A bill to be entitled 1 2 An act relating to postsecondary access and 3 affordability; amending s. 1001.7065, F.S.; specifying 4 that the costs of instructional materials are not 5 included in tuition for certain online degree 6 programs; creating s. 1004.084, F.S.; requiring the 7 Board of Governors of the State University System and 8 the State Board of Education to submit annual reports 9 to the Governor and Legislature relating to college 10 affordability; amending s. 1004.085, F.S.; revising provisions relating to textbook affordability to 11 12 include instructional materials; defining the term 13 "instructional materials"; requiring Florida College 14 System institution and state university boards of 15 trustees to identify wide variances in the costs of, and frequency of changes in the selection of, 16 textbooks and instructional materials for certain 17 courses; requiring the boards of trustees to send a 18 19 list of identified courses to the academic department 20 chairs for review; requiring Florida College System 21 institutions and state universities to post certain 2.2 information on their websites; requiring the State Board of Education and Board of Governors to receive 23 input from specified individuals and entities before 24 25 adopting textbook and instructional materials 26 affordability policies; providing for legislative

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review and repeal of specified provisions; requiring postsecondary institutions to consult with certain school districts to identify certain practices; requiring cost-benefit analyses relating to textbooks and instructional materials; providing reporting requirements; amending s. 1009.23, F.S.; authorizing Florida College System institution instructional materials user fees; requiring Florida College System institutions to provide a public notice relating to increases in tuition and fees; amending s. 1009.24, F.S.; revising provisions relating to state university materials and supplies fees; revising provisions relating to the assessment of a tuition differential by a state university board of trustees; revising requirements for the use of tuition differential revenues; deleting a requirement that a certain percentage of tuition differential revenues be used for the purpose of improvements in the quality of undergraduate education; requiring state universities to provide a public notice relating to increases in tuition and fees; providing an effective date.

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

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Paragraph (k) of subsection (4) of section Section 1. 1001.7065, Florida Statutes, is amended to read:

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1001.7065 Preeminent state research universities program.-

- (4) PREEMINENT STATE RESEARCH UNIVERSITY INSTITUTE FOR ONLINE LEARNING.—A state research university that, as of July 1, 2013, meets all 12 of the academic and research excellence standards identified in subsection (2), as verified by the Board of Governors, shall establish an institute for online learning. The institute shall establish a robust offering of high-quality, fully online baccalaureate degree programs at an affordable cost in accordance with this subsection.
- (k) The university shall establish a tuition structure for its online institute in accordance with this paragraph, notwithstanding any other provision of law.
- 1. For students classified as residents for tuition purposes, tuition for an online baccalaureate degree program shall be set at no more than 75 percent of the tuition rate as specified in the General Appropriations Act pursuant to s. 1009.24(4) and 75 percent of the tuition differential pursuant to s. 1009.24(16). No distance learning fee, fee for campus facilities, or fee for on-campus services may be assessed, except that online students shall pay the university's technology fee, financial aid fee, and Capital Improvement Trust Fund fee. The revenues generated from the Capital Improvement Trust Fund fee shall be dedicated to the university's institute for online learning.
- 2. For students classified as nonresidents for tuition purposes, tuition may be set at market rates in accordance with

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79 the business plan.

- 3. Tuition for an online degree program shall include all costs associated with instruction, materials, and enrollment, excluding costs associated with the provision of textbooks <u>and instructional materials</u> pursuant to s. 1004.085 and physical laboratory supplies.
- 4. Subject to the limitations in subparagraph 1., tuition may be differentiated by degree program as appropriate to the instructional and other costs of the program in accordance with the business plan. Pricing must incorporate innovative approaches that incentivize persistence and completion, including, but not limited to, a fee for assessment, a bundled or all-inclusive rate, and sliding scale features.
- 5. The university must accept advance payment contracts and student financial aid.
- 6. Fifty percent of the net revenues generated from the online institute of the university shall be used to enhance and enrich the online institute offerings, and 50 percent of the net revenues generated from the online institute shall be used to enhance and enrich the university's campus state-of-the-art research programs and facilities.
- 7. The institute may charge additional local user fees pursuant to s. 1009.24(14) upon the approval of the Board of Governors.
- 8. The institute shall submit a proposal to the president of the university authorizing additional user fees for the

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105 provision of voluntary student participation in activities and additional student services. 106 Section 2. Section 1004.084, Florida Statutes, is created 107 108 to read: 109 1004.084 College affordability.-110 The Board of Governors and the State Board of Education shall annually identify strategies to promote college 111 112 affordability for all Floridians by evaluating, at a minimum, 113 the impact of: 114 Tuition and fees on undergraduate, graduate, and 115 professional students at public colleges and universities and 116 graduate assistants employed by public universities. 117 (b) Federal, state, and institutional financial aid 118 policies on the actual cost of attendance for students and their 119 families. 120 (c) The costs of textbooks and instructional materials. 121 By December 31 of each year, beginning in 2016, the Board of Governors and the State Board of Education shall submit 122 123 a report on their respective college affordability initiatives 124 to the Governor, the President of the Senate, and the Speaker of 125 the House of Representatives. 126 Section 3. Section 1004.085, Florida Statutes, is amended 127 to read: 1004.085 Textbook and instructional materials 128 129 affordability.-

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(1) As used in this section, the term "instructional

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materials" means educational materials for use within a course which may be available in printed or digital format.

- (2) (1) An No employee of a Florida College System institution or state university may not demand or receive any payment, loan, subscription, advance, deposit of money, service, or anything of value, present or promised, in exchange for requiring students to purchase a specific textbook or instructional material for coursework or instruction.
 - (3) (2) An employee may receive:

- (a) Sample copies, instructor copies, or instructional materials. These materials may not be sold for any type of compensation if they are specifically marked as free samples not for resale.
- (b) Royalties or other compensation from sales of textbooks or instructional materials that include the instructor's own writing or work.
- (c) Honoraria for academic peer review of course materials.
- (d) Fees associated with activities such as reviewing, critiquing, or preparing support materials for textbooks <u>or instructional materials</u> pursuant to guidelines adopted by the State Board of Education or the Board of Governors.
- (e) Training in the use of course materials and learning technologies.
- (4) Each Florida College System institution and state university board of trustees shall, each semester, examine the

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cost of textbooks and instructional materials by course and course section for all general education courses offered at the institution to identify any variance in the cost of textbooks and instructional materials among different sections of the same course and the percentage of textbooks and instructional materials that remain in use for more than one term. Courses that have a wide variance in costs among sections or that have frequent changes in textbook and instructional materials selections shall be identified and a list of such courses sent to the appropriate academic department chair for review. This subsection is repealed July 1, 2018, unless reviewed and saved from repeal through reenactment by the Legislature.

institutions and state university universities shall post prominently in the course registration system and on its website on their websites, as early as is feasible, but at least 45 not less than 30 days before prior to the first day of class for each term, a hyperlink to lists list of each textbook required and recommended textbooks and instructional materials for at least 95 percent of all courses and each course sections offered at the institution during the upcoming term. The lists posted list must include the International Standard Book Number (ISBN) for each required and recommended textbook and instructional material or other identifying information, which must include, at a minimum, all of the following: the title, all authors listed, publishers, edition number, copyright date, published

date, and other relevant information necessary to identify the specific textbook or textbooks or instructional materials required and recommended for each course. The State Board of Education and the Board of Governors shall include in the policies, procedures, and guidelines adopted under subsection (6) (4) certain limited exceptions to this notification requirement for classes added after the notification deadline.

- bookstores, and publishers, the State Board of Education and the Board of Governors each shall adopt textbook and instructional materials affordability policies, procedures, and guidelines for implementation by Florida College System institutions and state universities, respectively, that further efforts to minimize the cost of textbooks and instructional materials for students attending such institutions while maintaining the quality of education and academic freedom. The policies, procedures, and guidelines shall address provide for the following:
- department to notify the bookstore of required and recommended textbooks and instructional materials so that the bookstore may verify availability, source lower cost options when practicable, explore alternatives with faculty when academically appropriate, and maximize the availability of used textbooks and instructional materials That textbook adoptions are made with sufficient lead time to bookstores so as to confirm availability of the requested materials and, where possible, ensure maximum

availability of used books.

- department offering the course, before the textbook or instructional materials adoption is finalized That, in the textbook adoption process, of the intent to use all items ordered, particularly each individual item sold as part of a bundled package, is confirmed by the course instructor or the academic department offering the course before the adoption is finalized.
- (c) <u>Determination by That</u> a course instructor or the academic department offering the course determines, before a textbook <u>or instructional material</u> is adopted, <u>of</u> the extent to which a new edition differs significantly and substantively from earlier versions and the value <u>to the student</u> of changing to a new edition or the extent to which an open-access textbook <u>or</u> instructional material is available <u>may exist and be used</u>.
- (d) That the establishment of policies shall address The availability of required and recommended textbooks and instructional materials to students otherwise unable to afford the cost, including consideration of the extent to which an open-access textbook or instructional material may be used.
- (e) <u>Participation by That</u> course instructors and academic departments are encouraged to participate in the development, adaptation, and review of open-access textbooks <u>and instructional materials</u> and, in particular, open-access textbooks and instructional materials for high-demand general

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235 education courses.

- (f) Consultation with school districts to identify practices that impact the cost of dual enrollment textbooks and instructional materials to school districts, including, but not limited to, the length of time that textbooks and instructional materials remain in use.
- (g) Selection of textbooks and instructional materials

 through cost-benefit analyses that enable students to obtain the

 highest-quality product at the lowest available price, by

 considering:
 - 1. Purchasing digital textbooks in bulk.
- 2. Expanding the use of open-access textbooks and instructional materials.
- 3. Providing rental options for textbooks and instructional materials.
- 4. Increasing the availability and use of affordable digital textbooks and learning objects.
- 5. Developing mechanisms to assist in buying, renting, selling, and sharing textbooks and instructional materials.
- 6. The length of time that textbooks and instructional materials remain in use.
- (7) The board of trustees of each Florida College System institution and state university shall report, by September 30 of each year, beginning in 2016, to the Chancellor of the Florida College System or the Chancellor of the State University System, as applicable, the textbook and instructional materials

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selection process for general education courses with a wide cost variance identified pursuant to subsection (4) and high-enrollment courses; specific initiatives of the institution designed to reduce the costs of textbooks and instructional materials; policies implemented in accordance with subsection (6); the number of courses and course sections that were not able to meet the textbook and instructional materials posting deadline for the previous academic year; and any additional information determined by the chancellors. By November 1 of each year, beginning in 2016, each chancellor shall provide a summary of the information provided by institutions to the State Board of Education and the Board of Governors, as applicable.

Section 4. Paragraph (a) of subsection (12) of section 1009.23, Florida Statutes, is amended, and subsection (20) is added to that section, to read:

1009.23 Florida College System institution student fees.—
(12)(a) In addition to tuition, out-of-state, financial aid, capital improvement, student activity and service, and technology fees authorized in this section, each Florida College System institution board of trustees is authorized to establish fee schedules for the following user fees and fines: laboratory fees, which do not apply to a distance learning course; parking fees and fines; library fees and fines; instructional materials fees, including, but not limited to, fees for integrated course materials and texts delivered digitally or through other technologies that are, or the licenses of which are, required

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for and used in a specific course; fees and fines relating to facilities and equipment use or damage; access or identification card fees; duplicating, photocopying, binding, or microfilming fees; standardized testing fees; diploma replacement fees; transcript fees; application fees; graduation fees; and late fees related to registration and payment. Such user fees and fines shall not exceed the cost of the services provided and shall only be charged to persons receiving the service. A Florida College System institution may not charge any fee except as authorized by law. Parking fee revenues may be pledged by a Florida College System institution board of trustees as a dedicated revenue source for the repayment of debt, including lease-purchase agreements, with an overall term of not more than 7 years, including renewals, extensions, and refundings, and revenue bonds with a term not exceeding 20 years and not exceeding the useful life of the asset being financed. Florida College System institutions shall use the services of the Division of Bond Finance of the State Board of Administration to issue any revenue bonds authorized by this subsection. Any such bonds issued by the Division of Bond Finance shall be in compliance with the provisions of the State Bond Act. Bonds issued pursuant to the State Bond Act may be validated in the manner established in chapter 75. The complaint for such validation shall be filed in the circuit court of the county where the seat of state government is situated, the notice required to be published by s. 75.06 shall be published only in

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the county where the complaint is filed, and the complaint and order of the circuit court shall be served only on the state attorney of the circuit in which the action is pending.

- (20) Each Florida College System institution shall publicly notice and notify all enrolled students of any proposal to increase tuition or fees at least 28 days before its consideration at a board of trustees meeting. The notice must:
- (a) Include the date and time of the meeting at which the proposal will be considered.
- (b) Specifically outline the details of existing tuition and fees, the rationale for the proposed increase, and how the funds from the proposed increase will be used.
- (c) Be posted on the institution's website and issued in a press release.
- Section 5. Paragraph (b) of subsection (4), paragraph (i) of subsection (14), and subsection (16) of section 1009.24, Florida Statutes, are amended, and subsection (20) is added to that section, to read:
 - 1009.24 State university student fees.-
- 332 (4)

(b) The Board of Governors, or the board's designee, may establish tuition for graduate and professional programs, and out-of-state fees for all programs. Except as otherwise provided in this section, 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,

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adjustments to out-of-state fees or tuition for graduate programs and professional programs may not exceed 15 percent in any year.

- (14) Except as otherwise provided in subsection (15), each university board of trustees is authorized to establish the following fees:
- (i) Materials and supplies fees to offset the cost of materials or supplies, including, but not limited to, integrated course materials and texts delivered digitally or through other technologies that are, or the licenses of which are, required for and used consumed in the course of the student's instructional activities, excluding the cost of equipment replacement, repairs, and maintenance.

With the exception of housing rental rates and except as otherwise provided, fees assessed pursuant to paragraphs (h)-(s) shall be based on reasonable costs of services. The Board of Governors shall adopt regulations and timetables necessary to implement the fees and fines authorized under this subsection. The fees assessed under this subsection may be used for debt only as authorized under s. 1010.62.

establish a tuition differential for undergraduate courses <u>if</u> such fee was approved by the Board of Governors before July 1, <u>2015</u> upon receipt of approval from the Board of Governors.

However, beginning July 1, 2014, the Board of Governors may only

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approve the establishment of or an increase in tuition differential for a state research university designated as a preeminent state research university pursuant to s. 1001.7065(3). The tuition differential shall promote improvements in the quality of undergraduate education and shall provide financial aid to undergraduate students who exhibit financial need.

Thirty Seventy percent of the revenues from the (a) tuition differential shall be expended for purposes of undergraduate education. Such expenditures may include, but are not limited to, increasing course 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. Except as otherwise provided in this subsection, the remaining 30 percent of the revenues from the tuition differential, or the equivalent amount of revenue from private sources, shall be expended to provide financial aid to undergraduate students who exhibit financial need, including students who are scholarship recipients under s. 1009.984, to meet the cost of university

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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, the direct appropriation for financial assistance provided to state universities in the General Appropriations Act, or from private sources. The total amount of tuition differential waived under subparagraph (b) 7. (b)8. may be included in calculating the expenditures for needbased financial aid to undergraduate students required by this subsection. This expenditure for need-based financial aid is not required if the entire tuition and fee costs of resident students who have applied for and received Pell Grant funds have been met and the university has excess funds remaining from the 30 percent of the revenues from the tuition differential required to be used to assist students who exhibit financial need, the university may expend the excess portion in the same manner as required for the other 70 percent of the tuition differential revenues.

- (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. The tuition differential may vary by course or courses, by campus or center location, and by institution. Each university board of trustees shall strive to maintain and

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increase enrollment in degree programs related to math, science, high technology, and other state or regional high-need fields when establishing tuition differentials by course.

- 3. For each state university that is designated as a preeminent state research university by the Board of Governors, pursuant to s. 1001.7065, the aggregate sum of tuition and the tuition differential may be increased by no more than 6 percent of the total charged for the aggregate sum of these fees in the preceding fiscal year. The tuition differential may be increased if the university meets or exceeds performance standard targets for that university established annually by the Board of Governors for the following performance standards, amounting to no more than a 2-percent increase in the tuition differential for each performance standard:
- a. An increase in the 6-year graduation rate for fulltime, first-time-in-college students, as reported annually to the Integrated Postsecondary Education Data System.
 - b. An increase in the total annual research expenditures.
- c. An increase in the total patents awarded by the United States Patent and Trademark Office for the most recent years.
- 3.4. 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.
 - 4.5. The tuition differential shall not be included in any

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award under the Florida Bright Futures Scholarship Program established pursuant to ss. 1009.53-1009.538.

- 5.6. 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.
- $\underline{6.7.}$ 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.
- $\frac{7.8.}{1009.50.}$ 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.
- 9. Subject to approval by the Board of Governors, the tuition differential authorized pursuant to this subsection may take effect with the 2009 fall term.
- c) Each state university that is designated as a preeminent state research university by the Board of Governors pursuant to s. 1001.7065 may increase the tuition differential annually in accordance with this subsection. However, the aggregate sum of tuition and the tuition differential may be increased by no more than 6 percent of the total charged for the aggregate sum of these fees in the preceding fiscal year. The tuition differential may be increased only if the university meets or exceeds performance standard targets for that university established annually by the Board of Governors for

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469	the following performance standards, amounting to no more than a
470	2-percent increase in the tuition differential for each
471	performance standard:
472	1. An increase in the 6-year graduation rate for full-
473	time, first-time-in-college students, as reported annually to
474	the Integrated Postsecondary Education Data System.
475	2. An increase in total annual research expenditures.
476	3. An increase in total patents awarded by the United
477	States Patent and Trademark Office for the most recent years.
478	(c) A university board of trustees may submit a proposal
479	to the Board of Governors to implement a tuition differential
480	for one or more undergraduate courses. At a minimum, the
481	proposal shall:
482	1. Identify the course or courses for which the tuition
483	differential will be assessed.
484	2. Indicate the amount that will be assessed for each
485	tuition differential proposed.
486	3. Indicate the purpose of the tuition differential.
487	4. Indicate how the revenues from the tuition differential
488	will be used.
489	5. Indicate how the university will monitor the success of
490	the tuition differential in achieving the purpose for which the
491	tuition differential is being assessed.
492	(d) The Board of Governors shall review each proposal and
493	advise the university board of trustees of approval of the
494	proposal, the need for additional information or revision to the

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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.

- (d) (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 February 1 of each year. 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 assesses has 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) 7. (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

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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.

- $\underline{\text{(e)}}$ $\underline{\text{(f)}}$ $\underline{\text{A}}$ No state university $\underline{\text{is not}}$ shall be required to lower $\underline{\text{a}}$ any tuition differential that was approved by the Board of Governors and in effect before July 1, 2015 prior to January 1, 2009, in order to comply with the provisions of this subsection.
- (20) Each state university shall publicly notice and notify all enrolled students of any proposal to increase tuition or fees at least 28 days before its consideration at a board of trustees meeting. The notice must:
- (a) Include the date and time of the meeting at which the proposal will be considered.
- (b) Specifically outline the details of existing tuition and fees, the rationale for the proposed increase, and how the funds from the proposed increase will be used.
- (c) Be posted on the university's website and issued in a press release.
- Section 6. This act shall take effect July 1, 2016.

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