



The second week of session has passed, and the rhythm is in place. The first week is full of ceremony, similar to the first days of the semester with convocations, ceremonies, in-service, etc. The second week, it's all work, similar to the first week of classes. The first bill of the session was presented to the Governor in week two. As you may have read, the bill was the Governor's priority, "anti-murder" bill [SB 146](#). The Governor signed the bill on March 12th.

Budget

As we reported in *Perception, Issue 1*, budget news has been gloomy, and that continued in week two. The Revenue Estimating Conference was held on Monday, March 12 and the State's financial experts have reduced their two-year revenue estimate by \$1 billion. The experts indicated that the reduction is due to declines in housing sales and that fewer people are relocating to Florida. Consequently, sales tax revenues and doc stamps revenues from home sales are down significantly.

The good news from the conference was that Medicaid expenses look to be down \$566 million and fewer new Florida residents means fewer K-12 students, possibly freeing up over \$200 million.

On February 13, the House Schools and Learning Council released their first version of the 2007-08 budget, by announcing the allocations per sector. Usually, the budgets are not released until much later in the session, so many were surprised. While the numbers could have been worse, the House recommendation is pretty low. They recommended 3.4% in base operating funds for the system, or a \$33 million increase. As you will recall from *Perception, Issue 1*, the System's request was slightly over \$100 million.

FACC members should note, however, that any increase in funding will be processed through the agreed upon distribution formula. Consequently, the percentage increases that the colleges receive will vary greatly.

The House also recommended funding for the Educator Preparation Institutes program which prepare individuals with non-education major baccalaureate degrees to complete requirements for certification as K-12 teachers in an accelerated program of study.

In addition, the House recommended a 5% tuition increase. The Governor's recommendation was that there be NO tuition increase.

On a further downside, the House recommended only \$19 million for the matching grant programs that help our Foundations support the colleges compared to our \$49 million request.

We are already working with House leadership and all legislators to ask for higher allocations.

The Senate has not yet released their allocations. Once both sides release their budgets, it becomes an uphill battle to add money to the 'pots' on each side.

On March 16, the Governor released a supplement to his original budget in which there was no major impact on the colleges. The largest part of the budget adjustments related to the \$566 million Medicaid savings to offset part of the decreased revenue estimates.

Week two was relatively slow for education bills, but the following actions are noteworthy:

Property Tax

Friday Mar. 16, the House took the next step toward approving real and immediate property tax relief for Florida homeowners and small business owners. Offering \$5.5 Billion in property tax relief, [HB 7001](#) (Attkisson) was approved by the Policy & Budget Council Friday afternoon. Every Republican and three Democrats on the Council voted for property tax relief. It remains to be seen what budget adjustments will have to be made in order to accommodate the reductions in state-wide property tax revenues.



Rep. Frank Attikisson, R-Kissimmee

Half Cent Sales Tax for Miami Dade County

Two bills that are basically “local bills” are moving along. [HB 185](#) (Garcia) and [SB 552](#) (Margolis) allow the Miami Dade County Commission to place a local referendum for Miami Dade College. If passed locally, a half penny sales tax increase for 5 years will support scholarships, program enhancements, student retention efforts, and capital outlay. On Wednesday, March 14, the HB passed out of Urban and Local Affairs and the SB passed out of Higher Education.

Transportation Fee

Also mostly local, [HB 207](#) (Chestnut) and [SB 684](#) (Oelrich) would authorize a transportation user fee for community college students. Santa Fe Community College has a unique agreement for public transportation that would be well served by this legislation. Since the fee is not limited to SFeCC, other institutions could replicate the initiative. The House Bill passed out of its first committee, Postsecondary Education, on Tuesday, March 13.



Rep. Anitere Flores, R-Miami

Textbook Sales Tax Exemption

As reported in *Perception, Issue 1*, several bills have been filed to address the SGA generated exemption of sales tax on College textbooks. [SB 254](#) (Wise) and [SB 2492](#) (Haridopolos), as well as [HB 289](#) (Flores) all support the exemption. In week two, Senator Wise’s bill [SB 254](#), passed out of the Senate Higher Education Committee. Unfortunately, the fiscal impact of the bills is so high in terms of lost revenue, passage is still thought to be difficult. I know that FACC members will be pleased with the attention given to the rising costs of textbooks. There is a good chance that something will pass that addresses the issue.

Articulation

As mentioned in *Perception, Issue 1* articulation between sectors, from high school to college, and among postsecondary sectors, appears to be of interest, and several bills offer suggestions to enhance the process. [HB 965](#) (Kendrick) is the

first to move. This bill will be heard Tuesday, March 13, in the House Committee on 21st Century Competitiveness, and requires the State Board of Education to establish a process to review new secondary courses, with the Board of Workforce Florida approving a curriculum review committee which will review the courses. While not including business representatives (as this bill does,) a similar process is in place via the State Articulation Coordinating Council. [SB 2854](#) (Gaetz) is the Senate Companion to Rep. Kendrick's bill. The other filed bills include [SB 1190](#) (Lynn), which attempts to improve articulation between public and non-public institutions, and reduce excess hours as a result. This avenue is a much friendlier mechanism for dealing with the "excess hours" issue than the bill that addresses that issue alone.

Cosmetology

The cosmetology issue is slated for additional hearings in week three. [HB 117](#) (Carroll) and [SB 920](#) (Wise) amends the licensure requirements related to cosmetology, so that licensure is available for specialties, including hair technician, esthetician and nail technician. Colleges with cosmetology programs have supported this legislation which will allow students to be trained in specific, shorter programs and enter the workforce quickly. [SB 920](#) is on the agenda Tuesday, March 13, in the Regulated Industries Committee, while the HB passed its first committee in week two.



Rep. Jennifer Carroll, R-Jacksonville

Baccalaureate

[SB 244](#) and [SB 1570](#) have both been filed by Senator Lynn to address the process for community colleges to obtain approval to offer baccalaureate degrees. A house bill was filed, although subsequently withdrawn. Lobbyists expect a house bill connected to the "100 ideas" to include similar language to Lynn's. The College System wants to ensure that all publicly funded community colleges continue to report to the State Board of Education, including those which offer baccalaureate degrees, and that the approval process is simple, yet accountable.



Rep. Aaron Bean, R-Fernandina Beach

Financial Aid

[HB 343](#) (Bean) and [SB 918](#) (Wise) amend the College Work Experience Program to allow Adult Vocational (PSAV) students and Educator Preparation Institute (EPI) participants to be included in the program. The bills also allow PSAV students to participate in the Florida Student Access Grants (FSAG). [HB 343](#) (Bean) passed out of Education Innovation and Career Preparation on Friday Mar. 16. The next step is the Schools and Learning Council. [SB 918](#) has been referred to the Senate Higher Education and Higher Education Appropriations Committees, but has not yet been placed on the agendas.

[HB 1443](#) (Thompson) and [SB 2698](#) (Lawson) also addresses FSAG, addressing the issue of the expected family contribution for community college students, and also creates a new "working student" financial aid program, to address those students who can only qualify for student loans.

Other Resources

The Division of Community Colleges has made available on their website a video copy of Chancellor Armstrong's recent interview on Face to Face that aired on the Florida Channel on February 28th :

<http://www.fldoe.org/CC/meetings/02-28.asp>

Also available online is a video copy of a presentation on the Pappas report to the Senate Higher Education Appropriations Committee on February 8th:

<http://www.fldoe.org/CC/meetings/>

We are working on obtaining permission to post more videos of presentations made to House and Senate committees on the FACC website. Stay tuned.