LEGISLATIVE SESSION FINAL REPORT







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MESSAGE FROM THE OFFICE OF UNIVERSITY RELATIONS

As assistant vice president of university relations, it is my pleasure to present the 2013 Legislative Session Final Report.

Our office has created this report to provide our stakeholders with a comprehensive review of the Florida Legislature's actions during the 2013 Session and their subsequent impacts on FAU and the higher education community. Over the next several pages you will find highlights of appropriations and legislation that the members of FAU's Legislative Delegation worked tirelessly to pass into law.

This was the first session in six years that lawmakers were not forced to close a budget gap. As a result, the Legislature boosted education spending by about \$1.5 billion. Overall, lawmakers agreed to spend \$4 billion on the State University System, restoring the \$300 million cut implemented last year and including another \$65 million in incentive programs. This budget represents a restoration of roughly \$24 million to FAU.

In addition to the budget, a number of bills related to higher education were signed into law. From the establishment of university preeminence standards to the expansion of competitive performance funding, the State University System was impacted by the passage of several pieces of legislation.

The Office of University Relations has the pleasure of working with the 40-plus members of FAU's State Legislative Delegation as well as countless individuals within the university community. Our goal is to continue to keep these two important constituencies well informed and increase their engagement with one another. It is our hope that this report, along with our Legislative Updates, help to foster this dialogue.



Thank you for your assistance and support over the past year.

Pamela Landi Assistant Vice President, University Relations

BUDGET SUMMARY



GENERAL BUDGET

The FY2013-14 Budget allocates approximately \$4 billion for the SUS and restores the \$300 million

that was removed from last year's budget. This represents a restoration of more than \$24 million to FAU.

TUITION AND BRIGHT FUTURES

The budget included a three percent tuition increase for state colleges and universities (Governor Scott vetoed the tuition increase) and an increase in Bright Futures of more than three percent.

★ STATE EMPLOYEE SALARY INCREASES

The budget provides a \$1,400 general pay raise for state employees earning less than \$40,000 a year and a \$1,000 raise for those who earn more than \$40,000. These salary increases are set to take effect on October 1, 2013.

★ PERFORMANCE FUNDING

Through legislation passed during the 2013 session (SB 1076), the budget provides \$65 million in performance funding.

- \$15 million for the winners of last year's IT competition (FAU competed for this money last year but did not place among the top 4 universities)
- \$15 million for a master's degree in cloud virtualization technology and related large data management (FSU already has this program)
- \$15 million for high-demand programs of emphasis determined by the BOG using the gap-analysis data (FAU will be able to compete for these funds)
- \$20 million to be allocated by the BOG based on percentage of graduates employed or enrolled in further education, the average salary of graduates and the average cost per degree (FAU will be able to compete for these funds)

CAPITAL FUNDS

The budget provides \$184 million in system-wide Fixed Capital Outlay funding. (Governor Scott vetoed several capital outlay projects, but none related to FAU.)

- \$70 million for Capital Improvement Fee Trust Fund (FAU's share to be allocated by BOG)
- \$44.4 million in critical deferred maintenance (FAU's share to be allocated by BOG)
- \$70 million in capital projects (FAU does not have any projects that were identified to receive funding)
- \$2.75 million for University Lab Schools Survey of Recommended Needs, which is a reduction from last year's \$4.2 million (Funds will be allocated to each of the six schools based on FTE student membership.)



★ FAU's SPECIFIC BUDGET PROVISIONS

- Increased funding for Charles E. Schmidt College of Medicine
 - \$500,000 in nonrecurring funding for medical school simulation center
 - \$946,000 in recurring funding to assist in the development of FAU's graduate medical education program
 - \$1.9 million in tuition authority
- \$7.5 million in total funding for the state's seven Centers for Autism and Related Disabilities (CARD)
 - A \$2.1 million increase over current fiscal year funding of \$5.4 million
 - FAU's CARD is slated to receive \$713,387, an increase from last year's \$520,579
- \$1.5 million for FAU/AMIkids, an experiential learning program funded through Pine Jog
- \$222,801 in recurring funds for the Louis and Anne Green Memory and Wellness Center (Memory Disorder Clinic)
 - The Center has never before received state operating funds
- \$2 million in nonrecurring funds for Harbor Branch's Indian River Lagoon Observatory (IRLO) Water Project (Governor Scott vetoed the IRLO Water Project)

BUDGET SUMMARY

★ FAU's SPECIFIC PROVISO LANGUAGE

- Pursuant to section 1013.40, Florida Statutes, the specified Florida College System colleges are authorized to acquire or construct the following facilities from non-PECO sources, which could require general revenue funds for operation and maintenance. If existing facilities are part of these projects, each such building or site must be certified to be free of asbestos or other hazardous materials before the stated college may acquire or expend construction funds on the facility. If the property to be acquired is not adjacent to an existing approved center or campus, then all necessary approvals from the State Board of Education must be received before any funds may be expended to acquire the property.
 - Broward College Acquire additional instructional and support space through the lease transfer of facilities from Florida Atlantic University at the State Board of Education approved Downtown Center.
 - Indian River State College Acquire additional instructional and support space through the lease transfer of facilities from Florida Atlantic University at the State Board of Education approved St. Lucie West Center (also known as Ken Pruitt Campus).
- Florida Atlantic University Louis & Anne Green
 Memory and Wellness Center expansion Addition of classrooms to support the existing Christine E. Lynn
 College of Nursing Memory Center Program. (8,000 gsf)









SUMMARY OF LEGISLATIVE ISSUES

ACADEMIC ISSUES

BRIGHT FUTURES

In 2010 and 2011 the Legislature increased the eligibility requirements for Bright Futures scholarships. Over the past few years these requirements have increased incrementally, but in the 2013-14 academic year the requirements will make a significant leap. These changes could drop the percentage of students receiving Bright Futures below 25 percent at FAU, FIU, FAMU, UWF and FGCU.

Click here to learn more about the changes to the Bright Futures program.

COMMON CORE (HB 7091)

Florida is one of 45 states and the District of Columbia that has adopted Common Core State Standards (CCSS) for kindergarten through grade 12 in mathematics and English Language Arts (ELA). The CCSS is a state driven initiative led by the Council of Chief State School Officers (CCSSO) and the National Governors Association (NGA). The CCSS emphasize the skills necessary for college and career readiness, including digital literacy skills. During the 2013 Session, a measure (HB 7091) was introduced that requires the state board to adopt rules establishing an implementation schedule to transition from statewide assessments in reading, writing and mathematics to common core assessments in mathematics and ELA. The schedule must take into consideration funding, sufficient field and baseline data, access to assessments, instructional alignment, and school district readiness to administer the common core assessments online.

HB 7091 failed to gain adequate support and died on the Unfinished Business Calendar.

Click here to learn more about the transition to common core.

CAREER AND PROFESSIONAL EDUCATION ACT (SB 1076)

During the 2013 Session, the Career and Professional Education (CAPE) Act of 2013 was signed into law. The CAPE Act is a wide-ranging initiative that impacts students from grade school to university. In addition to creating "pre-eminent" universities and incentivized performance

funding, the measure creates two pathways to a high school diploma -- one for students entering the job market immediately and another for students intending to further their studies.

The effective date of SB 1076 is July 1, 2013.

SB 1076 was approved by the Governor on April 22, 2013 (Chapter No. 2013-27).

Click here to learn more about SB 1076, the CAPE Act.

DIGITAL LEARNING (HB 7029)

The Florida Virtual School (FLVS) was established for the development and delivery of online and distance learning education. The FLVS provides students full-time and part-time virtual education options and offers more than 120 courses including core subjects, world languages, electives, honors, and 15 Advanced Placement courses. During the 2013 Legislative Session, a measure (HB 7029) was signed into law that increases access to digital and blended learning options. In addition, the legislation creates Florida Approved Courses and Tests (FACTs), which authorizes the department to approve courses, including massive open online courses (MOOCs), in algebra I, biology, geometry and civics. The bill also requires the State Board of Education and the Board of Governors to adopt rules that enable students to earn credit from online courses, including MOOCs.

The effective date of HB 7029 is July 1, 2013.

HB 7029 was approved by the Governor on June 27, 2013 (Chapter No. 2013-225).

Click here to learn more about the changes enacted by the passage of HB 7029.

EDUCATION ACCOUNTABILITY – DATA WAREHOUSE (SB 878)

During the 2013 Session, a measure (SB 878) was introduced to streamline the process for researchers and other organizations to gain access and use information from the Department of Education's (DOE) "data warehouse," which collects data from public schools, state colleges and universities. The measure drew criticism from advocacy groups who expressed concerns about student privacy.

Differing versions of the legislation passed the House and Senate, but the two chambers failed to resolve those differences and the bills died during budget conferencing.

Click here to learn more about the Data Warehouse.

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GRADUATE MEDICAL EDUCATION

As a result of legislation passed during the 2012 Legislative Session, the state of Florida is in the process of changing the way it funds Graduate Medical Education (GME) programs. The transition is from the current system of feefor-service care coupled with an additional per diem rate for GME to a fixed cost payment system that is contingent upon GME hospitals providing care to Medicaid patients. The Governor and both chambers of the legislature (SB 1520) introduced proposals to address these changes and increase funding for GME.

The effective date of SB 1520 is July 1, 2013.

SB 1520 was approved by the Governor on May 20, 2013 (Chapter No. 2013-048).

Click here to learn more about the changes to Graduate Medical Education.

TEACHER PREPARATION AND ACCOUNTABILITY (HB 863)

In August 2012, Florida was one of 11 states (plus the District of Columbia) awarded federal Race to the Top grant funds. Florida will receive approximately \$700 million to implement various education reforms. As a result of Race to the Top, the Teacher and Leader Preparation Implementation Committee (TLPIC) was established to provide input, feedback and recommendations to the state in the development and implementation of performance standards, and targets for continued approval of state-approved teacher and school leadership preparation programs. During the 2013 Legislative Session, the Teacher Preparation and Accountability (HB 863) bill was signed into law. The measure enacts a number of the changes and recommendations put forward by the TLPIC as well as other organizations.

The effective date of HB 863 is July 1, 2013.

HB 863 was approved by the Governor on June 14, 2013 (Chapter No. 2013-185).

Click here to learn more about the changes to teacher preparation.

ADMINISTRATIVE ISSUES

DUAL ENROLLMENT (SB 1514)

During the final weeks of the 2013 Legislative Session, language was added to the Education Conforming Bill (SB 1514) that requires public schools to pay tuition

costs to compensate colleges and universities for dually enrolled students. This new language mainly impacts school districts and the Florida College System, where the majority of students take dual enrollment courses. However, FAU also is impacted by the change because FAU High School's student population is entirely dual enrolled. Since the Lab School District and the University are part of the same entity, FAU's administration is currently working on an internal resolution to these issues.

The effective date of SB 1514 is July 1, 2013.

SB 1514 was approved by the Governor on May 20, 2013 (Chapter No. 2013-045).

Click here to learn more about the changes to dual enrollment.

FIRE SAFETY AND PREVENTION (SB 1410)

During the 2013 Legislative Session, a comprehensive piece of fire safety and prevention legislation (SB 1410) was signed into law. The measure makes numerous changes to the Fire Prevention and Control statute, which is administered by the Division of State Fire Marshal within the Florida Department of Financial Services. Among the many changes, the bill requires the State Fire Marshal to ensure that fire drills are conducted annually in all high-hazard state-owned buildings or high-hazard state-leased occupancies. In addition, all new construction or renovation, alteration, or change of occupancy of any existing state-owned building or state-leased space must comply with uniform fire safety standards.

The effective date of SB 1410 is July 1, 2013.

SB 1410 was approved by the Governor on June 14, 2013 (Chapter No. 2013-183).

Click here to see a comprehensive list of the changes enacted by the passage of SB 1410.

FLORIDA RETIREMENT SYSTEM

One of Speaker Will Weatherford's priorities going into the 2013 Legislative Session was the reform of the Florida Retirement System (FRS). The leadership commissioned a study to analyze the impact to the FRS of a proposal that would close the Defined Benefit (DB) Plan to new members and provide mandatory participation in the Defined Contribution (DC) Plan for all new state employees hired after January 1, 2014.

The House and Senate introduced competing reform proposals that ultimately failed to gain enough support for passage.

Click here to learn more about the proposed changes to the FRS.

POSTSECONDARY EDUCATION EXECUTIVE SEARCH (HB 637)

When filling a vacant president or provost position, state universities and Florida College System (FCS) institutions typically establish a search committee for the purpose of locating qualified applicants who are interested in filling the vacant position. However, the meetings and information associated with the search process are open to the public. The openness of the process can potentially deter an applicant from applying. During the 2013 Session, legislation (HB 637) was introduced to create an exemption from public record and public meeting requirements for information associated with an applicant search and the recruitment process.

HB 637 failed to gain adequate support and died on Second Reading.

Click here to learn more about HB 637.

STATE CONTRACTING AND GRANT REQUIREMENTS

During the 2013 Session, the Legislature passed two bills that significantly impact state contracting and grant procedures (HB 5401 / HB 1309). The legislation expands the scope and responsibilities of both the state's Chief Financial Officer (CFO) and its Department of Management Services (DMS). In addition, the new reporting requirements outlined in the legislation could have significant workload implications for SUS institutions, including FAU.

The effective date of HB 1309 & 5401 is July 1, 2013.

HB 1309 was approved by the Governor on June 7, 2013 (Chapter No. 2013-154).

HB 5401 was approved by the Governor on May 20, 2013 (Chapter No. 2013-54).

Click here to learn more about the specific requirements related to HB 1309 & 5401.

TUITION – RESIDENT STATUS AND VETERANS RESIDENCY

Current law requires students to be classified as residents or nonresidents for the purpose of assessing tuition in postsecondary educational programs offered by charter technical career centers; career centers operated by school districts; Florida College System institutions, and state universities. Students pay differing tuition rates based on their status as residents or nonresidents of Florida.

During the 2013 Legislative Session, several pieces of

legislation (HB 11, 17, 29, 180, 7051, and SB 268) were introduced to address the denial of a dependent child's residency status based solely upon the immigration status of his or her parent. In addition, a measure (SB 260) was introduced that sought to allow veterans of the U.S. Armed Services who physically attend a public college, university or institution of higher learning in Florida to be automatically classified as residents of the state for tuition purposes.

Each of the bills listed above failed to gain adequate support and died at various stages of the legislative process.

▶ Click here to learn more about residency issues.

WORKERS' COMPENSATION (HB 553)

During the 2013 Legislative Session, legislation (HB 553) was signed into law that makes substantive changes to workers' compensation statutes. The measure makes several changes to the administration of Florida's workers' compensation system, including continuing the increased benefits for injured employees with a catastrophic temporary total disability and eliminating the requirement that the Department of Financial Services (DFS) approve the advance payment of workers' compensation benefits in certain circumstances.

The effective date of HB 553 is July 1, 2013.

HB 553 was approved by the Governor on June 7, 2013 (Chapter No. 2013-141).

Click here to see a list of the changes enacted by the passage of HB 553.

*****CAPITAL ISSUES

CAPITAL FUNDING

The continued reduction in Public Education Capital Outlay (PECO) revenues has created a serious problem for public education institutions with regard to critical maintenance and renovations, and new project construction. During the 2013 Session, the Legislature considered a number of proposals that sought to address the capital issues currently facing State University System institutions. The proposals ranged from incorporating the recommendations of the Board of Governors' Facilities Task Force (HB 7149) to expanding the scope of Public Private Partnership Agreements (HB 85). Ultimately, the reform efforts failed to gain enough support and the Legislature was forced to expand the use of General

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Revenue funds to finance the maintenance and construction of education projects.

HB 7149 was passed by the House and died in the Senate.

The effective date of HB 85 is July 1, 2013.

HB 85 was approved by the Governor on June 27, 2013 (Chapter No. 2013-223).

Click here to learn more about public education capital funding.

FAU LAB SCHOOLS

FAU's Developmental Research (Lab) Schools were impacted on two fronts during the 2013 Legislative Session. The first involved the University's attempt to secure sparsity funding for FAU's Lab School District. Presently, we are the only K-12 lab school district that is not receiving the sparsity supplement, which is provided to small school districts to assist them in meeting state required administrative costs. Though the University had strong support in the Senate, the House rejected FAU's attempts to secure this funding.

The second issue concerned the Millage Equivalent for Fixed Capital Outlay Projects. Lab schools receive a discretionary millage equivalent for capital outlay projects because lab schools are unable to tax their local districts. These funds assist lab schools in providing sufficient and safe educational facilities in support of the academic programs provided for the students. During the 2013 Legislative Session, the state's six lab schools' millage equivalence funding was cut from \$4.2 million in FY2012-13 to \$2.75 million in FY2013-14, which represents a significant funding reduction to FAU's Lab District.

Click here to learn more about the impacts to FAU's Lab Schools.

★ ECONOMIC DEVELOPMENT ISSUES

SMALL BUSINESS DEVELOPMENT (SB 224)

In 2008, the Legislature recognized the Florida Small Business Development Center Network as the principal business assistance organization for small businesses in the state. The network is a consortium of regional small business development centers throughout the state that offer current and prospective small businesses consulting services, training opportunities, and access to other resources and information. Regional centers are based at several of Florida's colleges and universities, with 39

total locations, including FAU's Fort Lauderdale campus. During the 2013 Legislative Session, a measure (SB 224) was introduced to align the Small Business Development Center Network with other state and federal initiatives.

SB 224 failed to gain adequate support and died in Messages in the House.

Click here to learn more about small business development.

TARGETED ECONOMIC DEVELOPMENT (HB 705)

The Florida Institute for the Commercialization of Public Research was created by the Legislature in 2007 as a nonprofit organization tasked with working collaboratively with the technology licensing and commercialization offices of Florida's publicly supported universities and research institutions. The Institute's mission is economic development through the commercialization of new discoveries generated from publicly funded research. The Institute supports new company formation and growth activities that result in increased job creation, capital investment, and revenue generation. During the 2013 Session, a measure (HB 705) was signed into law that changes the purpose of the Institute to include assisting in the commercialization of products developed by the research and development activities of innovation businesses. The legislation also directs the Institute to create the Florida Technology Seed Capital Fund to foster greater private-sector investment funding, encourage seed-state investments in start-up companies, and advise companies on the restructuring of existing management, operations, or production in order to attract greater business opportunities.

The effective date of HB 705 is July 1, 2013.

HB 705 was approved by the Governor on June 5, 2013 (Chapter No. 2013-120).

Click here to learn more about HB 705.

