

ASSOCIATION OF FLORIDA COLLEGES

Perception

A WEEKLY LEGISLATIVE UPDATE FOR AFC MEMBERS

Week One Session Summary January 10-13
January 17, 2012



Rep. O'Toole speaks at AFC while Kasongo Butler from the DOE looks on.

attending to maintain communications with her office and to provide cost-savings and other policy changes that could help reduce costs and offset the shortfall. Rep. Jimmy Patronis (R, Panama City) also visited and discussed a variety of regulatory and career education issues with the group.

College Lobbyists meet with Reps. O'Toole and Patronis at the AFC Building

On December 9, during the final committee week before the start of the 2012 Legislative Session, AFC in conjunction with the Florida Association of Professional Lobbyists (FAPL) hosted a joint educational session and discussion. The educational session centered on information about the services and benefits of the FAPL and its unique position to assist with lobbyist registration, reporting, and ethics. AFC CEO Michael Brawer is the Chair of the FAPL Education Committee and coordinated this event. The AFC Legislative Committee comprised of all the college lobbyists also had a close up discussion on statewide issues with Rep. Marlene O'Toole (R, The Villages). Rep. O'Toole is also the Chair of the House Higher Education Appropriations Subcommittee. Her committee serves as a key reference for the Florida College System budget approval for 2012-13. In a frank discussion, Rep. O'Toole described the difficulty of meeting the state's education funding needs with revenue shortages as they exist. She asked the group

The State Economic Forecast

The state economic forecast improved somewhat as state economists left the revenue estimate for the next 18 months pretty much the same. The new estimate issued Thursday increases the overall estimate by just \$26.1 million (+1%) and increases revenue by .05%.

FY 2012-13 Legislative Priorities

Each year, the Division of Florida Colleges, the Council of Presidents, and the AFC work together to formulate a set of priorities for the legislative session. These priorities address emergent issues that are challenging our system's institutions. For the current Legislative Session, those priorities are described below.

Fund Enrollment Growth: Fund enrollment growth and restore State operating funding per FTE to 2006-07 level. This will require approximately \$300 million system wide, plus additional growth funding over several years. From 2006-07 to 2012, total funds (which include State appropriations and tuition) per FTE have declined \$391 (7%). State funds per FTE have declined by \$1,082 (28%) while enrollment has grown by more than 117,000 unduplicated headcount.

Dual Enrollment Funding: The FCS has experienced phenomenal growth in dual enrollment over the past few years. Dual enrollment provides opportunity for high school students to earn college credit at no cost to the student. The institutions do not collect tuition or fees for these students. The FCS enthusiastically supports this program but with decreasing State appropriations the financial burden of a \$50 million dollar system wide impact, must be addressed.

Capital Outlay (PECO): The reduced capital improvement budget has become an impediment to access to higher education for Floridians. As of August 2011 the FCS three-year PECO priority list consists of \$924,358,297 in projects needed to complete already approved and/or underway projects.

At the request of the 2011 legislature, the Council of Presidents developed an alternative methodology for PECO funding. However, the more critical issue is to identify a source of new funding for PECO to sustain capital needs long-term. The current funding source, a gross receipts tax on utilities, has become outdated and can no longer support the facility needs of higher education.

Florida College System Budget Request for 2012 -13

During this year’s legislative session, there are only two things the lawmakers must do – pass districting so we can conduct a presidential election, and pass a budget. The Florida constitution requires it. Below is a summary of the Division of Florida College’s Legislative Budget Request for 2012-13. The small increase indicated in fact renders it basically a flat budget once the consumer price index adjustment is applied.

From Lottery Funds	\$ 130,359,158
Community College Program Fund (CCPF)	\$ 913,006,532 (+2.2%)
Distance Learning and FACTS.org	\$ 611,675 (\$ 295,000 for FACTS.org)
Commission on Community Service	\$ 489,241 (-4.0%)
2 + 2 Partnerships	0
Dr. Phillip Benjamin Matching	0
Tuition Increase	0 (Governor’s Request)
Total CCPF	\$ 1,044,365,690 (+1.9)
Total System Funds with Tuition	\$ 1,966,978,396 (+1.0)

BILLS OF SIGNIFICANCE TO AFC

[HB 525](#) by Workman and Abruzzo; [SB 1334](#) by Oelrich and [SB 1280](#) by Latvala (identical)

Rep. Ritch Workman (R, Melbourne), has filed a retirement system reform bill that address changes that would only impact new hires effective July 1, 2012. Those revisions are categorically summarized below. AFC Legislative Chair Jim Roy (SJRSC) and AFC CEO Michael Brawer met with Rep. Workman on December 10 to discuss the bill. Workman said no additional changes will be made to the bill.

Special Risk Retirement Age

1. Enrolled after July 1, 2011 but before July 1, 2012:
 - a. Attains age of 60 and completes required yrs for vesting (8yrs)
 - b. Reaches 30 yrs service at any age
2. Enrolled after July 1, 2012
 - a. Attains age 55 and completes required yrs for vesting
 - b. Attains age 48 and has 25 yrs of service
 - c. Attains age 52 with 25 yrs service that includes 4 yrs of military service not claimed under other system and remaining years are in Special Risk class

Vesting (any member class)

1. Enrolled after July 1, 2011 but before July 1, 2012:
 - a. 8 yrs
2. Enrolled after July 1, 2012
 - a. 10 yrs.

Early Retirement Benefit

1. Early retirement after July 1, 2012:
 - a. Changes penalty for early retirement to adjust for changes in retirement ages aforementioned
 - i. Age 62 for members of regular, senior management , and elected officials classes;
 - ii. Age 55 for member of Special Risk class;
 - iii. Age 48 for member of Special Risk class with 25 yrs service

Plan Enrollment Default

1. If eligible after employment by a state employer after April 1, 2002 but before July 1, 2012:
 - a. Default to pension plan if investment not selected by last day of 5th month of eligibility;
2. If eligible by employment by a state employer commencing on or after July 1, 2012 any class:
 - a. Default shall be in the investment plan;
 - b. May elect pension plan by last business day of 12th month of eligibility (in writing or by electronic means)
 - c. Selection of pension plan retroactive to first day of employment
 - d. Value of contributions transferred the first day of the next month after switch
 - e. Forfeits right to select pension plan if not made by 12th month
3. If eligible by employment with a district school board after July 1, 2002 but before July 1, 2012:
 - a. Default shall be in the pension plan;
 - b. May elect investment plan by last business day of 5th month of eligibility (in writing or by electronic means)
 - c. Selection of investment plan retroactive to first day of employment
 - d. Value of contributions transferred the first day of the next month after switch based on employee class
 - e. Forfeits right to select investment plan if not made by 12th month
4. If eligible by employment by a district school board commencing on or after July 1, 2012 any class:
 - a. Default shall be in the investment plan;
 - b. May elect pension plan by last business day of 12th month of eligibility (in writing or by electronic means)
 - c. Selection of pension plan retroactive to first day of employment
 - d. Value of contributions transferred the first day of the next month after switch
 - e. Forfeits right to select pension plan if not made by 12th month\
5. Applies the same provisions to local employers.

HB 719 by Van Zant and SB 0794 by Hays regarding Public Contracting (identical)

This bill among other things provides definitions for terms "governmental unit" & "facility". It prohibits any governmental unit that contracts for construction, repair, remodeling, or improving of facility from imposing conditions that require, prohibit, encourage, or discourage certain bidders, contractors, or subcontractors from entering into or adhering to agreements with a collective bargaining organization. The bill prohibits governmental unit from granting certain awards as condition of certain contracts and prohibits certain terms from being placed in bid specifications, project agreements, or other controlling documents. Of most concern to our colleges is that the bill revises the period during which an agency must file a protest following certain contract solicitations or awards. The protest period is extended to seven days and excludes weekends and holidays.

HB 331 by Patronis and SB 101 by Oelrich regarding Career and Adult Education

This bill would add financial literacy in economics to the high school graduation requirement. It also replaces the term "Vocational Preparatory Instruction" with "Applied Academics Instruction". The bill also would require all adult education students to complete a series of "action steps to employment." These would be akin to employability skills necessary

to help the adult student find meaningful employment. The delivery system, either a College or a School District responsible to see it is provided to all adult education students.

FROM THE NEWS SERVICE of FLORIDA WIRE.....

THE CAPITAL, TALLAHASSEE, January 13, 2012.....State lawmakers kicked off an election-year, budget-cutting, once-a-decade-political- remapping session this week as Gov. Rick Scott called for further tax cuts and \$1 billion more for education while assuring Floridians that good times are returning.

Ushered into a January session in a constitutionally mandated effort to draw new political boundaries in time for the 2012 elections, legislative leaders took little time to caution voters of potentially painful cuts as they work to craft a budget that may fall up to \$2 billion short. Meanwhile, proposals to make significant changes to the state's no-fault automobile insurance, and a controversial piece of gambling legislation began their separate treks through the chambers, which both cranked back into action.

SCOTT TALKS DONUTS, JOBS AND EDUCATION

Visibly more at ease than he was a year ago, Gov. Rick Scott delivered his second State of the State speech to a joint session of the Legislature, saying the signs of economic recovery are in the air and his plans to bring 700,000 new jobs to the state are on track. Scott kept his message limited by focusing on public education, auto insurance reform and his mantra of more jobs. "The decisions we make in the next few months will determine whether we continue to create a business climate that will provide new jobs and opportunities for Floridians; whether we fully recapture that spirit of human potential that is at the core of what it means to be a Floridian," Scott said. "I'm absolutely convinced that we will."

Otherwise short on specifics, the governor called on lawmakers to find at least a \$1 billion more for public education while holding the line or reducing taxes, and warned lawmakers he "cannot budge" on that number.

PRISONS

Scott's push to get the state out of the prison business took a step forward this week as his prison chief announced plans to close seven prisons and four work camps as part of a consolidation plan that's possible because of declining numbers of prisoners. The largest facility slated to close is New River Correctional Institute in Raiford, a part of the so-called Iron Triangle of prison facilities that surround Florida State Prison in northeast Florida. Later in the week, bills to privatize prisons, work camps and other facilities in South Florida were introduced. The fast tracked measures are scheduled to be taken up next week by the Senate Rules Committee, a sure sign the push to get the state out of the corrections business remains in play.

