



## **2014 Legislative Session Begins**

### **House Speaker and Senate President Call for FRS Reform as a top priority**

#### **SB 1114 by Committee on Community Affairs**

When the presiding officers of the two legislative chambers both come out with the same pitch, it's usually a slam dunk that the bill will pass. House Speaker Will Weatherford and Senate President Don Gaetz opened the 2014 session with a strong plea to overhaul the Florida Retirement System. Their efforts failed at the end on the 2013 session in a Senate vote. Still claiming the state could free \$500 million for other important state projects, yet without any firm actuarial numbers to verify it, the legislative leaders are working hard to whip their minions into support.

The 2013 plan which failed would have required all newly hired employees to enroll in a 401(k) investment plan. This year's retooled language is a hybrid "cash balance" pension plan in which retirement money would be invested with a guaranteed 2% rate of earning. Current employees would have an option to switch to it once, but can remain in the defined benefit plan or investment plan.

Unexpectedly, the Senate bill got off to a rough start in its first committee, Senate Community Affairs, which surprised its sponsor, Senator Wilton Simpson. It squeaked by on a 5-4 vote with Sen Latvala voting with the Democrats. The bill was saved when Sen. Thrasher who was not in the meeting for the most part, came in very late but just minutes before the vote. This vote established the bill as a committee bill. Senate President Gaetz has acknowledged that the whole issue is in trouble in his chamber, claiming that one opponent has told him at least 18 Senators oppose any changes to the FRS. The bill's next stop is in Senate Governmental Affairs and Accountability chaired by Sen. Latvala, who has adamantly opposed any changes to FRS. There is no House companion yet. A lot can happen over the next 55 days and the AFC team will be in the thick of it until May 2<sup>nd</sup>.

#### **SB 1110 by Committee on Community Affairs – Deferred Compensation**

At its meeting on March 4 where the Senate Community Affairs Committee voted up SB 1114, the chair, Sen. Simpson, was asked to compare the payout for the average state employee of his new proposed plan versus the existing defined benefit. He said that it is estimated after 30 years an employee would have about 40% less in benefit total. So, he has proposed another bill that is moving through the Senate that would give state workers a new incentive in the current deferred-compensation program — a match from the state on contributions to their retirement accounts. SB 1110 would provide a match up to 2 % of the salary of participating state workers. State workers would receive a maximum match of \$1,200 a year under the bill, which caps the match at salaries of \$60,000 or more.

Proponents say the plan will encourage state employees to take a more active role in their retirement planning, in addition to giving them a boost to their deferred-compensation accounts. But opponents say the plan — which would be funded through savings achieved in an overhaul of the Florida Retirement System — is another attempt to chip away at state-worker benefits.

A controversial part of the proposal is that under the bill, employees hired on or after Oct. 1 would be enrolled in the program automatically, and would have to opt out within 90 days, according to a Senate staff analysis. Additionally, state workers would be required to contribute at least \$25 a month from 2015 through 2017 and at least \$50 a month after that. Simpson, in an interview with the *Tallahassee Democrat*, said money for the new deferred-compensation program would come from savings achieved in an FRS overhaul. There are no cost estimates for the program; lawmakers are awaiting an actuarial study that Simpson hopes will be ready by early April.

### **SB 184 by Brandes**

This bill would require compulsory membership in the Florida Retirement System Investment Plan for employees in the Elected Officers' Class or the Senior Management Service Class initially enrolled after a specified date. It will prohibit an elected official eligible for membership in the Elected Officers' Class from enrolling in the Senior Management Service Class or in the Senior Management Service Optional Annuity Program. There is no House companion yet.

### **CS HB 7057 by Higher Education and SB 1202 by Montford - School District Technical College bill**

Forty-eight (48) School District Technical centers will be authorized to become Technical Colleges, offering College Credit Certificates (CCC) and Associate in Applied Science (AAS) Degrees, if this bill becomes law. The bill allows any Technical Center to offer any CCC, and the local School Board can change the name of the Center once that occurs. Should the Center/College decide to offer an AAS (there are only nine AAS degrees on the books officially), the Center would have to seek approval from the State Board of Education, using a process similar that of Colleges proposing new bachelor degrees. The bill does not require accreditation to offer the CCC, only for the AAS. Since the courses in a CCC will transfer to both colleges and universities, according to the Common Course Numbering (CCN) system, the Center/College would need to meet the CCN faculty criteria. CCN requires accreditation. The bill limits the general education offerings of a College/Center to those required for an AAS. Concerns expressed among college leaders include:

1. Should accreditation by SACS Commission on Colleges be required to be a Florida Public College?
2. Related to accreditation, should there be quality standards met before changing the name of a center to a college?
3. Will this impact on College funding?
4. Should the process for approval of AAS degrees include the Division of Florida Colleges? Should CCC require of the same process?
5. Will consumers be confused as to what a "college" is?

AAS degrees currently approved:

1. Air Conditioning, Refrigeration and Heating Systems Technology
2. Automotive Service Management Technology
3. Carpentry Management
4. Construction Electricity Management
5. Dealer-Specific Automotive Technology
6. Dental Laboratory Technology and Management
7. Diving Business and Technology
8. Electrical Distribution Technology
9. Marine Engineering, Management & Seamanship

### **HB 851 by Nunez and SB 1400 by Latvala - Residency for Children of Alien Parents**

These bills are the primary vehicles for establishing a law to grant resident tuition for tuition purposes. 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.

The bill also clarifies that postsecondary institutions may satisfy the verification requirement of documents by accepting an affidavit that requires the person claiming residence to submit specific

information. Furthermore, once any institution of higher education in the state classifies a student as a resident for tuition purposes or verifies that a student meets specific criteria established in law, an institution of higher education would not be required to re-evaluate the classification status of a student so long as there is no inconsistent information suggesting an erroneous classification and there is no break in the student's enrollment of 12 months or longer.

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 qualifies as a resident for tuition purposes. It also allows a student who has been classified as a nonresident to reclassify as a resident upon subsequently marrying a person who already qualifies as a resident for tuition purposes. For a dependent child living with an adult relative who is a Florida resident and who is not the child's parent, 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.

The bill clarifies that students who are eligible for specific tuition exemptions or waivers are classified as residents for tuition purposes. The bill exempts the following types of students from the payment of out-of-state fees:

1. Veterans of the United States Armed Forces, including reserve components, who physically reside in Florida while enrolled in a Florida postsecondary institution; and
2. Students, who attend a Florida high school for 3 consecutive years and enroll in a postsecondary institution within 24 months after graduation, provided they submit their high school transcript as documentary evidence of attendance and graduation.

Speaker Weatherford affirmed his support for addressing the residency issues that challenge some of our students. The COP has reaffirmed its support of the issue at the February Council of Presidents meeting. This bill is moving quickly through the House but has yet to move in Senate committees.

#### **SB 1076 by Flores – Funding for Public Capital Outlay (PECO)**

This proposal decreases the sales tax rate on electrical power or energy from the current 7% to 0 in three stages (preserving the application of any county discretionary sales surtax). Concurrently the bill imposes an additional rate to the gross receipts tax for electrical power or energy delivered to a retail consumer in this state, beginning at 1.5 percent and ending at 3.5 percent over 3 years. The bill establishes a list of transactions of electrical power or energy to which the new additional rate does not apply.

The bill also creates a sales tax holiday for Energy Star and WaterSense products, with a limit of one purchase per person of each specific type of listed Energy Star or WaterSense product which has a sales price of \$500 or more. The bill authorizes the Department of Revenue to adopt emergency rules to administer the sales tax holiday and deems all requisite conditions to be met.

The COP and the AFC support this plan by Agriculture Commissioner Adam Putnam to restructure the funding for PECO. SB 1076 is on the agenda in the first committee stop this week.

#### **SB 530 and HB 355 – Textbook Affordability**

Florida colleges have asked for help to improve textbook and instructional materials affordability for students and are working with the sponsors and Governor's office on these important bills. The bills revise textbook affordability policies and procedures to include other instructional materials. It also requires an institution to post information about required and recommended textbooks and other instructional materials in its course schedule including cost information. Some potential concerns over the time change materials from the current 30 days before the first day of class to 14 days before the first day of student registration have been addressed. The Senate bill is scheduled to be heard this week.

#### **SB 850 by Legg - Collegiate High School**

This bill would require colleges to establish collegiate high school programs as options for public school students in grade 12 to earn industry certifications and complete the first year of college. The bill would require FCS institutions to execute a contract with each school district to establish the collegiate high

school programs in public schools. The bill would allow FTE funding to exceed the 1.0 cap. It would also potentially punish colleges by limiting funding to FCS institutions from the FEFP and the CCPF if the institution did not establish a collegiate high school program. The penalty for colleges is a major concern, although conceptually we are supportive of the idea. There is no House companion yet but recent amendments could align it with HB 7033 relating to middle grades reform.

### **SB 950 by Stargel and CS 433 by Spano - Teacher Certification**

Of specific concern to colleges with online teacher education programs is a provision that passed last year in SB 1664 revising the requirements for instructional personnel who supervise or direct teacher preparation students during field courses or internships. Effective July 1, 2014, the personnel are required to hold a valid professional certificate from Florida. This prevents students from completing an online education degree through a Florida online or distance program when that field course or internship is completed in another state or US military base overseas because they likely would not have a Florida teaching certificate. CS/433 fixes this problem by allowing the field supervisor to possess a professional certificate from another state.

Other provisions of the bill restate the methods by which a candidate for educator certification may demonstrate mastery of subject area knowledge, including passage of a Florida developed subject area exam. The bill allows a candidate to demonstrate mastery of general knowledge by achieving passing scores on a national or international exam that tests comparable content. It requires demonstration of mastery of professional preparation and education competence.

### **CS/SB 1036 by Grimsley and HB 1059 by Pigman (similar) - Nursing**

The 2009 Legislature revised and streamlined the nursing education program approval process by significantly restricting the BON's rulemaking authority and codifying the program approval process in statute. Legislators believed that streamlining the process would create a significant increase in the number of approved programs that could produce graduates to address the state's shortage of nurses. As part of the revisions, the 2009 Legislature directed the Florida Center for Nursing and the Office of Program Policy Analysis and Government Accountability to study the 5-year administration of the revised process.

In its 2014 report, OPPAGA reported that since July 2009 programs were increased by 139 percent, seats in nursing programs increased by 180 percent and overall enrollment has increased by 58 percent. Graduates have increased by 30 percent however, the licensure exam pass rates of the approved programs created since 2009 declined by more than 10 percent in over 70 percent of the programs approved.

Both bills expand the definition of "clinical training" to include clinical simulation and expands the definition of "practice of practical nursing" to include teaching general principles of health and wellness to the public and students other than nursing students. Both exempt any nurse who is certified by a health care specialty program accredited by the National Commission for Certifying Agencies or Accreditation Board of Special Nursing Certification from continuing education requirements in chapter 464, F.S.

The bills establish a time schedule for RN programs to become accredited by a specialized nursing accrediting agency that is nationally recognized by the United States Department of Education. The Senate bill increases the limit on clinical training that can be done through simulation to 50 percent from 25 percent and specifies that required clinical training can occur at a health care facility that is located in the United States, the District of Columbia, or a possession or territory of the United States. The House bill strikes the current 25 percent limit on clinical training.

The BON is authorized to adopt rules to administer the documentation of the accreditation of nursing education programs. The bill deletes OPPAGA and inserts the Florida Center for Nursing as responsible for evaluating program data.

The House bill has three committees of reference and has not been heard yet. The Senate bill has passed as a committee substitute from one committee and will be heard next in the Senate Education Committee.

**FROM the NEWS SERVICE of FLORIDA WIRE.....THE CAPITAL, TALLAHASSEE, March 7, 2014**

This is the way the legislative session begins: Not with a bang but with a whimper. There wasn't much surprising about the first week of the legislative session, which opened Tuesday with the normal arrangement of leadoff speeches and Gov. Rick Scott's State of the State address. After that were a couple of drama-less votes on bills that were certain to pass. But the week also brought some reminders of bills that could still bring some drama to the process: A massive expansion of the state's de facto voucher program and the beginnings of movement on a proposal to legalize medical marijuana --- just not that kind of medical marijuana. And it was just the start of the 60-day demolition derby that will presumably end on May 2. Plenty of time still remains to cause trouble.

### **THE STATE OF THE 'LAND OF OPPORTUNITY'**

Scott had long laid out most of his agenda in the run-up to the legislative session, and the one new substantive proposal in his annual State of the State address --- a call to repeal the differential tuition law that allows universities to increase their costs by 15 percent a year --- dribbled out in excerpts of the speech released Monday. But the governor, facing re-election in eight months, used the speech to make progress on two political goals, comparing the state of the Florida economy now to what it looked like in 2010 and highlighting his personal biography in hopes of connecting with an electorate that has never really viewed Scott favorably.

In one of the more personally evocative moments of his speech, Scott brushed away any concerns that he was too narrowly-focused on job-creation and making Florida "the land of opportunity." The governor pointed, as he has only in recent weeks, to his father once losing a job and having the family car repossessed. "All I can say is that we're all a product of our own experiences in life," Scott said. "I've seen what happens to families who struggle for a job. I've had Christmas without presents. I don't want anybody in our state to ever feel stuck in those situations." Even some Republicans were surprised by the biographical tales from a governor who has rarely spoken about his own past. "I'd never heard that side of the governor, and I thought it was very compelling," said House Speaker Will Weatherford, R-Wesley Chapel.

Democrats focused their fire on the other part of Scott's speech, when the governor blasted the record of his predecessor and chief opponent, former Gov. Charlie Crist. The Florida Democratic Party once spent much of Crist's term in office issuing similar criticisms of the former Republican's economic woes. "Floridians heard clearly that Rick Scott only cares about his own re-election," Florida Democratic Party Chairwoman Allison Tant said in response to the address. "This speech wasn't about the state of Florida. It was about the state of Rick Scott's campaign, and he is desperate."

Whether Scott's speech will help the effort to reintroduce himself to voters won't really be known until the polls open in November. And Crist is sure to try to rough up the incumbent in return. His campaign issued a statement criticizing the address shortly after Scott delivered it. "With the blessing of the people, next year I will deliver a State of the State that puts people first," Crist said.

### **PARTY ON THE FLOOR**

The first day's slate of action was confined to bills in the joint House-Senate "work plan" that were certain to gain unanimous, bipartisan support. Those parts of the work plan that would spark partisan food fights, as well as other legislation that could lead to pointed debates, were left for the future. So, with the mother of a murdered child looking on, the Florida Senate on Tuesday unanimously passed four bills intended to make the state as inhospitable as possible to sexually violent predators.

Diena Thompson, whose 7-year-old daughter Somer disappeared in Clay County in 2009 while walking home from school, watched in tears from the gallery. After an extensive search, the child's body was found in a South Georgia landfill, and last year a 26-year man was sentenced to life in prison for her



death. The legislative package has been at the top of Senate President Don Gaetz's agenda since August, when the South Florida Sun Sentinel reported that 594 sexual offenders had gone free since 1999 --- only to commit 463 child molestations, 121 rapes and 14 murders. "We will protect our children and we will scorch the earth against sexually violent predators," said Gaetz, R-Niceville. "We cannot waste one more day. We cannot lose one more child." The House is expected to take up that package of bills in the next couple of weeks.

On Tuesday, it approved the so-called "Florida GI Bill," aimed at encouraging military veterans to take up residence in Florida. The measure ([HB 7015](#)) would increase educational aid for veterans and National Guard members, increase funding to upgrade the state's National Guard facilities and buy land around U.S. military bases. It would also set up a non-profit to attract more veterans to Florida. The House proposal would cost the state at least \$33.5 million in the fiscal year that begins July 1. The companion to that bill ([SB 860](#)) sailed through the Senate Appropriations Committee and headed to the full Senate. Lawmakers also approved legislation encouraging themselves to take up residence in their own districts, passing a joint rule spelling out some standards for legislators to follow in deciding where they live. The measure passed the Senate on 39-0 vote and flew through the House on a voice vote. "By now, putting very clearly in our rules what the residency standards are, if someone were to ever file a complaint, we'd have very clear standards to take that complaint and put (it) up against," Weatherford said.

### **PENDING: POT AND VOUCHERS**

Two of the more intriguing bills that lawmakers could approve during the session took their first steps toward the House floor this week: A measure legalizing non-euphoric marijuana and a sweeping expansion of the state's voucher plan. While medical marijuana seems to be getting nowhere with the Legislature, the House Criminal Justice Subcommittee voted almost unanimously to sign off on a measure that would legalize a version of the drug that doesn't produce a high --- but can help treat children wracked by potentially deadly seizures.

Subcommittee Chairman Matt Gaetz, R-Fort Walton Beach, said the vote on the bill allowing "Charlotte's Web" was historic because it's the first time in modern history that the Legislature has advanced any marijuana-related measure. Peyton and Holley Moseley's 10-year-old adopted daughter RayAnn is one of about 125,000 Florida children diagnosed with Dravet Syndrome, a rare form of epilepsy that can cause hundreds of seizures a day and does not respond to other treatments. The couple said they traveled to Colorado, where Charlotte's Web is manufactured, and met with parents of other children who had responded to the treatment. "These kids can walk now. These kids can talk now. These kids are saying 'I love you' to their parents for the first time," Peyton Moseley told the panel.

The bill was not without its critics. Some supporters of non-euphoric marijuana said the bill didn't do enough to clear up the legal webs that surround pot. And Rep. Gayle Harrell, who cast the only vote against the measure, asked a series of questions highlighting concerns about a lack of regulation over the substance, especially compared to other drugs. "If you really want to solve a problem and just not legalize marijuana then you need to do it appropriately," she said.

Meanwhile, the House Finance and Tax Subcommittee voted along party lines to introduce the voucher bill (PCB FTSC 14-02), which would broaden eligibility for the "tax credit scholarships," boost the cap on the program for several years, and allow retailers to divert sales-tax revenue to nonprofit organizations that award the scholarships. Rep. Manny Diaz, a Hialeah Republican who sponsored the measure, rejected the idea that it was an attack on public education, suggesting that the scholarship program was a part of that system. "When we're talking about public education, I think we've got the idea a little bit in reverse," he said. "We're talking about educating the kids in the public, not about sustaining public institutions."

Democrats said including sales-tax dollars in the program marked a profound change from a program that has been funded until now through tax credits against corporate income tax and other taxes paid by the businesses. "Taxpayers have a right to make choices about the way they spend their money," said Rep. David Richardson, D-Miami Beach. " ... If you have a person that is opposed to this program and shops at

an entity that supports the program, their money, their sales tax dollars that they paid from their pocket, will be used to support a program that they're in opposition to."

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