

Week Three of the 2015 Legislative Session was a bit livelier for the AFC lobbying team.

FCS BUDGET

Both the House and the Senate rolled out their initial appropriations which for the FCS represents a relatively flat budget. Both chambers are proposing just under \$1.2 million in state funds from general revenue, with the Senate appropriation (\$1,195,395,501) about \$36 million higher than the House's (\$1,159,515,377). Aggregate tuition to be appropriated is estimated at \$840,685,423.

GUNS ON CAMPUS

HB 4005 and SB 176 (identical) regarding Concealed Weapons Carry on Campuses

SB 176 was not heard by any committee this week in the Senate. However, HB 4005 did move through the House Higher Education and Workforce Committee with a 7-3 vote. As described, these bills would remove a provision in FS 790.96 that prohibits concealed carry licensees from carrying an open or concealed handgun into a college or university facility. Currently, the law only allows for firearms in a vehicle in the parking lot. Athletic facilities would remain exempt. AFC, along with numerous other groups have been mounting a fierce opposition. We have united efforts with the State University System and University Police Chiefs. We are still confident that for this year anyway, particularly in the Senate, the bill won't make it to the finish line. However, like the FRS issue over the past five years, it is likely this issue will continue to push forward in subsequent years.

The House analysis indicates that only 20 states still banned carrying a concealed weapon on a college campus. In 23 states, the decision to ban or allow concealed weapons on campus is the prerogative of the institution. Due to court rulings and legislation, states allow carrying concealed weapons on public postsecondary campuses. Only seven states allow concealed carry on college campuses - Colorado, Idaho, Kansas, Mississippi, Oregon, Utah, and Wisconsin.

The Colorado Supreme Court and the Oregon Court of Appeals overturned firearm bans in 2012 and 2011, respectively. In both cases, the rulings were based upon the court finding that it is within the exclusive power of the Legislature, not the higher education system, to regulate firearms in those states. The statutes have dealt with the matter of firearms on college campuses in several ways: Wisconsin colleges and universities must allow concealed carry on campus grounds, but if signs are posted at every entrance to a building stating that weapons are prohibited, firearms are not allowed within the building. In Idaho, persons who possess an "enhanced carry permit" may carry weapons and firearms on campus, but not in dorms and buildings and functions housing more 1,000 people. Kansas law contains a provision that colleges and universities cannot ban concealed carry on campus, but may prohibit weapons inside buildings that have "adequate security measures" (defined by statute) and post signs to the effect.

It was stated last week in the Senate Higher Education committee that there is no fiscal impact to the colleges if this provision were to be implemented. The AFC is currently working with the COP and

COBA to collect that data and forward it to the legislative leadership. When the provision passed in Idaho last year, five colleges and universities have indicated a cost exceeding \$3.7 million to implement the law.

BACCALAUREATE DEGREES

<u>SB 1252</u> (no companion) regarding Higher Education

A strike all amendment filed by Senator Negron last Friday has over-arching impact on the future of our baccalaureate degree programs. The bill amendment

- Provides for the approval process for bachelor degree programs to resume.
- Changes the name of the Florida College System to the Florida Community College System.
- Mandates all colleges who have include the word "state" in their name to drop it, and renaming of other colleges to align with their state geographical service area. 17 colleges would be affected.
- Implements severe penalties for not complying, including withholding of state funds.
- Restricts colleges from offering BA degrees.
- Makes substantive changes to the baccalaureate degree approval process, adding about a half year or more to the process.
- Requires all baccalaureate degrees offered by colleges to sustain efforts to meet the \$10,000 cost to resident students requirement.
- Limits a college's enrollment in bachelor degree programs to no more than 5% of total combined upper and lower division FTE.
- Implements stringent accountability measures to maintain program sustainability.

Needless to say, significant work will be done to ameliorate these matters.

STATE BOARD OF ADMINISTRATION

HB 913 and SB 7024 regarding restrictions on investments in Northern Ireland

HB 913 passed its first committee, Government operations, on March 17 and now moves to House Appropriations. SB 7024 has now passed all committee references and has been placed on the Special order calendar for second reading in the Senate on March 24. Colleges who invest via the State Board of Administration lost earnings due to unstable social and financial conditions in Northern Ireland dating back to the late 80's. All investments there were halted many years ago, leaving the investments of several hundred state entities in the lurch. Northern Ireland has since addressed the concerns cited by the world financial community and states like Florida, which had invested there, can now begin to recoup earnings. This legislation would allow for the re-distribution of interest earned as the investment ban would be lifted. Currently, law only allows the investments to be returned to the original account, many of which are no longer open. The result would be about \$1.2 million being returned to 26 of our colleges.

RETIREMENT

HB 1054 and HB 565 (similar) regarding Reclassification of Senior Management Positions

These bills co-sponsored by the AFC would allow for the reclassification of senior management positions during a six-month period, once every five years. Both bills are moving painlessly through their committees of reference. We are confident these bills will sail unimpeded to passage.

FRS

Also, this week, Speaker Crisafulli announced that there would be no action this session to make any further changes to the FRS. The annual actuarial study indicated that if new hires were defaulted into the investment plan instead of the pension plan, the state would end up paying several million dollars more, instead of creating any savings.

PUBLIC RECORDS AND MEETINGS

<u>SB 182</u> and <u>HB 0223</u> (similar) regarding postsecondary executive searches

These proposals create exemptions from Florida's public records and open meeting laws for any identifying information of an applicant for a state university or Florida College System (FCS) institution president, provost, or dean position. We believe vice presidents will be added. The bills provide that identifying information of an applicant is exempt from public records requirements. The bill also closes meetings where applicants and potential applicants are discussed. Meetings held for the purpose of establishing the qualifications of potential applicants or formulating the compensation framework to be offered to applicants will continue to be public. No later than 30 days before a final action or vote is taken on hiring finalists, information and meetings related to the finalists will be subject to public records and open meetings laws. The bill provides an effective date of October 1, 2015.

EDUCATION ACCOUNTABILITY

<u>SB 616</u> and <u>HB7069</u> (similar) related to educational accountability

The bill primarily impacts statutory accountability provisions related to the state's public school student assessment program, the educator performance evaluation system, and the statewide public school accountability system. The bill maintains the statutorily provided 2014-2015 school year transition to the Florida Standards Assessments, including the suspension of negative consequences associated with school grades and school improvement ratings. Specifically, the bill makes the following adjustments to student assessment, performance evaluation requirements and school accountability.

The bill:

- Reduces the number of statutorily-required assessments by eliminating the current requirement that a school district administer a local assessment for each course that is not assessed by a statewide, standardized assessment.
- Reduces the total time devoted to testing by adding a provision limiting the amount of time for test administration by limiting to no more than five percent of total school hours per student, per year, but provides exemptions for certain tests and certain students.
- Provides for timely information to teachers and parents by adding in law a provision requiring school districts to make student performance results on district-required local assessment available to the student's teachers and parents within 30 days of test administration.
- Eliminates the Grade 11 Florida Standards Assessment (FSA) for English Language Arts and makes the Postsecondary Education Readiness Test (PERT) optional.
- Adds a new requirement for the State Board of Education to adopt in rule a notification form that districts must use to inform parents about third grade retention and mid-year promotion and high school graduation requirements and available options.

TEXTBOOK AFFORDABILITY

SB 938 and HB 1317 (comparable) regarding textbook affordability

SB 938 reduces costs associated with postsecondary textbooks and tuition and fees, and requires an evaluation of policies to improve college affordability. Additionally, the bill establishes a new sales tax exemption for textbooks required for courses offered by Florida College System institutions, state universities, and independent colleges and universities that are eligible to participate in the William L. Boyd, IV, Florida Resident Access Grant or the Access to Better Learning and Education Grant Program. HB 1317 addresses only the sales tax exemption. A couple issues that need to be resolved in the proposal include the requirement to use a textbook for at three years, and the requirement that colleges post textbook lists at 14 days prior to the beginning of student registration.

FROM THE NEWS SERVICE OF FLORIDA WIRE......

Things are getting warmer in Tallahassee --- and while the mercury is rising sharply, the hottest thing in town could soon be the battle over the shape and size of the budget for the coming year.

On Friday, the House and Senate unveiled spending plans for the year beginning July 1 that are similar in some respects and vastly different in others. The most striking area of conflict was the bottom line. An austere House budget would spend \$76.2 billion --- less even than the almost \$77 billion plan that Gov. Rick Scott proposed. The Senate, on the other hand, made it rain, unveiling an \$80.4 billion budget that would be the largest in state history and would include funding for a quasi-Medicaid expansion and a reconfigured Low Income Pool program. Those responsible for the upper chamber's proposal played down the significance of its size.

"Absent an additional \$5 billion in local and federal funding, our proposed budget is approximately the same as the initial budget the Senate passed last year," Senate Appropriations Chairman Tom Lee, R-Brandon, said in a statement accompanying the budget. "This conservative approach preserves the resources necessary to address a crisis in Florida's hospital network."

There are other differences in the plans --- the Senate's focus on health care comes even as it provides fewer dollars than Scott or the House in per-student funding for public schools. Neither the House nor the Senate would reach Scott's recommendation for school spending under the main formula used to bankroll elementary and secondary education. Those disputes could lead to a climate change in what has so far been a mundane legislative session --- a change that would make it almost as heated inside the Capitol as April in Tallahassee promises to be outdoors.

SCOTT GETTING SCHOOLED ON ED FUNDING?

As part of Scott's attempted makeover the past few years from rock-ribbed budget cutting conservative to a more moderate figure, the governor has touted his efforts to pump more and more money into education. A key part of his 2014 re-election platform was to propose a new high-water mark for per-student funding for public schools, which he made good on by requesting \$7,176 a pupil in the coming budget year. He won't get that much. House and Senate lawmakers have both issued plans that fall short of Scott's proposal, which would surpass the old record set in the 2007-2008 school year. But the House put forward a version that, at \$7,129 a head, at least surpassed the old mark by \$3. "It wasn't a slight to the governor," said Rep. Erik Fresen, the Miami Republican who chairs the House's education budget subcommittee. "We wanted to make sure we hit his historic number."

The Senate didn't go that far, proposing a plan that would bump education spending up to \$7,123, short of the old mark. It wasn't that much of a surprise. Sen. Don Gaetz, Fresen's counterpart in the Senate, said lawmakers were trying to patch a potential drop in health-care funding from the federal government. "I think it's less likely that the Senate or the House can get to the governor's number, because the governor's budget relied upon revenues that no longer exist," said Gaetz, R-Niceville. "That's not the governor's fault. He operated under the information that he had then."

Also worth noting: The Senate's proposal would still boost per-student funding for public schools by 3 percent. But failing to get the symbolic victory of even a couple of dollars over the old record likely wouldn't help Scott shake the perception that he's losing clout at the Capitol.

MEDICATION FOR YOUR L.I.P.

The flip side of the House's more generous treatment of education is its less generous treatment of the health-care budget. The Senate released a budget proposal Thursday that banks on expanding health-care coverage for low-income Floridians and extending a critical funding program for hospitals. That creates a hefty \$5 billion conflict with the House, a difference that could be one of the biggest flashpoints once the two chambers start negotiating the budget.

Senators included \$2.8 billion in the budget proposal to pay for an expansion of health-care coverage that is an outgrowth of the federal Affordable Care Act, better known as Obamacare. House Republican leaders have rejected such proposals during the past two years --- and have shown no willingness to go along with a revised Senate expansion plan this year. If the expansion ultimately is approved, the federal government would cover the \$2.8 billion first-year costs of the plan, which the Senate has dubbed the Florida Health Insurance Affordability Exchange Program, or FHIX.

The Senate budget proposal also includes nearly \$2.2 billion for the continuation of the Low Income Pool program, which in recent years has funneled additional money to hospitals and other health providers that serve large numbers of poor and uninsured patients. The program, known as LIP, is scheduled to expire June 30 unless the state can reach agreement with the federal government on an extension. Amid such uncertainty, a House budget proposal did not include the money. Sounding a bit like the H&R Block commercials, Lee essentially said Friday that the state should get its billions back. "Each year, Floridians across our state send a significant amount of their hard-earned money to Washington," he said. "Our goal in this budget was to return more of those federal tax dollars to serve the people of Florida."

The House, which doesn't include the LIP money, isn't so sure. House Health Care Appropriations Chairman Matt Hudson, R-Naples, said it would be premature to include the LIP money in initial budget plans, given that state and federal officials haven't agreed that there will be a LIP program after June 30.

Hudson and House Speaker Steve Crisafulli, R-Merritt Island, said lawmakers are in a similar position as last year, when the program also was slated to expire. The House and Senate did not include LIP money in their initial budget proposals last year but added the money after an agreement was reached for a one-year extension of the program. "We're in the same scenario this year," Hudson said. The House also continues to rule out any sort of Medicaid expansion, regardless of the way the Senate presents it.

WATER UNDER THE BRIDGE? NOT YET

And while the House and Senate were presenting their different plans on high-profile issues like education and health care, lawmakers also spent part of the week dealing with how they would divvy up the funding stream for water and land conservation set aside under a voter-approved constitutional amendment. Under the House plan, Florida's natural springs would get \$50 million, the Kissimmee River is in line for \$30 million, and a wastewater plan for the Florida Keys is up for \$25 million.

But there are few other clearly outlined projects in a \$772.1 million proposal for next fiscal year released Tuesday by the House Agriculture & Natural Resources Appropriations Subcommittee. The proposal is focused more on land management and water projects than on new land acquisitions. The plan quickly drew mixed reviews from conservationists, whose reactions included that it was "a good starting point" for negotiations and that lawmakers disregarded the intent of voters who supported a constitutional amendment, known as Amendment 1, in November. "The recommendation ignores what the voters thought that they were voting for, which was to put money into land acquisition for parks and wildlife habitat and trails," said Audubon Florida Executive Director Eric Draper, a lobbyist on environmental issues.

Senators were busy defusing a potential showdown with affordable-housing advocates, changing course Wednesday and saying housing programs won't take a hit as part of the Senate's approach to meeting the demands of the constitutional amendment. The Senate Appropriations Committee unanimously removed a controversial reduction in money for housing programs that had been included in a series of bills (SB 576, SB 578, SB 580, SB 582, SB 584, and SB 586) revamping trust funds to handle the conservation amendment. "It was a just a choice we made to move on that issue," Sen. Charlie Dean, an Inverness Republican who is the author of the Senate trust-fund measures, said after the committee meeting. The change restores the current percentage of money that goes into a trust fund for affordable housing from real-estate taxes known as documentary-stamp taxes.

TO TEST OR NOT TO TEST ...

A Senate panel approved a revamped version of testing legislation Thursday, potentially paving the way for an audit of the botched rollout of the state's new standardized tests and making clear that school districts would be repaid if the state recovers damages from the contractor running the exams. State officials still have not decided whether to pursue sanctions against American Institutes for Research, a non-profit group that signed a six-year, \$220 million deal with the state to develop and administer the new Florida Standards Assessments. The first round of testing earlier this month was plagued by slow logins, other technology issues and, ultimately, a suspected cyber-attack.

But an amendment to the Senate bill by Sen. John Legg, R-Lutz, would require that money be returned to school districts if the state does recover any. "In summary, we are requesting that the DOE go after any liquidated damages that the state may be entitled to as a result of this rollout, and then that we would reimburse and funnel those moneys back to the districts to help them offset some of the costs that could have or may occur as a result of administrating any assessments," Legg said.

Another amendment, offered by Sen. Jeremy Ring, D-Margate, calls for an audit if the testing administration "does not comply with the minimum assessment protocols and requirements established by the department." AIR has shouldered most of the blame for the troubled introduction of the tests, which came as lawmakers were already looking at legislation to pare back assessments amid parental complaints of over-testing.

Changes to the Senate bill would also give school districts more flexibility on some assessments and in setting standards for different levels of achievement on teachers' evaluations. The House bill has been received more favorably by education advocates, in part because it gives districts more leeway. Most of the original provisions of the Senate bill remain. The proposal would cap at 5 percent the share of students' time that can be spent on testing and scrap a law requiring school districts to come up with end-of-course tests in classes where the state doesn't administer such exams.

It would also allow schools and school districts to seek waivers from being assigned letter grades due to implementation issues with the state's new test --- if they give up school recognition funding --- and would reduce from 50 percent to a third the portion of a teacher's evaluation tied to student performance. "It's fewer, better, flexible, more transparent and more-timely tests, and I think that's something that we need to move towards for our students," Legg said.

But it still falls short of what some members of the public and lawmakers want. Sen. Dwight Bullard, D-Miami, called for additional changes, including allowing parents in some cases to request their students be given a paper and pencil version of computerized tests. All of Bullard's amendments were defeated. Bullard, who was the only member of the committee to vote against the bill Thursday, said it was improving. "Unfortunately, I still think we have about a Grand Canyon's-wide chasm between where we need to be and where we are," he said.