

By the Committee on Education; and Senator Diaz

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1 A bill to be entitled
2 An act relating to the organization and operation of
3 state universities; amending s. 1001.706, F.S.;
4 requiring the Board of Governors to require state
5 universities to conduct an annual assessment related
6 to intellectual freedom and viewpoint diversity at
7 each state university; providing requirements for the
8 Board of Governors relating to such assessment;
9 providing requirements for the Office of Inspector
10 General; requiring the Board of Governors to match
11 certain student information with specified educational
12 and employment records; requiring the Board of
13 Governors to enter into an agreement with the
14 Department of Economic Opportunity for certain
15 purposes; providing requirements for such agreement;
16 amending s. 1001.7065, F.S.; revising the standards
17 for the preeminent state research universities
18 program; requiring the Board of Governors to use a
19 certain plan for determining preeminence designations
20 and awards for a specified fiscal year; providing for
21 the expiration of a certain requirement; amending s.
22 1001.92, F.S.; revising the state university system
23 performance-based incentives; revising the
24 performance-based metrics to include specific data
25 beginning in a certain fiscal year; authorizing the
26 Board of Governors to approve other metrics;
27 prohibiting the adjustment of such metrics once
28 specified data has been received; providing for the
29 future repeal of s. 1001.92(1)(h), F.S., relating to a

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30 specific performance-based metric for the State
31 University System Performance-Based Incentive;
32 amending s. 1004.28, F.S.; providing that state
33 appropriations transferred to specified entities by
34 state university boards of trustees may only be used
35 for specified purposes; revising a specified reporting
36 requirement; amending s. 1004.335, F.S.; clarifying
37 that the University of South Florida St. Petersburg
38 and the University of South Florida Sarasota/Manatee
39 are branch campuses; amending s. 1004.41, F.S.;
40 requiring the University of Florida Board of Trustees
41 to approve appointments to specified boards of
42 directors and other entities relating to the J. Hillis
43 Miller Health Center; providing that state
44 appropriations transferred to certain entities by the
45 University of Florida Board of Trustees may be used
46 only for specified purposes; amending s. 1007.23,
47 F.S.; requiring the statewide articulation agreement
48 to provide for a reverse transfer agreement; providing
49 for an associate degree to be awarded to certain
50 students by Florida College System institutions;
51 providing requirements for state universities in that
52 process; amending s. 1009.215, F.S.; providing that
53 students enrolled in a specified pilot program who are
54 eligible to receive Bright Futures Scholarships are
55 also eligible for such scholarship funds for
56 designated terms under specified circumstances;
57 amending s. 1009.24, F.S.; conforming a cross-
58 reference; amending s. 1011.90, F.S.; providing

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59 requirements for certain legislative budget requests;
60 requiring the Board of Governors to adopt regulations
61 to provide specified definitions; prohibiting
62 administrator growth rate from exceeding faculty
63 growth rate; providing an effective date.

64

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

66

67 Section 1. Paragraph (j) is added to subsection (3) of
68 section 1001.706, Florida Statutes, paragraph (e) of subsection
69 (5) of that section is amended, and paragraph (i) is added to
70 that subsection, to read:

71 1001.706 Powers and duties of the Board of Governors.—

72 (3) POWERS AND DUTIES RELATING TO ORGANIZATION AND
73 OPERATION OF STATE UNIVERSITIES.—

74 (j) The Board of Governors shall require each institution
75 to conduct an annual assessment of the intellectual freedom and
76 viewpoint diversity at that institution. The Board of Governors
77 shall select or create an objective, nonpartisan, and
78 statistically valid survey, to be used by each institution, that
79 considers the extent to which competing ideas and perspectives
80 are presented and members of the university community feel free
81 to express their beliefs and viewpoints on campus and in the
82 classroom. The Board of Governors shall annually compile and
83 publish the assessments by September 1 of each year, beginning
84 with September 1, 2020.

85 (5) POWERS AND DUTIES RELATING TO ACCOUNTABILITY.—

86 (e) The Board of Governors shall maintain an effective
87 information system to provide accurate, timely, and cost-

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88 effective information about each university. The board shall
89 continue to collect and maintain, at a minimum, management
90 information as such information existed on June 30, 2002. The
91 Office of the Inspector General shall annually verify the
92 accuracy of the data used to implement ss. 1001.7065 and
93 1001.92.

94 (i) The Board of Governors shall match individual student
95 information with information in the files of state and federal
96 agencies that maintain educational and employment records. The
97 board must enter into an agreement with the Department of
98 Economic Opportunity that allows access to the individual
99 reemployment assistance wage records maintained by the
100 department. The agreement must protect individual privacy and
101 provide that student information may be used only for the
102 purposes of auditing or evaluating higher education programs
103 offered by state universities.

104 Section 2. Subsections (3) through (7) of section
105 1001.7065, Florida Statutes, are renumbered as subsections (4)
106 through (8), respectively, a new subsection (3) is added to that
107 section, and paragraphs (c), (d), (j), (k), and (l) of
108 subsection (2) are amended, to read:

109 1001.7065 Preeminent state research universities program.-

110 (2) ACADEMIC AND RESEARCH EXCELLENCE STANDARDS.-The
111 following academic and research excellence standards are
112 established for the preeminent state research universities
113 program:

114 (c) A freshman retention rate of 90 percent or higher for
115 full-time, first-time-in-college students, as reported annually
116 in the Board of Governors Accountability Plan ~~to the Integrated~~

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117 ~~Postsecondary Education Data System (IPEDS).~~

118 (d) A 4-year graduation rate of 60 percent or higher for
119 full-time, first-time-in-college students, as reported annually
120 in the Board of Governors Accountability Plan ~~to the IPEDS.~~

121 ~~However, for the 2018 determination of a state university's~~
122 ~~preeminence designation and the related distribution of the~~
123 ~~2018-2019 fiscal year appropriation associated with preeminence~~
124 ~~and emerging preeminence, a university is considered to have~~
125 ~~satisfied this graduation rate measure by attaining a 6-year~~
126 ~~graduation rate of 70 percent or higher by October 1, 2017, for~~
127 ~~full-time, first-time-in-college students, as reported to the~~
128 ~~IPEDS and confirmed by the Board of Governors.~~

129 (j) Four hundred or more doctoral degrees awarded annually,
130 including professional doctoral degrees awarded in medical and
131 health care disciplines, as reported annually in the Board of
132 Governors ~~Annual~~ Accountability Plan ~~Report~~.

133 (k) Two hundred or more postdoctoral appointees annually,
134 as reported annually in the Board of Governors Accountability
135 Plan ~~TARU annual report~~.

136 (l) An endowment of \$500 million or more, as reported
137 annually in the Board of Governors ~~Annual~~ Accountability Plan
138 ~~Report~~.

139 (3) The Board of Governors shall use its 2019
140 Accountability Plan for determining a state university's
141 preeminence designation and distributing awards for the 2019-
142 2020 fiscal year appropriation. This subsection shall expire on
143 July 1, 2020.

144 Section 3. Subsection (1) of section 1001.92, Florida
145 Statutes, is amended to read:

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146 1001.92 State University System Performance-Based
147 Incentive.—

148 (1) A State University System Performance-Based Incentive
149 shall be awarded to state universities using performance-based
150 metrics adopted by the Board of Governors of the State
151 University System. Beginning with the Board of Governors'
152 determination of each university's performance improvement and
153 achievement ratings ~~for 2018~~, and the related distribution of
154 the annual 2018-2019 fiscal year appropriation, the performance-
155 based metrics must include:

156 (a) 4-year graduation rates;

157 (b) Beginning in fiscal year 2020-2021, 2-year graduation
158 rates for full-time 2+2 associate degree transfer students from
159 Florida College System institutions, with points deducted for
160 decreases in the enrollment of associate in arts degree transfer
161 students;

162 (c) Retention rates;

163 (d) Postgraduation education rates;

164 (e) Degree production;

165 (f) Affordability;

166 (g) Postgraduation employment and salaries, including wage
167 thresholds that reflect the added value of a baccalaureate
168 degree;

169 (h) Access rate, based on the percentage of undergraduate
170 students enrolled during the fall term who received a Pell Grant
171 during the fall term;

172 (i) Beginning in fiscal year 2020-2021, 6-year graduation
173 rates for students who are eligible for a Pell Grant as compared
174 with students who are not eligible for a Pell Grant, with points

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175 deducted for decreases in the enrollment of students who are
176 eligible for a Pell Grant; and

177 (j) Beginning in fiscal year 2020-2021, the percent of
178 students graduating without excess hours.

179
180 The Board of Governors may approve ~~and other metrics approved by~~
181 ~~the board~~ in a publicly ~~formally~~ noticed meeting. The board
182 shall adopt benchmarks to evaluate each state university's
183 performance on the metrics to measure the state university's
184 achievement of institutional excellence or need for improvement
185 and minimum requirements for eligibility to receive performance
186 funding. Benchmarks and metrics may not be adjusted after
187 university performance data has been received by the Board of
188 Governors ~~Access rate benchmarks must be differentiated and~~
189 ~~scored to reflect the varying access rate levels among the state~~
190 ~~universities; however, the scoring system may not include bonus~~
191 ~~points.~~

192 Section 4. Section 1001.92(1)(h), Florida Statutes, as
193 amended by this act is repealed on June 30, 2020.

194 Section 5. Paragraph (b) of subsection (2) of section
195 1004.28, Florida Statutes, is amended to read:

196 1004.28 Direct-support organizations; use of property;
197 board of directors; activities; audit; facilities.—

198 (2) USE OF PROPERTY.—

199 (b) The board of trustees, in accordance with regulations
200 and guidelines of the Board of Governors, shall prescribe by
201 regulation conditions with which a university direct-support
202 organization must comply in order to use property, facilities,
203 or personal services at any state university, including that

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204 personal services must comply with s. 1012.976. Such regulations
205 shall provide for budget and audit review and oversight by the
206 board of trustees, including thresholds for approval of
207 purchases, acquisitions, projects, and issuance of debt.

208 Beginning ~~No later than~~ July 1, 2019, the transfer of a state
209 appropriation by the board of trustees to any direct-support
210 organization and its not-for-profit subsidiaries and affiliates
211 may ~~only~~ include only funds pledged for capital projects.

212 ~~Beginning July 1, 2019, and annually thereafter,~~ Each university
213 board of trustees shall annually report to the Legislature the
214 amount of state appropriations transferred to any direct-support
215 organization and its not-for-profit subsidiaries and affiliates
216 during the previous fiscal year, the purpose for which the funds
217 were transferred, and the remaining balance of any funds
218 transferred.

219 Section 6. Subsections (1), (4), and (5), and paragraph (a)
220 of subsection (6) of section 1004.335, Florida Statutes, are
221 amended to read:

222 1004.335 Accreditation consolidation of University of South
223 Florida branch campuses.—

224 (1) The University of South Florida Consolidation Planning
225 Study and Implementation Task Force is established to develop
226 recommendations to improve service to students by phasing out
227 the separate accreditation of the University of South Florida
228 St. Petersburg branch campus and the University of South Florida
229 Sarasota/Manatee branch campus, which were conferred by the
230 Southern Association of Colleges and Schools Commission on
231 Colleges (SACSCOC) pursuant to ss. 1004.33 and 1004.34,
232 respectively.

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233 (4) No later than February 15, 2019, the task force must
234 submit a report to the University of South Florida Board of
235 Trustees which includes, at a minimum, recommendations on the
236 following:

237 (a) Identification of specific degrees in programs of
238 strategic significance, including health care, science,
239 technology, engineering, mathematics, and other program
240 priorities to be offered at the University of South Florida St.
241 Petersburg branch campus and the University of South Florida
242 Sarasota/Manatee branch campus and the timeline for the
243 development and delivery of programs on each campus;

244 (b) Maintaining the unique identity of each campus and an
245 assessment of whether a separate educational mission is
246 beneficial to the future of each campus;

247 (c) Maintaining faculty input from all campuses during the
248 review and development of general education requirements to
249 reflect the distinctive identity of each campus;

250 (d) Developing the research capacity at each campus;

251 (e) Equitable distribution of programs and resources to
252 establish pathways to admission for all students who require
253 bridge programming and financial aid;

254 (f) Establishing budget transparency and accountability
255 regarding the review and approval of student fees among
256 campuses, including fee differentials and athletic fees, to
257 enable the identification of the equitable distribution of
258 resources to each campus, including the University of South
259 Florida Health; and

260 (g) Developing and delivering integrated academic programs,
261 student and faculty governance, and administrative services to

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262 better serve the students, faculty, and staff at the University
263 of South Florida College of Marine Science, the University of
264 South Florida Sarasota/Manatee branch campus, and the University
265 of South Florida St. Petersburg branch campus.

266 (5) No later than March 15, 2019, the Board of Trustees of
267 the University of South Florida, after considering the
268 recommendations of the task force, must adopt and submit to the
269 Board of Governors an implementation plan that:

270 (a) Establishes a timeline for each step that is necessary
271 to terminate the separate accreditation for each campus no later
272 than June 30, 2020, while maintaining branch campus status for
273 both campuses, so that there is no lapse in institutional
274 accreditation for any campus during the phasing-out process.

275 (b) Minimizes disruption to students attending ~~any the~~
276 University of South Florida or any of its branch campuses ~~campus~~
277 so that the consolidation of SACSCOC accreditation does not
278 impede a student's ability to graduate within 4 years after
279 initial first-time-in-college enrollment.

280 (c) Requires that, on or before July 1, 2020, the entirety
281 of the University of South Florida, including all branch
282 campuses and other component units of the university, operate
283 under a single institutional accreditation from the SACSCOC.

284 (d) Requires that, on each regularly scheduled submission
285 date subsequent to July 1, 2020, the University of South Florida
286 report consolidated data for all of the university's campuses
287 and students to the Integrated Postsecondary Education Data
288 System and to the Board of Governors. The Board of Governors
289 shall use the consolidated data for purposes of determining
290 eligibility for funding pursuant to ss. 1001.7065 and 1001.92.

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291 (6) Notwithstanding ss. 1001.7065 and 1001.92 or any Board
292 of Governors regulation to the contrary relating to the
293 calculation of graduation rates and retention rates, a student
294 who meets all of the following criteria may not be counted by
295 the Board of Governors when calculating or confirming the
296 graduation rate or the retention rate of the University of South
297 Florida under those sections:

298 (a) The student was admitted to and initially enrolled
299 before the spring 2020 semester as a first-time-in-college
300 student at the University of South Florida St. Petersburg branch
301 campus or the University of South Florida Sarasota/Manatee
302 branch campus.

303 Section 7. Paragraph (b) of subsection (4) and paragraph
304 (b) of subsection (5) of section 1004.41, Florida Statutes, are
305 amended, paragraph (g) is added to subsection (4), and paragraph
306 (f) is added to subsection (5) of that section, to read:

307 1004.41 University of Florida; J. Hillis Miller Health
308 Center.—

309 (4)

310 (b) The University of Florida Board of Trustees shall
311 provide in the lease or by separate contract or agreement with
312 Shands Teaching Hospital and Clinics, Inc., for the following:

313 1. Approval of the articles of incorporation of Shands
314 Teaching Hospital and Clinics, Inc., by the University of
315 Florida Board of Trustees.

316 2. Governance of Shands Teaching Hospital and Clinics,
317 Inc., by a board of directors appointed, subject to removal, and
318 chaired by the President of the University of Florida, or his or
319 her designee, and vice chaired by the Vice President for Health

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320 Affairs of the University of Florida or his or her designee. The
321 University of Florida Board of Trustees shall approve all
322 appointments to the board and its not-for-profit subsidiaries
323 and affiliates.

324 3. Use of hospital facilities and personnel in support of
325 community service and patient care, research programs, and the
326 teaching roles of the health center.

327 4. Continued recognition of the collective bargaining units
328 and collective bargaining agreements as currently composed and
329 recognition of the certified labor organizations representing
330 those units and agreements.

331 5. Use of hospital facilities and personnel in connection
332 with research programs conducted by the health center.

333 6. Reimbursement to Shands Teaching Hospital and Clinics,
334 Inc., for indigent patients, state-mandated programs,
335 underfunded state programs, and costs to Shands Teaching
336 Hospital and Clinics, Inc., for support of the teaching and
337 research programs of the health center. Such reimbursement shall
338 be appropriated to either the health center or Shands Teaching
339 Hospital and Clinics, Inc., each year by the Legislature after
340 review and approval of the request for funds.

341 7. Audit of the financial statements of Shands Teaching
342 Hospital and Clinics, Inc., in accordance with generally
343 accepted accounting principles as prescribed by the Governmental
344 Accounting Standards Board for a separate corporation affiliated
345 with a government entity that holds a voting majority interest
346 of the affiliated corporation's governing board. The financial
347 statements shall be provided to the University of Florida Board
348 of Trustees for attachment to its audited financial statement

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349 which is provided to the Auditor General. The University of
350 Florida may obtain additional financial information from Shands
351 Teaching Hospital and Clinics, Inc., upon request by the Auditor
352 General. This subparagraph applies equally to any not-for-profit
353 subsidiary of Shands Teaching Hospital and Clinics, Inc., which
354 directly delivers health care services and also qualifies as an
355 instrumentality of the state under the governance control and
356 the primary purpose standards specified in this section.

357 (g) Beginning July 1, 2019, the transfer of state
358 appropriations by the University of Florida Board of Trustees to
359 Shands Teaching Hospital and Clinic, Inc., and its not-for-
360 profit subsidiaries and affiliates may only include funds
361 pledged for capital projects, for the delivery of health care
362 services, as matching dollars for intergovernmental services, or
363 for funding graduate medical education.

364 (5)

365 (b) The University of Florida Board of Trustees shall
366 provide in the lease or by separate contract or agreement with
367 Shands Jacksonville Medical Center, Inc., and Shands
368 Jacksonville HealthCare, Inc., for the following:

369 1. Approval of the articles of incorporation of Shands
370 Jacksonville Medical Center, Inc., and of Shands Jacksonville
371 HealthCare, Inc., by the University of Florida Board of
372 Trustees, which may act through the president of the university
373 or his or her designee. In approving the articles of
374 incorporation of Shands Jacksonville Medical Center, Inc., and
375 of Shands Jacksonville HealthCare, Inc., the president of the
376 university, or his or her designee, may act as the chair of the
377 board of directors, or the president of the university or his or

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378 her designee or members of the University of Florida Board of
379 Trustees may act as the approving body of Shands Jacksonville
380 Medical Center, Inc., or Shands Jacksonville HealthCare, Inc.

381 2. Governance of Shands Jacksonville Medical Center, Inc.,
382 and of Shands Jacksonville HealthCare, Inc., by boards of
383 directors appointed, subject to removal, and chaired by the
384 President of the University of Florida, or his or her designee.
385 One director of each board may be so appointed after being
386 nominated by the mayor of the City of Jacksonville subject to
387 the applicable standards for directors of such board. If there
388 is a vice chair of the board of directors of Shands Jacksonville
389 Medical Center, Inc., or Shands Jacksonville HealthCare, Inc.,
390 the Vice President for Health Affairs of the University of
391 Florida, or his or her designee or the designee of the president
392 of the university, shall hold that position. The University of
393 Florida Board of Trustees shall approve all appointments to the
394 board and its not-for-profit subsidiaries and affiliates.

395 3. Use of the Shands Jacksonville Medical Center, Inc.,
396 hospital facilities and personnel in support of community
397 service and patient care, research programs, and the teaching
398 roles of the health center of the University of Florida Board of
399 Trustees.

400 4. Reimbursement to Shands Jacksonville Medical Center,
401 Inc., for indigent patients, state-mandated programs,
402 underfunded state programs, and costs to the not-for-profit
403 corporation for support of the teaching and research programs of
404 the health center. Such reimbursement shall be appropriated to
405 either the health center or the not-for-profit corporation each
406 year by the Legislature after review and approval of the request

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407 for funds.

408 5. Audit of the financial statements of Shands Jacksonville
409 Medical Center, Inc., and Shands Jacksonville HealthCare, Inc.,
410 in accordance with generally accepted accounting principles as
411 prescribed by the Governmental Accounting Standards Board for a
412 separate corporation affiliated with a government entity that
413 holds a voting majority interest of the affiliated corporation's
414 governing board. The financial statements shall be provided to
415 the University of Florida Board of Trustees for attachment to
416 its audited financial statement which is provided to the Auditor
417 General. The University of Florida may obtain additional
418 financial information from Shands Jacksonville Medical Center,
419 Inc., and Shands Jacksonville HealthCare, Inc., upon request by
420 the Auditor General. This subparagraph applies equally to any
421 not-for-profit subsidiary which directly delivers health care
422 services and also qualifies as an instrumentality of the state
423 under the governance control and primary purpose standards
424 specified in this section.

425 (f) Beginning July 1, 2019, the transfer of state
426 appropriations by the University of Florida Board of Trustees to
427 Shands Jacksonville Medical Center, Inc., and Shands
428 Jacksonville HealthCare, Inc., and any of their not-for-profit
429 subsidiaries and affiliates may only include funds pledged for
430 capital projects, for the delivery of health care services, as
431 matching dollars for intergovernmental services, or for funding
432 graduate medical education.

433 Section 8. Subsection (7) is added to section 1007.23,
434 Florida Statutes, to read:

435 1007.23 Statewide articulation agreement.—

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436 (7) The articulation agreement must specifically provide
437 for a reverse transfer agreement for Florida College System
438 associate in arts degree-seeking students who transfer to a
439 state university before earning an associate in arts degree.
440 Students must be awarded an associate in arts degree by the
441 Florida College System institution upon completion of degree
442 requirements at the state university if the student earned a
443 majority of the credit hours from the Florida College System
444 institution. State universities must identify students who have
445 completed requirements for the associate in arts degree and
446 transfer credits earned at the state university back to the
447 Florida College System institution so that the associate in arts
448 degree may be awarded by the Florida College System institution.

449 Section 9. Upon the expiration and reversion of the
450 amendment made to section 1009.215, Florida Statutes, pursuant
451 to section 13, chapter 2018-10, Laws of Florida, subsection (3)
452 of section 1009.215, Florida Statutes, is amended to read:

453 1009.215 Student enrollment pilot program for the spring
454 and summer terms.—

455 (3) Students who are enrolled in the pilot program and who
456 are eligible to receive Bright Futures Scholarships under ss.
457 1009.53-1009.536 shall be eligible to receive the scholarship
458 award for attendance during the spring and summer terms. This
459 student cohort shall also be eligible to receive Bright Futures
460 Scholarships for the fall semester term to be used for off-
461 campus or online coursework, if Bright Futures Scholarship
462 funding is provided by the Legislature for three terms for that
463 academic year for other eligible students ~~no more than 2~~
464 ~~semesters or the equivalent in any fiscal year, including the~~

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465 ~~summer term.~~

466 Section 10. Subsection (16) of section 1009.24, Florida
467 Statutes, is amended to read:

468 1009.24 State university student fees.—

469 (16) Each university board of trustees may establish a
470 tuition differential for undergraduate courses upon receipt of
471 approval from the Board of Governors. However, beginning July 1,
472 2014, the Board of Governors may only approve the establishment
473 of or an increase in tuition differential for a state research
474 university designated as a preeminent state research university
475 pursuant to s. 1001.7065(4) ~~s. 1001.7065(3)~~. The tuition
476 differential shall promote improvements in the quality of
477 undergraduate education and shall provide financial aid to
478 undergraduate students who exhibit financial need.

479 (a) Seventy percent of the revenues from the tuition
480 differential shall be expended for purposes of undergraduate
481 education. Such expenditures may include, but are not limited
482 to, increasing course offerings, improving graduation rates,
483 increasing the percentage of undergraduate students who are
484 taught by faculty, decreasing student-faculty ratios, providing
485 salary increases for faculty who have a history of excellent
486 teaching in undergraduate courses, improving the efficiency of
487 the delivery of undergraduate education through academic
488 advisement and counseling, and reducing the percentage of
489 students who graduate with excess hours. This expenditure for
490 undergraduate education may not be used to pay the salaries of
491 graduate teaching assistants. Except as otherwise provided in
492 this subsection, the remaining 30 percent of the revenues from
493 the tuition differential, or the equivalent amount of revenue

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494 from private sources, shall be expended to provide financial aid
495 to undergraduate students who exhibit financial need, including
496 students who are scholarship recipients under s. 1009.984, to
497 meet the cost of university attendance. This expenditure for
498 need-based financial aid shall not supplant the amount of need-
499 based aid provided to undergraduate students in the preceding
500 fiscal year from financial aid fee revenues, the direct
501 appropriation for financial assistance provided to state
502 universities in the General Appropriations Act, or from private
503 sources. The total amount of tuition differential waived under
504 subparagraph (b)7. may be included in calculating the
505 expenditures for need-based financial aid to undergraduate
506 students required by this subsection. If the entire tuition and
507 fee costs of resident students who have applied for and received
508 Pell Grant funds have been met and the university has excess
509 funds remaining from the 30 percent of the revenues from the
510 tuition differential required to be used to assist students who
511 exhibit financial need, the university may expend the excess
512 portion in the same manner as required for the other 70 percent
513 of the tuition differential revenues.

514 (b) Each tuition differential is subject to the following
515 conditions:

516 1. The tuition differential may be assessed on one or more
517 undergraduate courses or on all undergraduate courses at a state
518 university.

519 2. The tuition differential may vary by course or courses,
520 by campus or center location, and by institution. Each
521 university board of trustees shall strive to maintain and
522 increase enrollment in degree programs related to math, science,

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523 high technology, and other state or regional high-need fields
524 when establishing tuition differentials by course.

525 3. For each state university that is designated as a
526 preeminent state research university by the Board of Governors,
527 pursuant to s. 1001.7065, the aggregate sum of tuition and the
528 tuition differential may be increased by no more than 6 percent
529 of the total charged for the aggregate sum of these fees in the
530 preceding fiscal year. The tuition differential may be increased
531 if the university meets or exceeds performance standard targets
532 for that university established annually by the Board of
533 Governors for the following performance standards, amounting to
534 no more than a 2-percent increase in the tuition differential
535 for each performance standard:

536 a. An increase in the 4-year graduation rate for full-time,
537 first-time-in-college students, as reported annually to the
538 Integrated Postsecondary Education Data System.

539 b. An increase in the total annual research expenditures.

540 c. An increase in the total patents awarded by the United
541 States Patent and Trademark Office for the most recent years.

542 4. The aggregate sum of undergraduate tuition and fees per
543 credit hour, including the tuition differential, may not exceed
544 the national average of undergraduate tuition and fees at 4-year
545 degree-granting public postsecondary educational institutions.

546 5. Beneficiaries having prepaid tuition contracts pursuant
547 to s. 1009.98(2)(b) which were in effect on July 1, 2007, and
548 which remain in effect, are exempt from the payment of the
549 tuition differential.

550 6. The tuition differential may not be charged to any
551 student who was in attendance at the university before July 1,

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552 2007, and who maintains continuous enrollment.

553 7. The tuition differential may be waived by the university
554 for students who meet the eligibility requirements for the
555 Florida public student assistance grant established in s.
556 1009.50.

557 8. Subject to approval by the Board of Governors, the
558 tuition differential authorized pursuant to this subsection may
559 take effect with the 2009 fall term.

560 (c) A university board of trustees may submit a proposal to
561 the Board of Governors to implement a tuition differential for
562 one or more undergraduate courses. At a minimum, the proposal
563 shall:

564 1. Identify the course or courses for which the tuition
565 differential will be assessed.

566 2. Indicate the amount that will be assessed for each
567 tuition differential proposed.

568 3. Indicate the purpose of the tuition differential.

569 4. Indicate how the revenues from the tuition differential
570 will be used.

571 5. Indicate how the university will monitor the success of
572 the tuition differential in achieving the purpose for which the
573 tuition differential is being assessed.

574 (d) The Board of Governors shall review each proposal and
575 advise the university board of trustees of approval of the
576 proposal, the need for additional information or revision to the
577 proposal, or denial of the proposal. The Board of Governors
578 shall establish a process for any university to revise a
579 proposal or appeal a decision of the board.

580 (e) The Board of Governors shall submit a report to the

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581 President of the Senate, the Speaker of the House of
582 Representatives, and the Governor describing the implementation
583 of the provisions of this subsection no later than February 1 of
584 each year. The report shall summarize proposals received by the
585 board during the preceding fiscal year and actions taken by the
586 board in response to such proposals. In addition, the report
587 shall provide the following information for each university that
588 has been approved by the board to assess a tuition differential:

589 1. The course or courses for which the tuition differential
590 was assessed and the amount assessed.

591 2. The total revenues generated by the tuition
592 differential.

593 3. With respect to waivers authorized under subparagraph
594 (b)7., the number of students eligible for a waiver, the number
595 of students receiving a waiver, and the value of waivers
596 provided.

597 4. Detailed expenditures of the revenues generated by the
598 tuition differential.

599 5. Changes in retention rates, graduation rates, the
600 percentage of students graduating with more than 110 percent of
601 the hours required for graduation, pass rates on licensure
602 examinations, the number of undergraduate course offerings, the
603 percentage of undergraduate students who are taught by faculty,
604 student-faculty ratios, and the average salaries of faculty who
605 teach undergraduate courses.

606 (f) No state university shall be required to lower any
607 tuition differential that was approved by the Board of Governors
608 and in effect prior to January 1, 2009, in order to comply with
609 the provisions of this subsection.

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610 Section 11. Subsection (4) of section 1011.90, Florida
611 Statutes, is amended to read:

612 1011.90 State university funding.—

613 (4) The Board of Governors shall establish and validate a
614 cost-estimating system consistent with the requirements of
615 subsection (1) and shall report as part of its legislative
616 budget request the actual expenditures for the fiscal year
617 ending the previous June 30. The legislative budget request must
618 also include 5-year trend information on the number of faculty
619 and administrators at each university. The Board of Governors,
620 by regulation, shall define faculty and administrative personnel
621 classifications and shall also report the definitions in the
622 legislative budget request. The growth rate of administrators at
623 any state university may not exceed the growth rate of faculty.
624 Expenditure analysis, operating budgets, and annual financial
625 statements of each university must be prepared using the
626 standard financial reporting procedures and formats prescribed
627 by the Board of Governors. These formats shall be the same as
628 used for the 2000-2001 fiscal year reports. Any revisions to
629 these financial and reporting procedures and formats must be
630 approved by the Executive Office of the Governor and the
631 appropriations committees of the Legislature jointly under the
632 provisions of s. 216.023(3). The Board of Governors shall
633 continue to collect and maintain at a minimum management
634 information existing on June 30, 2002. The expenditure analysis
635 report shall include total expenditures from all sources for the
636 general operation of the university and shall be in such detail
637 as needed to support the legislative budget request.

638 Section 12. This act shall take effect July 1, 2019.