

1 A bill to be entitled
2 An act relating to community colleges; amending s.
3 1001.64, F.S.; providing conditions for certain
4 contracting by community college boards of trustees;
5 authorizing boards of trustees to enter into certain
6 short-term loans and contracts and make payments subject
7 to appropriation; authorizing boards of trustees to incur
8 long-term debt according to specified requirements;
9 prohibiting a board of trustees from securing or repaying
10 such debt using tuition or certain other revenues;
11 amending s. 1004.70, F.S.; requiring community college
12 boards of trustees to authorize debt incurred by direct-
13 support organizations; authorizing delegation for approval
14 of short-term loans and lease-purchase agreements;
15 providing restrictions; amending s. 1009.22, F.S.,
16 relating to workforce education postsecondary student
17 fees, and s. 1009.23, F.S., relating to community college
18 student fees; revising provisions relating to the pledge
19 of fee revenues to the repayment of debt by community
20 college boards of trustees; providing requirements for the
21 request, issuance, securing, and payment of bonds;
22 providing for limitation of actions; amending s. 1000.21,
23 F.S.; renaming Daytona Beach Community College as "Daytona
24 Beach College" and renaming Indian River Community College
25 as "Indian River College"; providing an effective date.

26
27 Be It Enacted by the Legislature of the State of Florida:
28

29 Section 1. Subsections (26) and (38) of section 1001.64,
 30 Florida Statutes, are amended to read:

31 1001.64 Community college boards of trustees; powers and
 32 duties.--

33 (26) Each board of trustees is authorized to contract for
 34 the purchase, sale, lease, license, or acquisition in any
 35 manner, ~~including purchase by installment or lease-purchase~~
 36 ~~contract which may provide for the payment of interest on the~~
 37 ~~unpaid portion of the purchase price and for the granting of a~~
 38 ~~security interest in the items purchased, subject to the~~
 39 ~~provisions of subsection (38) and ss. 1009.22 and 1009.23,~~ of
 40 goods, materials, equipment, and services required by the
 41 community college. The board of trustees may choose to
 42 consolidate equipment contracts under master equipment financing
 43 agreements made pursuant to s. 287.064.

44 (38) Each board of trustees is authorized to enter into
 45 short-term loans and installment, lease-purchase, and other
 46 financing contracts for a term of not more than 5 years,
 47 including renewals, extensions, and refundings. Payments on
 48 short-term loans and installment, lease-purchase, and other
 49 financing contracts pursuant to this subsection shall be subject
 50 to annual appropriation by the board of trustees. Each board of
 51 trustees is authorized to borrow funds and incur long-term debt,
 52 including promissory notes, installment sales agreements, lease-
 53 purchase agreements, certificates of participation, and other
 54 similar long-term financing arrangements, only as specifically
 55 provided ~~entering into lease-purchase agreements and the~~
 56 ~~issuance of revenue bonds as specifically authorized and only~~

57 ~~for the purposes authorized~~ in ss. 1009.22(6) and (9) and
 58 1009.23(11) and (12). At the option of the board of trustees,
 59 bonds issued pursuant to ss. 1009.22(6) and (9) and 1009.23(11)
 60 and (12) may be ~~issued which are~~ secured by a combination of
 61 revenues authorized to be pledged to bonds pursuant to such
 62 subsections ss. 1009.22(6) and 1009.23(11) or ss. 1009.22(9) and
 63 1009.23(12). Revenue bonds may not be secured by or paid from,
 64 directly or indirectly, tuition, financial aid fees, the
 65 Community College Program Fund, or any other operating revenues
 66 of a community college. Lease-purchase agreements may be secured
 67 by a combination of revenues as specifically authorized pursuant
 68 to ss. 1009.22(7) and 1009.23(10).

69 Section 2. Paragraph (e) is added to subsection (4) of
 70 section 1004.70, Florida Statutes, to read:

71 1004.70 Community college direct-support organizations.--

72 (4) ACTIVITIES; RESTRICTIONS.--

73 (e) A community college board of trustees must authorize
 74 all debt, including lease-purchase agreements, incurred by a
 75 direct-support organization. Authorization for approval of
 76 short-term loans and lease-purchase agreements for a term of not
 77 more than 5 years, including renewals, extensions, and
 78 refundings, for goods, materials, equipment, and services may be
 79 delegated by the board of trustees to the board of directors of
 80 the direct-support organization. Trustees shall evaluate
 81 proposals for debt according to guidelines issued by the
 82 Division of Community Colleges. Revenues of the community
 83 college may not be pledged to debt issued by direct-support
 84 organizations.

85 Section 3. Subsections (6) and (9) of section 1009.22,
 86 Florida Statutes, are amended to read:

87 1009.22 Workforce education postsecondary student fees.--

88 (6) (a) Each district school board and community college
 89 board of trustees may establish a separate fee for capital
 90 improvements, technology enhancements, or equipping buildings
 91 which may not exceed 5 percent of tuition for resident students
 92 or 5 percent of tuition and out-of-state fees for nonresident
 93 students. Funds collected by community colleges through the fee
 94 ~~these fees~~ may be bonded only for the purpose of financing or
 95 refinancing new construction and equipment, renovation, or
 96 remodeling of educational facilities. The fee shall be collected
 97 as a component part of the tuition and fees, paid into a
 98 separate account, and expended only to construct and equip,
 99 maintain, improve, or enhance the certificate career education
 100 or adult education facilities of the school district or
 101 community college. Projects funded through the use of the
 102 capital improvement fee must meet the survey and construction
 103 requirements of chapter 1013. Pursuant to s. 216.0158, each
 104 district school board and community college board of trustees
 105 shall identify each project, including maintenance projects,
 106 proposed to be funded in whole or in part by such fee. Capital
 107 improvement fee revenues may be pledged by a board of trustees
 108 as a dedicated revenue source to the repayment of debt,
 109 including lease-purchase agreements, with an overall term of not
 110 more than 7 years, including renewals, extensions, and
 111 refundings, and revenue bonds, ~~with a term not exceeding~~ to
 112 ~~exceed 20 years,~~ and not exceeding ~~to exceed~~ the useful life of

113 the asset being financed, only for the new construction and
 114 equipment, renovation, or remodeling of educational facilities.
 115 Bonds authorized pursuant to this paragraph shall be requested
 116 by the community college board of trustees and shall be issued
 117 by the Division of Bond Finance in compliance with s. 11(d),
 118 Art. VII of the State Constitution and the State Bond Act. The
 119 Division of Bond Finance may pledge fees collected by one or
 120 more community colleges to secure such bonds. Any project
 121 included in the approved educational plant survey pursuant to
 122 chapter 1013 is approved pursuant to s. 11(f), Art. VII of the
 123 State Constitution. ~~Community colleges may use the services of~~
 124 ~~the Division of Bond Finance of the State Board of~~
 125 ~~Administration to issue any bonds authorized through the~~
 126 ~~provisions of this subsection. Any such bonds issued by the~~
 127 ~~Division of Bond Finance shall be in compliance with the~~
 128 ~~provisions of the State Bond Act.~~ Bonds issued pursuant to the
 129 State Bond Act may ~~shall~~ be validated in the manner provided by
 130 chapter 75. The complaint for such validation shall be filed in
 131 the circuit court of the county where the seat of state
 132 government is situated, the notice required to be published by
 133 s. 75.06 shall be published only in the county where the
 134 complaint is filed, and the complaint and order of the circuit
 135 court shall be served only on the state attorney of the circuit
 136 in which the action is pending. A maximum of 15 cents per credit
 137 hour may be allocated from the capital improvement fee for child
 138 care centers conducted by the district school board or community
 139 college board of trustees. The use of capital improvement fees
 140 for such purpose shall be subordinate to the payment of any

141 bonds secured by the fees.

142 (b) The state does hereby covenant with the holders of the
143 bonds issued under paragraph (a) that it will not take any
144 action that will materially and adversely affect the rights of
145 such holders so long as the bonds authorized by paragraph (a)
146 are outstanding.

147 (9) Community college boards of trustees and district
148 school boards are not authorized to charge students enrolled in
149 workforce development programs any fee that is not specifically
150 authorized by statute. In addition to tuition, out-of-state,
151 financial aid, capital improvement, and technology fees, as
152 authorized in this section, community college boards of trustees
153 and district school boards are authorized to establish fee
154 schedules for the following user fees and fines: laboratory
155 fees; parking fees and fines; library fees and fines; fees and
156 fines relating to facilities and equipment use or damage; access
157 or identification card fees; duplicating, photocopying, binding,
158 or microfilming fees; standardized testing fees; diploma
159 replacement fees; transcript fees; application fees; graduation
160 fees; and late fees related to registration and payment. Such
161 user fees and fines shall not exceed the cost of the services
162 provided and shall only be charged to persons receiving the
163 service. Parking fee revenues may be pledged by a community
164 college board of trustees as a dedicated revenue source for the
165 repayment of debt, including lease-purchase agreements, with an
166 overall term of not more than 7 years, including renewals,
167 extensions, and refundings, and revenue bonds with a term ~~terms~~
168 not exceeding 20 years and not exceeding the useful life of the

169 asset being financed. Community colleges shall use the services
 170 of the Division of Bond Finance of the State Board of
 171 Administration to issue any revenue bonds authorized by ~~the~~
 172 ~~provisions of~~ this subsection. Any such bonds issued by the
 173 Division of Bond Finance shall be in compliance with the
 174 provisions of the State Bond Act. Bonds issued pursuant to the
 175 State Bond Act may ~~shall~~ be validated in the manner established
 176 in chapter 75. The complaint for such validation shall be filed
 177 in the circuit court of the county where the seat of state
 178 government is situated, the notice required to be published by
 179 s. 75.06 shall be published only in the county where the
 180 complaint is filed, and the complaint and order of the circuit
 181 court shall be served only on the state attorney of the circuit
 182 in which the action is pending.

183 Section 4. Subsections (11) and (12) of section 1009.23,
 184 Florida Statutes, are amended to read:

185 1009.23 Community college student fees.--

186 (11)(a) Each community college board of trustees may
 187 establish a separate fee for capital improvements, technology
 188 enhancements, or equipping student buildings which may not
 189 exceed 10 percent of tuition for resident students or 10 percent
 190 of the sum of tuition and out-of-state fees for nonresident
 191 students. The fee for resident students shall be limited to an
 192 increase of \$2 per credit hour over the prior year. Funds
 193 collected by community colleges through the fee ~~these fees~~ may
 194 be bonded only as provided in this subsection for the purpose of
 195 financing or refinancing new construction and equipment,
 196 renovation, or remodeling of educational facilities. The fee

197 shall be collected as a component part of the tuition and fees,
 198 paid into a separate account, and expended only to construct and
 199 equip, maintain, improve, or enhance the educational facilities
 200 of the community college. Projects funded through the use of the
 201 capital improvement fee shall meet the survey and construction
 202 requirements of chapter 1013. Pursuant to s. 216.0158, each
 203 community college shall identify each project, including
 204 maintenance projects, proposed to be funded in whole or in part
 205 by such fee.

206 (b) Capital improvement fee revenues may be pledged by a
 207 board of trustees as a dedicated revenue source to the repayment
 208 of debt, including lease-purchase agreements, with an overall
 209 term, ~~including renewals, extensions, and refundings,~~ of not
 210 more than 7 years, including renewals, extensions, and
 211 refundings, and revenue bonds with a term not exceeding ~~to~~
 212 ~~exceed~~ 20 annual maturities and not exceeding ~~to exceed~~ the
 213 useful life of the asset being financed, only for financing or
 214 refinancing of the new construction and equipment, renovation,
 215 or remodeling of educational facilities. Bonds authorized
 216 pursuant to ~~through the provisions of~~ this subsection shall be
 217 requested by the community college board of trustees and shall
 218 be issued by the Division of Bond Finance ~~upon the request of~~
 219 ~~the community college board of trustees~~ in compliance with ~~the~~
 220 ~~provisions of~~ s. 11(d), Art. VII of the State Constitution and
 221 the State Bond Act. The Division of Bond Finance may pledge fees
 222 collected by one or more community colleges to secure such
 223 bonds. Any project included in the approved educational plant
 224 survey pursuant to chapter 1013 is approved pursuant to s.

225 11 (f) ~~(d)~~, Art. VII of the State Constitution.

226 (c) ~~(d)~~ Any validation of the Bonds issued pursuant to this
 227 subsection may be validated ~~shall be~~ in the manner provided by
 228 chapter 75. Only the initial series of bonds is required to be
 229 validated. The complaint for such validation shall be filed in
 230 the circuit court of the county where the seat of state
 231 government is situated, the notice required to be published by
 232 s. 75.06 shall be published only in the county where the
 233 complaint is filed, and the complaint and order of the circuit
 234 court shall be served only on the state attorney of the circuit
 235 in which the action is pending.

236 (d) ~~(e)~~ A maximum of 15 percent may be allocated from the
 237 capital improvement fee for child care centers conducted by the
 238 community college. The use of capital improvement fees for such
 239 purpose shall be subordinate to the payment of any bonds secured
 240 by the fees.

241 (e) ~~(e)~~ The state does hereby covenant with the holders of
 242 the bonds issued under this subsection that it will not take any
 243 action that will materially and adversely affect the rights of
 244 such holders so long as the bonds authorized by this subsection
 245 are outstanding.

246 (12) In addition to tuition, out-of-state, financial aid,
 247 capital improvement, student activity and service, and
 248 technology fees authorized in this section, each community
 249 college board of trustees is authorized to establish fee
 250 schedules for the following user fees and fines: laboratory
 251 fees; parking fees and fines; library fees and fines; fees and
 252 fines relating to facilities and equipment use or damage; access

253 or identification card fees; duplicating, photocopying, binding,
 254 or microfilming fees; standardized testing fees; diploma
 255 replacement fees; transcript fees; application fees; graduation
 256 fees; and late fees related to registration and payment. Such
 257 user fees and fines shall not exceed the cost of the services
 258 provided and shall only be charged to persons receiving the
 259 service. A community college may not charge any fee except as
 260 authorized by law or rules of the State Board of Education.
 261 Parking fee revenues may be pledged by a community college board
 262 of trustees as a dedicated revenue source for the repayment of
 263 debt, including lease-purchase agreements, with an overall term
 264 of not more than 7 years, including renewals, extensions, and
 265 refundings, and revenue bonds with a term ~~terms~~ not exceeding 20
 266 years and not exceeding the useful life of the asset being
 267 financed. Community colleges shall use the services of the
 268 Division of Bond Finance of the State Board of Administration to
 269 issue any revenue bonds authorized by ~~the provisions of this~~
 270 subsection. Any such bonds issued by the Division of Bond
 271 Finance shall be in compliance with the provisions of the State
 272 Bond Act. Bonds issued pursuant to the State Bond Act may ~~shall~~
 273 be validated in the manner established in chapter 75. The
 274 complaint for such validation shall be filed in the circuit
 275 court of the county where the seat of state government is
 276 situated, the notice required to be published by s. 75.06 shall
 277 be published only in the county where the complaint is filed,
 278 and the complaint and order of the circuit court shall be served
 279 only on the state attorney of the circuit in which the action is
 280 pending.

CS/HB 235

2008

281 Section 5. Paragraphs (e) and (k) of subsection (3) of
282 section 1000.21, Florida Statutes, are amended to read:

283 1000.21 Systemwide definitions.--As used in the Florida K-
284 20 Education Code:

285 (3) "Community college," except as otherwise specifically
286 provided, includes the following institutions and any branch
287 campuses, centers, or other affiliates of the institution:

288 (e) Daytona Beach ~~Community~~ College.

289 (k) Indian River ~~Community~~ College.

290 Section 6. This act shall take effect July 1, 2008.