

STORAGE NAME: h3389p1.cu

DATE: March 2, 1998

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
Colleges & Universities
BILL RESEARCH & ECONOMIC IMPACT STATEMENT**

BILL #: PCS/HB 3389

RELATING TO: Nonpublic postsecondary education institutions

SPONSOR(S): Rep. Trovillion

COMPANION BILL(S): SB 924 by Senator Sullivan

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) Colleges & Universities
 - (2)
 - (3)
 - (4)
 - (5)
-

I. SUMMARY:

PCS/HB 3389 revises membership of the State Board of Independent Colleges and Universities (SBICU) to specifically provide for representation from the various categories of institutions under the jurisdiction of the SBICU.

The bill removes obsolete and duplicative terminology relating to accrediting agencies.

The bill revises a number of provisions relating to nonpublic colleges issued an authorization by the SBICU. These colleges may only offer educational programs that prepare students for religious vocations in selected fields: ministry, counseling, theology, education, administration, music, fine arts, media communications, and social work. The bill clarifies that the provision relating to receipt of state or federal financial aid applies only to Florida students. The requirement that degrees issued by a college include a religious modifier which must immediately precede, or be included within, the title of the degree is eliminated and replaced with a requirement that the religious modifier be a part of the degree title and placed on the title line of the degree. Provisions relating to the process for certifying that a college meets minimum SBICU licensure standards and provisions relating to oversight of the review and collection of data are also modified.

Provisions relating to the use of funds from the Institutional Assessment Trust Fund are modified to specifically authorize use of the funds for educational programs to benefit institutions receiving a certificate of exemption or authorization.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

See SECTION-BY-SECTION RESEARCH

B. EFFECT OF PROPOSED CHANGES:

See SECTION-BY-SECTION RESEARCH.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

No.

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

The SBICU will be responsible for providing training for groups wishing to review institutions for compliance with SBICU licensing standards and for groups overseeing the review and collection of data pursuant to s. 246.084, F.S.

(3) any entitlement to a government service or benefit?

N/A

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

No.

b. Does the bill require or authorize an increase in any fees?

No.

c. Does the bill reduce total taxes, both rates and revenues?

No.

d. Does the bill reduce total fees, both rates and revenues?

No.

e. Does the bill authorize any fee or tax increase by any local government?

No.

3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

N/A

b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

N/A

4. Individual Freedom:

a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

N/A

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

N/A

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

- (1) Who evaluates the family's needs?

N/A

- (2) Who makes the decisions?

N/A

- (3) Are private alternatives permitted?

N/A

- (4) Are families required to participate in a program?

N/A

- (5) Are families penalized for not participating in a program?

N/A

- b. Does the bill directly affect the legal rights and obligations between family members?

N/A

- c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

- (1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

D. STATUTE(S) AFFECTED:

Amends ss. 246.021, 246.031, 246.041, 246.084, 246.085, 246.121, and 246.31, F.S..

E. SECTION-BY-SECTION RESEARCH:

Section 1. Amends s. 246.021(4), F.S., to include “branch campus” of an out-of-state college in the definition of the term “college”.

Present Situation:

Section 246.021(4), F.S., defines the term “college” to mean any educational entity which confers or offers to confer a degree or which furnishes or offers to furnish instruction leading toward, or prerequisite to, college credit or a degree beyond the secondary level.” The term includes any nonpublic college chartered in this state and any Florida center of an out-of-state college.

Effect of Proposed Changes:

The definition of the term “college” is modified to clarify that the term includes any “branch campus” of an out-of-state college.

Section 2. Amends s. 246.031(2), F.S., to revise requirements relating to members of the State Board of Independent Colleges and Universities (SBICU).

Present Situation:

Membership of the SBICU currently consists of nine citizens appointed by the Governor and confirmed by the Senate. SBICU members must be Florida residents. A majority of the members must represent independent colleges and universities within the state.

Effect of Proposed Changes:

Provisions relating to board membership are revised to specifically require that a member representing a particular category of institution must be an employee, consultant, board member, or trustee of the institution. At least one board member must be appointed from each of the following categories of institution: a college or university holding a certificate of exemption pursuant to 246.085(1)(a), F.S., and accredited by a regional accrediting association; a college or university holding a certificate of exemption pursuant to s. 246.085(1)(a), F.S., and accredited by a national accrediting association; a college or university licensed by the board; a college or university holding a certificate of exemption from licensure pursuant to s. 246.085(1)(b), F.S., or a college

or university issued an authorization pursuant to s. 246.084, F.S. Finally, at least one board member must be a lay citizen of the state who derives no income from a nonpublic college or university or the state.

Section 3. Amends s. 246.041, F.S., to revise provisions relating to review of accreditation standards, to correct a cross-reference, and to delete obsolete terminology.

Present Situation:

The provisions of s. 246.041(1)(q), F.S., require the SBICU to annually review the accreditation standards of certain accrediting agencies to determine for each of the accrediting bodies the comparability of the accreditation standards with minimum licensing standards of the board. A college that is chartered in Florida and accredited by one of these bodies may be eligible for a certificate of exemption from the SBICU. The specific accrediting associations identified in statute include the following: the Commission on Colleges of the Southern Association of Colleges and Schools; the Accrediting Council for Independent Colleges and Schools at the junior or senior college of business level; the American Association of Bible Colleges; and, the Transnational Association of Christian Colleges and Schools. The SBICU may also, upon request, review the accreditation of other Commission on Recognition of Postsecondary Accreditation and United States Department of Education recognized accrediting associations to determine comparability with minimum licensing requirements of the SBICU.

The provisions of s. 246.041(1)(r), F.S., require the SBICU to provide information and documentation on an annual basis to the Office of Student Financial Assistance (D.O.E.) regarding the requirements set forth for nonpublic colleges in ". . . s. 240.607, relating to access grants for community college graduates. . ." Statutory provisions relating to access grants for community college graduates are under s. 240.6055, F.S., not s. 240.607, F.S.

The provisions of s. 246.041(2)(g), F.S., authorize the SBICU to recommend changes to the Legislature regarding accrediting associations whose institutions are eligible for certificates of exemption. Such accrediting associations must be Commission on Recognition of Postsecondary Accreditation or United States Department of Education recognized accrediting associations whose standards are comparable with state licensing standards. The Commission on Recognition of Postsecondary Accreditation no longer exists.

Effect of Proposed Changes:

References to specific accrediting agencies are deleted. The SBICU is directed to review, at least biennially, the accreditation standards of agencies listed in s. 246.085(1)(a), F.S., (accrediting agencies whose institutions are eligible for a certificate of exemption) to ensure comparability with licensure standards. The SBICU is also directed to, upon request and payment of an initial review fee, review the accreditation

standards of other accrediting agencies recognized by the United States Department of Education.

The incorrect reference to "s. 240.607" is changed to the correct cite, "s. 240.6055".

The reference to "Commission on Recognition of Postsecondary Accreditation" is deleted.

Section 4. Amends s. 246.084, F.S., to revise institutional eligibility requirements to receive an authorization from the SBICU; revises provisions relating to the religious modifier required on the degrees or transcripts issued by institutions operating pursuant to an authorization; revises provisions relating to verification of compliance; provides for training program by the SBICU.

Present Situation.

Section 246.084, F.S., provides a process by which certain nonpublic colleges are not required to apply for a license from the SBICU. To be eligible, the college must enroll no students who receive state or federal financial aid for education. The college may only offer educational programs that prepare students for religious vocations as ministers, professionals, or laypersons in the following categories: ministry, counseling, theology, education, administration, music, fine arts, media communications, and social work. The religious vocation must appear on the face of the degree and on the college's transcript.

The degrees issued by the college must include a religious modifier that must immediately precede, or be included within, any of the following titles: Associate of Arts, Associate in Science, Bachelor of Arts, Bachelor of Science, Master of Arts, Master of Science, and Doctor of Philosophy. Under certain conditions, however, a college is not required to include a religious modifier in the degree title. If the college submits a sworn affidavit to the SBICU from a group formed pursuant to s. 246.041(1)(f), F.S., certifying that the college complies with the minimum licensing standards of the SBICU, the college is not required to include a religious modifier in the title of degrees issued by the college. [Note: Section 246.041(1)(f), F.S., requires the SBICU to authorize an individual, or a designated group of individuals, to represent one or more nonpublic colleges in appearance before the SBICU on official matters if each college agrees formally to designate the individual or group of individuals to represent it.]

A college operating pursuant to s. 246.084, F.S., must submit certain information annually to the SBICU. The information that must be submitted, including a descriptive inventory of consumer practices, is described in statute. The college must include with the information a sworn affidavit, signed by its chief administrative officer, affirming that the information submitted is accurate; that no false data has knowingly and willingly been submitted; that the college observes the policies and practices as reported; and that the college complies with the provisions of s. 246.084, F.S. The SBICU sets an annual date for receiving the data and assuring compliance with the provisions of s. 246.084, F.S. The SBICU may enter into an agreement with a group formed pursuant to s. 246.041(1)(f), F.S., to oversee the review and collection of data submitted pursuant to s. 246.084, F.S.

Effect of Proposed Changes:

The institutional eligibility criteria are modified to clarify that the provisions relating to receipt of state or federal financial aid apply to students of the college who are enrolled in Florida.

Provisions relating to the religious modifier are revised to eliminate the requirement that the modifier must immediately precede, or be included within, the degree title. The religious modifier must be a part of the title of the degree and must be placed on the title line of the degree.

Provisions relating to certification that a college complies with minimum SBICU licensure standards are modified. Verification of compliance with s. 246.084, F.S., can be accomplished in one of three ways:

1. Submission to the SBICU of a finding of compliance by a group of citizens (must be state residents) authorized by the SBICU pursuant to s. 246.041(1)(f), F.S., which has experience using standards similar to the SBICU licensing standards or has received training from the SBICU.
2. Submission to the SBICU of evidence of accreditation by a regional or national accrediting agency that is recognized by the U.S. Department of Education.
3. By a finding of compliance by the SBICU.

Provisions relating to oversight of the review and collection of data required pursuant to s. 246.084, F.S., are modified. The SBICU is required to enter into an agreement with an authorized group to oversee the review and collection of the data submitted pursuant to s. 246.084, F.S., although any college may choose to be under the SBICU for review and collection of data. Authorized groups which oversee institutions for the purpose of review and data collection must receive training from the SBICU or have knowledge of, or experience with, the material included in such training.

Section 5. Amends s. 246.085(1), F.S., to remove obsolete terminology.

Present Situation.

Section 246.085, F.S., provides an alternative to applying for a license from the SBICU for certain accredited colleges. Section 246.085(1), F.S., lists the accrediting agencies whose colleges in Florida may apply for a certificate of exemption from the SBICU. The names of some of these agencies or associations as they appear in statute, such as the Commission on Recognition of Postsecondary Accreditation, are obsolete.

Effect of Proposed Changes.

Obsoletes references are updated.

Section 6. Amends s. 246.121, F.S., to clarify provisions relating to use of the title "college" or "university" and remove obsolete and duplicative provisions.

Present Situation.

Section 246.121, F.S., sets forth the conditions under which the title “college” or “university” may be used. References to accrediting agencies are duplicative of the language included in s. 246.085, F.S.

Effect of Proposed Changes.

Provisions are revised to remove duplicative language and clarify that any college for which the SBICU has issued a license, certificate of exemption, or an authorization pursuant to chapter 246, F.S., is eligible to use the designation “college” or “university”.

Section 7. Amends s. 246.31, F.S., to provide that educational programs provided by the board benefit not just licensed institutions but also institutions receiving a certificate of exemption or an authorization.

Present Situation.

Section 246.31(2), F.S., provides that funds from the Institutional Assessment Trust Fund can be used for the benefit of current and prospective owners, administrators, agents, and faculty of institutions licensed by the board.

Effect of Proposed Changes.

In addition to licensed institutions, the board can use funds from the Institutional Assessment Trust Fund for educational programs for the benefit of institutions receiving a certificate of exemption or an authorization. The board can also use the funds for educational programs for the benefit of authorized groups of individuals.

III. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

See FISCAL COMMENTS.

2. Recurring Effects:

See FISCAL COMMENTS.

3. Long Run Effects Other Than Normal Growth:

See FISCAL COMMENTS.

4. Total Revenues and Expenditures:

See FISCAL COMMENTS.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

N/A

2. Recurring Effects:

N/A

3. Long Run Effects Other Than Normal Growth:

N/A

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

See FISCAL COMMENTS.

2. Direct Private Sector Benefits:

See FISCAL COMMENTS.

3. Effects on Competition, Private Enterprise and Employment Markets:

See FISCAL COMMENTS.

D. FISCAL COMMENTS:

The fiscal impact of the bill is indeterminate. To the extent that the SBICU would need to develop the proposed training programs, there is no provision for additional resources. Presumably, existing educational programs would be used or the training programs would be developed and offered within existing resources. The extent to which this could limit the SBICU in its other activities is unknown.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate.

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C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of a state tax shared with counties or municipalities.

V. COMMENTS:

None.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

PCS/HB 3389 revises the SBICU membership in a different manner. It also removes obsolete and duplicative terminology relating to accrediting associations.

VII. SIGNATURES:

COMMITTEE ON Colleges & Universities:
Prepared by:

Legislative Research Director:

Betty H. Tilton, Ph.D.

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