

VALENCIA COLLEGE

2017 LEGISLATIVE SESSION REPORT

JUNE 15, 2017

Session Highlights

- ▶ The 2017 Florida Legislature adjourned sine die on Monday evening, May 8, 2017. Following a contentious budget process that resulted in the extension of the Legislative Session by three days and the requisite 72-hour “cooling off period,” the legislature approved the General Appropriations Act and an overall budget of \$83 billion. A total of 3,052 bills were filed this Session, with only 249 bills being passed by both chambers and sent to the Governor.

- ▶ The Florida College System (FCS) has some significant statutory changes to address as a result of the 2017 Legislative Session. The most impactful change will be a system-wide budget reduction of \$30.3 million, which averages out to roughly \$1.1 million per college. New caps on baccalaureate program growth as well as a revision to performance metrics and restrictions on the future use of college operating funds to support college Direct Support Organizations may also require operational and procedural adjustments.

- ▶ Valencia College received a relatively minimal budget cut – at just over \$1 million.

Budget Highlights

- ▶ **Governor’s Budget.** Prior to the Legislative Session, Governor Rick Scott released his budget proposal which called for a \$9 million increase in total funding for the System. Even though it was substantially below the \$100 million increase requested by the FCS Council of Presidents, the proposal appeared to be supportive of the System.

- ▶ **Budget Priorities.** As the State entered 2017 Legislative Session, several key items were points of consideration for the Appropriations Committees in both chambers. In the Senate, budget priorities included:
 1. The desire of the Senate President to add an additional billion dollars to the State University System budget.
 2. A commitment to find the funding to address the environmental issues created by the Lake Okeechobee water releases.

VALENCIA COLLEGE
2017 LEGISLATIVE SESSION REPORT

MAY 31, 2017

3. A desire by the Senate Appropriations Chair to provide a pay raise for state workers.

▶ In the House, budget priorities included:

1. The Speaker's clear priority for the House to provide a significant tax cut to Florida's taxpayers.
2. A commitment to provide funding to the K-12 system to enhance the private charter school concept for the purpose of fixing low performing schools.

▶ The Florida Legislature had significant additional General Revenue available to address budget issues surrounding the FCS. However, the House of Representatives and the Senate both decided to instead focus on reducing the FCS Program Fund (FCSPF). When the Session started both Chambers, the respective appropriations committees began with budget exercises that published a list of potential cuts. Initially, Valencia College was assigned a possible cut of \$8 million dollars from last year's allocation, which was appropriated to equalize Valencia's long-standing budget imbalances with state college system funding practices. Thankfully, that cut did not occur.

▶ **Senate's Initial Budget.** The initial budgets included a Senate proposal for a \$120 million cut to the State College system, including the total elimination of performance funding (\$60 million) and a cut in "developmental" education programs of over \$50 million, explaining that colleges were no longer serving as many students in the developmental education programs as they previously had served. For Valencia, that proposed budget cut could have represented more than a \$10 million loss to the college's funding base.

▶ **House's Initial Budget.** The House's initial budget proposed similar cuts, for example by cutting \$9,866,896 to ensure public funds were not spent to support personal services of the colleges' direct support organizations and an additional system cut of \$62,700,000, proposed to force certain colleges to have to spend down their fund balances to a level the House identified, which could have resulted in a \$3 million cut to be filled by Valencia's existing fund balance. The House explained that this cut would be a non-recurring reduction and equivalent funding would be added back in the 2018-19 budget.

▶ **Developmental Education Funding Cut.** Passed on May 8, 2017, the General Appropriations Act (SB 2500), reduced the FCS budget by \$30,200,000 to reflect the supposed decline in developmental education enrollment, ignoring the continued enrollment of equivalent numbers of students in redesigned college-level courses. At the time of this summary, details of how the cut was taken had not been released, but it appeared that the cut was based more on a pro-rata reduction than on the change in developmental education enrollment.

▶ **Performance Funding.** Important for Valencia, the final budget (as of today, not yet sent to the Governor for approval) does include performance funding for the state college system. The performance funding remained the same as last year, with a \$60million

appropriation - including \$30million in nonrecurring state funds and \$30million from the institutions' base funding. The Legislature also appropriated \$10 million for performance funding based upon the number of specified industry certifications earned by each college's students as well as local projects of statewide interest totaling \$15,342,950 at thirteen colleges and operational support projects totaling \$9,574,011 at five colleges. These funds are included in the individual college's program fund appropriation.

▶ As part of this year's appropriation, the Legislature again implemented a funding source shift for the Florida College System. Funding from the Educational Enhancement Trust Fund (Lottery) was replaced with General Revenue in the amount of \$42,044,494. Historically, Lottery funds have not been available for the colleges to draw against until after the midpoint of the fiscal year, potentially causing cash flow problems. As usual, the Legislature adjusted funding in the FCSPF to reflect a change in Florida Retirement System (FRS) employer contributions and to the Health Insurance Subsidy for Retirees. The net result was an increase of \$4,942,768 in the amount to be contributed to FRS. The change reflects the employer's contribution rates to be paid by the colleges during the 2016-17 fiscal year. Both of these changes are intended by the Legislature to have no net impact on the funds available for college operations.

▶ **The state budget, as set forth in the Conference Committee Report on SB 2500, has been approved by Governor with Appropriation Veto; Chapter No. 2017-70. Line Items Overridden by the Legislature as follows: (7, 8, 9, 91, 92, 20-13, 20-6, 21-4, 21-10, 21-11, 21-14, 21-6, 26B, 66B, 66C-2, 126-39, 140-1, 141-29, 141-37, 141-30, 141-55, 141-19, 145-4, 2226H-10)**

▶ **The budget implementing bill, SB 2502, has been approved by Governor; Chapter No. 2017-071 (06/2/17).**

Bills That Passed

SB 396 (Hukill) Student Loan Debt Disclosures

Approved by Governor (06/14/17)

▶ Requires postsecondary institutions to annually provide certain students with specified information regarding their student loans, which are defined as federal loans disbursed to a student to pay for education-related expenses;

▶ A postsecondary institution must provide the required student loan information, including estimates of total amount of loans, total loan repayment amount, monthly loan repayment amount and percentage of borrowing limit, to each student annually or once during each academic year, and such information must be provided in print or electronic format.

▶ Provides that an institution does not incur any liability for providing such information.

CS/CS/HB 501 (Leek) Public Records/Meetings Exemption for IT Security Records

Approved by Governor (06/14/17)

▶ The bill creates public record and public meeting exemptions to protect data and records pertaining to the security of the State University System and Florida College System information networks from disclosure. Certain enumerated forms of information held by a university or institution related to information technology security and potential breaches of security, as well as risk assessments, evaluations, and audits, are confidential and exempt from disclosure, including:

- Records held by a university or college which identify detection, investigation, or response practices for suspected or confirmed information technology security incidents, including suspected or confirmed breaches, if the disclosure of such records would facilitate unauthorized access to or the unauthorized modification, disclosure, or destruction of data or information, whether physical or virtual, or information technology resources; and
- Those portions of risk assessments, evaluations, audits, and other reports of the university's or institution's information technology security program for its data, information, and information technology resources which are held by the university or institution. These records would be exempt if their disclosure would lead to the unauthorized access to or modification, disclosure, or destruction of the data, information, or information technology resources.

▶ The bill also exempts portions of otherwise public meetings where such enumerated information technology security matters are discussed.

CS/CS/HB 859 (Mariano) Distance Education/State Authorization

Approved by Governor; Chapter No. 2017-087 (06/14/17)

▶ Authorizes the State of Florida to participate in a national reciprocity agreement (State Authorization Reciprocity Agreement – SARA) with other states for delivery of postsecondary distance education. SARA is intended to simplify and improve the process for students who take online courses offered by postsecondary institutions based in other states. Postsecondary institutions in Florida may apply to a newly created Council to participate in the reciprocity agreement.

HB 1079 (Rommel) Relating to Pub. Rec. and Meetings/Campus Emergency Response for Public Postsecondary Educational Institutions

Signed by Officers and presented to Governor (Governor must act on this bill by 06/29/17)

▶ The bill creates an exemption from public record and public meeting requirements for information associated with a campus emergency response of a public postsecondary educational institution. "Campus emergency response" is defined as a public postsecondary educational

institution's response to or plan for responding to an act of terrorism or other public safety crisis or emergency.

Bills That Did Not Pass

CS/CS/SB 374 (Hukill) "College Competitiveness Act of 2017"

Vetoed by Governor (6/14/2017)

▶ This 292-page budget conforming bill would have renamed the Florida College System (FCS) as the Florida Community College System (FCCS); created the State Board of Community Colleges; prohibited citizen members of the State Board of Community Colleges or Florida Community College System institution boards of trustees from having an employment or contractual relationship as specified lobbyists; capped growth of college baccalaureate programs, strengthened transfer articulation, affected college support of direct support organizations.

▶ Specifically, with respect to Florida College System institutions, the bill would have:

- Removed state/community colleges from the oversight of the State Board of Education and placed them under a new State Board of Community Colleges which would have appointed the Chancellor and assumed all current State Board of Education responsibilities and duties.
- Charged Governor with appointing 13 members to the new State Board of Community Colleges; 12 citizen members, (staggered 4-year terms) including one current Florida Community College System student (1 year term) and one faculty member, in addition to the Commissioner of Education.
- Renamed the Florida College System as the Florida Community College System.
- Prohibited, beginning July 1, 2022, a state college or university from permitting a college or university direct-support organization (DSO) from using appropriated funds for operational purposes.
- Allowed Florida Community College institutions to use auxiliary funds for public relations and related purposes in an amount not to exceed a threshold established by the new State Board of Community Colleges.
- Revised performance metrics for colleges including:
 - 100% of normal-time program completion and graduation rate for full-time, first-time-in-college students but is not applicable to non-degree students;
 - Continuing education or post-graduation job placement rate for workforce education programs;
 - Graduation rate for first-time-in-college students enrolled in an associate of arts degree program who graduate with a baccalaureate degree in 4 years after initially enrolling in an associates of arts degree program; and
 - One performance metric based on college affordability.

(The new SBCC would have been additionally charged with including measures for student retention, and workforce education programs).

- Reestablished the Distinguished Florida Community College System Institution Program with new excellence standards including:
 - A 100 percent-of-normal-time completion rate for full-time, first-time-in-college students of 50 percent or higher, as calculated by the State Board of Community Colleges.
 - A 100 percent-of-normal-time completion rate for full-time, first-time-in-college Pell Grant recipients of 40 percent or higher, as calculated by the State Board of Community Colleges.
 - A retention rate of 70 percent or higher, as calculated by the State Board of Community Colleges.
 - A continuing education, or transfer, rate of 72 percent or higher for students graduating with an associate of arts degree, as reported by the Florida Education and Training Placement Information Program (FETPIP).
 - A licensure passage rate on the National Council Licensure Examination for Registered Nurses (NCLEX-RN) of 90 percent or higher for first-time exam takers, as reported by the Board of Nursing.
 - A job placement or continuing education or job placement rate of 88 percent or higher for workforce programs, as reported by FETPIP, with wage thresholds that reflect the added value of the applicable certificate or degree. This paragraph does not apply to associate of arts degrees.
 - An excess hours rate of 40 percent or lower for associate in arts degree recipients who graduate with 72 or more credit hours, as calculated by the State Board of Community Colleges.
- Required that each student in the FCCS, prior to registering for classes, have electronic access to employment and earnings outcomes prepared by the Department of Economic Opportunity.
- Increased student financial aid and tuition assistance for Florida Bright Futures Academic Scholars in fall and spring terms and added support to these students in the summer term.
- Revised the state-to-private match requirements for contributions to the First Generation Matching Grant Program from 1:1 to 2:1.
- Strengthened “2+2” articulation by establishing the “2+2” targeted pathway program.
- Required colleges to submit a notice of interest to propose a baccalaureate degree program 180 days prior to submitting a notice of intent. The notice of interest would have been required to be submitted to a shared postsecondary database to allow other institutions to preview and provide feedback. A written notice of intent would have had to have been submitted to the Chancellor of the Florida Community College System 100 days prior to submission of the proposed baccalaureate program.
- Required new baccalaureate degree program proposals to indicate the institution’s efforts to keep tuition for the entire degree program at a level not to exceed \$10,000.
- Prohibited Florida Community College institutions from offering a Bachelor of Arts degree program.

- Allowed for specific annual increases in upper-level full-time equivalent enrollment but caps the total upper-level full-time equivalent baccalaureate program enrollment at 15% of the total combined upper and lower-level full-time equivalent enrollment.
- Required an annual review and report of each baccalaureate degree program with justification for continuation of the program. Programs that fail to demonstrate continued need may be terminated by the State Board of Community Colleges.
- Required school districts to provide notification to students and parents about applying acceleration mechanism credit to a postsecondary degree.

SB 140 (Steube) and SB 622 (Steube) Firearms on Campus

▶ Would have authorized a concealed weapons or concealed firearms licensee to carry a concealed weapon or firearm into any college or university facility. Also, would have deleted an exception authorizing a student, employee, or faculty licensee to carry specified nonlethal weapons into any college or university facility.

SB 908 (Baxley)/HB 803(Hahnfeld) Firearms on Campus

▶ Would have authorized a concealed weapons or concealed firearms licensee to carry a concealed weapon or firearm into any college or university facility. Also, would have deleted an exception authorizing a student, employee, or faculty licensee to carry specified nonlethal weapons into any college or university facility.

SB 140 (Steube) and SB 644 (Steube) Open Carry of Firearms

▶ Would have authorized a concealed weapons or firearms licensee to openly carry a handgun.

SB 82 (Steube) Elimination of Student Fee Waiver Authority

▶ Would have deleted a requirement that a state university, Florida College System institution, career center operated by a school district, or charter technical career center waive out-of-state fees for certain students, including certain undocumented students, who meet specified requirements.

HB 351 (Rommel)/SB 478 (Passidomo) Public Records Exemption/Executive Searches

▶ Would have provided an exemption from public records requirements for any personal identifying information of an applicant for president, provost, or dean of a state university or Florida College System institution; and would provide an exemption from public meeting requirements for any meeting held for the purpose of identifying or vetting applicants for president, provost, or dean of a state university or Florida College System institution and for any portion of a meeting held for the purpose of establishing qualifications of, or any compensation framework to be offered to, such potential applicants that would disclose personal identifying information of an applicant or potential applicant.

HB 1073 (Clemons) Postsecondary Educational Institution Fee Freeze

- ▶ Would have prohibited college and state university boards of trustees from increasing any student fees after July 1, 2017.
- ▶ Would have eliminated fee flexibility language for colleges which currently allows tuition and out of state fees to vary no more than ten percent below and fifteen percent above the standard tuition and fees as established by law.