FLORIDA HOUSE OF REPRESENTATIVES BILL ANALYSIS

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BILL #: CS/HB 179

TITLE: Florida Institute for Human and Machine

Cognition, Inc.

SPONSOR(S): Andrade

LINKED BILLS: None **RELATED BILLS:** None

Committee References

Education Administration

17 Y, 0 N, As CS



Education & Employment

COMPANION BILL: CS/CS/SB 312 (Gaetz)

15 Y, 0 N

SUMMARY

Effect of the Bill:

The bill provides greater independence for The Florida Institute for Human and Machine Cognition, Inc. (IHMC) by removing the requirement that not-for-profit subsidiaries created by the IHMC be approved by the Board of Governors of the State University System. Additionally, the bill shifts responsibility for the annual certification of compliance with the statutes governing the IHMC from the Board of Trustees of the University of West Florida (UWF) to the IHMC corporation. Finally, the bill removes the chair of the Board of Trustees of the UWF from the membership of the IHMC board of directors and provides the UWF with the authority to appoint an additional public representative to the board of directors.

Fiscal or Economic Impact:

None

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EFFECT OF THE BILL:

The bill provides greater independence for <u>The Florida Institute for Human and Machine Cognition, Inc.</u> (IHMC). The bill removes the requirement that the <u>Board of Governors</u> (BOG) of the State University System (SUS) approve not-for-profit subsidiaries created by the IHMC and their articles of incorporation. Instead, all such subsidiaries must be approved by the board of directors of the IHMC corporation. The bill requires the IHMC corporation, rather than the Board of Trustees of the University of West Florida (UWF), to make the annual certification regarding compliance with the statutes governing the IHMC.

The bill removes the chair of the University Board of Trustees of UWF from the membership of the IHMC board of directors. The bill increases the number of public representatives by one and provides the Board of Trustees of the UWF with the authority to appoint the additional public representative to the board of directors. (Section 1).

The bill authorizes an IHMC subsidiary to inter into affiliation agreements with boards of trustees of other public or private universities. (Section $\underline{2}$).

The effective date of the bill is July 1, 2025. (Section $\underline{3}$).

RELEVANT INFORMATION

SUBJECT OVERVIEW:

The Florida Institute for Human and Machine Cognition

STORAGE NAME: h0179c.EEC

DATE: 4/8/2025

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The IHMC is a not-for-profit research institute established at the UWF and is authorized to affiliate with other Florida universities. The IHMC was founded to advance research in human and machine cognition, with a focus on artificial intelligence, robotics, human performance, and information technology. Faculty and staff collaborate extensively with universities, research institutions, and private-sector partners to conduct cutting-edge scientific research.

The IHMC is managed by a board of directors consisting of the following membership:

- The chair of the Board of Governors or the chair's designee.
- The chair of the Board of Trustees of the UWF or the chair's designee.
- The President of the UWF or the president's designee.
- Three state university representatives.
- Nine public representatives who are neither state university employees nor state employees.3

The state university representatives and public representatives on the IHMC board of directors are appointed in the following manner:

- The Governor, the President of the Senate, and the Speaker of the House of Representatives make one appointment of a state university representative to the board of directors.
- The Governor makes three appointments of public representatives to the board of directors.
- The President of the Senate and the Speaker of the House of Representatives each make two initial appointments of public representatives to the board of directors.
- The chair of the Board of Trustees of the UWF makes two initial appointments of public representatives to the board of directors.⁴

The IHMC is authorized to create not-for-profit corporate subsidiaries to support its mission, provided they are approved by the BOG.⁵ The corporation and its subsidiaries must comply with Florida's public records and open meetings laws, ensuring transparency in their operations.⁶ However, certain records and meetings of the IHMC and its subsidiaries are exempt from Florida's public records and open meetings laws to protect trade secrets, patentable material, proprietary research, confidential business transactions, donor identities, and information received from government entities under confidentiality agreements, though governmental entities may access this information when necessary for official duties.⁷

The IHMC and its subsidiaries are authorized to:

- Receive, invest, and administer funds from public and private sources, including state and federal grants, private donations, and income derived from research activities.
- Secure patents, trademarks, and copyrights for its research products.
- Obtain comprehensive general liability protection, including professional liability protection, for the corporation and its subsidiaries.
- Enter into affiliation agreements with universities and research organizations.

The Board of Trustees of UWF is responsible for annually certifying to the Governor, Legislature, and BOG that IHMC operates in compliance with state law and is acting in the best interest of the state.⁹

The Board of Governors of the State University System

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¹ Sections <u>1004.447, F.S.</u> and <u>1004.4471, F.S.</u>

² Florida Institute for Human and Machine Cognition, *The IHMC Story*, https://www.ihmc.us/aboutihmc/ (last visited Apr. 8, 2025).

³ Section 1004.447(5)(a), F.S.

⁴ Section 1004.447(5)(b), F.S.

⁵ Section <u>1004.447(1)(b), F.S.</u>

⁶ Section <u>1004.447(2)(c), F.S.</u>

⁷ Section <u>1004.4472, F.S.</u>

⁸ Section 1004.447(2)(e)-(g), F.S.

⁹ Section 1004.447(9), F.S.

The SUS of Florida consists of 12 public universities,¹⁰ each governed by an individual board of trustees. The BOG is responsible for overseeing, regulating, and managing the entire SUS,¹¹ ensuring compliance with local, state, and federal laws that govern its institutions.¹²

If the BOG determines that an institution is not in compliance with applicable laws or regulations, it has the authority to take disciplinary actions, including:

- Withholding state or other funding.
- Requiring periodic reports until compliance is achieved.
- Reporting noncompliance to the Legislature. 13

The BOG has established a regulation ¹⁴ that outlines the structure, oversight, and reporting requirements for institutes and centers within the SUS. The regulation classifies institutes and centers into three main categories: State of Florida institutes and centers, legislatively established institutes and centers, and university institutes and centers. ¹⁵ While most institutes and centers require BOG approval and oversight, certain entities, such as incorporated institutes with university affiliations, including the IHMC, are explicitly excluded from these requirements. ¹⁶ Instead, the IHMC operates as an independent not-for-profit research institute affiliated with UWF, and its governance follows specific statutory provisions. Despite this exemption, the host university, UWF, retains responsibilities related to financial oversight and compliance reporting to ensure accountability. ¹⁷

BILL HISTORY

			STAFF DIRECTOR/	ANALYSIS
COMMITTEE REFERENCE	ACTION	DATE	POLICY CHIEF	PREPARED BY
Education Administration	17 Y, 0 N, As CS	3/27/2025	Sleap	Wolff
<u>Subcommittee</u>				
THE CHANGES ADOPTED BY THE COMMITTEE:	 Amended membership of the IHMC board of directors and the appointment authority of the UWF board of trustees. Removed duplicative references to the not-for-profit status of approved IHMC subsidiaries. Removed clarifying language associated with public records and open meeting responsibilities of the IHMC and its subsidiaries. 			
Education & Employment	15 Y, 0 N	4/8/2025	Hassell	Wolff
<u>Committee</u>				

THIS BILL ANALYSIS HAS BEEN UPDATED TO INCORPORATE ALL OF THE CHANGES DESCRIBED ABOVE.

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¹⁰ See State University System of Florida, *Universities*, https://www.flbog.edu/universities/ (last visited Apr. 8, 2025) (identifying 12 state universities).

¹¹ Art. IX, s. 7(a)-(d), Fla. Const.

¹² Section <u>1001.705(2)</u>, F.S.

¹³ See generally <u>s. 1008.322(5)</u>, F.S.

¹⁴ Board of Governors Regulation 10.015.

¹⁵ Florida Board of Governors Regulation 10.015(1)(a)-(c).

¹⁶ See id. at (1)(e).

¹⁷ Section <u>1004.447</u>, F.S.

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