, and make recommendations to the Legislature. Section 122 of the bill also requires the SBCC to collaborate with the BOG to evaluate and report on the status of Florida’s “2+2” system of articulation using the articulation accountability measures established in law,⁴⁹ and include in the report due to the Governor and the Legislature by December 31, 2017, findings and recommendations for improvement.

Community College Governance (Sections 2 through 6, 18, 19, and 123)

The bill modifies the governance of the FCCS under a SBCC. Specifically, section 2 of the bill provides that:

- Effective July 1, 2017:
 - The Florida College System is renamed as the Florida Community College System.
 - The SBCC, administratively housed within the DOE, is created to oversee and coordinate the FCCS, and requires the Governor to appoint the membership of the SBCC in time for the board’s organizational meeting by September 30, 2017.
 - The DFC must provide administrative support to the SBCC until September 30, 2017.
 - Beginning September 1, 2017, SBCC staggered membership terms are established.
 - The SBCC is required to appoint a Chancellor of the FCCS by November 1, 2017. The Chancellor of the DFC must serve as the Chancellor of the FCCS until the SBCC selects a chancellor.
- Effective October 1, 2017:
 - FCS- and DFC-related powers and duties, functions, personnel, funds, contracts, and administrative rules are transferred, by type 2 transfer, to the SBCC.
 - The DOE must provide support services to the SBCC, consistent with the ongoing support services that the DOE provides to the BOG.
 - The Division of Florida Colleges is removed as a division within the DOE.
 - SBE approvals, policies, guidance, and appointments remain in effect unless acted upon by the SBCC.

⁴⁷ Board of Governors, *Associate in Arts Transfer Students in the State University System*, Presentation to the BOG Select Committee on 2+2 Articulation, (Mar. 17, 2016), available at http://www.flbog.edu/documents_meetings/0199_0978_7295_6.3.2%202+2%2003b_AA%20Transfer%20data%20points_JML.pdf.

⁴⁸ Office of Program Policy Analysis and Government Accountability, *State University System Undergraduate Student Success Overview*, Presentation to the Committee on Education, The Florida Senate (Dec. 12, 2016), available at <http://www.flsenate.gov/Committees/Show/ED/Meeting%20Packet/3540/>.

⁴⁹ Section 1008.38, F.S.

In addition, sections 2 through 4 of the bill include technical and conforming provisions related to the transfer of responsibilities regarding Florida's community colleges, effective October 1, 2017. Specifically, the bill:

- Transfers general and specific powers and duties relating to the FCCS from the SBE to the SBCC.⁵⁰
- Removes the DFC as a division within the DOE, and transfers the division's duties to the SBCC or Chancellor of the FCCS.⁵¹
- Transfers specific powers and duties relating to the FCCS from the Commissioner of Education (Commissioner) to the Chancellor of the FCCS.⁵²
- Transfers general and specific powers and duties relating to the FCCS from the Commissioner to the SBCC.⁵³
- Transfers specific powers and duties relating to the FCCS from the DOE to the SBCC.⁵⁴
- Adds an SBCC role in specific duties currently performed by the SBE and BOG.⁵⁵
- Adds a Chancellor of the FCCS role in specific duties currently performed by multiple entities (i.e., the Commissioner and the Chancellor of the BOG).⁵⁶

Section 18 of the bill creates a new SBCC as a governing board for community colleges similar to the board that existed prior to 2003. The 1983 Legislature created the State Board of Community Colleges (former SBCC) as a coordinating board for the FCCS.⁵⁷ The law⁵⁸ charged the former SBCC with providing "statewide leadership in overseeing and coordinating the individually governed public community colleges."⁵⁹ The former SBCC was subject to the overall supervision of the State Board of Education.⁶⁰

⁵⁰ Sections 1000.03, 1000.05, 1001.02, 1001.03, 1001.60, 1001.602, 1001.61, 1001.64, 1001.65, 1001.66, 1001.67, 1002.34, 1004.02, 1004.03, 1004.07, 1004.084, 1004.085, 1004.096, 1004.0961, 1004.35, 1004.6495, 1004.65, 1004.67, 1004.70, 1004.71, 1004.78, 1004.80, 1004.91, 1004.92, 1004.925, 1004.93, 1006.60, 1006.61, 1006.62, 1006.71, 1007.25, 1007.263, 1007.264, 1007.265, 1007.27, 1007.273, 1007.33, 1008.30, 1008.31, 1008.32, 1008.405, 1008.44, 1008.45, 1009.21, 1009.22, 1009.23, 1009.25, 1009.26, 1009.28, 1010.01, 1010.02, 1010.04, 1010.07, 1010.08, 1010.09, 1010.22, 1010.30, 1010.58, 1011.01, 1011.30, 1011.32, 1011.80, 1011.801, 1011.81, 1011.82, 1011.83, 1011.84, 1011.85, 1012.01, 1012.80, 1012.81, 1012.83, 1012.855, 1012.86, 1013.02, 1013.28, 1013.31, 1013.36, 1013.4, and 1013.47, F.S.

⁵¹ Sections 20.15, 1001.67, 1004.015, 1004.65, 1004.7, 1007.33, 1008.30, 1009.23, and 1009.971, F.S.

⁵² Sections 1000.05, 1001.64, 1001.66, 1004.6495, 1004.93, 1006.71, 1012.86, and 1013.52, F.S.

⁵³ Sections 1001.10, 1001.11, 1001.20, 1001.602, 1008.32, and 1013.03, F.S.

⁵⁴ Sections 1001.20 and 1001.602, F.S.

⁵⁵ Sections 20.15, 1001.02, 1001.03, 1001.10, 1001.11, 1001.28, 1001.706, 1003.491, 1003.493, 1004.015, 1004.04, 1004.6495, 1004.91, 1007.01, 1007.23, 1007.24, 1007.27, 1007.271, 1007.33, 1008.30, 1008.31, 1008.345, 1008.37, 1008.38, 1009.26, 1009.90, 1009.91, 1010.01, 1011.01, 1011.011, 1011.80, 1012.01, 1013.01, 1013.03, 1013.31, 1013.52, and 1013.65, F.S.

⁵⁶ Sections 1004.74, 1007.01, 1007.24, 1007.25, 1007.33, 1008.44, 1012.01, 1013.03, 1013.31, and 1013.37, F.S.

⁵⁷ See s. 15, ch. 83-326, L.O.F., amending s. 240.305, F.S., to redesignate the State Community College Coordinating Board as the State Board of Community Colleges.

⁵⁸ Section 240.305, F.S. (1983).

⁵⁹ *Id.*

⁶⁰ *Id.*

In 1998, a constitutional amendment replaced the State Board of Education,⁶¹ composed of the elected governor and cabinet, with a new State Board of Education (SBE) appointed by the Governor.⁶² To implement this change in governance structure and achieve a seamless system of education,⁶³ the 2000 Legislature enacted the Florida Governance Reorganization Act of 2000,⁶⁴ which repealed the former SBCC and transferred governance of the FCCS to the new Governor-appointed SBE, effective January 7, 2003. The 2001 Legislature continued to make necessary changes to Florida education governance and created the Division of Community Colleges (DCC) and a Chancellor of Community Colleges within the DOE.⁶⁵

The following table shows the governance of the community college system in Florida since 1983.

Governance of Florida’s Community Colleges			
	1983 – 2003	Current	Proposed
System	Florida Community College System ⁶⁶	Florida College System ⁶⁷	Florida Community College System
Board	SBCC as Coordinating Board ⁶⁸	SBE as Governing Board ⁶⁹	SBCC as Governing Board
Board Oversight	Commissioner of Education ⁷⁰ and SBE ^{71,72}	Appointed by Governor ⁷³	Governor
Board Membership	Commissioner of Education, 1 student, 11 lay citizens; appointed by the Governor, approved by the SBE, and confirmed by the Senate ⁷⁴	Seven members appointed by the Governor and confirmed by the Senate ⁷⁵	Commissioner of Education, 1 student and 1 faculty member, 10 lay citizens; appointed by the Governor, in a manner that provides equitable geographical representation. Except for the student member, all members must reside and be registered to vote in Florida and be confirmed by the Senate

⁶¹ Art. IX, s. 2, Fla. Const. (1968).

⁶² Art. IX, s. 2, Fla. Const. (Amended 1998). See also Preamble, ch. 2000-321, L.O.F.

⁶³ Section 2, ch. 2000-321, L.O.F.

⁶⁴ Section 6, ch. 2000-321, L.O.F.

⁶⁵ Section 3, ch. 2001-170, L.O.F.

⁶⁶ Section 240.3031, F.S., repealed January 7, 2003, by s. 3(7), ch. 2000-321, L.O.F.

⁶⁷ The Florida Community College System was renamed the Florida College System by s. 2, ch. 2008-52, L.O.F.

⁶⁸ Section 240.305, F.S., repealed January 7, 2003, by s. 3(7), ch. 2000-321.

⁶⁹ Section 1001.02(4), F.S.

⁷⁰ Art. IV, s. 5, Fla. Const. (1968).

⁷¹ Art. IX, s. 1, Fla. Const. (1968).

⁷² Section 240.305, F.S., repealed January 7, 2003, by s. 3(7), ch. 2000-321.

⁷³ The SBE is a body established in the Florida Constitution. Art. IX, s. 2, Fla. Const.

⁷⁴ Section 240.307(1), F.S., repealed January 7, 2003, by s. 3(7), ch. 2000-321.

⁷⁵ Art. IV, s. 2, Fla. Const. See also s. 1001.01(1), F.S.

Staff	DCC ⁷⁶	DFC ⁷⁷	SBCC
Staff Leadership	Executive Director of the Community College System ⁷⁸	Chancellor of the DFC ⁷⁹	Chancellor of the FCCS
Administrative Location	DOE	DOE	DOE (administrative assignment only; SBCC operates independently)
Institution Governance	Institution Board of Trustees ⁸⁰	Institution Board of Trustees ⁸¹	Institution Board of Trustees

Sections 5 and 6 of the bill provide parallel standards of conduct for members of the SBCC and members of a FCCS board of trustees, which mirror the requirements for the BOG and members of a state university board of trustees. Section 5 of the bill prohibits SBCC members and members of a FCCS board of trustees from being employed as a legislative lobbyist. Section 6 of the bill requires SBCC members and members of a FCCS board of trustees to disclose their financial interests.

Finally, section 123 of the bill directs the Division of Law Revision and Information to develop reviser's bill for the 2018 Regular Session to substitute the term "Florida Community College System" for "Florida College System" and the term "Florida Community College System institutions" for "Florida College System institutions" where those terms appear in the Florida Statutes.

Community College Baccalaureate Degree Approval Process (Sections 66)

Section 66 of the bill clarifies expectations and state oversight of baccalaureate degree programs offered by FCCS institutions. Specifically, the bill:

- Modifies the FCCS institution baccalaureate degree approval process to:
 - Require FCCS institutions to submit a notice of interest into a shared postsecondary database at least 180 days before submission of the notice of intent.
 - Require FCCS institutions to submit a notice of intent and justification for the proposed baccalaureate degree at least 100 days before submitting the baccalaureate degree proposal.
 - Specify that the required justification for the proposed baccalaureate degree include a data-driven analysis of workforce demand, including employment data and projections by the Department of Economic Opportunity, which must be verified by the Chancellor of the FCCS.

⁷⁶ Section 240.3031, F.S., repealed January 7, 2003, by s. 3(7), ch. 2000-321.

⁷⁷ Section 20.15(3), F.S.

⁷⁸ The executive director of the community college system served as the executive officer and as secretary to the former SBCC. Section 240.311(4), F.S., repealed January 7, 2003, by s. 3(7), ch. 2000-321, L.O.F.

⁷⁹ Section 20.15(4), F.S.

⁸⁰ Section 240.313, F.S., repealed January 7, 2003, by s. 3(7), ch. 2000-321.

⁸¹ Section 1001.64(3), F.S.

- Extend the timeframe from 30 days to 60 days for private regionally-accredited colleges and universities, to submit their objections to the proposed baccalaureate degree programs and provide reasons for such objections.
- Eliminate the requirement for state universities and private colleges and universities to submit alternative proposals to the proposed baccalaureate degree programs.
- Require the SBCC consider input from the Chancellor of the SUS and the president of the Independent Colleges and Universities of Florida, and any objections before approving or denying a college's proposal.
- Aligns the baccalaureate degree approval process for St. Petersburg College with the approval process for other FCCS institutions.

Section 66 of the bill reinforces state oversight responsibilities by requiring the SBCC to direct an FCCS institution's board of trustees to terminate a baccalaureate degree program if the state's review indicates negative performance and compliance results, and the college fails to demonstrate a need for the program.

Additionally, this section prohibits the community colleges from offering bachelor of arts degrees⁸² and establishes a cap on upper-level, undergraduate FTE enrollment at FCCS institutions while providing flexibility for planned and purposeful growth of baccalaureate degree programs if certain conditions are met. The bill requires FCCS institutions to obtain legislative approval for exceeding the specified upper-level, undergraduate FTE enrollment cap. Specifically, the bill:

- Provides that if the 2015-2016 total upper-level, undergraduate FTE enrollment at an FCCS institution is:
 - At or above 10 percent⁸³ of the 2015-2016 combined total lower-level and upper-level FTE enrollment at that institution, the total upper-level enrollment, as a percentage of the combined enrollment, may not increase by more than 4 percentage points unless the institution obtains prior legislative approval.
 - Below 10 percent⁸⁴ of the 2015-2016 combined total lower-level and upper-level FTE enrollment at that institution, the total upper-level enrollment, as a percentage of the

⁸² Currently, there are no bachelor of arts degrees offered by community colleges. Email, Florida Department of Education, *2017 Agency Analysis of SB 374* (Feb. 2, 2017).

⁸³ Community colleges at or above the 8 percent threshold in 2015-16 were Chipola College, Daytona Beach State College, Florida State College at Jacksonville, Indian River State College, Polk State College, and St. Petersburg College. The Florida Senate staff analysis, Florida Department of Education, *Florida College System FTE Enrollment: Funded-30, Lower and Upper Division, 2015-16 FTE-3*, available at <http://fldoe.org/core/fileparse.php/15267/urlt/1516FTE3EnrollmentReport.pdf>.

⁸⁴ Community colleges below the 8 percent threshold in 2015-16 were Broward College, College of Central Florida, Eastern Florida State College, Florida SouthWestern State College, Florida Gateway College, Florida Keys Community College, Gulf Coast State College, Hillsborough Community College, Lake Sumter State College, Miami Dade College, Northwest Florida State College, North Florida Community College, Palm Beach State College, Pasco Hernando State College, Pensacola State College, Santa Fe College, Seminole State College, South Florida State College, State College of Florida-Manatee, Sarasota, St. Johns River State College, Tallahassee Community College, and Valencia College. The Florida Senate staff analysis, Florida Department of Education, *Florida College System FTE Enrollment: Funded-30, Lower and Upper Division, 2015-16 FTE-3*, available at <http://fldoe.org/core/fileparse.php/15267/urlt/1516FTE3EnrollmentReport.pdf>.

- combined enrollment, may not increase by more than 8 percentage points unless the institution obtains prior legislative approval.
- Specifies that the total upper-level enrollment at any institution may not exceed 15 percent, of the combined upper- and lower-level enrollment.
 - Emphasizes that within the 4 percent or 8 percent authorized growth, for any planned and purposeful expansion of existing baccalaureate degree programs or creation of a new baccalaureate program, an FCCS institution must demonstrate satisfactory performance in:
 - Fulfilling its primary mission as specified in law;⁸⁵
 - Executing at least one “2+2” targeted pathway articulation agreement specified in law;⁸⁶ and
 - Meeting or exceeding the performance standards related to on-time graduation rates for students earning associate in arts or baccalaureate degrees.⁸⁷
 - Establishes reporting requirements relating to upper-level enrollment, provides a mechanism for the SBCC to ensure compliance, and prohibits community colleges from reporting for funding, the upper-level, undergraduate full-time equivalent enrollment that exceeds the upper-level enrollment percent specified in the bill.

This section also reinforces the state’s expectation of college affordability by requiring the college’s program enrollment projections and funding requirements to include the college’s efforts to sustain the program at a cost of tuition and fees for Florida residents not to exceed \$10,000 for the entire degree program, including flexible tuition and fee rates, and the use of waivers authorized by law.⁸⁸

Mission of Florida’s Public K-20 Education System (Section 7, 15, 16, 26, 40, and 48)

Section 7 of the bill reinforces the state’s expectation that institutions within Florida’s K-20 education system avoid wasteful duplication of programs offered by state universities, FCCS institutions, and career centers operated by district school boards.

The bill also clarifies the mission of Florida’s public K-20 education system. Specifically,

- Section 40 of the bill changes the provision of upper-level instruction and awarding baccalaureate degrees from a primary mission to a secondary mission of FCCS institutions.
- Sections 16 and 26 of the bill specify that the primary mission of a career center or a charter technical career center is to promote advances and innovations in workforce preparation and economic development; except that a career center or charter technical career center may not award college credit.

The bill modifies the scope and responsibilities for career education in school districts and FCCS institutions. Specifically,

- Section 40 of the bill expands the scope of career education at an FCCS institution to include nationally recognized industry certifications.

⁸⁵ Section 1004.65, F.S.

⁸⁶ Section 1007.23, F.S.

⁸⁷ Section 1001.66, F.S.

⁸⁸ Section 1009.26(11), F.S.

- Section 48 of the bill modifies the accountability for career education to specify that such accountability must reflect the quality components of career and technical education programs in developing program standards and industry-driven benchmarks for career, adult, and community education programs.

The bill takes effect October 1, 2017, except as otherwise expressly provided.

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:

PCS/CS/SB 374 may result in education-related cost savings⁸⁹ for students with an associate in arts degree who pursue a baccalaureate degree under the targeted “2+2” articulation pathway program and graduate on time in 4 years.

C. Government Sector Impact:

Implementation of this bill requires the transfer of 34 existing positions and \$2.8 million from the State Board of Education budget for the creation of the State Board of Community Colleges. The State Board of Community Colleges will also need an additional 14 positions and \$1.7 million for necessary positions such as a General Counsel, Inspector General, Board Secretary, and others.

VI. Technical Deficiencies:

None.

⁸⁹ The average annual cost of attendance in 2016-2017 at a state university is \$21,534.08. Board of Governors, *Fall/Spring Cost of Attendance On-Campus for Full-Time Undergraduate Florida Residents 2016-17*, available at http://www.flbog.edu/about/doc/budget/attendance/CostAttendance2016_17_FINAL.xlsx.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 20.15, 112.313, 112.3145, 1000.03, 1000.05, 1001.02, 1001.03, 1001.10, 1001.11, 1001.20, 1001.28, 1001.42, 1001.44, 1001.60, 1001.61, 1001.64, 1001.65, 1001.66, 1001.67, 1001.706, 1002.34, 1003.491, 1003.493, 1004.015, 1004.02, 1004.03, 1004.04, 1004.07, 1004.084, 1004.085, 1004.096, 1004.0961, 1004.35, 1004.6495, 1004.65, 1004.67, 1004.70, 1004.71, 1004.74, 1004.78, 1004.80, 1004.91, 1004.92, 1004.925, 1004.93, 1006.60, 1006.61, 1006.62, 1006.71, 1007.01, 1007.23, 1007.24, 1007.25, 1007.262, 1007.263, 1007.264, 1007.265, 1007.27, 1007.271, 1007.273, 1007.33, 1008.30, 1008.31, 1008.32, 1008.345, 1008.37, 1008.38, 1008.405, 1008.44, 1008.45, 1009.21, 1009.22, 1009.23, 1009.25, 1009.26, 1009.28, 1009.90, 1009.91, 1009.971, 1010.01, 1010.02, 1010.04, 1010.07, 1010.08, 1010.09, 1010.22, 1010.30, 1010.58, 1011.01, 1011.011, 1011.30, 1011.32, 1011.80, 1011.801, 1011.81, 1011.82, 1011.83, 1011.84, 1011.85, 1012.01, 1012.80, 1012.81, 1012.83, 1012.855, 1012.86, 1013.01, 1013.02, 1013.03, 1013.28, 1013.31, 1013.36, 1013.37, 1013.40, 1013.47, 1013.52, and 1013.65, F.S.

This bill creates the following sections of the Florida Statutes: 20.156, 1001.601, and 1001.602.

This bill creates two undesignated sections of the Florida Statutes.

IX. Additional Information:**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:**Recommended CS for CS by Appropriations Subcommittee on Higher Education on March 15, 2017:**

The committee substitute:

- Adds parallel standards of conduct language for State Board of Community Colleges (SBCC) and Florida Community College System (FCCS) institution board of trustees members that:
 - Prohibits appointed members from being employed as a legislative lobbyist, and
 - Requires disclosure of financial interests.
- Modifies the SBCC appointments by:
 - Including geographical representation,
 - Including a faculty member representative,
 - Changing the student member term to one year and exempting the student member from Senate confirmation,

- Requiring that, except for the student member, each member must reside and be registered to vote in Florida, and Removing the limit on the on the number of four-year terms for reappointment.
- Modifies the community college baccalaureate degree approval process to shorten the approval time and:
 - Include a new notice of interest, which must be submitted into a share postsecondary database at least 180 days before submission of the notice of intent,
 - Require a notice of intent and justification to be submitted at least 100 days before the degree proposal,
 - Require the justification for the degree program to include employment data and projections from the Department of Economic Opportunity,
 - Provide a consistent 60-day timeframe for state universities, and private institutions to provide feedback on a degree proposal, and
 - Modify SBCC rulemaking authority to prescribe requirements for various notices, proposals, and objections.
- Modifies the baccalaureate degree enrollment caps to specify that if the 2015-2016 baccalaureate degree program full-time equivalent (FTE) enrollment at an FCCS institution is:
 - At or above 10 percent of the 2015-2016 combined total lower-level and upper-level FTE enrollment at that institution, the total upper-level enrollment, as a percentage of the combined enrollment, may not increase by more than 4 percentage points unless the institution obtains prior legislative approval.
 - Below 10 percent of the 2015-2016 combined total lower-level and upper-level FTE enrollment at that institution, the total upper-level enrollment, as a percentage of the combined enrollment, may not increase by more than 8 percentage points unless the institution obtains prior legislative approval.
- Sets a 15 percent maximum baccalaureate program enrollment cap for all FCCS institutions.
- Clarifies that the SBCC and State Board of Education should collaborate on career education issues and standards.
- Makes technical changes regarding the effective dates of certain sections of the bill and the bill as a whole.

CS by Education on February 6, 2017:

The committee substitute clarifies that:

- The authorization to conduct an investigation of a community college president's actions rests with the inspector general of the State Board of Community Colleges instead of the inspector general of the Florida Department of Education.

The State Board of Community Colleges must be responsible for charter technical career centers operated by Florida Community College System institutions regarding the adoption of standards of basic skill mastery for completion of certificate career education programs.