

By Senator Montford

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A bill to be entitled  
 An act relating to postsecondary revenue bonds and  
 debt; amending s. 1010.62, F.S.; authorizing state  
 universities to use specified moneys to pay debt  
 service on revenue bonds if required by a specified  
 federal program; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Paragraph (a) of subsection (2) of section  
 1010.62, Florida Statutes, is amended to read:

1010.62 Revenue bonds and debt.—

(2) (a) The Board of Governors may request the issuance of  
 revenue bonds pursuant to the State Bond Act and s. 11(d), Art.  
 VII of the State Constitution to finance or refinance capital  
 outlay projects permitted by law. Revenue bonds may be secured  
 by or payable only from those revenues authorized for such  
 purpose, including the Capital Improvement Trust Fund fee, the  
 building fee, the health fee, the transportation access fee,  
 hospital revenues, or those revenues derived from or received in  
 relation to sales and services of auxiliary enterprises or  
 component units of the university, including, but not limited  
 to, housing, transportation, health care, research or research-  
 related activities, food service, retail sales, athletic  
 activities, or other similar services, other revenues  
 attributable to the projects to be financed or refinanced, any  
 other revenue approved by the Legislature for facilities  
 construction or for securing revenue bonds issued pursuant to s.  
 11(d), Art. VII of the State Constitution, or any other revenues

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30 permitted by law. Revenues from the activity and service fee and  
31 the athletic fee may be used to pay and secure revenue bonds  
32 except that the annual debt service shall not exceed an amount  
33 equal to 5 percent of the fees collected during the most recent  
34 12 consecutive months for which collection information is  
35 available prior to the sale of the bonds. The assets of a  
36 university foundation and the earnings thereon may also be used  
37 to pay and secure revenue bonds of the university or its direct-  
38 support organizations. Revenues from royalties and licensing  
39 fees may also be used to pay and secure revenue bonds so long as  
40 the facilities being financed are functionally related to the  
41 university operation or direct-support organization reporting  
42 such royalties and licensing fees. Revenue bonds may not be  
43 secured by or be payable from, directly or indirectly, tuition,  
44 the financial aid fee, sales and services of educational  
45 departments, revenues from grants and contracts, except for  
46 money received for overhead and indirect costs and other moneys  
47 not required for the payment of direct costs, or any other  
48 operating revenues of a state university. However, moneys due to  
49 the state university from the federal government for the payment  
50 of grants and contracts may be used to pay debt service on  
51 revenue bonds only as required through the United States  
52 Department of Education's Historically Black College and  
53 University Capital Financing Program. Revenues from one  
54 auxiliary enterprise may not be used to secure revenue bonds of  
55 another unless the Board of Governors, after review and  
56 analysis, determines that the facilities being financed are  
57 functionally related to the auxiliary enterprise revenues being  
58 used to secure such revenue bonds.

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Section 2. This act shall take effect July 1, 2018.