Florida Gulf Coast University Board of Trustees
June 17, 2014

SUBJECT: 2014 Legislative Session Report

PROPOSED BOARD ACTION

Information Only

BACKGROUND INFORMATION

The report details legislation passed by the Florida Legislature in the 2014 legislative session and the Governor’s actions on the legislation.

Supporting Documentation Included: 2014 Florida State Legislature Final Report

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Legal Review by: N/A

Submitted by: President Wilson G. Bradshaw
FGCU 2014 SESSION REPORT

The Florida Legislature started its 60-day regular Session March 4, 2014 to pass a constitutionally mandated balanced budget. While this Session produced the lowest total number of bills passed since 2001, the Legislature did tackle several higher education issues covered in this report, as well as K-12 education, state employee, procurement, and health insurance issues.

The FGCU Board of Trustees approved four Legislative priorities for the 2014 regular session. The outcomes of the priorities are detailed in this report. Those priority items were:

- Student Success Funding (Recurring General Revenue) $5,700,000
- Public Education Capital Outlay (PECO)
  - Roads/Infrastructure $7,000,000
  - Emergent Technologies Institute $7,633,807
    - Phase 2
    - Central Energy Plant Expansion $9,000,000
      - Phase 3
      - Classrooms/Offices/Labs, Academic 9 Phase 1 $3,852,065
- Capital Improvement Trust Fund (CITF) – (For Recreation/ Fitness Center): $9,272,012
- Courtelis Matching Funds and Major Matching Gifts $13,400,000

BUDGET

HB 5001- Relating to General Appropriations Act (Approved by the Governor 6/02/14)
The Florida Legislature adopted a budget of approximately $77 billion with over $14 billion of that funding used for education. Also included in the budget is a total of $200 million in recurring funding for the State University System’s Board of Governors performance funding initiatives.

Specifically for FGCU:

- FGCU avoided a $2.25 million operating budget reduction proposed in the initial version of the Senate budget.
- $100 million of new recurring funding was provided to the State University System for performance funding. At the June Board of Governors (BOG) meeting in Orlando, the BOG is expected to allocate this recurring funding. FGCU’s portion is anticipated to be $5,936,120, which includes the recurrence of $2.17 million for performance funding awarded last year.
- In total FGCU’s state appropriation is approximately $57 million in general revenue and approximately $7.1 million in lottery for FY 14-15.
<table>
<thead>
<tr>
<th>FGCU Budget Item</th>
<th>FY 2013-2014</th>
<th>FY 2014-2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lottery E&amp;G Funds</td>
<td>$5,790,116</td>
<td>$7,193,122</td>
</tr>
<tr>
<td>General Revenue Funding*</td>
<td>$49,400,947</td>
<td>$57,001,233</td>
</tr>
<tr>
<td>Tuition Authority Total</td>
<td>$62,803,389</td>
<td>$63,379,215</td>
</tr>
<tr>
<td>First Generation Grants</td>
<td>$5,308,663</td>
<td>$5,308,663</td>
</tr>
<tr>
<td>Undergraduate Tuition Rate</td>
<td>$105.07</td>
<td>$105.07</td>
</tr>
<tr>
<td>College Reach Out Program (CROP)**</td>
<td>1,000,000</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>

*General Revenue funding includes FGCU’s performance allocation of $5,936,120, which is subject to Board of Governors’ approval, and risk management and financial aid funding.

**$1,500,000 in CROP funds were approved by the Legislature, but $500,000 was vetoed.

FACILITY APPROPRIATIONS

Capital Improvement Trust Fund (CITF)
The State University System received a cash-only allocation of $41,123,760 from the Capital Improvement Trust Fund. This funding will be distributed based on a Board of Governors pro rata formula. The $41 million amount is a cash amount and does not include any bonding. FGCU’s portion of the allocation is anticipated to be $2,524,999.

Public Education Capital Outlay (PECO)
The State University System received an allocation of $54,649,378 to be used for Maintenance, Repair, Renovation, and Remodeling of university construction projects. The Board of Governors will determine each university’s portion of this funding, but it is anticipated FGCU will receive approximately $1.3 million for maintenance and critically deferred maintenance. In addition to funding for maintenance, the State University System received a total Public Education Capital Outlay allocation of $179,605,000 for projects. Included in this funding is $7,000,000 for the completion of FGCU’s Emergent Technologies Institute. Below is a chart of FGCU’s requests and funding received:

<table>
<thead>
<tr>
<th>PECO</th>
<th>Request</th>
<th>FY 2014-2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roads/Infrastructure</td>
<td>$7,000,000</td>
<td>$0</td>
</tr>
<tr>
<td>Emergent Technologies Institute</td>
<td>$7,633,807</td>
<td>$7,000,000</td>
</tr>
<tr>
<td>Classrooms/Offices/Labs, Academic 9 Phase 1</td>
<td>$3,852,065</td>
<td>$0</td>
</tr>
<tr>
<td>Central Energy Plant</td>
<td>$9,000,000</td>
<td>$0</td>
</tr>
<tr>
<td>Critical Deferred and Regular Maintenance</td>
<td>$2,975,000</td>
<td>$1,299,178</td>
</tr>
</tbody>
</table>
Alec P. Courtelis Facilities Enhancement Challenge Grant Program and Major Matching Gifts Trust Funds

These programs remain unfunded with a backlog of $386 million for the State University System. Below is chart reflecting FGCU’s portion of the backlog.

<table>
<thead>
<tr>
<th>Programs</th>
<th>Backlog</th>
<th>FGCU’s Portion of Backlog</th>
<th>FY 2014-2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alec P. Courtelis Facilities Enhancement Challenge Grant</td>
<td>$100,000,00</td>
<td>$1,600,000</td>
<td>$0</td>
</tr>
<tr>
<td>Major Matching Gifts Trust Fund</td>
<td>$286,000,000</td>
<td>$11,800,000</td>
<td>$0</td>
</tr>
</tbody>
</table>

BRIGHT FUTURES

Bright Futures Scholarships were funded at the same levels as 2013-2014.

<table>
<thead>
<tr>
<th>FGCU Bright Futures</th>
<th>FY 2013-2014</th>
<th>FY 2014-2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academic Scholars</td>
<td>$103</td>
<td>$103</td>
</tr>
<tr>
<td>Medallion Scholars</td>
<td>$77</td>
<td>$77</td>
</tr>
<tr>
<td>Top Scholars Stipend</td>
<td>$44</td>
<td>$44</td>
</tr>
</tbody>
</table>

HIGHER EDUCATION BUDGET CONFORMING BILLS

HB 5101 - Relating to Education Funding (Approved by the Governor 6/02/14)

HB 5101 makes the following changes:

- Provides for an accelerated payment of Public Education Capital Outlay debt service.
- Restricts the approval of baccalaureate degree programs for the Florida College System from March 31, 2014 through May 31, 2015.
- The Commissioner of Education shall oversee the development and implementation of the 5-year strategic plan for establishing Florida digital classrooms to assist school districts in their efforts to integrate technology in classroom teaching and learning to improve student performance.
- Redefines New College of Florida’s mission as a residential liberal arts honors college for the State of Florida and allows the institution to offer a master’s degree in data science and analytics upon approval from the Board of Governors.
- Established the Florida Center for Cybersecurity at the University of South Florida.
- Creates the Florida Academic Library Services Cooperative.
- Creates Florida Complete Plus Program at the University of West Florida to facilitate degree completion and develop and manage a statewide internet-based catalog for distant learning, degree programs, and resources offered by public postsecondary education institutions.
- The K-20 Articulation Committee will make recommendations regarding the cost and requirements to develop and implement an online system for collecting and analyzing data regarding requests for transfer of credit by postsecondary education students.
- Directs superintendents and public post-secondary presidents to develop a comprehensive dual enrollment articulation agreement.
- Creates the Florida National Merit Scholar Incentive Program.
STATE EMPLOYEE ISSUES

- The 2014 state budget does not contain salary increases for state university employees.
- The 2014 state budget allows local pharmacies to dispense 90-day supplies of maintenance drugs at the same rate as mail-in pharmacies.
- Bills regarding substantive changes to the State Retirement and Health Insurance issues ultimately did not pass during the 60-day Session.

HIGHER EDUCATION ISSUES

CS/HB 115 - Relating to Public Meetings/University Direct Support Organizations (DSO) (Approved by the Governor 5/12/2014)
This bill creates a public meeting exemption for any portion of a meeting of the board of directors of the DSO, or of a committee of the DSO, in which the board or committee discusses a proposal seeking research funding from the DSO or a plan or program for either initiating or supporting research. The bill provides for repeal of the exemption on October 2, 2019, unless reviewed and saved from repeal by the Legislature.

CS/CS/HB433 - Relating to Education (Approved by the Governor 5/12/2014)
Candidates seeking certification as a K-12 educator in Florida must demonstrate, among other things, mastery of general knowledge, subject area knowledge, and professional preparation and education competency.

The bill establishes requirements for instructional personnel who supervise or direct teacher preparation students during field experience courses or internships in another state or on a U.S. military base outside the U.S. through a Florida online or distance program. Instructional personnel in another state must have received “clinical educator” training or its equivalent in that state, hold a valid professional certificate issued by that state, and have at least three years of teaching experience in prekindergarten through grade 12. Instructional personnel on a U.S. military base outside the U.S. must have received “clinical educator” training or its equivalent; hold a valid professional certificate issued by a state, U.S. territory, or the United States Department of Defense, and have at least three years of teaching experience in prekindergarten through grade 12.

The bill restates the methods by which a candidate for educator certification may demonstrate mastery of subject area knowledge, including passage of a Florida-developed subject area examination or a standardized examination specified by rule. The bill also allows a candidate to demonstrate mastery of general knowledge by achieving passing scores, as identified by the State Board of Education (SBE) in rule, on a national or international examination that contains comparable content and relevant standards in verbal, analytical writing, and quantitative reasoning skills. In addition, the bill specifies certain requirements regarding demonstration of mastery of professional preparation and education competence.

The bill repeals a provision requiring a longitudinal study comparing the performance of teachers who earned certificates through certain specified tracks or routes. The study has been completed.

The bill allows candidates to renew a subject area specialization by passage of a Florida-developed subject area examination or a standardized examination specified by rule. The SBE must adopt rules that would expand training for renewal of professional certificates in areas which require training in the instruction of students with disabilities,
allowing such candidates to accrue excess credits for use in subsequent certificate renewals. The bill also requires the SBE to adopt rules specifying certain requirements for reinstatement of a professional certificate.

**CS/SB 524 - Relating to Sexually Violent Predators (Approved by the Governor 4/1/2014)**
The bill amends various provisions governing the sexually violent predator program to strengthen the ability of multidisciplinary teams to identify sexually violent predators. The bill requires the Department of Children and Families (DCF) to train team members, provide feedback to team members, and create a process for measuring the performance of team members.

Currently the DCF may contract with independent contractors to serve as members of a multidisciplinary team. The bill limits such contracts to one-year terms, subject to renewal. DCF will annually evaluate the contractors based on performance.

Under the bill, an offender will be recommended for civil commitment if at least two multidisciplinary team members determine that the offender is, by definition, a sexually violent predator. Current law is silent on the number of members required to designate a sex offender as a sexually violent predator.

The Florida Department of Law Enforcement maintains a web site and toll-free telephone number to provide information to the public of sex offenders and sexually violent predators. The bill requires public and private colleges and universities to inform students and employees about the FDLE web site and the toll-free number.

**CS/HB 993 - Relating to Public Records/Animal Researchers at Public Research Facilities (Approved by the Governor 5/12/2014)**
The bill creates a public records exemption for personal identifying information of a person employed by, under contract with, or volunteering for a public research facility, including a state university that conducts animal research or is engaged in activities related to animal research. Such information is exempt from public records requirements when the information is contained in the following records:

- Animal records, including animal care and treatment records.
- Research protocols and approvals.
- Purchase and billing records related to animal research or activities.
- Animal care and committee records.
- Facility and laboratory records related to animal research or activities.

The bill provides for retroactive application of the public record exemption until October 2, 2019, unless reviewed and save from repeal by the Legislature.

**CS/CS/SB 1036 - Relating to Nursing Education Programs (Enrolled)**
CS/CS/SB 1036 establishes a schedule for all registered nurse pre-licensure programs approved by the Board of Nursing (BON) to become accredited by a specialized nursing accrediting agency that is recognized by the U.S. Secretary of Education. The bill:

- Revises the definition of “clinical training” to include clinical simulation and the definition of “practice of professional nursing” to include “the teaching of general principles of health and wellness to the public and to students other than nursing students.”
- Requires individuals who fail to take the licensure examination within six months after graduation to enroll in and complete a preparatory class approved by the Board of Nursing.
- Prohibits the use of state or federal funds to pay for the preparatory class.
• Exempts a nurse who is certified by a health care specialty program that is accredited by the National Commission for Certifying Agencies (NCQA) or Accreditation Board for Specialty Nursing Certification (ABSNC) from the biennial continuing education requirement.
• Increases the percentage of clinical training that may consist of simulation from 25 percent to 50 percent.
• Requires the graduation passage rate to be calculated based on first-time test takers within six months of graduation.
• Requires a remediation plan for a program placed on probation with specific benchmarks toward passage.
• Extends a program’s probationary period for one year, if the program is meeting a majority of the benchmarks.
• Provides an exemption from the nursing education program accreditation requirement for an institution exempted from licensure by the Commission for Independent Education under section 1005.06(1)(e), F.S.
• Requires the Board of Nursing to adopt rules to administer the documentation of the accreditation of nursing education programs.
• Extends the accreditation timeframe of a program by five years.

STUDENT ISSUES

CS/SB 646 - Relating to OGSR/Postsecondary Education Records and Applicant Record (Approved by the Governor 5/12/2014)
CS/SB 646 continues the current public records exemption for a student’s education records and an applicant’s records at a public postsecondary educational institution by removing the repeal date. The bill provides for repeal of the exemption on October 2, 2019, unless reviewed and saved from repeal by the Legislature.

CS/CS/CS/HB 851 - Relating to Post-Secondary Education Tuition and Fees (Enrolled)
The bill revises provisions relating to the determination of resident status for tuition purposes and other fees.

The bill makes changes to the Stanley G. Tate Florida Prepaid College Program. The bill extends the payment provision applicable to contracts purchased before July 1, 2009 to contracts before July 1, 2024, and establishes a maximum payment cap. The changes are for period of ten years (2014-2024) to allow time for the changes to produce measurable results. The Prepaid Board estimates the changes will reduce the cost of a new 4-year Florida University plan by $10,000 and result in $50 million in refunds to families with an existing 4-year Florida University plan.

Beginning July 1, 2014, the Board of Governors may only approve the establishment of or an increase in tuition differential for a state research university designated as a preeminent state research university. The differential tuition increase is reduced from 15% to 6% and may be increased if the university meets or exceeds performance standard targets established annually by the Board of Governors. Additionally, the bill eliminates the automatic annual rate of inflation increases currently authorized for state universities, Florida colleges, and workforce education programs.

The bill grants fee waivers for Purple Heart recipients who are enrolled in a program that terminates in an associate or a baccalaureate degree, a college credit certificate or career certificate.

It also grants fee waivers to students who are undocumented for federal immigration purposes, who meet the following conditions:
• Attended a secondary school in Florida for three consecutive years immediately before graduating from high school;
• Apply for enrollment in an institution of higher education within 24 months after high school graduation; and submit an official Florida high school transcript.
Tuition and fees charged to a student who qualifies for the out-of-state fee waiver may not exceed the tuition and fees charged to a resident student. Each university shall report to the Board of Governors the number and value of all fee waivers granted annually. Students who are granted the waiver are not eligible for state financial aid. Additionally, universities shall prioritize the enrollment of a veteran who is granted an out-of-state waiver pursuant to the Congressman C.W. Bill Young tuition Waiver Act over a student who meets the conditions of the undocumented for federal immigrations purposes conditions.

The bill provides that a United States citizen who is a dependent child may not be denied classification as a resident for tuition purposes based solely upon the immigration status of his or her parent. It amends the definitions of “dependent child” and “parent” regarding establishing residency for tuition purposes.

For a dependent child living with either or both parents, any guardian or any person in a parental relationship to a student who is a Florida resident, the bill reduces the amount of time the child must live with the relative in order to use the relative’s documentation to establish residency for tuition purposes from five years to three years. Additionally, the bill clarifies a dependent child who is a United States citizen may not be denied classification as a resident for tuition purposes based solely upon the immigations status of his or her parent.

The bill clarifies that a student who resides in Florida may be classified as a resident for tuition purposes if he or she marries a person who meets the 12-month residency requirement and who is a legal resident of Florida.

**CS/CS/HB 7015 - Relating to Military and Veteran Support**  
(Approved by the Governor 4/9/2014)

The Florida statutes contain numerous provisions relating to support of military installations, military personnel, veterans and their families. CS/CS/HB 7015 addresses military and veteran support as follows:

- The Adjutant General shall develop an education assistance program for members in good standing of the Florida National Guard who enroll in an authorized course of study at a public or nonpublic postsecondary institution or technical center of higher learning in the state which has been accredited by an accrediting body recognized by the United States Department of Education or licensed by the Commission for Independent Education. Education assistance also may be used for training to obtain industry certifications approved by the 106 Department of Education pursuant to s. 1008.44 and continuing education to maintain license certifications. The education assistance. This program shall be known as the Educational Dollars for Duty program (EDD).
- Inactive members of the Florida National Guard and members of the Individual Ready Reserve are not eligible to participate in the program.
- The program may not pay repeat course fees.
- Require a public or nonpublic postsecondary institution or technical center that receives funding from the program to provide information regarding course enrollment, course withdrawal, course cancellation, course completion, course failure, and grade verification of enrolled members to the education service office of the Department of Military Affairs.
- The Adjutant General shall adopt rules for the payment of tuition and fees, not to exceed the highest in-state tuition rate charged by a public postsecondary institution in the state.
- The Adjutant General shall give preference and priority to eligible members who have deployed on federal military orders while a member of the Florida National Guard.
- The Department of Military Affairs may reimburse a member for student textbook and instructional material costs in accordance with limits set each fiscal year based on funding availability and regardless of the source of tuition funding, but only after tuition and fees for all eligible members are paid for that fiscal year.
- The bill establishes the Florida Veterans’ Walk of Honor and Florida Veterans’ Memorial Garden.
• The bill creates Florida Is For Veterans, Inc., to promote Florida to retired and recently separated military service members by promoting Florida as a veteran-friendly state that seeks to provide veterans with employment opportunities and that promotes the hiring of veterans by the business community.

• Provides for a person who serves or has served as a health care practitioner in the United States Armed Forces, United States Reserve Forces, or the National Guard or a person who serves or has served on active duty with the United States Armed Forces as a health care practitioner in the United States Public Health Service is eligible for licensure in this state.

• The bill creates the “Congressman C.W. Bill Young Veteran Tuition Waiver Program,” which waives out-of-state fees for honorably discharged veterans.

**MISCELLANEOUS BILLS**

**CS/HB 9 - Relating to the Legislature (Enrolled)**

HB 9 sets in law the start date for the 2016 Regular Legislative Session. Currently, the State Constitution provides that in odd-numbered years the regular session of the Legislature must begin on the first Tuesday after the first Monday in March. The State Constitution, however, permits the Legislature to fix by law the date for convening the regular legislative session for each even-numbered year. The Legislature had not fixed a date in law, therefore, the regular legislative session for all years convened on the first Tuesday after the first Monday in March. This bill requires that beginning with the 2016 Regular Session of the Legislature the date to convene is January 12, 2016.

**HB 5601 - Relating to Economic Development (Approved by the Governor 5/13/2014)**

The bill creates three temporary “tax holiday” periods during which sales of certain goods will be exempt from the sales tax:

• A 3-day “back to school” holiday, beginning August 1, 2014, and ending August 3, 2014. During the holiday, the following items are exempt from the state sales tax and county discretionary sales surtaxes:
  o Clothing, footwear, wallets, and bags that cost $100 or less.
  o School supplies that cost $15 or less per item.
  o The first $750 of the sales price for personal computers and related accessories purchased for noncommercial home or personal use, including tablets, laptops, monitors, input devices, and non-recreational software.

• A 9-day hurricane supplies holiday, for the period beginning on May 31, 2014, and ending on June 8, 2014, exempting the following items:
  o A portable self-powered light source selling for $20 or less.
  o A portable self-powered radio, two-way radio, or weather band radio selling for $50 or less.
  o A tarpaulin or other flexible waterproof sheeting selling for $50 or less.
  o A self-contained first-aid kit selling for $30 or less.
  o A ground anchor system or tie-down kit selling for $50 or less.
  o A gas or diesel fuel tank selling for $25 or less.
  o A package of AA-cell, C-cell, D-cell, 6-volt, or 9-volt batteries, excluding automobile and boat batteries, selling for $30 or less.
  o A nonelectric food storage cooler selling for $30 or less.
  o A portable generator selling for $750 or less.
  o Reusable ice selling for $10 or less.
A 3-day energy efficient products holiday for the period beginning on September 19, 2014, and ending on September 21, 2014, for the first $1,500 of the sales price for a new ENERGY STAR product or WaterSense product.
  - Reduces the sales tax rate on electricity purchases and creates an additional gross receipts tax on electricity purchases that are subject to sales tax. The effect of these changes is to provide a small tax reduction to purchasers of electricity and to create additional revenue for construction and maintenance of educational facilities.
- Creates a 3-year sales tax exemption for cement mixing drums.
- Creates a permanent sales tax exemption for child restraint systems and booster seats for use in motor vehicles.
- Creates a permanent sales tax exemption for bicycle helmets marketed for use by youth.
- Creates a permanent sales tax exemption for therapeutic pet foods available through a licensed veterinarian.
- Creates a permanent sales tax exemption for college meal plans.
- Expands the amount of credits available under the New Markets Tax Credit program.
- Delays the repeal of the Community Contributions Tax Credit program for one year and increases the credits available for affordable housing.
- Amends the statutory definition of “prepaid calling arrangement” to provide that certain prepaid mobile communications services are subject to state and local sales taxes instead of state and local communications services taxes.
- Allows sales tax dealers to receive credits or refunds of sales taxes paid on purchases made with uncollectable private-label credit card accounts.
- Revises the calculation of the premium tax imposed on bail bond premiums so that the tax rate is applied only to the amount of the premium received by the insurance company, excluding amounts retained by the bail bondsman.
- Increases cigarette tax revenue distributed to the Moffitt Cancer Center.
- Allows a local government to repeal or reduce local business taxes without establishing an equity study commission.
- Clarifies tourist development tax information sharing requirements to protect the identity of individual taxpayers.

**HB 7073 - Relating to Information Technology Governance (Enrolled)**
The bill establishes an enterprise information technology (IT) governance structure within the executive branch and specifically:

- Creates the Agency for State Technology (AST) within the Department of Management Services (DMS) and establishes an executive director of the agency who is appointed by the Governor and confirmed by the Senate.
- Establishes eleven other positions within the AST to include a deputy executive director, a chief planning officer, six strategic planning coordinators, a chief operations officer, a chief information security officer, and a chief technology officer.
- Authorizes a type two transfer of all records, property, unexpended balances of appropriations, administrative authority, administrative rules in chapters 71A-1 and 71A-2, Florida Administrative Code, pending issues, and existing contracts of the Agency for Enterprise Information Technology (AEIT) to the AST.
- Authorizes a type two transfer of the Northwood and Southwood Shared Resource Centers from the DMS to the AST and creates the state data center.

- Defines the duties and responsibilities of the AST to include:
  - Develop and implement IT architecture standards,
  - Establish IT project management and oversight standards,
  - Perform project oversight on IT projects with total costs of $10 million or more, except for cabinet agencies,
  - Perform project oversight on any cabinet agency IT project that impacts another agency and has a total project cost of $50 million or more,
- Provide operational management and oversight of the state data center,
- Identify opportunities for standardization and consolidation of IT services that support common business functions, and
- Recommend additional consolidations of agency data centers or computing facilities.

- Establishes the Technology Advisory Council within the AST and defines the council’s membership.
- Clarifies the IT security duties of the AST, individual agencies, and the Florida Department of Law Enforcement’s Cybercrime Office.
- Requires the AST to conduct studies and provide recommendations on managing state government data, improving IT security, and consolidating and streamlining the operational processes of the state data center.
- Repeals sections of law relating to the AEIT, the Northwood and Southwood Shared Resource Centers; energy efficient standards for data centers; and statewide e-mail service.

**BILLS THAT DID NOT PASS**

**CS/CS/HB 355 - Relating to Postsecondary Education Textbook and Instructional Materials Affordability**

The bill provides additional information to students regarding costs for textbooks and instructional materials by:

- Applying provisions of the textbook affordability law to instructional materials and providing a definition for instructional materials.
- Requiring Florida College System (FCS) institutions and state universities to post prominently in the course registration system and on their websites a hyperlink to lists of required and recommended textbooks and other instructional materials for each course and course section at least 14 days prior to the first day of class registration for each term and providing reporting requirements for institutions who cannot meet the posting deadline.
- Clarifying what information is required to be posted for textbooks and materials that do and do not have an International Standard Book Number (ISBN).
- Requiring additional provisions to be included in the public colleges and universities textbook and instructional materials affordability policies, procedures, and guidelines including: using textbooks for a minimum of three years in undergraduate courses; consulting with school districts to identify practices that impact the cost of dual enrollment textbooks on school districts; and conducting cost benefit analyses regularly in comparing options to ensure high quality products at the lowest available prices.
- Requiring each FCS institution and university to annually report to its chancellor the cost of undergraduate textbooks and instructional materials by course and course section, adoption cycles for high-enrollment courses, any institution specific initiatives that reduce the cost of textbooks and instructional materials, the number of courses and course sections that did not meet the posting deadline, and additional information as determined by the chancellors. The chancellors must then compile the reports and submit a comprehensive report to the Governor, the President of the Senate, and the Speaker of the House of Representatives by December 31 each year.
- Requiring FCS and SUS institutions to annually provide electronic copies of their textbook and instructional materials affordability policies and procedures to the State Board of Education (SBE), or BOG, as applicable. SBE and BOG will provide a link to this information on their respective websites.
- Requiring the Governor to appoint a task force to research options that will reduce the cost of textbooks and instructional materials; specifying membership; outlining specific duties of the task force; and requiring the task force to submit recommendations to the Governor and the Legislature no later than July 1, 2015.
- The fiscal impact to FCS and SUS institutions are indeterminate
**CS/HB 541: CS/CS/SB 900 - Relating to Public-Private Partnerships**

CS/CS/SB 900 authorizes state universities or certain direct-support organizations (DSOs) to utilize public-private partnerships (P3s) as an alternative procurement process to build, upgrade, operate, own, or finance qualifying projects.

The bill provides definitions, legislative findings and intent, procurement procedures, qualification and approval processes for qualifying projects, agreement provisions, fee structures, financing arrangements, powers and duties of state university boards, direct-support organizations, and private entities, and provisions that affirm the applicability of sovereign immunity.

The bill’s stated intent is to: encourage investment in the state by private entities; facilitate various bond financing mechanisms, private capital, and other funding sources; and provide the greatest possible flexibility to public and private entities contracting for the provision of services.

Because it is not possible to determine the number and size of future projects which CS/CS/SB 900 will impact, the fiscal impact is indeterminate.

**CS/HB 7157 - Relating to State Group Insurance Program**

The State Group Insurance Program (program), administered by the Department of Management Services (DMS), is an optional benefit for employees that includes health, life, dental, vision, disability, and other supplemental insurance benefits. The program offers employees a choice among a health maintenance organization (HMO) plan, preferred provider organization plan (PPO) plan, and a high-deductible health plan (HDHP) with a health saving account (HSA). The employee’s premium for the HMO and PPO are the same.

Current law requires DMS to keep a list of maintenance drugs that must be filled by mail order for a 90-day supply by PPO plan participants after initially being filled three times at a retail pharmacy.

The bill directs DMS to develop premium alternatives that reflect the cost to the program for medical and prescription drug benefits under several scenarios. DMS shall report on the alternatives to the Governor, the President of the Senate, and the Speaker of the House of Representatives by December 1, 2014.

The bill provides DMS broad authority to contract for a variety of additional products and services. Employees will be able to purchase these new products as optional benefits. DMS is directed to contract with at least one entity that provides comprehensive pricing and inclusive services for surgery and other types of medical procedures.

Beginning in 2015, DMS is directed to implement a 3-year price transparency pilot project in at least one, but no more than three areas of the state. The purpose of the pilot is to reward value-based pricing by publishing the prices of certain diagnostic and surgical procedures and sharing any savings generated by the enrollee’s choice of providers. Participation in the project will be voluntary for state employees.

Beginning in the 2017 plan year, the bill provides that state employees will have health plan choices at four different benefit levels. If the state’s contribution towards the premium is more than the cost of the plan selected by the employee the remainder may be used in a variety of ways.

The bill directs DMS to hire an independent benefits consultant (IBC). The IBC will assist DMS in developing a plan for the implementation of the new benefit levels in the state program. The plan shall be submitted to the Governor, the President of the Senate and the Speaker of the House of Representatives no later than January 1, 2016. The IBC will also provide ongoing assessments and analysis for the program.

The bill also allows the Department of Management Services to negotiate dispensing fees and authorizes 90-day maintenance prescription refills to be filled at retail.
$151,216 in recurring trust funds and $507,546 in nonrecurring trust funds, and two full-time equivalent positions are appropriated to the Department of Management Services to implement the administrative provisions of the act. Expanding the 90-day refill of maintenance drug prescriptions has an indeterminate fiscal impact on the state.

**HB 7173 - Relating to Florida Retirement System**

The Florida Retirement System (FRS) is a multiple-employer, contributory plan that provides retirement income benefits to 621,774 active members, 347,962 retired members and beneficiaries, and 38,724 members of the Deferred Retirement Option Program. It is the primary retirement plan for employees of the state and county government agencies, district school boards, community colleges, and universities. The FRS also serves as the retirement plan for participating employees of the 186 cities and 267 independent hospitals and special districts that have elected to join the system.

Members of the FRS have two plan options available for participation: the defined benefit plan, also known as the pension plan, and the defined contribution plan, also known as the investment plan. In addition to the two primary plans, some eligible members have the choice of participating in optional retirement plans, which include the Senior Management Service Optional Annuity Program, State Community College System Optional Retirement Program, and the State University System Optional Retirement Program.

This bill makes the following changes to the FRS, effective July 1, 2015:

- Increases the vesting period for members enrolled in the pension plan from eight years to 10 years;
- Increases the regular disability vesting period for all new enrollees from eight years to 10 years;
- Prohibits members initially enrolled in a position covered by the Elected Officers’ Class or Senior Management Service Class from participating in the pension plan and requires participation in the investment plan;
- Changes the default from the pension plan to the investment plan for members who do not affirmatively choose a plan;
- Extends the time period for member’s to make a plan selection from the last day of the fifth month after the month of hire to the last day of the eighth month after the month of hire;
- Closes the Senior Management Service Optional Annuity Program to new participants; and
- Prohibits elected officials from joining the Senior Management Service Class in lieu of participation in the Elected Officers’ Class.

The bill makes changes to the FRS; however, benefits of current members and retirees are not affected by changes in this bill. Rather, changes included in the bill only pertain to members initially enrolled in the system on or after July 1, 2015.

The bill provides that a proper and legitimate state purpose is served, which includes providing benefits that are managed, administered, and funded in an actuarially sound manner.

Based on the results of special actuarial studies performed by the Milliman actuarial and consulting firm in 2013, the bill will have no fiscal impact on state or local governments for fiscal year 2014-15. It has a projected positive fiscal impact in fiscal year 2015-16 of $500,000 and a projected negative fiscal impact of $900,000 for all participating entities in fiscal year 2016-17. In fiscal year 2017-18, the bill is projected to have a positive fiscal impact with savings continuing to increase each subsequent year over the period covered by the study for a projected total cumulative savings of $28.6 billion.
## FGCU BOARD OF TRUSTEE – TRUSTEE CONFIRMATION

<table>
<thead>
<tr>
<th>2014 FGCU Trustee Confirmation</th>
<th>Term</th>
<th>Received by Senate Committee on Ethics and Elections staff</th>
<th>Referred to Senate Committee on Education (policy)</th>
<th>Referred to Senate Committee on Ethics and Elections</th>
<th>Full Senate Confirmation (floor action)*</th>
</tr>
</thead>
</table>

*The three trustees listed above have completed the process required for executive appointments. The "Full Senate Confirmation" denotes the final step in the process, and each FGCU trustee is now confirmed as per 114.05 F. S.