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Proposed Committee Substitute by the Committee on Higher Education Appropriations

A bill to be entitled

An act relating to higher education funding; amending s. 216.136, F.S.; requiring the Education Estimating Conference to develop information relating to the national average of tuition and fees; amending s. 1001.64, F.S.; prohibiting a community college board of trustees from entering into an employment contract that requires the community college to pay the president an amount from state funds in excess of 1 year of the president's annual salary for termination, buy-out, or any other type of contract settlement; providing that the payment of leave and benefits accrued by the president before the contract terminates is not prohibited; limiting the remuneration that a community college president receives annually from state funds; providing a definition for the term "remuneration"; limiting the president's compensation that is used to calculate benefits under ch. 121, F.S.; amending s. 1001.706, F.S.; prohibiting the Board of Governors from entering into an employment contract that requires the board to pay an employee an amount from state funds in excess of 1 year of the employee's annual salary for termination, buy-out, or any other type of contract settlement; providing that the payment of leave and benefits accrued by the employee before the contract terminates is not prohibited; amending s. 1001.74,



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F.S.; prohibiting a university board of trustees from entering into an employment contract that requires the university to pay an employee an amount from state funds in excess of 1 year of the employee's annual salary for termination, buy-out, or any other type of contract settlement; providing that the payment of leave and benefits accrued by the employee before the contract terminates is not prohibited; amending s. 1007.33, F.S.; suspending the authorization for a community college or the State Board of Education to develop new community college baccalaureate degree programs during the 2009-2010 fiscal year; amending s. 1009.01, F.S.; revising the definition of the term "tuition differential"; amending s. 1009.21, F.S.; revising definitions; defining the terms "initial enrollment" and "nonresident for tuition purposes"; revising provisions relating to the qualifications as a resident for tuition purposes; requiring certain documentation to demonstrate state residency; amending s. 1009.24, F.S.; increasing the maximum percentage of adjustments that a state university is permitted to make to out-of-state fees or tuition for graduate programs; revising provisions relating to the use of the student financial aid fee; deleting obsolete provisions; revising provisions relating to the establishment of a tuition differential; providing requirements for the assessment and expenditure of a tuition differential; providing requirements for a university board of trustees to submit a proposal to



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the Board of Governors to implement a tuition differential; requiring the Board of Governors' review and approval of a proposal; requiring the Board of Governors to report specified information annually to the Legislature and the Governor; creating s. 1009.286, F.S.; requiring an additional payment for credit hours exceeding the requirements for completing a baccalaureate degree program; providing exceptions; requiring notice upon a student's initial enrollment in a state university or community college; amending s. 1009.53, F.S.; requiring that an institution refund within a specified period after the end of a semester funds from the Florida Bright Futures Scholarship for courses dropped by students after the end of the drop and add period; providing exceptions; amending s. 1009.532, F.S.; revising the requirements for student eligibility to renew a scholarship under the Florida Bright Futures Scholarship Program; amending s. 1009.534, F.S.; revising provisions relating to the Florida Academic Scholars Award; amending s. 1009.536, F.S.; deleting a provision that allows a Florida Gold Seal Scholar to apply for a Florida Medallion Scholars award; amending ss. 1009.57, 1009.58, 1009.59, 1009.60, and 1009.605, F.S.; revising provisions relating to the Florida Teacher Scholarship and Forgivable Loan Program, the Critical Teacher Shortage Student Loan Forgiveness Program, the minority teacher education scholars program, and the Florida Fund for Minority Teachers, Inc.; requiring that the amount of



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scholarships awarded under such programs be prorated based on available appropriations and not exceed specified amounts; amending s. 1009.701, F.S.; requiring that an applicant under the First Generation Matching Grant Program meet the same eligibility requirements required under the Florida Public Student Assistance Grant Program; repealing s. 1009.765, F.S., relating to Ethics in Business scholarships for community colleges and independent postsecondary educational institutions; amending s. 1009.98, F.S.; revising provisions relating to the prepaid community college and university plans; authorizing the Florida Prepaid College Board to offer an advance payment contract covering certain fees for such plans; providing definitions regarding payments on behalf of qualified beneficiaries of an advance payment contract; providing the amounts of fees to be paid by the board; providing an exemption for certain qualified beneficiaries from paying any tuition differential fee; requiring that the board pay state universities the actual amount assessed for registration fees and tuition differential fees for certain advanced payment contracts; requiring that the board pay state universities the actual amount assessed for local fees and dormitory fees; requiring that the board pay community colleges and career centers the actual amount assessed for registration fees and local fees; amending s. 1011.83, F.S.; revising provisions relating to financial support of



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community colleges; providing for state funding of baccalaureate degree programs in the General Appropriations Act; requiring that the Board of Governors review a community college's baccalaureate degree programs for possible transfer under the Board of Governors' oversight if the community college offers more than a specified number of baccalaureate degrees; amending ss. 1011.32, 1011.85, and 1011.94, F.S.; requiring that donors be notified of a delay in the availability of state matching funds for the Community College Facility Enhancement Challenge Grant Program, the Dr. Philip Benjamin Matching Grant Program for Community Colleges, and the University Major Gifts Program; amending s. 1012.83, F.S.; conforming provisions relating to contracts with community college administrative and instructional staff to changes made by the act; amending s. 1013.79, F.S.; providing that a university is not precluded from expending funds from private sources to develop a prospectus; requiring that donors be notified of a delay in the availability of state matching funds for the University Facility Enhancement Challenge Grant Program; providing an effective date.

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Be It Enacted by the Legislature of the State of Florida:

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Section 1. Paragraph (a) of subsection (4) of section 216.136, Florida Statutes, is amended to read: 216.136 Consensus estimating conferences; duties and



principals.-

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- (4) EDUCATION ESTIMATING CONFERENCE.
- (a) The Education Estimating Conference shall develop such official information relating to the state public and private educational system, including forecasts of student enrollments, the national average of tuition and fees at public postsecondary educational institutions, the number of students qualified for state financial aid programs and for the William L. Boyd, IV, Florida Resident Access Grant Program and the appropriation required to fund the full award amounts for each program, fixed capital outlay needs, and Florida Education Finance Program formula needs, as the conference determines is needed for the state planning and budgeting system. The conference's initial projections of enrollments in public schools shall be forwarded by the conference to each school district no later than 2 months prior to the start of the regular session of the Legislature. Each school district may, in writing, request adjustments to the initial projections. Any adjustment request shall be submitted to the conference no later than 1 month prior to the start of the regular session of the Legislature and shall be considered by the principals of the conference. A school district may amend its adjustment request, in writing, during the first 3 weeks of the legislative session, and such amended adjustment request shall be considered by the principals of the conference. For any adjustment so requested, the district shall indicate and explain, using definitions adopted by the conference, the components of anticipated enrollment changes that correspond to continuation of current programs with workload changes; program improvement; program reduction or elimination; initiation of new



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programs; and any other information that may be needed by the Legislature. For public schools, the conference shall submit its full-time equivalent student consensus estimate to the Legislature no later than 1 month after the start of the regular session of the Legislature. No conference estimate may be changed without the agreement of the full conference.

Section 2. Subsections (47) and (48) are added to section 1001.64, Florida Statutes, to read:

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

- (47) A board of trustees may not enter into an employment contract that requires the community college to pay a community college president an amount from state funds in excess of 1 year of the president's annual salary for termination, buy-out, or any other type of contract settlement. This subsection does not prohibit the payment of leave and benefits accrued by the president in accordance with the community college's leave and benefits policies before the contract terminates.
- (48) Notwithstanding any other law, resolution, or rule to the contrary, a community college president may not receive more than \$225,000 in remuneration annually from state funds. As used in this subsection, the term "remuneration" means salary, bonuses, and cash-equivalent compensation paid to a community college president by his or her employer for work performed, excluding health insurance benefits and retirement benefits. Only compensation, as defined in s. 121.021(22), which is provided to a community college president may be used in calculating benefits under chapter 121.
 - Section 3. Paragraph (d) is added to subsection (5) of



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section 1001.706, Florida Statutes, to read:

1001.706 Powers and duties of the Board of Governors.-

- (5) POWERS AND DUTIES RELATING TO PERSONNEL.-
- (d) The Board of Governors may not enter into an employment contract that requires the board to pay an employee an amount from state funds in excess of 1 year of the employee's annual salary for termination, buy-out, or any other type of contract settlement. This subsection does not prohibit the payment of leave and benefits accrued by the employee in accordance with the board's leave and benefits policies before the contract terminates.

Section 4. Paragraph (d) is added to subsection (5) of section 1001.74, Florida Statutes, to read:

1001.74 Powers and duties of university boards of trustees.-

- (5) POWERS AND DUTIES RELATING TO PERSONNEL.-
- (d) A board of trustees may not enter into an employment contract that requires the university to pay an employee an amount from state funds in excess of 1 year of the employee's annual salary for termination, buy-out, or any other type of contract settlement. This subsection does not prohibit the payment of leave and benefits accrued by the employee in accordance with the university's leave and benefits policies before the contract terminates.

Section 5. Subsection (5) is added to section 1007.33, Florida Statutes, to read:

- 1007.33 Site-determined baccalaureate degree access.-
- (5) The authorization provided in this section, and any other state law, for a community college or the State Board of



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Education to develop new community college baccalaureate degree programs, is suspended during the 2009-2010 fiscal year.

Section 6. Subsection (3) of section 1009.01, Florida Statutes, is amended to read:

1009.01 Definitions.—The term:

(3) "Tuition differential" means the supplemental fee charged to a student for instruction provided by a public university in this state pursuant to s. 1009.24(16).

Section 7. Subsections (1), (2), (3), and (4) and paragraph (d) of subsection (10) of section 1009.21, Florida Statutes, are amended to read:

1009.21 Determination of resident status for tuition purposes.—Students shall be classified as residents or nonresidents for the purpose of assessing tuition in community colleges and state universities.

- (1) As used in this section, the term:
- (a) The term "Dependent child" means any person, whether or not living with his or her parent, who is eligible to be claimed by his or her parent as a dependent under the federal income tax code.
- (b) "Initial enrollment" means the first day of class at an institution of higher education.
- (c) (b) The term "Institution of higher education" means any public community college as defined in s. 1000.21(3) or state university as defined in s. 1000.21(6).
- (d) (c) A "Legal resident" or "resident" means is a person who has maintained his or her residence in this state for the preceding year, has purchased a home which is occupied by him or her as his or her residence, or has established a domicile in



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this state pursuant to s. 222.17.

- (e) "Nonresident for tuition purposes" means a person who does not qualify for the in-state tuition rate.
- (f) (d) The term "Parent" means the natural or adoptive parent or legal guardian of a dependent child.
- (g) (e) A "Resident for tuition purposes" means is a person who qualifies as provided in subsection (2) for the in-state tuition rate; a "nonresident for tuition purposes" is a person who does not qualify for the in-state tuition rate.
 - (2)(a) To qualify as a resident for tuition purposes:
- 1. A person or, if that person is a dependent child, his or her parent or parents must have established legal residence in this state and must have maintained legal residence in this state for at least 12 consecutive months immediately prior to his or her initial enrollment in an institution of higher education qualification. Legal residence must be established by written or electronic verification including two or more of the following documents that demonstrate clear and convincing evidence of continuous residence in the state for at least 12 consecutive months prior to the student's initial enrollment in an institution of higher education:
 - a. A voter information card pursuant to s. 97.071;
 - b. A driver's license;
 - c. An identification card issued by the State of Florida;
 - d. A vehicle registration;
 - e. A declaration of domicile;
 - f. Proof of purchase of a permanent home;
- 287 q. Proof of a homestead exemption in Florida;
 - h. A transcript from a Florida high school;



- <u>i. A Florida high school equivalency diploma and transcript;</u>
 - j. Proof of permanent full-time employment;
- k. Proof of 12 consecutive months of payment of utility bills;
- 1. A domicile lease and proof of 12 consecutive months of
 payments; or
- $\underline{\text{m. Other official state or court documents evidencing legal}}$ ties to Florida.

No single piece of evidence shall be conclusive.

- 2. Every applicant for admission to an institution of higher education shall be required to make a statement as to his or her length of residence in the state and, further, shall establish that his or her presence or, if the applicant is a dependent child, the presence of his or her parent or parents in the state currently is, and during the requisite 12-month qualifying period was, for the purpose of maintaining a bona fide domicile, rather than for the purpose of maintaining a mere temporary residence or abode incident to enrollment in an institution of higher education.
- (b) However, with respect to a dependent child living with an adult relative other than the child's parent, such child may qualify as a resident for tuition purposes if the adult relative is a legal resident who has maintained legal residence in this state for at least 12 consecutive months immediately prior to the child's initial enrollment in an institution of higher education qualification, provided the child has resided continuously with such relative for the 5 years immediately



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prior to the child's initial enrollment in an institution of higher education qualification, during which time the adult relative has exercised day-to-day care, supervision, and control of the child.

- (c) The legal residence of a dependent child whose parents are divorced, separated, or otherwise living apart will be deemed to be this state if either parent is a legal resident of this state, regardless of which parent is entitled to claim, and does in fact claim, the minor as a dependent pursuant to federal individual income tax provisions.
- (d) A person who is classified as a nonresident for tuition purposes may become eligible for reclassification as a resident for tuition purposes if that person or, if that person is a dependent child, his or her parent presents clear and convincing evidence that supports permanent residency in this state rather than temporary residency for the purpose of pursuing an education, such as documentation of full-time permanent employment for the prior 12 months or the purchase of a home in this state and residence therein for the prior 12 months. If a person who is a dependent child and his or her parent move to this state while such child is a high school student and the child graduates from a high school in this state, the child may become eligible for reclassification as a resident for tuition purposes when the parent qualifies for permanent residency.
- (3) (a) An individual shall not be classified as a resident for tuition purposes and, thus, shall not be eligible to receive the in-state tuition rate until he or she has provided such evidence related to legal residence and its duration or, if the individual is a dependent child, documentation of his or her



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parent's legal residence and its duration, as well as documentation confirming his or her status as a dependent child, as may be required by law and by officials of the institution of higher education from which he or she seeks the in-state tuition rate. The documentation must provide clear and convincing evidence that the individual has been a resident in this state for a minimum of 12 consecutive months prior to the student's initial enrollment in an institution of higher education. No single piece of evidence shall be conclusive.

- (b) Each institution of higher learning shall:
- 1. Determine whether an applicant who has been granted admission to that institution is a dependent child.
- 2. Affirmatively determine that an applicant who has been granted admission to that institution as a Florida resident meets the residency requirements of this section at the time of his or her initial enrollment.
- (4) With respect to a dependent child, the legal residence of the dependent child's such individual's parent or parents is prima facie evidence of the dependent child's individual's legal residence, which evidence may be reinforced or rebutted, relative to the age and general circumstances of the dependent child individual, by the other evidence of legal residence required of or presented by the dependent child individual. However, the legal residence of a dependent child's an individual whose parent or parents who are domiciled outside this state is not prima facie evidence of the dependent child's individual's legal residence if that dependent child individual has lived in this state for 5 consecutive years prior to enrolling or reregistering at the institution of higher



education at which resident status for tuition purposes is sought.

- (10) The following persons shall be classified as residents for tuition purposes:
- (d) Full-time instructional and administrative personnel employed by state public schools, community colleges, and institutions of higher education, as defined in s. 1000.04, and their spouses and dependent children.

Section 8. Paragraph (c) of subsection (4) and subsections (7) and (16) of section 1009.24, Florida Statutes, are amended to read:

1009.24 State university student fees.-

(4)

605-02393E-09

- establish tuition for graduate and professional programs, and out-of-state fees for all programs. The sum of tuition and out-of-state fees assessed to nonresident students must be sufficient to offset the full instructional cost of serving such students. However, adjustments to out-of-state fees or tuition for graduate programs pursuant to this section may not exceed 15 to percent in any year, and adjustments to out-of-state fees or tuition for professional programs may not exceed 15 percent in any year.
- (7) A university board of trustees is authorized to collect for financial aid purposes an amount not to exceed 5 percent of the tuition and out-of-state fee. The revenues from fees are to remain at each campus and replace existing financial aid fees. Such funds shall be disbursed to students as quickly as possible. A minimum of 75 percent of funds from the student



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financial aid fee for new financial aid awards shall be used to provide financial aid based on absolute need. A student who has received an award prior to July 1, 1984, shall have his or her eligibility assessed on the same criteria that were used at the time of his or her original award. The Board of Governors shall develop criteria for making financial aid awards. Each university shall report annually to the Board of Governors and the Department of Education on the revenue collected pursuant to this subsection, the amount carried forward, the criteria used to make awards, the amount and number of awards for each criterion, and a delineation of the distribution of such awards. The report shall include an assessment by category of the financial need of every student who receives an award, regardless of the purpose for which the award is received. Awards which are based on financial need shall be distributed in accordance with a nationally recognized system of need analysis approved by the Board of Governors. An award for academic merit shall require a minimum overall grade point average of 3.0 on a 4.0 scale or the equivalent for both initial receipt of the award and renewal of the award.

- (16) Each university board of trustees may establish a tuition differential for undergraduate courses upon receipt of approval from the Board of Governors. The tuition differential shall promote improvements in the quality of undergraduate education and shall provide financial aid to undergraduate students who exhibit financial need.
- (a) Seventy-percent of the revenues from the tuition differential shall be expended for purposes of undergraduate education, including, but not limited to, increasing course



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offerings, improving graduation rates, increasing the percentage of undergraduate students who are taught by faculty, decreasing student-faculty ratios, providing salary increases for faculty who have a history of excellent teaching in undergraduate courses, improving the efficiency of the delivery of undergraduate education through academic advisement and counseling, and reducing the percentage of students who graduate with excess hours. This expenditure for undergraduate education may not be used to pay the salaries of graduate teaching assistants. The remaining 30 percent of the revenues from the tuition differential shall be expended to provide financial aid to undergraduate students who exhibit financial need to meet the cost of university attendance. This expenditure for need-based financial aid shall not supplant the amount of need-based aid provided to undergraduate students in the preceding fiscal year from financial aid fee revenues or the direct appropriation for financial assistance provided to state universities in the General Appropriations Act.

- (b) Each tuition differential is subject to the following conditions:
- 1. The tuition differential may be assessed on one or more undergraduate courses or on all undergraduate courses at a state university.
- 2. For each state university that has total research and development expenditures for all fields of at least \$100 million per year as reported annually to the National Science

 Foundation, the aggregate sum of tuition and the tuition differential charged for a given course or courses may not be increased by more than 15 percent of the total charged for the



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aggregate sum of these fees in the same course or courses in the preceding fiscal year. For each state university that has total research and development expenditures for all field of less than \$100 million per year as reported annually to the National Science Foundation, the aggregate sum of tuition and the tuition differential charged for a given course or courses may not be increased by more than 12.5 percent of the total charged for the aggregate sum of these fees in the same course or courses in the preceding fiscal year.

- 3. The aggregate sum of undergraduate tuition and fees per credit hour, including the tuition differential, may not exceed the national average of undergraduate tuition and fees at 4-year degree-granting public postsecondary educational institutions.
- 4. The tuition differential may not be calculated as a part of the scholarship programs established in ss. 1009.53-1009.538.
- 5. Beneficiaries having prepaid tuition contracts pursuant to s. 1009.98(2)(b) which were in effect on July 1, 2007, and which remain in effect, are exempt from the payment of the tuition differential.
- 6. The tuition differential may not be charged to any student who was in attendance at the university before July 1, 2007, and who maintains continuous enrollment.
- 7. The tuition differential may be waived by the university for students who meet the eligibility requirements for the Florida public student assistance grant established in s. 1009.50.
- 8. Subject to approval by the Board of Governors, the tuition differential authorized pursuant to this subsection may take effect with the 2009 fall term.



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- (c) A university board of trustees may submit a proposal to the Board of Governors to implement a tuition differential for one or more undergraduate courses. At a minimum, the proposal shall:
- 1. Identify the course or courses for which the tuition differential will be assessed.
- 2. Indicate the amount that will be assessed for each tuition differential proposed.
 - 3. Indicate the purpose of the tuition differential.
- 4. Indicate how the revenues from the tuition differential will be used.
- 5. Indicate how the university will monitor the success of the tuition differential in achieving the purpose for which the tuition differential is being assessed.
- (d) The Board of Governors shall review each proposal and advise the university board of trustees of approval of the proposal, the need for additional information or revision to the proposal, or denial of the proposal. The Board of Governors shall establish a process for any university to revise a proposal or appeal a decision of the board.
- (e) The Board of Governors shall submit a report to the President of the Senate, the Speaker of the House of Representatives, and the Governor describing the implementation of the provisions of this subsection no later than January 1, 2010, and no later than January 1 each year thereafter. The report shall summarize proposals received by the board during the preceding fiscal year and actions taken by the board in response to such proposals. In addition, the report shall provide the following information for each university that has



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been approved by the board to assess a tuition differential:

- 1. The course or courses for which the tuition differential was assessed and the amount assessed.
- 2. The total revenues generated by the tuition differential.
- 3. With respect to waivers authorized under subparagraph (b)8., the number of students eligible for a waiver, the number of students receiving a waiver, and the value of waivers provided.
- 4. Detailed expenditures of the revenues generated by the tuition differential.
- 5. Changes in retention rates, graduation rates, the percentage of students graduating with more than 110 percent of the hours required for graduation, pass rates on licensure examinations, the number of undergraduate course offerings, the percentage of undergraduate students who are taught by faculty, student-faculty ratios, and the average salaries of faculty who teach undergraduate courses.
- (f) No state university shall be required to lower any tuition differential that was approved by the Board of Governors and in effect prior to January 1, 2009, in order to comply with the provisions of this subsection. The Board of Governors may establish a uniform maximum undergraduate tuition differential that does not exceed 40 percent of tuition for all universities that meet the criteria for Funding Level 1 under s. 1004.635(3), and may establish a uniform maximum undergraduate tuition differential that does not exceed 30 percent of tuition for all universities that have total research and development expenditures for all fields of at least \$100 million per year as



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reported annually to the National Science Foundation. Once these criteria have been met and the differential established by the Board of Governors, the board of trustees of a qualified university may maintain the differential unless otherwise directed by the Board of Governors. However, the board shall ensure that the maximum tuition differential it establishes for universities meeting the Funding Level 1 criteria is at least 30 percent greater than the maximum tuition differential the board establishes for universities that meet the required criteria for research and development expenditures. The tuition differential is subject to the following conditions:

- (a) The sum of tuition and the tuition differential may not be increased by more than 15 percent of the total charged for these fees in the preceding fiscal year.
- (b) The tuition differential may not be calculated as a part of the scholarship programs established in ss. 1009.53-1009.537.
- (c) Beneficiaries having prepaid tuition contracts pursuant to s. 1009.98(2)(b) which were in effect on July 1, 2007, and which remain in effect, are exempt from the payment of the tuition differential.
- (d) The tuition differential may not be charged to any student who was in attendance at the university before July 1, 2007, and who maintains continuous enrollment.
- (e) The tuition differential may be waived by the university for students who meet the eligibility requirements for the Florida public student assistance grant established in s. 1009.50.
 - (f) A university board of trustees that has been authorized



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by the Board of Governors to establish a tuition differential pursuant to this subsection may establish the tuition differential at a rate lower than the maximum tuition differential established by the board, but may not exceed the maximum tuition differential established by the board.

- (g) The revenue generated from the tuition differential must be spent solely for improving the quality of direct undergraduate instruction and support services.
- (h) Information relating to the annual receipt and expenditure of the proceeds from the assessment of the tuition differential shall be reported by the university in accordance with guidelines established by the Board of Governors.

Section 9. Section 1009.286, Florida Statutes, is created to read:

- 1009.286 Additional student payment required for hours exceeding graduation requirements.-
- (1) It is the intent of the Legislature to encourage each undergraduate student who enrolls in a state university to complete the student's respective baccalaureate degree program in the most efficient way possible while providing for access to additional college coursework. Therefore, the Legislature intends to enact a policy that provides incentives for efficient baccalaureate degree completion.
- (2) State universities shall require a student to pay an excess hour surcharge equal to 50 percent of the tuition rate for each credit hour in excess of 120 percent of the number of credit hours required to complete the baccalaureate degree program in which the student is enrolled, in accordance with the provisions of this section.



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- (3) The provisions of this section shall become effective for students who enter a community college or a state university for the first time in the 2009-2010 academic year and thereafter.
- (4) Except as otherwise provided by law, and for purposes of this section, the following credit hours shall be included when calculating the number of hours taken by a student:
- (a) All credit hours for courses taken at the state university from which the student is seeking a baccalaureate degree, including failed courses, courses that are dropped after the university's advertised last day of the drop and add period, and repeated courses, except for which the student has paid the full cost of instruction as provided in s. 1009.285.
- (b) All credit hours earned at another institution and accepted for transfer by the state university and applied toward the student's baccalaureate degree program.
- (5) For purposes of this section, credit hours earned under the following circumstances are not calculated as hours required to earn a baccalaureate degree:
- (a) College credits earned through an articulated accelerated mechanism identified in s. 1007.27.
 - (b) Credit hours earned through internship programs.
- (c) Credit hours required for certification, recertification, or certificate programs.
- (d) Credit hours in courses from which a student must withdraw due to reasons of medical or personal hardship.
 - (e) Credit hours taken by active-duty military personnel.
- (f) Credit hours required to achieve a dual major taken while pursuing a baccalaureate degree.



- (g) Remedial and English as a Second Language credit hours.(h) Credit hours earned in military science courses
- 639 (R.O.T.C.).

- (6) Each state university and community college shall implement a process for notifying students regarding the provisions of this section. The notice must be provided to a student upon his or her initial enrollment in the institution and again upon the student's having earned the credit hours required to complete the baccalaureate degree program in which the student is enrolled. The notice must include a recommendation that each student who intends to earn credit hours at the institution in excess of the credit hours required for the baccalaureate degree program in which the student is enrolled meet with his or her academic advisor.
- (7) For purposes of this section, the term "state university" includes the institutions identified in s. 1000.21(6) and the term "community college" includes the institutions identified in s. 1000.21(3).

Section 10. Paragraph (a) of subsection (5) of section 1009.53, Florida Statutes, is amended, and subsection (11) is added to that section, to read:

1009.53 Florida Bright Futures Scholarship Program.-

(5) The department shall issue awards from the scholarship program annually. Annual awards may be for up to 45 semester credit hours or the equivalent. Before the registration period each semester, the department shall transmit payment for each award to the president or director of the postsecondary education institution, or his or her representative, except that the department may withhold payment if the receiving institution



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fails to report or to make refunds to the department as required in this section.

- (a) Within 30 days after the end of regular registration each semester, the educational institution shall certify to the department the eligibility status of each student who receives an award. After the end of the drop and add period, an institution is not required to reevaluate or revise a student's eligibility status; however, an institution but must make a refund to the department within 30 days after the end of the semester of any funds received for courses dropped by students after the end of the drop and add period unless a student has been granted an exception by the department pursuant to subsection (11) if a student who receives an award disbursement terminates enrollment for any reason during an academic term and a refund is permitted by the institution's refund policy.
- (11) Funds for any scholarship within the Florida Bright Futures Scholarship Program may not be used to pay for courses dropped after the end of the drop and add period. However, a student who receives an award under this program and subsequently drops one or more courses, or withdraws from all courses, after the end of the drop and add period due to a verifiable illness or other emergency may be granted an exception, unless the institution's policy is to refund the cost of the courses. The student must make a written appeal for such an exception to the institution. The appeal must include a description and verification of the circumstances. Verification of illness or other emergency may include, but not be limited to, a physician's statement or the written statement of a parent or institution official. The institution shall recommend the



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exceptions and necessary documentation to the department. The department may accept or reject the institution's recommendations.

Section 11. Paragraph (a) of subsection (1) of section 1009.532, Florida Statutes, is amended to read:

1009.532 Florida Bright Futures Scholarship Program; student eligibility requirements for renewal awards.-

- (1) To be eligible to renew a scholarship from any of the three types of scholarships under the Florida Bright Futures Scholarship Program, a student must:
- (a) Complete at least $24 \frac{12}{12}$ semester credit hours or the equivalent in the last academic year in which the student earned a scholarship if the student was enrolled full time, or a prorated number of credit hours as determined by the Department of Education if the student was enrolled less than full time for any part of the academic year. This paragraph also applies to students who were enrolled and funded in the 2008-2009 academic year.

Section 12. Subsection (2) of section 1009.534, Florida Statutes, is amended to read:

1009.534 Florida Academic Scholars award.-

(2) Effective January 1, 2008, a Florida Academic Scholar who is enrolled in a public postsecondary education institution is eligible for an award equal to the amount required to pay tuition and, fees, and an additional amount for college-related expenses annually as specified in law or the General Appropriations Act. A student who is enrolled in a nonpublic postsecondary education institution is eliqible for an award equal to the amount that would be required to pay for the



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average tuition and fees of a public postsecondary education institution at the comparable level, plus the annual amount specified in law or the General Appropriations Act for collegerelated expenses.

Section 13. Subsection (4) of section 1009.536, Florida Statutes, is amended to read:

1009.536 Florida Gold Seal Vocational Scholars award.-The Florida Gold Seal Vocational Scholars award is created within the Florida Bright Futures Scholarship Program to recognize and reward academic achievement and career preparation by high school students who wish to continue their education.

(4) A student may earn a Florida Gold Seal Vocational Scholarship for 110 percent of the number of credit hours required to complete the program, up to 90 credit hours or the equivalent. A Florida Gold Seal Scholar who has a cumulative grade point average of 2.75 in all postsecondary education work attempted may apply for a Florida Medallion Scholars award at any renewal period. All other provisions of that program apply, and the credit hour limitation must be calculated by subtracting from the student's total eligibility the number of credit hours the student attempted while earning the Gold Seal Vocational Scholarship.

Section 14. Paragraph (b) of subsection (2) and paragraphs (b) and (c) of subsection (3) of section 1009.57, Florida Statutes, are amended to read:

1009.57 Florida Teacher Scholarship and Forgivable Loan Program.-

(2) Within the Florida Teacher Scholarship and Forgivable Loan Program shall be established the "Chappie" James Most



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Promising Teacher Scholarship which shall be offered to a top graduating senior from each public secondary school in the state. An additional number of "Chappie" James Most Promising Teacher Scholarship awards shall be offered annually to graduating seniors from private secondary schools in the state which are listed with the Department of Education and accredited by the Southern Association of Colleges and Schools or any other private statewide accrediting agency which makes public its standards, procedures, and member schools. The private secondary schools shall be in compliance with regulations of the Office for Civil Rights. The number of awards to private secondary school students shall be proportional to the number of awards available to public secondary school students and shall be calculated as the ratio of the number of private to public secondary school seniors in the state multiplied by the number of public secondary schools in the state.

(b) The amount of the scholarship shall be prorated based on available appropriations and may not exceed is \$1,500 per year. The scholarship and may be renewed for 1 year if the student earns a 2.5 cumulative grade point average and 12 credit hours per term and meets the eligibility requirements for renewal of the award.

(3)

(b) An undergraduate forgivable loan may be awarded for 2 undergraduate years, not to exceed \$4,000 per year, or for a maximum of 3 years for programs requiring a fifth year of instruction to obtain initial teaching certification. The amount of the scholarship shall be prorated based on available appropriations and may not exceed \$4,000 per year.



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- (c) A graduate forgivable loan may be awarded for 2 graduate years, the amount of the scholarship shall be prorated based on available appropriations and may not to exceed \$8,000 per year. In addition to meeting criteria specified in paragraph (a), a loan recipient at the graduate level shall:
- 1. Hold a bachelor's degree from any college or university accredited by a regional accrediting association as defined by State Board of Education rule.
- 2. Not already hold a teaching certificate resulting from an undergraduate degree in education in an area of critical teacher shortage as designated by the State Board of Education.
- 3. Not have received an undergraduate forgivable loan as provided for in paragraph (b).

Section 15. Subsection (3) of section 1009.58, Florida Statutes, is amended to read:

1009.58 Critical teacher shortage tuition reimbursement program.-

(3) Participants may receive tuition reimbursement payments for up to 9 semester hours, or the equivalent in quarter hours, per year, the amount of the reimbursement per semester hour shall be prorated based on available appropriations and may not exceed at a rate not to exceed \$78 per semester hour, up to a total of 36 semester hours. All tuition reimbursements shall be contingent on passing an approved course with a minimum grade of 3.0 or its equivalent.

Section 16. Subsection (2) of section 1009.59, Florida Statutes, is amended to read:

1009.59 Critical Teacher Shortage Student Loan Forgiveness Program.-



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- (2) From the funds available, The Department of Education may make loan principal repayments, which shall be prorated based on available appropriations as follows:
- (a) Up to \$2,500 a year for up to 4 years on behalf of selected graduates of state-approved undergraduate postsecondary teacher preparation programs, persons certified to teach pursuant to any applicable teacher certification requirements, or selected teacher preparation graduates from any state participating in the Interstate Agreement on the Qualification of Educational Personnel.
- (b) Up to \$5,000 a year for up to 2 years on behalf of selected graduates of state-approved graduate postsecondary teacher preparation programs, persons with graduate degrees certified to teach pursuant to any applicable teacher certification requirements, or selected teacher preparation graduates from any state participating in the Interstate Agreement on the Qualification of Educational Personnel.
- (c) All repayments shall be contingent on continued proof of employment in the designated subject areas in this state and shall be made directly to the holder of the loan. The state shall not bear responsibility for the collection of any interest charges or other remaining balance. In the event that designated critical teacher shortage subject areas are changed by the State Board of Education, a teacher shall continue to be eligible for loan forgiveness as long as he or she continues to teach in the subject area for which the original loan repayment was made and otherwise meets all conditions of eligibility.

Section 17. Subsections (1) and (3) of section 1009.60, Florida Statutes, are amended to read:



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1009.60 Minority teacher education scholars program.—There is created the minority teacher education scholars program, which is a collaborative performance-based scholarship program for African-American, Hispanic-American, Asian-American, and Native American students. The participants in the program include Florida's community colleges and its public and private universities that have teacher education programs.

- (1) The minority teacher education scholars program shall provide an annual scholarship in an amount that shall be prorated based on available appropriations and may not exceed of \$4,000 for each approved minority teacher education scholar who is enrolled in one of Florida's public or private universities in the junior year and is admitted into a teacher education program.
- (3) The total amount appropriated annually for new scholarships in the program must be divided by \$4,000 and by the number of participating colleges and universities. Each participating institution has access to the same number of scholarships and may award all of them to eliqible minority students. If a college or university does not award all of its scholarships by the date set by the program administration at the Florida Fund for Minority Teachers, Inc., the remaining scholarships must be transferred to another institution that has eligible students. If the total amount appropriated for new scholarships is insufficient to award \$4,000 to each eligible student, the amount of the scholarship shall be prorated based on available appropriations.

Section 18. Paragraph (a) of subsection (2) of section 1009.605, Florida Statutes, is amended, and subsection (4) is



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added to that section, to read:

1009.605 Florida Fund for Minority Teachers, Inc.-

- (2) The corporation shall submit an annual budget projection to the Department of Education to be included in the annual legislative budget request. The projection must be based on a 7-year plan that would be capable of awarding the following schedule of scholarships:
- (a) In the initial year, 700 scholarships in an amount that shall be prorated based on available appropriations and may not exceed of \$4,000 per scholar each to scholars in his or her the junior year of college.
- (4) Within 60 days after the end of each fiscal year, the corporation shall return all unexpended funds for the minority teacher education scholars program to the Department of Education to be deposited in the State Student Financial Assistance Trust Fund.

Section 19. Paragraph (e) of subsection (5) of section 1009.701, Florida Statutes, is amended to read:

1009.701 First Generation Matching Grant Program.-

- (5) In order to be eligible to receive a grant pursuant to this section, an applicant must:
- (e) Have met the eligibility requirements in s. 1009.50 for demonstrated financial need for the Florida Public Student Assistance Grant Program by completing the Free Application for Federal Student Aid.

Section 20. Section 1009.765, Florida Statutes, is repealed.

Section 21. Subsection (2) of section 1009.98, Florida Statutes, is amended, and subsection (10) is added to that



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section, to read:

1009.98 Stanley G. Tate Florida Prepaid College Program.-

- (2) PREPAID COLLEGE PLANS.—At a minimum, the board shall make advance payment contracts available for two independent plans to be known as the community college plan and the university plan. The board may also make advance payment contracts available for a dormitory residence plan. The board may restrict the number of participants in the community college plan, university plan, and dormitory residence plan, respectively. However, any person denied participation solely on the basis of such restriction shall be granted priority for participation during the succeeding year.
- (a) 1. Through the community college plan, the advance payment contract may shall provide prepaid registration fees for a specified number of undergraduate semester credit hours not to exceed the average number of hours required for the conference of an associate degree. Qualified beneficiaries shall bear the cost of any laboratory fees associated with enrollment in specific courses. Each qualified beneficiary shall be classified as a resident for tuition purposes, pursuant to s. 1009.21, regardless of his or her actual legal residence.
- 2. Effective July 1, 1998, the board may provide advance payment contracts for additional fees delineated in s. 1009.23, not to exceed the average number of hours required for the conference of an associate degree, in conjunction with advance payment contracts for registration fees. Community college plan contracts purchased prior to July 1, 1998, shall be limited to the payment of registration fees as defined in s. 1009.97.
 - 3. Effective July 1, 2009, the board may offer an advance



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payment contract for the community college plan covering prepaid registration fees and the fees authorized in s. 1009.23. Such a contract may be offered in specific increments for use toward an associate degree. The total number of hours purchased for a qualified beneficiary may not exceed the average number of hours required for the conference of an associate degree.

- (b) 1. Through the university plan, the advance payment contract may shall provide prepaid registration fees for a specified number of undergraduate semester credit hours not to exceed the average number of hours required for the conference of a baccalaureate degree. Qualified beneficiaries shall bear the cost of any laboratory fees associated with enrollment in specific courses. Each qualified beneficiary shall be classified as a resident for tuition purposes pursuant to s. 1009.21, regardless of his or her actual legal residence.
- 2. Effective July 1, 1998, the board may provide advance payment contracts for additional fees delineated in s. 1009.24(9)-(12), for a specified number of undergraduate semester credit hours not to exceed the average number of hours required for the conference of a baccalaureate degree, in conjunction with advance payment contracts for registration fees. Such contracts shall provide prepaid coverage for the sum of such fees, to a maximum of 45 percent of the cost of registration fees. University plan contracts purchased prior to July 1, 1998, shall be limited to the payment of registration fees as defined in s. 1009.97.
- 3. Effective July 1, 2007, the board may provide advance payment contracts for the tuition differential authorized in s. 1009.24(16) for a specified number of undergraduate semester



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credit hours, which may not exceed the average number of hours required for the conference of a baccalaureate degree, in conjunction with advance payment contracts for registration fees.

- 4. Effective July 1, 2009, the board may offer an advance payment contract for the university plan covering prepaid registration fees, the fees authorized in s. 1009.24(9)-(12), and the tuition differential authorized in s. 1009.24(16). Such a contract may be offered in specific increments for use toward a baccalaureate degree. The total number of hours purchased for a qualified beneficiary may not exceed the average number of hours required for the conference of a baccalaureate degree.
- (c) The cost of participation in contracts authorized under paragraph (a) or paragraph (b) shall be based primarily on the current and projected registration fees included in the plan within the Florida Community College System or the State University System, respectively, the number of credit hours or semesters included in the plan, and the number of years expected to elapse between the purchase of the plan on behalf of a qualified beneficiary and the exercise of the benefits provided in the plan by such beneficiary.
- (d) Through the dormitory residence plan, the advance payment contract may provide prepaid housing fees for a maximum of 10 semesters of full-time undergraduate enrollment in a state university. Dormitory residence plans shall be purchased in increments of 2 semesters. The cost of participation in the dormitory residence plan shall be based primarily on the average current and projected housing fees within the State University System and the number of years expected to elapse between the



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purchase of the plan on behalf of a qualified beneficiary and the exercise of the benefits provided in the plan by such beneficiary. Qualified beneficiaries shall have the highest priority in the assignment of housing within university residence halls. Qualified beneficiaries shall bear the cost of any additional elective charges such as laundry service or longdistance telephone service. Each state university may specify the residence halls or other university-held residences eligible for inclusion in the plan. In addition, any state university may request immediate termination of a dormitory residence contract based on a violation or multiple violations of rules of the residence hall or other university-held residences. In the event that sufficient housing is not available for all qualified beneficiaries, the board shall refund the purchaser or qualified beneficiary an amount equal to the fees charged for dormitory residence during that semester. If a qualified beneficiary fails to be admitted to a state university or chooses to attend a community college that operates one or more dormitories or residency opportunities, or has one or more dormitories or residency opportunities operated by the community college direct-support organization, the qualified beneficiary may transfer or cause to have transferred to the community college, or community college direct-support organization, the fees associated with dormitory residence. Dormitory fees transferred to the community college or community college direct-support organization may not exceed the maximum fees charged for state university dormitory residence for the purposes of this section, or the fees charged for community college or community college direct-support organization dormitories or residency



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1014 opportunities, whichever is less.

- (10) PAYMENTS ON BEHALF OF QUALIFIED BENEFICIARIES.-
- (a) As used in this subsection, the term:
- 1. "Tuition differential fee" means the fee covered by advance payment contracts sold pursuant to subparagraph (2)(b)3. The base rate for the tuition differential fee for the 2012-2013 fiscal year is established at \$37.03 per credit hour. The base rate for the tuition differential in subsequent years is the amount paid by the board for the tuition differential for the preceding year adjusted pursuant to sub-subparagraph 2.b.
- 2. "Actuarial reserve" means the expected value of the assets of the trust fund which exceed the expected value of the liabilities of the trust fund. The board shall annually evaluate or cause to be evaluated the actuarial soundness of the trust fund.
- 3. "Fiscal year" means the fiscal year of the state pursuant to s. 215.01.
- (b) Effective with the 2009-2010 academic year and thereafter, and notwithstanding the provisions of s. 1009.24, the amount paid by the board to any state university on behalf of a qualified beneficiary of an advance payment contract whose contract was purchased before July 1, 2009, shall be:
- 1. As to registration fees, if the actuarial reserve is less than 5 percent of the expected liabilities of the trust fund, the board shall pay the state universities 5.5 percent above the amount assessed for registration fees in the preceding fiscal year. If the actuarial reserve is between 5 percent and 6 percent of the expected liabilities of the trust fund, the board shall pay the state universities 6 percent above the amount



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assessed for registration fees in the preceding fiscal year. If the actuarial reserve is between 6 percent and 7.5 percent of the expected liabilities of the trust fund, the board shall pay the state universities 6.5 percent above the amount assessed for registration fees in the preceding fiscal year. If the actuarial reserve is equal to or greater than 7.5 percent of the expected liabilities of the trust fund, the board shall pay the state universities 7 percent above the amount assessed for registration fees in the preceding fiscal year, whichever is greater.

- 2. As to the tuition differential fee, if the actuarial reserve is less than 5 percent of the expected liabilities of the trust fund, the board shall pay the state universities 5.5 percent above the base rate for the tuition differential fee in the preceding fiscal year. If the actuarial reserve is between 5 percent and 6 percent of the expected liabilities of the trust fund, the board shall pay the state universities 6 percent above the base rate for the tuition differential fee in the preceding fiscal year. If the actuarial reserve is between 6 percent and 7.5 percent of the expected liabilities of the trust fund, the board shall pay the state universities 6.5 percent above the amount assessed for registration fees in the preceding fiscal year. If the actuarial reserve is equal to or greater than 7.5 percent of the expected liabilities of the trust fund, the board shall pay the state universities 7 percent above the base rate for the tuition differential fee in the preceding fiscal year.
- 3. Qualified beneficiaries of advance payment contracts purchased before July 1, 2007, are exempt from paying any tuition differential fee.



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(c) The board shall pay state universities the actual amount assessed in accordance with law for registration fees and the tuition differential for advance payment contracts purchased on or after July 1, 2009.

Section 22. Subsection (5) of section 1011.32, Florida Statutes, is amended to read:

1011.32 Community College Facility Enhancement Challenge Grant Program. -

(5) A project may not be initiated unless all private funds for planning, construction, and equipping the facility have been received and deposited in the direct-support organization's matching account for this purpose and the state's share for the minimum amount of funds needed to begin the project has been appropriated by the Legislature. However, this requirement does not preclude the community college or direct-support organization from expending available funds from private sources to develop a prospectus, including preliminary architectural schematics or models, for use in its efforts to raise private funds for a facility and for site preparation, planning, and construction. Such facilities are not eligible to be submitted for state support for operations until the state matching funds have been provided. The Legislature may appropriate the state's matching funds in one or more fiscal years for the planning, construction, and equipping of an eligible facility. Each community college shall notify all donors of private funds of a substantial delay in the availability of state matching funds for this program. However, these requirements shall not preclude the community college or direct-support organization from expending available funds from private sources to develop a



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prospectus, including preliminary architectural schematics and/or models, for use in its efforts to raise private funds for a facility. Additionally, any private sources of funds expended for this purpose are eligible for state matching funds should the project materialize as provided for in this section.

Section 23. Subsection (4) of section 1011.83, Florida Statutes, is amended, and subsection (6) is added to that section, to read:

1011.83 Financial support of community colleges.-

- (4) State policy for funding for baccalaureate degree programs approved pursuant to s. 1007.33 shall be as provided in the General Appropriations Act to limit state support for recurring operating purposes to no more than 85 percent of the amount of state expenditures for direct instruction per credit hour in upper-level state university programs. A community college may temporarily exceed this limit due to normal enrollment fluctuations or unforeseeable circumstances or while phasing in new programs. This subsection does not authorize the Department of Education to withhold legislative appropriations to any community college.
- (6) If a community college offers more than 25 baccalaureate degree programs, the <a>Board of Governors shall review the programs and determine whether such programs should be transferred to the Board of Governors' oversight.

Section 24. Subsection (12) is added to section 1011.85, Florida Statutes, to read:

- 1011.85 Dr. Philip Benjamin Matching Grant Program for Community Colleges. -
 - (12) Each community college shall notify all donors of



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private funds of a substantial delay in the availability of state matching funds for this program.

Section 25. Subsection (7) is added to section 1011.94, Florida Statutes, to read:

1011.94 University Major Gifts Program. -

(7) Each university shall notify all donors of private funds of a substantial delay in the availability of state matching funds for this program.

Section 26. Section 1012.83, Florida Statutes, is amended to read:

1012.83 Contracts with administrative and instructional staff.-

- (1) Each person employed in an administrative or instructional capacity in a community college shall be entitled to a contract as provided by rules of the State Board of Education.
- (2) A community college board of trustees may not enter into an employment contract that requires the community college to pay an employee an amount from state funds in excess of 1 year of the employee's annual salary for termination, buy-out, or any other type of contract settlement. This subsection does not prohibit the payment of leave and benefits accrued by the employee in accordance with the community college's leave and benefits policies before the contract terminates.

Section 27. Subsection (5) of section 1013.79, Florida Statutes, is amended to read:

1013.79 University Facility Enhancement Challenge Grant Program.-

(5) A project may not be initiated unless all private funds



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for planning, construction, and equipping the facility have been received and deposited in the separate university program account designated for this purpose. However, these requirements do not preclude the university from expending funds derived from private sources to develop a prospectus, including preliminary architectural schematics or models, for use in its efforts to raise private funds for a facility, and for site preparation, planning, and construction. Such facilities are not eligible to be submitted for state support for operations until the state matching funds have been provided and the state's share for the minimum amount of funds needed to begin the project has been appropriated by the Legislature. The Board of Governors shall establish a method for validating the receipt and deposit of private matching funds. The Legislature may appropriate the state's matching funds in one or more fiscal years for the planning, construction, and equipping of an eligible facility. Each university shall notify all donors of private funds of a substantial delay in the availability of state matching funds for this program. However, these requirements shall not preclude the university from expending available funds from private sources to develop a prospectus, including preliminary architectural schematics or models, for use in its efforts to raise private funds for a facility. Additionally, any private sources of funds expended for this purpose are eligible for state matching funds should the project materialize as provided for in this section.

Section 28. This act shall take effect July 1, 2009.