

THE FLORIDA SENATE
2019 SUMMARY OF LEGISLATION PASSED
Committee on Education

CS/SB 190 — Higher Education

by Appropriations Committee and Senator Stargel

The bill modifies a number of policies related to higher education, including, but not limited to, the Bright Futures Scholarship Program, college and university public education capital outlay and carry forward funds, workforce performance funding, articulation, board oversight, university board of trustee training, and the excess credit hours surcharge.

Florida Bright Futures Scholarship Program

Regarding initial awards, the bill changes from 2 years to 5 years after graduation the timeframe for eligibility to receive a scholarship, and also:

- Specifies that, for the 2020-2021 academic year and thereafter, Florida Academic Scholars (FAS) scores must be set at the 89th national percentile on the SAT, and Florida Medallion Scholars (FMS) scores at the 75th national percentile on the SAT.
- Requires the department to develop a method for determining the required examination scores to maintain FAS and FMS percentiles, with concordant ACT scores.
- Requires the Department of Education (DOE) to publish, before the beginning of each school year, any changes to the examination score requirements for students graduating in the next two years.

The bill modifies additional scholarship provisions to eliminate the 45-credit hour annual limit for scholarship awards, establish requirements for award renewals, modify required evaluation information provided to students, and saves from reversion current law regarding the University of Florida student enrollment pilot program.

Public Education Capital Outlay

The bill requires the State Board of Education (SBE) and the Board of Governors (BOG) to:

- Review each board's space needs calculation methodologies and submit recommendations, starting October 31, 2019, and every 3 years thereafter.
- Develop and submit a prioritized list of public education capital outlay (PECO) projects, including projects for which state funds were previously appropriated which have not been completed, and the top two priorities of each Florida College System (FCS) institution or state university.
- Develop a points-based prioritization method to rank projects for consideration, with additional criteria that each board must consider.

In addition, the bill requires that a new construction, remodeling, or renovation project that has not received a prior appropriation may not be considered for inclusion on the prioritized list unless the project has been recommended pursuant to an educational plant survey, and:

- For an FCS institution, a plan is provided to reserve funds in an escrow account equal to 0.5 percent of the total value of the building for future maintenance; and there are

sufficient excess funds from the specified capital outlay allocation within the 3-year planning period which are not needed to complete specified projects.

- For a state university, a plan is provided to reserve funds in an escrow account equal to 1 percent of the total value of the building for future maintenance; and there exists sufficient capacity within the cash and bonding estimate of funds to accommodate the project within the 3-year PECO funding cycle.

Carry Forward Funds

The bill authorizes FCS institution to carry forward funds, and requires minimum carry forward balances that must be maintained, dependent on institution size, as follows:

- Each FCS institution with a final full-time equivalent (FTE) enrollment of less than 15,000 must maintain a minimum carry forward balance of at least 5 percent.
- Each FCS institution with a final FTE of 15,000 or greater must maintain a minimum carry forward balance of at least 7 percent.

The bill requires written notification to the SBE any time the unencumbered balance in the general fund of an FCS institution operating budget goes below the established minimum levels.

The bill requires each state university to maintain a minimum carry forward balance of at least 7 percent of its state operating budget, or submit a plan to the BOG to attain the 7 percent balance. However, the bill authorizes that a university may spend the minimum carryforward balance if a demonstrated emergency exists, and the plan is approved by the university board of trustees (BOT) and the BOG.

The bill provides that an FCS institution retaining a carry forward balance in excess of the minimum is required to annually submit a spending plan for the excess balances to its local BOT for approval by September 1, and to the SBE to review and publish by October 1. The bill provides that a state university retaining a carry forward balance in excess of the minimum is required to annually submit a spending plan for the excess balances to its local BOT for approval by September 1, and to the BOG for approval by October 1.

The bill requires, annually by September 30, the chief financial officer (CFO) of each FCS institution and state university to certify the unexpended amount of state funds remaining in the general fund of an institution as of June 30. The bill also requires the Auditor General, as a part of its annual financial audits of state universities and FCS institutions, to verify the accuracy of the amounts certified by each FCS institution and university CFO.

Funds for Workforce Education

The bill removes the \$15 million cap on the maximum amount of performance funding that may be appropriated for industry certifications for FCS institution and school district workforce education programs.

2+2 Targeted Pathway Articulation Agreements

The bill establishes the “2+2” targeted pathway program, and requires each FCS institution and state university to execute at least one “2+2” targeted pathway articulation agreement. The “2+2” targeted pathway articulation agreement must provide students who graduate with an associate in arts degree guaranteed access to the state university and degree program at that university.

State Board of Education and Board of Governors Oversight Authority

The bill adds additional oversight authority for the SBE and BOG to require the Commissioner of Education and the Chancellor of the State University System to report specified findings by the Auditor General. The SBE and BOG must require the school district or institution governing board to document compliance with the law.

State University Boards of Trustees – Annual Training

The bill requires the BOG to develop and annually deliver a specified training program for members of a state university BOT. Trustees must complete the training within 1 year of their appointment and reappointment to a university BOT.

Board of Governors Data Accountability

The bill requires the BOG to:

- Define the data components and methodology for the performance-based incentive funding and the preeminent state research universities programs. Each university must submit an annual audit of such data to the BOG Office of Inspector General.
- Enter into an agreement with the Department of Economic Opportunity that allows access to the individual reemployment assistance wage records for the purpose of auditing or evaluating higher education programs.

Excess Hours Surcharge

The bill increases the credit hours a student entering a state university in the summer term of 2019 or thereafter may earn, from 110 percent to 120 percent of the degree program, before being required to pay the surcharge. Also, for a student who changes degree programs, the bill requires the university to adjust the excess credit hour threshold only if the number of credit hours required to complete the new degree program exceeds that of the original degree program.

Florida College System Institution Dormitory Facilities

The bill maintains the prohibition on FCS institutions issuing bonds to finance additional dormitory beds built after July 1, 2016, but authorizes that bonds may be issued by nonpublic entities as part of a public-private partnership between the college and a nonpublic entity.

Florida College System Institution Direct Support Organizations

The bill specifies that an FCS institution direct-support organization is prohibited from giving, either directly or indirectly, any gift to a political committee, without exception.

If approved by the Governor, these provisions take effect July 1, 2019.

Vote: Senate 38-0; House 109-0