



ASSOCIATION OF FLORIDA COLLEGES

CAPITOL PERCEPTIONS

A WEEKLY DIGEST OF LEGISLATIVE NEWS

Some Things Resolved for the Colleges; Many Things Not

As legislators continue trying to negotiate a state budget this week after a long weekend of conference meetings, the overall picture for our colleges is still far from resolved. Two key issues dominate the negotiations regarding the Florida College System: the budget appropriation and the baccalaureate degree issue. Regarding the budget, there is agreement on the following items:

1. The amount of General Revenue funds (\$877,451,626) and Lottery Funds (\$254,972,113).
2. The amounts for Operating Cost of New Facilities – New (\$1,494,296) and Annualized (\$722,574)
3. There will be no tuition increases appropriated.

Issues related to Performance Based Funding remain very different, still, as neither side has budged on its position. The House remains at \$20 million, and the Senate remains at \$60 million, split 30/30 from base and new funds. There are also differences this year in Performance-based incentives for Industry Certifications with the House at \$5 million and the Senate at \$8.5 million.

The House is also offering \$1 million for Facility Repairs and Maintenance, while the Senate is at \$500,000. There are also numerous funding differences with specific projects of statewide interest that go to certain colleges.

On the bottom-line the Senate budget proposal is a bit more favorable overall with a 3.4% net increase over 2014-15, compared to the House's 1.3% overall increase.

Issues that remain unresolved in the Education Appropriations Conference committee will get "bumped" to the full Appropriations Conference Committee probably sometime today or tomorrow. Issues that remain unresolved from that committee get bumped to the Speaker and Senate President to resolve. Once a budget agreement overall is made, the proposal must "lay on the table" for 72 hours before each Chamber can vote it up and forward it to the Governor.

House Does Not Support Senate Baccalaureate "Controls" Plan

During the weekend conference committee meetings, the House staked out a position of opposition to all of the issues the Council of Presidents agreed to with Senator Negron regarding controlling the growth of our bachelor degree programs. The argument made by the House is that the agreement is "policy" and therefore outside the call of special session to deal with appropriations. Nevertheless, the moratorium expired on May 31 and colleges can resume

proposing degree programs that meet workforce needs as always. It is unclear how this issue will resolve for this year.

Low Income Pool Hospital Funding Tentatively Agreed in House and Senate (from News Service of Florida)

After months of federal negotiations and proposals floated by Gov. Rick Scott, the House and the Senate, lawmakers on Saturday reached tentative agreements on how much money should flow to hospitals and other medical providers that care for large numbers of low-income patients.

Following advice from the U.S. Department of Health and Human Services, lawmakers set aside \$1 billion in state and federal funding for the Low Income Pool, or LIP, program in the budget year that begins July 1. Separately, they put \$400 million in state funding into an increase in reimbursements to hospitals --- drawing down almost \$610.9 million in federal money.

Other providers would also receive money from other parts of the budget. The goal, according to Sen. Rene Garcia, the Hialeah Republican who oversees his chamber's health-care spending committee, is to get near to closing the gap between the new LIP plan and the \$2.2 billion the program brought in during the current budget year. "It's roughly somewhere in that ballpark," he said.

Overall Budget Numbers Resolved but Many Issues Remain (from News Service of Florida)

Legislative leaders announced Friday that they had reached an agreement on the rough outlines of a budget deal, but remained tight-lipped on specifics until joint House-Senate conference committees could start meeting on Saturday to hammer out the details.

Around the Capitol on Saturday, lawmakers swapped offers across the board, dealing with everything from environmental projects to road building and school funding. The negotiations were aimed at finishing a deal by the scheduled June 20 conclusion of a special session called after lawmakers failed to reach agreement during the regular session this spring.

On education, the lead House and Senate negotiators conceded that they are unlikely to reach Gov. Rick Scott's goal of record funding for public schools on a per-student basis. While Scott's goal of \$7,176 a head was already a long shot, there was still a possibility that the Legislature could top the old high-water mark of \$7,126 in the 2007-08 school year. The latest Senate offer has \$7,097 per student, which would still be an increase of \$207 from the current budget year.

"Every single school district in the state of Florida is going to see an increase per student, a significant increase per student," said Rep. Erik Fresen, the Miami Republican who chairs the House education financing committee. Sen. Don Gaetz, a Niceville Republican who is Fresen's counterpart, noted the contrast to other areas of the spending plan. "It provides an increase at a time when a lot of people, particularly in the health-care world, are going to be taking a hit," he said.

The Senate's offer would also fold into a budget-related bill several pieces of education policy that died in the chaotic ending to the regular session. The proposal would broaden eligibility for personal learning scholarship accounts, which help parents of students with disabilities pay for educational services; put new limits on four-year degrees offered by the Florida College System; and require Florida school districts to teach students about the Sept. 11, 2001, terrorist attacks. "Most of those ideas are directly tied to the budget," Fresen said. The bill that the provisions would be attached to expires after the budget year ends, but both Gaetz and Fresen said lawmakers would consider making those changes permanent next session.

HOUSE: "FHIX" NOT A FIX (from the News Service of Florida)

The Senate overwhelmingly approved its answer to the health care crisis on Wednesday, with just three Republicans voting against the plan to use Medicaid expansion funding from the Affordable Care Act --- commonly known as "Obamacare" --- to help lower-income Floridians purchase private health insurance.

Senators tried to open an avenue for negotiations over the Florida Health Insurance Affordability Exchange, or FHIX, suggesting that some health-care reforms House leaders have pushed could be added to the bill and approved by the Senate. The House is looking to revamp insurance coverage for state workers and overhaul some longstanding health-industry regulations.

But, for all of its new provisions, House Republicans argued that the Senate's plan remained Medicaid expansion --- vigorously opposed by the House GOP and Scott --- in disguise. After seven hours of debate Friday, the House rejected the plan.

"If the plan is dependent on the 90 percent federal match rate outlined in the ACA (Affordable Care Act), and it's a requirement that we serve the exact population defined by the ACA, would you not agree that this plan is truly Medicaid expansion as envisioned by the ACA?" Rep. Matt Caldwell, R-North Fort Myers, asked Rep. Mia Jones, D-Jacksonville, during floor discussions about the bill (SB 2A) on Thursday.

In response to one of the House's chief reasons for resisting the Senate's plan --- that the federal government is an unreliable funding partner and might withdraw from its promise to bankroll at least 90 percent of any Medicaid expansion plan -- Sen. Don Gaetz noted that the House's budget proposal includes \$16.4 billion in health-care funding and \$24.4 billion overall from federal sources.

"Those who say that they don't want federal money or don't want to take federal money --- that train has left the station a long time ago," said Gaetz, R-Niceville. "They've lost their virginity on that issue."