

BUDGET ISSUES DOMINATE



Despite the slew of policy bills being batted around the House and Senate this past week, budget issues continue to dominate the Legislature. Since no budget is yet apparent, only policy bills have begun any movement as appropriations can not be determined until a budget is submitted. Three issues dominated the budget discussion last week. They are 1) Revenue Estimating Conference and the revenue shortfall; 2) Public Education Capital Outlay Funds and its affect on the 2009-2010 facility needs; and 3) a 15% holdback of 4th quarter funds for this current budget year.

Revenue Estimate

The state is operating at 20% less than what it has currently with the cuts that were already imposed this fiscal year. Imagine having to manage your household budget with a sudden 20% loss of family income? Our contribution and strength is the impact we have on Florida's workforce and economy. We will continue to present our case to the legislature to minimize the effects of the shortfall; however, community colleges are in a tenuous position, sandwiched between public schools (everyone's grandchild) and state universities (everyone's favorite football team) and competing with required health care and public safety funding initiatives.

PECO

Unfortunately, the news from last week's PECO Revenue Estimating Conference wasn't good. In November, the state was expecting \$517 million, now the amount is \$359 million. According to the Division of Community Colleges, because of the drop, some new projects that were being considered for this year will have to wait. We will know more as we go through the process.

Holdback

The Governor has ordered a freeze or holdback of 15% from this quarter's general appropriation to all agencies. The news of a 15% holdback came as a shock to all agencies receiving state funds. Fifteen percent of 4th quarter funds equates to an additional 3.75% reduction annualized, on top of the 4% already reduced for the current fiscal year. It comes at a time when a majority of funds for this year have been encumbered or expended. Still unknown is action to be taken by the Legislature. Dr. Holcombe has assured the college presidents that they will receive 100% of their funding through the first part of May. The holdback will then be reviewed to determine when and if the balance of funds can be released prior to June 30.

Next week in the news: Rumor has it the Senate may have a draft budget as early as the end of this week ...stay tuned.

FLORIDA COLLEGE SYSTEM BILL CONTINUES TO MOVE

As described in our last issue, [SB 2682](#) by Sen. Pruitt significantly changes the Florida Community College System. Known now as the "state college bill", it will enhance the community college system statewide and provide for more programmatic offerings and increased student access. This past week, the House generated a committee bill (CCWP3) which is now [HB 7083](#). The bill was voted up in committee on March 18 by a vote of 12-0. The bill addresses recommendations made by the State College Pilot Project and Florida College System Task Force, which were created by the 2008 Legislature to make recommendations relating to the transition of community colleges to baccalaureate-degree-granting institutions. The bill:



- Revises statute to reflect the 2008 creation of the Florida College System by re-designating "community colleges" as "Florida colleges" and the "Division of Community Colleges" as the "Division of Florida Colleges."
- Permits a Florida college to use the name "state college" or "college" when it has been authorized to offer baccalaureate degree programs and has received Level II accreditation from the Commission on Colleges of the Southern Association of Colleges (SACS).



- Specifies that the primary mission of a Florida college includes the award of baccalaureate degrees as authorized by law and provides that students who graduate from a Florida college with an Associate in Arts degree are guaranteed admission to the upper division of a Florida college, as well as a state university.
- Provides for the continuation of baccalaureate degree programs authorized by law prior to the bill's effective date of July 1, 2009. After the bill's effective date, each first or subsequent baccalaureate degree program proposed by a Florida college must be approved by the State Board of Education (SBE), except as follows:
 - The bill permits St. Petersburg College's Board of Trustees to continue, as in current law, to authorize Bachelor in Applied Science degree programs based on workforce need. Additionally, the Board of Trustees, after considering specified factors and receiving the approval of its coordinating board, may continue, as in current law, to authorize other baccalaureate degree programs.
 - The bill affords other Florida colleges the opportunity to be authorized in the future to grant baccalaureate degrees without first obtaining SBE approval. Under the bill, a Florida college, seven years after it has been authorized to grant a baccalaureate degree and has received Level II accreditation from SACS, may request that the SBE review its programs for purposes of determining whether the college should be exempted from future SBE-approval requirements. The SBE is required to provide that recommendation to the Legislature at least 90 days before the next regular session.

RETIREMENT AND DROP RELATED BILLS

[HB 0479](#) by Rep. Schenck and [SB 1852](#) by Senate Governmental Oversight and Accountability Committee.

In our third week of watching this important bill, which could affect every community college employee, we see some movement. This bill was amended in the Government Affairs and Policy Committee and passed by that committee in a unanimous 12-0 vote. This week it will move to the Economic Development and Community Affairs Policy Council. A staff analysis provides the following in-depth information regarding the potential changes from this bill.



**Rep. Robert Schenck,
R- Spring Hill**

This bill revises the definition of "termination" by extending the prohibition on retiree reemployment with an FRS employer from one calendar month to 12 calendar months. The bill also extends the period under which a retiree reemployed by any FRS employer may not collect both a salary and retirement benefits from months two through 12 after retirement to months 13 through 24. It removes the reemployment limitation exceptions for elected officers, firefighters and paramedics. FRS retirees may continue to receive their pension and salary if reemployed as instructional personnel by an FRS employer; however, they must first meet the definition of termination, which means they must separate from employment for a 12 month period before being reemployed as such personnel. The bill eliminates renewed membership in the FRS. Thus, precluding retirees reemployed with an FRS employer from accruing a second retirement benefit. The bill, however, grandfathers in those who are renewed members at the time of the bill's effective date.

Section 61.1301, F.S., addresses orders of income deduction for alimony and child support. For purposes of this section, retirement benefits are included in the definition of "income." This bill grants the Division specific authority to deduct payments from a member's benefit and make such payments directly to an alternate payee pursuant to a qualified domestic relations order. The bill also co-locates provisions relating to the reemployment of instructional personnel employed by developmental research schools, charter schools, and the Florida School for the Deaf and the Blind. It repeals obsolete provisions relating to the study of interstate portability of retirement benefits, and makes clarifying changes to DROP provisions.



MILITARY BUY-IN

[SB 0550](#) by Sen. Aronberg and [HB 0977](#) by Rep. Garcia

This bill removes a provision of s. 121.111, F.S., which limits participation in the FRS credit for wartime military service buy-in to those persons whose initial FRS qualified employment began after December 31, 1986. The effect of this change will be to allow all qualified FRS Pension Plan members to purchase retirement credit for wartime military service under the provisions of s.121.111 (2), F.S. at a greatly reduced cost over the current provisions of s. 121.1115, F.S. In order to fund the additional benefits proposed in this bill, the current employer contribution rates are to be increased effective July 1, 2009. The bill directs the Division of Statutory Revision to adjust the contribution rates as set forth in

sections 121.052, 121.055, 121.071, Florida Statutes and states a finding that the act provides an important state interest.

CHANGES TO DROP

[SB 1182](#) by Sen. Fasano, no companion

We continue to watch this bill which could affect DROP provisions. The bill, as reported, prohibits a retired person from receiving both a salary from an employer in the state-administered retirement system and retirement benefits, and from reenrolling in the State Retirement System. The bill largely prohibits a retired member from reenrolling in the State Retirement System after July 1, 2009. The bill is scheduled to be heard in Community Affairs Committee this week. The impact of the bill is far-reaching and will affect every state employee or member of the FRS, as well as county and municipality employees. A similar Bill, SB 1214 addresses similar changes specific to the elected officers class.



Rep. Pat Patterson, R-DeLand

ARTICULATION

[HB 0751C1/SB 0920](#) by Rep. Patterson and Sen. Baker.

There has been some major new action on this bill which will require that statewide articulation agreements govern the transfer of credit between public institutions and nonpublic institutions licensed by the Commission for Independent Education. On March 20, a committee substitute bill was filed and adopted as proposed by the State and Community Colleges and Workforce Policy Committee.

Statewide Articulation Agreement: The bill amends s. 1007.23(1), F.S., to require that the statewide articulation agreement govern the establishment of guidelines for the inclusion of CIE-licensed institutions in statewide articulation agreements. Currently, CIE-licensed institutions are not included in the statewide articulation agreement. The inclusion of CIE-licensed institutions into the statewide articulation agreement will enable students at

these institutions to better identify which programs include courses that are accepted for credit at other postsecondary institutions. Such agreements also enable participating institutions to coordinate their curricula to facilitate transfer. This change also enables participating postsecondary institutions to safeguard their accreditation status. Institutions that do not share a common accreditation can review specific courses and exclude from the agreement courses that do not comport with accrediting agency content and faculty standards.

District Articulation Agreements: The bill amends s. 1007.235, F.S., to authorize school districts to enter into articulation agreements with CIE-licensed nonpublic postsecondary institutions. CIE-licensed institutions would not receive FEFP funding pursuant to such an agreement.

Statewide Course Numbering System: The bill revises statutory provisions governing the SCNS. It amends s. 1007.24 (2), F.S., to require that at least one representative from school districts, public postsecondary institutions, and participating nonpublic postsecondary institutions be appointed to serve on the faculty committee that reviews courses for each discipline if the district or institution offers courses in the discipline. This change increases the representation of nonpublic postsecondary institutions on the faculty committees that review courses for inclusion in the SCNS. Currently, nine out of 554 committee members are from the 24 nonpublic institutions participating in the SCNS. The bill amends s. 1007.24(7), F.S., to clarify that course credit that is judged to meet established standards for academic equivalency must be guaranteed transfer regardless of whether the student's original institution is regionally or nationally accredited. Finally, the bill creates s. 1007.24(9), F.S., to require the SBE and BOG to enforce compliance with SCNS policies. The SBE, in consultation with the BOG, must adopt rules establishing a process for reporting and monitoring noncompliance by participating institutions with SCNS credit transfer policies and procedures.

Articulation Accountability: The bill amends s. 1008.38, F.S., to require the SBE and BOG to establish a process for reporting data on the progression of students from secondary education into both public and nonpublic postsecondary education and the workforce. It revises several of the data elements that the articulation accountability process currently addresses. Under the bill, the process must address both the use and effectiveness of articulated acceleration methods by secondary students. Current law only tracks the effectiveness of such methods.

The transition of associate degree graduates into baccalaureate degree programs is not only for the transition of associate in arts degree graduates to a state university. Thus, the system must address associate in science and associate in applied science graduates in addition to associate in arts degree graduates and must also address baccalaureate programs offered at a public or private postsecondary school.

New data elements added by the bill include the adequacy of preparation of lower-division public postsecondary students for entry into upper-division programs and the transition of career/technical students into programs with established articulation agreements.



TECHNICAL COLLEGE

[HB 0993](#) by Rep. Ray and [SB 2428](#) by Sen. Wise. Charter Technical Career Center Pilot Project As previously reported, this bill would establish a Charter Technical Career Center Associate in Applied Science Degree Pilot Project. Still, no major committee action has occurred on this bill, FACC is watching it very closely and will softly oppose the bill unless specific language regarding SACS accreditation issues are addressed.

WORKFORCE EDUCATION

[SB 1616C1](#) by Sen. Oelrich and [HB 7079](#) (formerly PCB CCWP1)

On March 11, this bill was “temporarily postponed”. On March 19, substitute language was voted up in Pre-K-12. The bill will now move to Military Affairs and Domestic Security because included within the bill text are provisions that address issues related to Seaport Security Officer qualifications. Staff analysis of the bill states that the bill renames the Division of Workforce Education within the Department of Education as the Division of Career and Adult Education in

order to signify the distinction between this division and other outside agencies tasked to provide workforce leadership throughout Florida’s business community. The bill also provides for the Commissioner of Education or his or her designee to serve as a member of the Seaport Security Officer Qualification, Training, and Standards Coordinating Council. The Division of Workforce Education staff report directly to the Commissioner of Education and provide workforce curriculum development, as appropriate. This change may provide a greater nexus between workforce education and council curriculum requirements. The bill redefines the traditional career education program certification to mean certifications approved by Workforce Florida, Inc., and provides for the designation of the certification on the standard high school diploma. This provision may trigger confusion between the more traditional career education program and the CAPE academies (Career and Professional Education), which are, in collaboration with the Department of Education, approved by Workforce Florida, Inc., as essential to Florida’s workforce. School districts are subsequently awarded bonus weight funding for their CAPE students, contingent upon attainment of specified industry certification and the award of a standard high school diploma. However, the published list of industry certifications available through CAPE and eligible for the bonus weight funding is a more focused subset that includes industry certifications in high-demand, high-wage, and high-skill occupations. Students enrolled in CAPE academies must attain industry certification credentials through rigorous academic coursework, often at the postsecondary academic level. In order to prevent confusion, it may be necessary to clarify that students in traditional career education programs would not generate the bonus weight funding on behalf of the school district as described in s. 1011.62(1)(o), F.S. The bill deletes the requirement for adult high school students to complete a credit in fine or performing arts for graduation purposes. According to the DOE, some adult high schools are not equipped financially or logistically to fund performing arts courses for these students. However, students who are co-enrolled in both adult education and a standard high school would be exempt from this provision.

DISCRETIONARY SALES SURTAX

[HB 0787](#) by Rep. Zapata and [SB 1576](#) by Sen. Villalobos

This is a legislative follow up to the failed statewide constitutional amendment proposed last year and placed on the November 2008 statewide ballot. The constitutional amendment failed statewide, but was overwhelmingly supported in Miami-Dade County. This bill authorizes a home rule “charter” county, as defined in s. 125.011(1), F.S., to levy a surtax for the benefit of a public community college. The surtax is capped at 0.5 percent and can be used for any purpose to benefit the community college. The bill establishes procedures for the establishment of the levy, including approval by the voters in a referendum. The levy is for five years but may be extended in subsequent voter approved referenda. Proceeds from the levy may be invested. Proceeds of the surtax may be used by the community college’s board of trustees for purposes that include, but are not limited to: the maintenance, improvement, and expansion of a broad range of academic and workforce training programs; teaching enhancements; financial aid; capital expenditures and infrastructure projects; fixed capital costs for construction, maintenance, or improvement of facilities; land acquisition and land improvement; and the expansion and enhancement of services, programs, and facilities at all community college sites within the county. The county must set aside surtax proceeds in a



**Gov. Charlie Crist with
Rep. Juan Zapata, R-Miami**

fund separate and promptly remit the proceeds to the community college board of trustees. The bill states that the annual apportionment of state funds for the support of a community college under any provision of general law may not be reduced because that college receives proceeds of the surtax. Miami-Dade County is the only county currently operating under a home rule charter.



**Rep. Bill Heller,
D-St. Petersburg**

NON-PUBLIC POSTSECONDARY INSTITUTIONS/ACCREDITATION

[SB 0156](#) by Sen. Ring and [HB 0619](#) by Rep. Heller

This bill is being closely monitored by the FACC lobbying team. The bill requires that a licensed independent postsecondary educational institution notify the Commission for Independent Education (CIE) of changes in its accreditation status. It revises criteria concerning the standards by which the commission evaluates institutions for licensure and requires that an institution become accredited within five years after the date it is first licensed. It also requires a licensed institution that is not accredited to include that information on its website. If academic degrees are conferred by a CIE institution before it secures accreditation, it may be recognized by other postsecondary educational institutions in this state, only if the institution secures accreditation within the required period. The bill set forth requirements that an institution use nationally recognized standards in determining whether to grant a student credit for prior work or life

experience. Other provisions on CIE include a requirement for it to maintain, on its website, a current list of the institutions that are licensed and that hold accreditation. The bill will enact law that requires that the CIE revoke the license or authorization of an institution that fails to become or remain accredited. The bill is scheduled to be heard this week in the Senate Higher Education committee.

BRIGHT FUTURES SCHOLARSHIP

[HB 0719](#) Rep. Stargel and [SB 1364](#) Sen. Pruitt

This bill is an important issue because it amends the current Bright Futures (BF) statutes that requires a college refund the state if a BF student drops hours for a WD after drop/add. It also includes some more stringent renewal criteria that could eliminate summer courses as counting toward renewal. The bill could become an administrative albatross and place burdens on BF students who are not on other financial aid funding. The bill also raises annual hours for completion from 12 to 24. This would effectively eliminate any BF student from attending part time or dropping a course for any reason. On March 20 a committee substitute was filed in the House. The bill has numerous referrals on both the policy and appropriations side of the House and the Senate. The bill's next stop is at the Senate Higher Education Committee later this week.

