



SPENDING PLANS RELEASED

House and Senate budget plans were released late last week and contained few surprises. Both plans exceed Gov. Rick Scott's \$74.2 billion proposal. The House proposed budget is \$75.3 billion. The Senate would spend \$74.9 billion.

Both plans slice at least \$500 million in taxes and fees. They would both boost per-student funding on public schools but less than what is needed to get back to the all-time high before the economic recession. The Senate plan calls for an increase of nearly 2.6 percent, while the House would increase the amount by almost 3.1 percent.

The House budget would not take base funding from universities as part of a new performance-funding model proposed by the Florida Board of Governors. Instead the House adds \$60 million for performance funding including \$45 million of new money. The Senate would commit \$200 million for the performance-funding formula, with \$100 million of additional funding and \$100 million from the universities' existing budgets. No tuition increases are proposed for colleges or universities.

The House Appropriations Committee is expected to consider its plan Wednesday; the Senate Appropriations Committee will meet Thursday.

SENATE RELEASES BUDGET PLAN FOR HIGHER EDUCATION

The Senate Appropriations Subcommittee on Education released its budget proposal one day after the House counterpart. The grand total for the education system is \$20.6 billion. The House version totaled \$20.7 billion. The Senate provided nearly \$6.87 billion for higher education, about \$45 million more than the House proposal. State universities would receive \$4.3 billion under the Senate plan, an increase of nearly \$54 million. Florida colleges would receive about \$1.15 billion from the Senate, about \$31 million less than the House plan. \$40 million is also included for colleges' performance funding.

HOUSE SUBCOMMITTEE RELEASES BUDGET

House Education Appropriations Subcommittee released its education budget proposal on March 18, 2014. The total for the entire education system came to \$20.7 billion. The total for higher education was \$6.8 billion. The State University System would receive \$4.2 billion. This includes university medical schools and other projects such as Moffitt Cancer Center. Florida's 28 colleges could get \$1.18 billion from the House proposal. State-funded financial aid comes to \$435 million, under the House proposal. Only \$5 million is provided for performance funding for colleges.

PSB 7108 by the Senate Committee on Governmental Oversight and Accountability regarding the FRS Double-dipping

This bill would loosen some restrictions on the Florida Retirement System “double dipping” law passed in 2009. The 2009 bill stopped retired and then re-employed workers from collecting a paycheck and retirement benefit at the same time, and from returning to work within six months after retirement. The unintended consequence was their ability to re-enroll in a retirement program upon being rehired. SB 7108 would allow any retiree, who retired prior to 2010 from the Investment plan, Senior Management optional annuity program, or the University or Community College optional retirement plan and is re-employed by a covered entity, to re-enroll again in an investment plan. The new bill would allow returning enrollees to re-enter only the investment plan or employer-related optional plans, and does not cover retirees from the pension plan.

CS/CS HB 7057 by Higher Education and SB 1202 by Montford regarding School District Technical Colleges

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), the Center would have to seek approval from the State Board of Education, using a process similar to the Colleges proposing new bachelors 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 for included courses. The bill limits the general education offerings of a College/Center to only those required for an AAS. House Bill CS/CS 7057 was heard by the Education Committee, and passed out unanimously. Rep. Rodriguez filed several amendments which were adopted. The amendments add the following requirements be met before a School Board can change the name of a Center to a College:

- The Center must offer the CCC or be authorized to offer AAS programs;
- The Center must offer only career and technical education programs that are approved by an accrediting agency recognized by USDOE
- The Center confirms that at least 75% of the programs with enrollment during the current year lead to an industry certification or licensure.

Senate Bill 1202 will be heard for the first time in the Senate Education Committee on Tuesday this week

CS/CS/HB 7015 by Economic Affairs regarding the Florida GI bill

The first bill to pass the 2014 Legislative Session is the Florida GI Bill, CS/CS HB 7015. The Legislature used this bill as a means to “welcome home” military, veterans and their families. The bill provides education and employment opportunities, including:

- Increases funding for Educational Dollars for Duty, EDD
- Allows National Guard training funds (EDD) to cover training for industry certifications and continuing education to maintain licensure.
- Provides for public higher education to waive out-of-state fees for an honorably discharged veteran who physically resides in Florida while enrolled in the institutions.
- Creates the “Veterans Employment and Training Services Program” (VETS) in the Department of Veterans Affairs. Florida Is For Veterans, Inc. (FIV) is to run the program, and will create a grant program to fund specialized training specific to a business. The grants can be allocated to any training provider, including FCS institutions.

The Governor was supportive of this bill, and will likely sign the bill into law quickly once he receives it.

CS/HB 135 by the Government Operations Sub-committee and Rep. Kerner regarding Public Records & Public Meetings/Postsecondary Education Executive Search

This bill provides exemption from public records requirements for personal identifying information of applicant for president, provost, or dean of state university or Florida College System institution. It also provides exemption from public meeting requirements for meetings held for purpose of identifying or vetting such job applicants. It has passed favorably in House Higher Education and Workforce, and the Government Operations Subcommittees. It is to be heard next in the full House Education committee. SB 728 is similar in the Senate.

CS/SB 1148 Postsecondary Tuition (FCS Baccalaureate Degrees)

The bill amends Florida Statute so that no new baccalaureate degrees can be offered by a Florida College. Current degrees offered would not be affected. The bill could impact Colleges being able to respond to the future workforce needs in our communities.

- Eliminates the authority for the Board of Trustees' ability to increase resident tuition based on the annual rate of inflation for Florida College System institutions, and state universities, and reduces the maximum aggregate sum that the tuition and tuition differential fee may increase for state universities from 15 percent to six percent.
- Specifies that if the resident undergraduate tuition is not provided in the General Appropriations Act, the tuition must remain the same as the prior fiscal year.
- Prohibits the State Board of Education from approving new baccalaureate degree programs at Florida College System institutions after March 31, 2014. Existing Florida College System baccalaureate degree programs remain under the authority of the State Board of Education.
- The bill emphasizes that the primary mission of Florida College System institutions is providing lower level undergraduate instruction, awarding associate degrees, and preparing students directly for careers requiring less than a baccalaureate degree, and that providing upper level instruction and awarding baccalaureate degrees is a separate and secondary role.
- Eliminates the BOT ability to change the name of the college.
- Specifies that upper division tuition and fees must be the same as lower level unless specified at a different amount in the GAA. As of this date, the GAA does provide the same tuition level as last year for both upper and lower. However, by placing this provision in statute, the appropriations chairmen and leadership have greater control of the amount to be charged. The colleges would only be able to charge the lower level tuition and fees for the baccalaureate students.

CS/CS/CS/HB 851 In-state Tuition

With much emotion and debate, the Speaker's goal in providing equity in funding for Florida students regardless of their immigration status, was captured in the victorious House vote of HB851 late last week. Sponsored by Rep. Jeanette Nunez and many others as co-sponsors, the bill passed with an 88-33 margin and is headed to the Senate where its companion, [SB1400](#) by Sen. Latvala, faces more challenges. As a FCS Council of Presidents' priority bill, many from our AFC Legislative Committee lobbyists have been working to track its progress, express support, and communicate clarifications.

After several amendments, the bill in its current form provides:

- Clarifies the definition of a "dependent" child
- Adds "stepparent" to the list of legal guardians
- Reduces the number of continuous years a dependent child living with a relative from 5 to 3 to qualify as a resident for tuition purposes
- Codifies the federal ruling that a dependent student who is a U.S. citizen cannot be denied classification as a resident for tuition purposes based on the immigration status of his/her parent

- Adds “affidavit” to the manner in which the list of documents may be verified by the person claiming residency
- Deletes language that made it more cumbersome for spouses to become residents; and adds the provision that a person who physically resides in the state and marries a person who meets the 12 month requirement and meets all other requirements, may also be classified as a resident
- Allows for institutions not to re-evaluate a student who has already been classified as a resident for tuition purposes unless there is evidence of erroneous information or the student breaks enrollment for 12 months
- Classifies persons as residents for tuition purposes who receive a fee exemption or waiver under specific statutory authority
- Directs the State Board of Education to adopt rules and the Board of Governors to adopt regulations to implement the legislation
- The Bill also deletes the sections of law related to the allowance of an increase in tuition for colleges and universities per the inflation rate; if an increase in the tuition for in-state and out-of-state is not specified in the Appropriations Act, the tuition rate will remain as in the previous year
- The Bill also reduces the tuition differential rate from 15% to 6% that state university may charge
- The Bill also directs the colleges, universities and career centers to waive tuition for veteran recipients of the Purple Heart or any decorated honor who are enrolled in a program that terminates in an associate, baccalaureate degree or career certificate
- And finally, HB851 requires colleges, universities and career technical centers to waive out-of-state tuition to students, regardless of immigration status, who attend a Florida school for 4 consecutive years immediately before high school graduation and who enroll in one of the institutions within 2 years after graduation, and submit high school transcript as evidence of attendance
- Reports must be submitted annually listing all such waivers – the numbers and value

JOBS JOBS????

Florida’s jobless rate fell to 6.1 percent in January, the lowest since June 2008, despite shedding 2,600 jobs that month, according to new statistics released Monday by the Department of Economic Opportunity. Gov. Rick Scott, however, continued to accentuate the positive in the jobs figures, touting the 500,000 private-sector jobs created during his tenure, which began in January 2011. Despite the monthly job loss, Florida has added 192,800 jobs since January 2013, a growth rate of 2.6 percent. That outpaces the national job growth rate in that time of 1.7 percent. Nationally, the unemployment rate was 6.6 percent in January. The overall job losses were due to the loss of 3,300 public-sector jobs – most of which were federal government positions. The private-sector added 700 jobs in January.

The largest increase in total jobs over the last 12 months came from the trade, transportation and utilities sector, which added 47,500 jobs, but the construction sector had the largest percentage increase, adding 32,700 jobs – a 9.2 percent jump. The discrepancy in the job losses and the falling jobless rate is due to the two different surveys used – one surveys employers to calculate the overall job numbers and the other surveys households to get the total unemployment rate. Because the surveys differ in their terms, definitions and what they count – one counts people and the other jobs – the monthly unemployment rate can sometimes go down when jobs are lost and vice versa.

Florida’s labor pool also increased by 36,000 people, up to 9,454,000 total. The number is significant because the state’s labor force had been declining even as its total population increased, accounting for much of the drop in the unemployment rate. But DEO officials have noted that retirement – especially in

Florida, where 18.2 percent of the citizens were aged 65 or older in 2013, compared to the national average of 13.7 percent, according to U.S. Census bureau figures – can account for the shrinking labor pool.

Sales tax holidays and communication tax cut progress as tax relief package takes shape

A series of tax cut ideas progressed in the House and Senate on Wednesday as lawmakers moved closer to defining the total tax package that will make it into the final budget. Bills to create a 12-day sales tax holiday starting June 1 on hurricane preparedness items, [HB 567](#), a three-day sales tax holiday for back-to-school items in August, [SB 792](#), and to cut \$80.2 million in communication services taxes that appear on cable, phone and satellite TV bills, [SB 266](#), cleared panels in both chambers.

Lawmakers are also on the verge of passing vehicle and driver's license fee cuts to the tune of \$395 million per year. The Senate unanimously passed [SB 156](#) Tuesday and the House prepared a similar bill, [HB 7123](#), on Wednesday ahead of a final vote Thursday. The vehicle fee cuts will give Gov. Rick Scott his top legislative priority early on in the session, but other parts of his tax slashing plan are unlikely to make the cut. For instance, a \$100 million reduction in the sales tax on commercial rents and leases touted by Scott doesn't have much momentum. The three-day version of the back-to-school sales tax holiday is also short of the 10-day version preferred by Scott.

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