

THE FLORIDA SENATE
2017 SUMMARY OF LEGISLATION PASSED
Committee on Education

CS/CS/SB 374 — Postsecondary Education

by Appropriations Committee; Education Committee; and Senators Hukill, Galvano, and Simpson

The bill establishes the “Florida Excellence in Higher Education Act of 2017” to expand financial aid provisions and modify programmatic mechanisms to assist students in accessing higher education and incentivize postsecondary institutions to emphasize on-time graduation. The bill also expands and enhances policy and funding options for state universities to recruit and retain exemplary faculty, enhance the quality of professional and graduate schools, and upgrade facilities and research infrastructure. Additionally, the bill restructures the governance and modifies the mission of the community colleges.

Institutional Accountability

The bill strengthens institutional accountability by modifying state university and community college performance and accountability metrics and standards to promote on-time student graduation. Specifically, the bill:

- Modifies the State University System (SUS) Performance-Based Incentive:
 - Specifies the performance-based metric for graduation rate must be a 4-year graduation rate.
 - Specifies the performance-based metric for access must include benchmarks that reward institutions with access rates at or above 50 percent.
 - Requires the Board of Governor’s (BOG) 2017 determination of each university’s performance improvement and achievement ratings, and the related distribution of 2017-2018 appropriation funds for the incentive, to apply the metrics and benchmarks in place on January 1, 2017.
- Modifies the Preeminent State Research Universities Program:
 - Revises the metric related to the 6-year graduation rate of 70 percent or higher for full-time, first-time-in-college (FTIC), students to a 4-year rate of 60 percent or higher. However, for the BOG’s 2017 determination of preeminence and emerging preeminence status and the related distribution of 2017-2018 appropriation funds for the program, the metric and benchmark remains at a 6-year graduation rate of 70 percent or higher.
 - Eliminates the authority for the preeminent state research universities to require FTIC students to take a six-credit unique set of courses.
 - Revises funding for emerging preeminent state research universities from one-half to one-fourth of the total increased funding to preeminent state research universities.
 - Changes from a recommendation to a requirement that the BOG establish standards and measures for programs of excellence throughout the SUS and specify that the programs include undergraduate, graduate, and professional degrees, and require the BOG to make recommendations to the Legislature by September 1, 2017, on enhancing and promoting such programs.

- Requires the BOG to conduct a study of state investment allocation methodologies for the performance-based model and submit a report to the chairs of the House and Senate Education Appropriations Subcommittees by December 31, 2017. The study must include various options, including options in which each university may be eligible to receive some portion of the state investment based on benchmarks that reflect the institutional mission of each university and irrespective of the performance-based funding model score relative to other university scores.
- Revises the existing Florida Community College System Performance-Based Incentive metrics and adds new metrics that emphasize on-time program completion. These revised and new metrics, which must be adopted by the State Board of Community Colleges (SBCC), are:
 - A student retention rate, as calculated by the SBCC;
 - A 100 percent-of-normal-time program completion and graduation rate for full-time, FTIC degree-seeking students, using a definition of full-time based on a student's majority enrollment in full-time terms, as calculated by the SBCC;
 - A continuing education or postgraduation job placement rate for workforce education programs, excluding associate in arts (AA) degrees, with wage thresholds that reflect the added value of the applicable certificate or degree;
 - A graduation rate for FTIC students in an AA degree program who graduate with a baccalaureate degree in 4 years after initially enrolling in the AA degree program; and
 - A performance-based metric on college affordability.
- Modifies the Distinguished Florida Community College System Institution Program excellence standards:
 - Changes the normal-time completion rate metric from 150 percent to 100 percent for full-time, FTIC students, as calculated by the SBCC.
 - Changes the normal-time completion rate metric from 150 percent to 100 percent for full-time, FTIC Pell Grant recipients, as calculated by the SBCC.
 - Specifies that the job placement metric must be based on the wage thresholds that reflect the added value of the applicable certificate or degree, and that the continuing education and job placement metric does not apply to AA degrees.
 - Replaces the time-to-degree metric with an excess-hours rate metric of 40 percent or lower for AA degree recipients who graduate with 72 or more credit hours, as calculated by the SBCC.

Additionally, the bill modifies the requirements of the BOG's strategic plan to require state universities to use data-driven gap analyses to identify internship opportunities in high-demand fields.

Student Financial Aid and Tuition Assistance

The bill expands student financial aid and tuition assistance programs to help to address financial insecurity concerns of students and their families. Specifically the bill:

- Increases the Florida Academic Scholars (FAS) award amount to cover 100 percent of public postsecondary education institution tuition and specified fees, plus \$300 per semester for textbooks and college-related expenses during fall and spring terms, beginning in the fall 2017 semester. Additionally, the bill provides for funding for Florida Bright Futures Scholarship awards, which at a minimum, supports summer term enrollment for an FAS award.
- Expands the Benacquisto Scholarship Program to attract qualified students from out-of-state; who physically reside on or near the postsecondary education institution in which they enroll; earn a high school diploma or the equivalent, comparable to Florida; who are accepted and enroll in a baccalaureate degree program in the 2017-2018 academic year or thereafter; and who meet the specified requirement to qualify for the scholarship. The bill exempts such student from the payment of out-of-state fees and specifies that the award amount for such students is equal to the institutional cost of attendance for a Florida resident less the student's National Merit Scholarship.
- Creates the Florida Farmworker Scholarship Program for farmworkers and the children of farmworkers, who meet the specified scholarship eligibility criteria. The bill specifies that the DOE may award up to 50 scholarships annually and the recipient may receive an award for a maximum of 100 percent of the credit hours or clock hours required to complete up to 90 credit hours of a program that terminates in a career certificate. The recipient is eligible for an award equal to 100 percent of tuition and specified fees at a public postsecondary education institution in Florida. Undocumented immigrants are not eligible for the award.
- Expands the First Generation Matching Grant Program by revising the state to private match requirements from a 1:1 match to a 2:1 match.
- Requires each state university board of trustees to adopt a block tuition and fee policy by October 1, 2017, for implementation in the fall 2018 semester. The policy must apply to the entering freshman class of full-time, FTIC students and may be extended to include other enrolled students. The bill requires each university board of trustees to submit the policy, including information on the potential impact of the policy on students, to the BOG by October 1, 2017. The bill also requires the Chancellor of the State University System must submit to the Governor and the Legislature a summary of the policies, status of approvals, and recommendations for improving block tuition and fee benefits for students by December 1, 2017.
- Specifies that a Florida Prepaid College Program plan, purchased prior to July 1, 2024, is only obligated to pay for the credit hours in which a student is enrolled.
- Renames the William L. Boyd, IV, Florida Resident Access Grant (FRAG) Program as the William L. Boyd, IV, Effective Access to Student Education (EASE) Grant Program.

Articulation

The bill strengthens “2+2” articulation to assist students enrolled in AA degree program to graduate on time, transfer to a baccalaureate degree program, and complete the baccalaureate degree in 4 years. Accordingly, the bill creates a mechanism for expanding locally-developed “2+2” articulation agreements to include guaranteed pathways to 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 with one or more state universities.
- Establishes student eligibility criteria to participate in a “2+2” targeted pathway program.
- Establishes requirements for state universities that execute “2+2” targeted pathway articulation agreements with their partner colleges.
- Requires the SBCC and BOG to collaborate to eliminate barriers to executing “2+2” targeted pathway articulation agreements.

Additionally, the bill requires district school boards to notify students who enroll in acceleration mechanism courses or take exams about the *credit-by-examination equivalency list* and *dual enrollment and high school subject area equivalency list*.

State University Faculty, Program, and Infrastructure Investments

The bill establishes the World Class Faculty and Scholar Program and the State University Professional and Graduate Degree Excellence Program, and authorizes funding for certain projects under the Alec P. Courtelis University Facility Enhancement Challenge Grant Program to elevate the national prominence of the state universities in Florida. Specifically, the bill:

- Establishes the World Class Faculty and Scholar Program to fund and support the efforts of state universities to recruit and retain exemplary faculty and research scholars.
Specifically, the bill:
 - Authorizes state university investments in areas such as research-centric cluster hires, faculty research, and research commercialization efforts. The funds may not be used for the construction of buildings.
 - Requires the BOG to provide, annually, by March 15, to the Governor and the Legislature a report summarizing the expenditures and the impact of those expenditures in elevating the national competitiveness of the universities.
- Establishes the State University Professional and Graduate Degree Excellence Program to fund as support the efforts of state universities to enhance the quality of professional and graduate schools and degree programs in medicine, law, and business, and expand the economic impact of state universities. Specifically, the bill:
 - Authorizes quality improvement efforts, which may include, but are not limited to, targeted investment in faculty, students, research infrastructure and other strategic efforts to elevate the national and global prominence of state university medicine, law, and graduate level business programs. The funds may not be used for the construction of buildings.
 - Requires the BOG to provide, annually, by March 15, to the Governor and the Legislature a report summarizing the expenditures and the impact of those expenditures in elevating the national and global prominence of the university medicine, law, and graduate-level business programs.

Additionally, the bill provides that notwithstanding the suspension of state matching funds, the Legislature may choose for the 2017-18 fiscal year to prioritize funding for certain projects under the Alec P. Courtelis University Facility Enhancement Challenge Grant Program with matching funds available prior to June 30, 2011, which have not yet been constructed. Additionally, the bill deletes obsolete references to the Alec P. Courtelis Capital Facilities Matching Trust Fund.

Community College Governance

The bill modifies the governance of the Florida College System under an SBCC. Specifically, 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 Division of Florida Colleges (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.

In addition, the bill includes technical and conforming provisions related to the transfer of responsibilities regarding Florida's community colleges, effective October 1, 2017. The bill does not modify the governance of individual FCCS institutions or powers and duties of the FCCS institution boards of trustees.

Community College Baccalaureate Degree Approval Process

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:
 - Requires FCCS institutions to submit a notice of interest into a shared postsecondary database at least 180 days before submission of the notice of intent.

- Requires 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.
- Specifies 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.
- Extends 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.
- Eliminates the requirement for state universities and private colleges and universities to submit alternative proposals to the proposed baccalaureate degree programs.
- Requires 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.

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

Additionally, the bill establishes a cap on upper-level, undergraduate FTE enrollment at FCCS institutions, but provides 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, 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. Specifically, the bill:

- Provides that if the 2015-2016 total upper-level, undergraduate 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.
- Specifies that the total upper-level enrollment at any institution may not exceed 15 percent of the combined upper-level and lower-level FTE enrollment at that institution.

The bill 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.

Mission of Florida's Public K-20 Education System

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, and:

- Changes the provision of upper-level instruction and awarding baccalaureate degrees from a primary mission to a secondary mission of FCCS institutions.
- Specifies 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.

Community College and State University Direct Support Organizations

The bill modifies requirements relating to community college and state university direct support organizations (DSO) to:

- Prohibit the specified DSOs from using state-funded personal services, beginning July 1, 2022.
- Prohibit the specified DSOs from using state funds for travel expenses.
- Prohibit the specified DSOs from giving, either directly or indirectly, any gift to a political committee, with no exceptions.
- Require the chair of a university or community college board of trustees to appoint at least one member to the DSO executive committee.
- Specify that, for state university DSOs, information related to the expenditure of unrestricted non-state funds and the expenditure of private funds for travel are not confidential and exempt.

If approved by the Governor, the bill takes effect October 1, 2017, except for some provisions that take effect upon becoming a law or July 1, 2017.

Vote: Senate 35-3; House 85-27