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LEGISLATIVE ACTION

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

Senate Amendment (with title amendment)

Between lines 736 and 737
insert:

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

1010.62 Revenue bonds and debt.—

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

(c) "Debt" means bonds, except revenue bonds as defined in paragraph (e), loans, promissory notes, lease-purchase



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

20 (2) (a) The Board of Governors may request the issuance of
21 revenue bonds pursuant to the State Bond Act and s. 11(d), Art.
22 VII of the State Constitution to finance or refinance capital
23 outlay projects permitted by law. Revenue bonds may be secured
24 by or payable only from those revenues authorized for such
25 purpose, including the Capital Improvement Trust Fund fee, ~~the~~
26 ~~building fee~~, the health fee, the transportation access fee,
27 hospital revenues, or those revenues derived from or received in
28 relation to sales and services of auxiliary enterprises or
29 component units of the university, including, but not limited
30 to, housing, transportation, health care, research or research-
31 related activities, food service, retail sales, athletic
32 activities, or other similar services, other revenues
33 attributable to the projects to be financed or refinanced, any
34 other revenue approved by the Legislature for facilities
35 construction or for securing revenue bonds issued pursuant to s.
36 11(d), Art. VII of the State Constitution, or any other revenues
37 permitted by law. Revenues from the activity and service fee and
38 the athletic fee may be used to pay and secure revenue bonds
39 except that the annual debt service may ~~shall~~ not exceed an
40 amount equal to 5 percent of the fees collected during the most
41 recent 12 consecutive months for which collection information is



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

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



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



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

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

128 1. The project is located on a campus of a state university



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129 or on land leased to the university or is used for activities
130 relating to the state university;

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

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

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

141
142 ===== T I T L E A M E N D M E N T =====

143 And the title is amended as follows:

144 Delete line 26

145 and insert:

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