



It was relatively slow last week in the Capitol. It will be followed by an off week, as neither the House nor the Senate is planning to meet this week during Passover and leading into Easter weekend.

**Therefore, there will be no Capitol Perceptions published on April 21.**

The following is a compendium of legislative issues summarized and reported to the Council of Presidents on April 11 by AFC Legislative Chair Matt Holliday and AFC CEO Michael Brawer.

**AFC Working to get Colleges More Flexibility in Senior Management position reclassification**

The Council of Presidents (COP) at the request of the Council of Business Affairs (COBA) has asked the AFC to work toward amending Chapter 121 of Florida Statutes. This chapter governs the administration of senior management positions in all agencies. Currently, colleges do not have the flexibility to reclassify a senior management position when vacated or upon knowledge of an impending vacancy. This often hinders colleges' ability to re-organize staff or move positions as needed. The provision would allow such flexibility when a position is vacant or anticipated to be vacant. We waited nearly three weeks to get a meeting with Department of Management Services and FRS administrators to be sure they would not object to our plan. They did not have a problem with our approach. However, there has been only one bill that opens up the right section of F.S.121 so far this year, and it was not an appropriate bill for the AFC to attach its language to. Other bill amendment options are being explored, but we may need to wait until next year to get it to the finish line.

**[SB 1114](#) by Simpson and [HB 7173](#) by House State Affairs Committee regarding FRS**

This past week, in the Florida Legislature, the FRS issues began to take shape, but is it too late? After a two week lull to revisit the issue after the "cash balance plan" proposal gained little traction in the Senate, the House re-purposed last year's FRS proposal that targeted closing the pension plan to new hires in the senior management and elected officials classes.

The Senate's Governmental Oversight and Accountability Committee approved SB 1114 by a 7-2 vote and the House's Appropriations Committee approved HB 7173 by a 16-10 party line vote. This leaves the Senate bill with one more stop, Appropriations. The House bill is already up for floor vote. We know the "watered down" House legislation will pass, but the Senate remains a mystery. Last year's vote in the Senate came up four votes shy of passage.

Both new bills only apply to new employees hired July 1, 2015 forward. Both close the pension option to senior managers and elected officials effective July 1, 2015. Anyone already in the pension plan who matriculates to a senior management position will be grandfathered in. The bill also extends vesting back to 10 years for all new hires entering the pension plan effective July 1, 2015. New employees will be initially enrolled in the pension plan, and if the employee fails to make a formal selection of pension or investment plan within the first 8 months following the month of hire, he/she will be defaulted into the investment plan. All monies paid into the pension plan to that point would then be transferred to the investment plan.

The Florida \$135 billion retirement fund is close to 86% funded, and remains considered among the best performing in the world. A fund that is 80% funded is considered in very good health. This fact will be the focal point of debate during the final two weeks of session. Governor Rick Scott is on the record saying the state pension fund is fiscally sound, many conclude the issue is a longshot, but stranger things have happened in Tallahassee in the final weeks of session.

**HB 851 by Nunez and SB 1400 by Latvala regarding Residency for In-state Tuition**

These bills would grant in-state tuition for children of nonresident alien parents. The Council of Presidents has been supportive of this issue in years past, and reaffirmed their support of the issue at the February Council of Presidents meeting. The two bills are very similar with just slight differences. HB 851 has passed the House with a vote of 81-33 and has been sent to the Senate. SB 1400 has narrowly cleared 3 of its 4 references, though it has the support of some powerful Senators. We expect that there will be a floor vote on both of these bills.

**SB 1076 by Flores and HB 5601 by House Finance and Tax Committee regarding a new PECO funding source**

This plan has been proposed by Agriculture Commissioner Putnam to restructure the funding for PECO. SB 1076 is still moving, but different provisions are also in HB 5601 which was heard April 10 in Senate Appropriations. The proposed bill decreases the sales tax rate on sales of electricity from seven to four percent and increases the gross receipts tax rate on electrical power or energy delivered to a non-exempt retail consumer from two and one-half to five and one-half percent. The new gross receipts tax additional rate will incorporate the existing exemptions from the sales tax in order to make this change revenue neutral to both the state and to taxpayers. These changes will result in an increase in the amount of revenue deposited in the PECO Trust Fund. The House bill was temporarily postponed on April 10 in House Appropriations.

**HB 7057 by House Higher Education and Workforce Committee and SB 1202 by Montford regarding school district Technical Colleges**

This proposal targets underutilization of tech centers statewide. It contains a provision for career and technical centers to become technical colleges while remaining accredited by the Council of Occupational Education (COE). The bill also authorizes technical colleges to offer Associate in Applied Science (AAS) degrees and any College Credit Certificate program. Tech Centers would have to go before the State Board of Education to seek approval for AAS degrees, but not the certificate programs. General education courses would be allowed, but only the ones for their approved AAS degrees. The bill would also require technical centers to ensure the faculty credentials for the general education courses met the same standards as Southern Association of Colleges and Schools (SACS) accreditation requirements to ensure seamless transfer to the Florida College System. HB 7057 passed the House. SB 1202 has two more stops before going to the full Senate

**SB 530 by Senator Flores and HB 355 by Porter regarding Textbook Affordability**

The colleges have long sought to help improve affordability for students and are working with the sponsors and Governor's office on these important bills. The AFC lobbyists continued to discuss our concerns with the Senate sponsor and Governor's office. Among other issues, the bills would require FCS institutions and state universities to post prominently in the course registration system and on their websites a hyperlink to lists of required and recommended textbooks and other instructional materials for each course and section at least 14 days prior to the first day of class registration. It also requires use of the same textbook in a course for a minimum of 3 years, unless granted an exemption by the college president or designee. SB 530 is in its last committee before going to the full Senate and HB 355 is ready for vote by the House

**SB 850 by Legg and HB 7033 by House Education committee regarding Collegiate High School**

This bill would require colleges to establish collegiate high school programs as options for public school students in grade 12 to earn industry certifications and complete the first year of college. The bill would require FCS institutions to execute a contract with each school district to establish the collegiate high school programs in public schools. The bill would allow FTE funding to exceed the 1.0 cap and would

limit funding to FCS institutions from the FEFP and the CCPF if the institution did not establish a collegiate high school program. AFC lobbyists have been working hard on this bill with Chair Legg to express our support for the concept of expansion of acceleration but also to address concerns regarding the penalty for colleges who do not participate in the effort. SB 850 was on second reading on April 11 in the Senate. HB 7033 now matches SB 850 and is ready to go before the full House for a vote.

### **On the Budget...**

Senate leadership has said that budget conference committees will begin meeting on April 21 after a holiday break next week. The House proposed 2014-15 state budget is \$75.3 billion, slightly larger than the \$74.9 billion proposed in the Senate. The House has proposed about \$31 million more for our colleges than the Senate. Under the House plan only one college gets hit with a reduction, St. Johns River, by 2.8%. Under the Senate plan, five colleges would suffer marginal decreases. They are Chipola (.3%), Gulf Coast (1.3%), Lake-Sumter (2.5%), Pensacola (.3%), and St. Johns River (1.8%).

### **Is this a Do Nothing Legislature?**

Here are some interesting 2014 Legislative Session Statistics:

- 1,538 bills have been filed by both chambers
- 28 bills to date have been passed by both Chambers
- 6 bills passed by the legislature have been approved by the Governor
- 22 bills passed have not been presented to the Governor for signature
- 41 Bills have been "laid on the table", i.e., substituted or voted down
  - 16 by the Senate
  - 25 by the House
- 194 bills are currently available for Second Reading on the calendar in the House
- 82 bills are currently available on the Special Order or Second Reading calendar in the Senate
- 556 bills including 2 House bills remain in reference among Senate Committees
- 450 House bills remain in reference among House Committees.
- Unless the Rules are waived, those 450 bills are effectively dead.

### **From the NEWS SERVICE OF FLORIDA**

#### **Latvala: Majority Of Senate Will Co-Sponsor Tuition Bill**

The sponsor of a measure that would extend in-state tuition to undocumented immigrants said Friday that a majority of the Senate has agreed to co-sponsor the bill ([SB 1400](#)). Sen. Jack Latvala, R-Clearwater, told reporters that he has the paperwork from 21 members in the 40-seat chamber, clearing the way for the bill to pass if it gets to the floor. "That means we have a majority of the Senate committed to supporting that bill publicly," Latvala said. In all, Latvala said he believes he has 26 votes for the measure. The proposal still needs the approval of the Appropriations Committee before going to the full Senate. A similar measure ([HB 851](#)) has already passed the House. Gov. Rick Scott has signaled he would sign the bill, but has raised concerns about a provision of the Senate version that requires undocumented students to sign affidavits saying that they have applied for or would apply for legalization. Latvala said supporters of the legislation were working to address Scott's concerns. "We're fine-tuning some of the language with the governor, with the House, but we will get there," he said. The measure would also do away with the state's differential tuition law for every school except the University of Florida and Florida State University. The differential tuition law allows universities to increase tuition up to 15 percent a year. Under the bill, the University of Florida and Florida State would be able to ask the Board of Governors for a 6 percent increase each year, instead of the current 15 percent hike.

#### **Senate Would Add Texting To 'Do Not Call' List**

The state's "Do Not Call" list could also become a "Do Not Text" list. Senators voted unanimously Friday to add unsolicited text messages to the "Do Not Call" program. Under the current program, solicitors are barred from making telephone sales calls to people who have registered for the program. The Senate

approved a bill ([SB 450](#)), filed by Sen. Jeff Clemens, D-Lake Worth, that deals with text messages. The House version ([HB 1191](#)), filed by Rep. Janet Cruz, D-Tampa, is ready to go to the full House.

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