

**STORAGE NAME:** h1495z.cu

**DATE:** May 3, 1999

**\*\*FINAL ACTION\*\***

**\*\*SEE FINAL ACTION STATUS SECTION\*\***

**HOUSE OF REPRESENTATIVES  
COMMITTEE ON  
COLLEGES & UNIVERSITIES  
FINAL ANALYSIS**

**BILL #:** HB 1495 (Similar provisions passed as Section 88 of CS/CS/SB 1566)

**RELATING TO:** Urban Policy

**SPONSOR(S):** Representative Rudolph Bradley

**COMPANION BILL(S):** SB 1054 by Senator James Hargrett

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

- (1) COLLEGES & UNIVERSITIES YEAS 8 NAYS 0
- (2) COMMUNITY AFFAIRS
- (3) BUSINESS DEVELOPMENT & INTERNATIONAL TRADE
- (4) EDUCATION APPROPRIATIONS
- (5)

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**I. FINAL ACTION STATUS:**

HB 1495 died in the House of Representatives Community Affairs Committee and SB 1054 died on the Senate Calendar. Most of the provisions contained in HB 1495 and SB 1054 were amended to Section 88 of CS/CS/SB 1566. However, CS/CS/SB 1566 "permits" rather than "requires" the Institute on Urban Policy and Commerce to establish regional urban centers in several inner cities. CS/CS/SB 1566 became law on June 8, 1999 (see ch. 99-251, L.O.F.).

**II. SUMMARY:**

The bill establishes in statute the Institute on Urban Policy and Commerce as a Type I Institute under the Board of Regents at Florida Agricultural and Mechanical University. The major purposes of the Institute are to pursue research on urban policy issues confronting the inner-city areas and neighborhoods in the state; influence the equitable allocation and stewardship of financial resources; provide training in community planning and design; assist with the planning, development, and capacity building of urban area nonprofit organizations and government agencies; develop and maintain a data base relating to inner city areas; and support the community development efforts on inner city areas, neighborhood-based organizations, and municipal agencies.

The bill directs the Institute to research and recommend strategies concerning critical issues facing the under served population in urban communities, including but not limited to, transportation and physical infrastructure; affordable housing; tourism and commerce; environmental restoration; job development and retention; child care; public health; life-long learning; family intervention; public safety; and community relations.

The bill requires the Institute to establish regional urban centers to be located in the inner cities of St. Petersburg, Tampa, Jacksonville, Orlando, West Palm Beach, Ft. Lauderdale, Miami, Daytona Beach, and Pensacola to assist urban communities on critical economic, social, and educational problems affecting the under served population.

The bill requires the Institute to submit an annual report of its findings and recommendations to the Legislature and the Governor. The Governor must submit an annual report to the Legislature on the unmet needs in the state's urban population.

The Fiscal Year 1999-2000 General Appropriations Act provides \$375,000 in funding for the Urban Policy and Commerce Institute at Florida A&M University.

III. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

**STATE UNIVERSITY SYSTEM -- TYPE I INSTITUTES**

**CHANCELLOR'S MEMORANDUM, CM-C-07.00-01/99**, establishes policies and procedures for approving, classifying, operating, reviewing, and disbanding institutes/centers in the State University System. Institutes/Centers are entities proposed by universities, the Legislature, or the Board of Regents; approved by the Board of Regents and/or the Chancellor or a university president (depending on the type of institute/center); and established by the universities for the purpose of coordinating intra- and /or inter-institutional research, service, and training activities that supplement and extend existing departmental instruction, research, and service programs. Institutes/centers that are established by law must operate in accordance not only with State University System policies, rules, and procedures, but also with State statute.

Institutes/Centers are classified into three categories:

- (1) Type I institutes/centers have Statewide missions and may be specifically authorized/established and/or funded by the Legislature.
- (2) Type II institutes/centers are established by a single university; in some instance, additional institutions may participate. Type II institutes/centers expend appropriated State funds as a result of Legislative or university decision, and they may expend "other" funds (i.e., non-appropriated State funds, such as contracts and grants, fees, etc.)
- (3) Type III institutes/centers are established by a single university; in some instances, additional institutions may participate. Type III institutes/centers expend "other" funds *only* (i.e., non-appropriated State funds, such as contracts and grants, fees, etc.)

In the event an institute/center is established by law and/or the Legislature appropriates or earmarks funds for an institute/center, the host university must seek approval to establish the institute/center, pursuant to procedures outlined in **CM-C-07.00-01/99** prior to the expenditure of appropriated funds.

For each Type I institute/center, a host university is designated to serve as a system wide facility. The host university must provide all administrative and logistical support for the system wide facility of a Type I institute/center. The director of a Type I institute is appointed by the president of the host university with the concurrence of the Chancellor. The director reports to the president of the host university or his or her designee.

Each Type I institute/center must have an advisory board. The advisory board consists of the following individuals: the presidents or their designees from all participating universities; representatives of appropriate public or private agencies appointed by the Chancellor, upon recommendation of the participating agencies; and the Chancellor's designee. The advisory board provides guidance to the director, the Council of Academic Vice Presidents (CAVP), Council of Presidents (COP), and/or the Chancellor, as circumstances require. Members are appointed for three-year staggered terms. The advisory board makes recommendations with respect to the distribution of funds.

Type I institutes/centers have separate departmental accounts in the universities' operating budgets. Budgeting practices must conform to those of the host university, unless otherwise directed by the Board of Regents. The director is responsible for compiling budgetary recommendations, with advice from the president of the host university and the advisory board. Contracts and grants proposed by a Type I institute/center to outside funding agencies must be processed through the host university. The percentage of overhead funds to be returned to the institute/center must be consistent with that university's policy. Type I institutes/centers must reimburse the host university for direct costs of administrative services rendered by the university. Personnel employed by a Type I institute/center may be employed concurrently by one or more of the participating universities.

Each approved institute/center must submit an annual report to the Chancellor. Each Type I institute/center will be reviewed at the request of the CAVP, the COP, or the Chancellor and in conjunction with the periodic review of related disciplines. Issues to be addressed during the review

may include the relative need for continuation of the institute/center; possible changes in mission or organizational structure; budgetary reduction or expansion; and/or redesignation of classification.

Type I institutes will be disbanded only upon written notification to the Chancellor with approval by the Board of Regents.

### **THE URBAN POLICY AND COMMERCE INSTITUTE AT FAMU**

The 1998 General Appropriations Act provided \$175,000 in funding for the Urban Policy and Commerce Institute at Florida A&M University. The Institute has recently issued its first interim report. That report describes the activities of the Institute; summarizes findings regarding the "State of Unmet needs in Florida's Urban Communities"; and includes the Advisory Committee's recommendations for the revitalization of inner city areas.

According to the report, the Institute was established on July 1, 1998. The university president appointed a nineteen member statewide advisory panel comprised of members of the Legislature, state agencies, private and public non-profits, private sector businesses, and community based organizations. The State Advisory Committee has been meeting to identify major issues facing urban neighborhoods, develop an agenda, and plan for the "unmet needs in Florida's urban communities."

The report provides a **MISSION STATEMENT** for the Institute. The purpose of the Institute is to develop urban strategies and partnerships to address critical social, economic, and physical issues through applied research and training. The Institute will be responsible for collecting, evaluating and disseminating pertinent empirical data to influence the equitable allocation and stewardship of federal, state and local financial resources used to improve the quality of life for Florida residents in urban communities. The Institute will also serve as a clearinghouse for research on socio-economic problems and as an advocate for the development of solutions to these problems. The Institute will be required to assess the effectiveness of strategies and their impact on communities.

The interim report also outlines the objective of the Institute:

- ★ To form alliances to build problem solving relationships between the academic and policy-making communities to achieve effective targeting of resources;
- ★ To bring visibility to and address the socio-economic plight of disadvantaged urban residents of the state;
- ★ To build capacity within urban communities to foster and sustain economic and social vitality;
- ★ To monitor the development and application of public policies for blighted/distressed communities, evaluate their effectiveness, and make recommendations;
- ★ To assess the impact of urban policy on rural communities;
- ★ To advocate for fairness in the development and application of urban public policies to help protect the public and build sustainability in poor communities; and
- ★ To train a new generation of civic leaders and university students interested in approaches to community development.

The interim report describes the physical, economic, social, and educational characteristics of Florida's inner-city communities; provides an analysis of the unmet needs in Florida's urban communities; and offers a plan for recommended change.

The report envisions the Urban Policy Institute as an agent for change and encourages the development of an urban extension service program to assist urban communities in solving critical issues. The report recommends the establishment of regional urban centers to be located in the inner cities of St. Petersburg, Tampa, Jacksonville, Orlando, West Palm Beach, Ft. Lauderdale, Miami, Daytona Beach, and Pensacola to assist inner city communities on critical economic, social, and education problems affecting the under served population.

**B. EFFECT OF PROPOSED CHANGES:**

The bill establishes in statute the Institute on Urban Policy and Commerce as a Type I Institute under the Board of Regents at Florida Agricultural and Mechanical University. The major purposes of the Institute are to pursue research on urban policy issues confronting the inner-city areas and neighborhoods in the state; to influence the equitable allocation and stewardship of financial resources; provide training in community planning and design; to assist with the planning, development, and capacity building of urban area nonprofit organizations and government agencies; to develop and maintain a data base relating to inner city areas; and to support the community development efforts on inner city areas, neighborhood-based organizations, and municipal agencies.

The bill directs the Institute to research and recommend strategies concerning critical issues facing the underserved population in urban communities, including but not limited to, transportation and physical infrastructure; affordable housing; tourism and commerce; environmental restoration; job development and retention; child care; public health; life-long learning; family intervention; public safety; and community relations.

The bill requires the Institute to establish regional urban centers to be located in the inner cities of St. Petersburg, Tampa, Jacksonville, Orlando, West Palm Beach, Ft. Lauderdale, Miami, Daytona Beach, and Pensacola to assist urban communities on critical economic, social, and educational problems affecting the underserved population.

The bill requires the Institute to submit an annual report of its critical findings and recommendations to the Legislature and the Governor. The Governor must submit an annual report to the Legislature on the unmet needs in the state's urban population.

**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?

Yes. The Urban Policy and Commerce Institute will be required to research and recommend strategies concerning critical issues facing the underserved population in urban communities; establish regional urban centers in St. Petersburg, Tampa, Jacksonville, Orlando, West Palm Beach, Ft. Lauderdale, Miami, Daytona Beach, and Pensacola to assist urban communities on critical economic, social, and educational problems affecting the underserved population; submit an annual report to the Legislature entitled "The State of Unmet Needs in Florida's Urban Communities" which must include: a recommended list of resources that could be made available for revitalizing urban communities; significant accomplishments and activities of the institute; and recommendations concerning the expansion, improvement, or termination of the institute.

The Governor must submit an annual report to the Legislature on the unmet need in the state's urban communities.

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

No.

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

No 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?

No.

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

No.

4. Individual Freedom:

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

No.

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

No.

5. Family Empowerment:

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

The bill does not purport 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?

No.

- 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:

The bill does not create or change a program providing services to families or children.

- (1) parents and guardians?

N/A

- (2) service providers?

N/A

- (3) government employees/agencies?

N/A

D. STATUTE(S) AFFECTED:

Creates an unnumbered section.

E. SECTION-BY-SECTION ANALYSIS:

**Section 1.** Creates the Institute on Urban Policy and Commerce as a Type I Institute under the Board of Regents at Florida Agricultural and Mechanical University.

**Section 2.** Delineates the major purposes of the Institute.

**Section 3.** Directs the Institute to research and recommend strategies concerning critical issues facing the under served population in urban communities.

**Section 4.** Directs the Institute to establish regional urban centers in the inner cities of St. Petersburg, Tampa, Jacksonville, Orlando, West Palm Beach, Ft. Lauderdale, Miami, Daytona Beach, and Pensacola.

**Section 5.** Directs the Institute to submit a report of its findings and recommendations before January 1 of each year to the President of the Senate, the Speaker of the House of Representatives, and the appropriate committees of the Legislature. The report must be entitled the "The State of Unmet Needs in Florida's Urban Communities".

**Section 6.** Directs the Governor to submit an annual report to the Legislature on the unmet needs in the state's urban communities.

**Section 7.** Provides an effective date of July 1, 1999.

IV. FISCAL ANALYSIS & 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:

None.

2. Recurring Effects:

None.

3. Long Run Effects Other Than Normal Growth:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

None.

2. Direct Private Sector Benefits:

Indeterminate at this time.

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

Indeterminate at this time. However, the bill does direct the institute to study issues relating to tourism, commerce, and job development and retention.

D. FISCAL COMMENTS:

The overall fiscal impact of the bill is indeterminate. However, this program is designed to interface with the Governor's Front Porch Florida program which has earmarked funds for urban renewal and community development. Proponents of the bill indicate that the costs associated with the urban centers may be shared with those associated with Front Porch Florida. The Fiscal Year 1999-2000 General Appropriations Act includes a \$200,000 increase in funding for the Urban Policy and Commerce Institute at Florida A&M University, which represents a total appropriation of \$375,000. Since the program is in its first year of implementation, start-up capital outlay and administrative costs are imminent.

V. 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 action which requires the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

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

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.

VI. COMMENTS:

None.

VII. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

On March 31, 1999, the Committee on Colleges & Universities adopted an amendment which added the requirement that the Institute submit a report titled "The State of Unmet Needs in Florida's Urban Communities" to the Executive Office of the Governor. The amendment also removes the requirement that the Governor submit an annual report to the Legislature on the unmet needs of Florida. This amendment is not included in CS/CS/SB 1566.



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VIII. SIGNATURES:

COMMITTEE ON Colleges & Universities:

Prepared by:

Paitra L. Patterson

Staff Director:

Betty H. Tilton, Ph.D.

**FINAL ANALYSIS PREPARED BY THE COMMITTEE ON COLLEGES & UNIVERSITIES:**

Prepared by:

Daniel Furman

Staff Director:

Betty H. Tilton, Ph.D.