

# SUMMARY REPORT ON KEY 2007 LEGISLATIVE ISSUES

## Legislative Appropriations Four Year Funding Summary\*

### OPERATING FUNDS

	2007 SESSION Preliminary	2006 SESSION Final	2005 SESSION Final	2004 SESSION Final
Dollar Increase over Previous Year E&G Approp	\$297,475,610	\$263,555,333	-\$73,070,200	\$140,786,882
Percent Increase Over Previous Year E&G Approp	8.68%	8.51%	-3.29%	7.17%
Dollar Increase over Previous Year Recurring E&G Base Approp	\$401,225,610	\$430,555,333	\$139,652,879	\$406,559,365
Percent Increase over Previous Year Recurring E&G Base Approp	12.08%	11.09%	6.96%	15.72%
SUS Allocation as a Percent of Total State GR & Lottery Funds	9.1%	8.8%	8.3%	8.5%

### PECO FUNDS^

	2007 SESSION	2006 SESSION	2005 SESSION	2004 SESSION
BOG Project Request	\$547,366,933	\$475,848,949	\$219,441,004	\$186,175,562
Funding of Projects in BOG Request	\$547,366,933	\$383,478,305	\$219,441,004	\$145,851,485
Funding of Projects NOT in BOG Request	\$107,264,984	\$ 61,557,018	\$ 20,853,896	\$142,774,128
Total Dollars Funded	\$654,631,917	\$445,035,323	**\$240,294,900	\$288,625,613

\*All information was obtained from Board of Governors Legislative Summaries (2004-2007)

^Only includes project funding

\*\*Includes \$20,853,896 from GR

## 2007 Legislation Statistics

	General Bills Filed*	Passed Both Chambers
Senate	1356	156
House	<u>807</u>	<u>120</u>
<b>TOTALS:</b>	<b>2163</b>	<b>276</b>

\*Does not include resolutions, memorials, and local bills

The following bills and budget proviso impact the State University System

## Governance

### *SB 1270 Education*

**Transfer of Responsibilities** – the bill provides for a transfer of responsibilities from the Board of Regents, the State Board of Education, or the Commissioner of Education, to the Board of Governors, in the following areas:

Issues related to public employment, including retirement programs; ethics; personnel; collective bargaining; and state agency policies;

Funding, including budget review and approval; bond finance, issuance of revenue certificates; trust funds; and allowable expenditure of funds;

Facilities, including inventories of development and maintenance of state university facilities; approval of

construction projects; encouragement of multiple use of facilities; and joint use of facility approval;  
Purchasing and procurement, including competitive bidding and alternate procedures for bidding;  
Accounting, including rulemaking regarding financial records and statements, and supervision over audits of state universities;  
Tuition and fees, including resident status for tuition purposes for state university students; and  
Miscellaneous issues specific to higher education, including authority related to centers and institutes; collegiate license plates; accommodation for disabled persons; faculty practice plans and self-insurance programs; research and development authority designation; gender equity in sports; new program approval criteria; foreign language credits and competence; sponsored research contract certification; and education assistance programs.

The bill additionally provides for a specific transfer, effective January 7, 2003, of any powers, duties, functions, records, property, unexpended balances of appropriations, allocations, and other funds; administrative authority and rules; pending issues; and existing contracts of the Board of Regents previously transferred to the State Board of Education, to the Board of Governors.

#### **Articulation**

The bill requires the Board of Governors to enter into a statewide articulation agreement with the State Board of Education, which will be adopted by the State Board of Education in rule.

#### **Relationship of the Board of Governors and the State Board of Education**

The bill provides for the Board of Governors to work in consultation with the State Board of Education in certain instances, including maintenance of a statewide course numbering system; adoption of college-level communication and computation skills, and a common placement test; creation of a coordinated K-20 education budget; development of a periodic plan for postsecondary enrollment; maintenance of a management information database; and creation of a state university quality accountability process.

#### **Organizational Issues and Rulemaking**

The designation of the Board of Governors of the State University System as part of the executive branch of government is maintained, and the University Board of Trustees is similarly classified. The status of the university board of trustees as a corporation is preserved. This bill clarifies that both the BOG and the UBOTs are subject to ch. 120, F.S., the Administrative Procedures Act, when acting pursuant to statutory authority derived from the Legislature. This bill authorizes the Board of Governors to repeal certain rules under chapter 120, F.S., that derive solely from the Board of Governor's constitutional authority.

#### **Eminent Domain**

UBOTs are provided eminent domain authority, subject to approval by the Administration Commission.

#### **Clarifying Issues**

The bill clarifies that no student fees are authorized, other than what is allowed by law, and prohibits the BOG from assessing a fee on UBOTs for administrative purposes or otherwise. This bill specifies that funds provided to state universities in the General Appropriations Act are contingent upon each university complying with tuition and fee policies established in proviso, and tuition and fee policies for state universities provided by law.

#### **Deletion of Obsolete and Unnecessary Terminology**

The bill provides for a deletion of obsolete terminology, unless useful to provide a historical context. This includes references to the Board of Regents, the State Board of Community Colleges, and the Council for Education Policy Research and Improvement. This bill provides for repeal of laws that created specific programs that are no longer in existence such as the Databank on Older Floridians and the Learning Development and Evaluation Center. This bill also repealed authority that is now unnecessary in statute, such as a section of law that provided powers and duties of university presidents, and specific courses reviewed by a center at a particular university.

#### ***SB 1328 Trust Funds/State University System***

Over the last few years, the local revenue for universities has moved out of the state treasury and has moved to local private accounts (this process has been referred to as "devolution").

The following trust funds are no longer needed because of the devolution of the university system from the state treasury:

The Major Gifts Trust Fund

The Contracts, Grants, and Donations Trust Fund

The Engineering Industrial Experiment Station Trust Fund

The UF Agricultural Experiment Station Federal Grant Trust Fund

The UF Experiment Station Incidental Trust Fund

The UF Extension Service Federal Grant

The UF Extension Service Incidental Trust Fund

The Auxiliary General Trust Fund

The UF Health Science Center Incidental Trust Fund

The UF Health Sciences Center Operations and Maintenance Trust Fund

The Sponsored Research Trust Fund

#### **Administration**

#### ***HB 721 Sales Tax/Postsecondary Bookstores***

This bill creates a tax exemption for bookstores operated on behalf of postsecondary educational institutions. This exemption will eliminate the taxes imposed on the rent, lease, or other utilization of the property paid by the bookstore operators to postsecondary educational institutions for the use of that property, and is to be applied retroactively to amounts paid on or after January 1, 2006. The bill also provides that the retroactive application is remedial in nature, and is not to be

construed as a right to a refund or to require a refund by any governmental entity of any tax prior to the effective date of this act. The Revenue Estimating Conference estimated that the fiscal impact of the tax exemption proposed by this bill is \$1.8 million in fiscal year 2007-2008, and \$800,000 on a recurring basis. The estimated local fiscal impact is \$300,000 in fiscal year 2007-2008. The bill takes effect upon becoming a law and is required to operate retroactively to amounts paid on or after January 1, 2006.

### ***SB 1326 University Concurrency Trust Fund***

The bill re-creates the University Concurrency Trust Fund, FLAIR number 48-2-682, within the Department of Education. The re-creation is effective July 1, 2007, which is the current termination date of the fund as specified in s. 1013.63(4), F.S. The purpose of the trust fund is to provide funding for state university offsite improvements required to meet concurrency standards adopted under Part II of Chapter 163, F.S. Moneys in the trust fund may also be used to defray costs incurred in updating campus master plans pursuant to s. 1013.30, F.S. Prior to July 1, 2006, the major source of revenue for the trust fund was the general revenue service charge deducted pursuant to s. 215.20, F.S., on revenues raised by any local option motor fuel tax levied pursuant to s. 336.025(1)(b), F.S. Section 215.211(3)(b), F.S., eliminates the service charge on proceeds of the local option fuel tax, effective July 1, 2006. As a result, the current major source of revenue for the trust fund is the interest earnings on the fund balance. The earnings from July 1, 2006, to March 7, 2007, are \$2.3 million. As of March 7, 2007, there was a cash balance of approximately \$64.7 million in the trust fund. The Department of Education Legislative Budget Request includes a request for an appropriation of \$58.3 million from the trust fund to pay for concurrency requirements in FY 2007-08.

### ***DSO Issue – contained in SB 1710***

The Differential Tuition bill (SB 1710) also contains an amendment to s. 1009.24 clarifying that Activity & Service Fee and Athletic Fee revenue, unrelated to tuition differential, may be transferred to a university direct support organization for the purpose of paying and securing bonds for university capital outlay projects. The amount that can be transferred cannot exceed 5% of the most recent 12 month collection of the fee.

### **Rulemaking**

#### ***HB 7183 Rules & Rulemaking***

The Joint Administrative Procedures Committee (JAPC) is a joint standing legislative committee composed of six members, with three members from each house. JAPC is assigned the duty of maintaining a continuous review of chapter 120 of Florida Statutes known as the Administrative Procedure Act (“the Act”). The bill modifies provisions of the Act by providing that:

“Rulemaking authority” means an agency only has rulemaking authority whenever the Legislature has explicitly authorized an agency to make rules.

- Material incorporated by reference in a rule may not incorporate additional material unless the material is specifically identified.
- Rulemaking responsibilities of an agency head, in certain circumstances, may not be delegated or transferred.
- An agency rule that incorporates by specific reference another rule of that agency automatically incorporates subsequent amendments to the referenced rule, unless contrary intent is indicated.
- An adopting agency is required to file with JAPC, at least 21 days prior to the proposed adoption date, a copy of material incorporated by reference in the rule. A copy of any material incorporated by reference in the rule, certified by the agency, must be filed with the Department of State, upon approval of the agency head, if the adopting agency is required to publish its rules in the Florida Administrative Code (FAC).
- JAPC’s review of agency rules includes an un-adopted agency statement.
- The Department of State is required to provide electronic notices prior to or at the same time as the printed Florida Administrative Weekly.
- The Department of State is required to electronically publish the Florida Administrative Code on its website.
- Materials incorporated by reference in a rule, after December 31, 2009, must be made available via an electronic link from the rule to the referenced material unless the agency has determined that posting such material would violate federal law.

According to the Department of State, electronically accepting and publishing incorporated materials will entail \$345,000 in nonrecurring costs to upgrade existing systems. The bill provides that the money will be appropriated from the Records Management Trust Fund. The Department of State has stated it will be required to increase its fees for one year only, for advertising in the Florida Administrative Weekly in order to gain the revenue to support the appropriation.

### **Advancement**

#### **University Authority to Name Facilities**

##### ***HB 7147 (contains SB 644 State Universities/Buildings/Naming)***

The bill removes the prohibition in s. 267.062, F.S., on naming certain state buildings after a living person without legislative approval. It provides that a building, road, bridge, park, recreational complex, or other similar facility of a state university may be named for a living donor by the university’s board of trustees in accordance with rules adopted by the Board of Governors of the State University System. The bill does not specify in the grant of rulemaking authority whether

the Board of Governors or the university board of trustees is authorized to name university facilities.

The bill removes the State Board of Education's authority to name, after a donor, a facility constructed through University Facility Enhancement Challenge Grant Program funding. This authority is replaced with the university board of trustees. If the naming is of a living person, the university board of trustee's approval is subject to rules by the Board of Governors.

## **Naming of University Facilities**

### ***SB 1160 Building & Facility Designations***

This bill authorizes the naming of **four facilities at the University of Florida**: the "Bispham Turfgrass Support Building," the "Mark Bostick Golf Course," the "L. Gale Lemerand Football Support Facility," and the "Katie Seashole Pressly Stadium."

The bill authorizes the naming of **three facilities at the University of South Florida Tampa Campus**: the "Frank and Carol Morsani Center for Advanced Health Care," the "Glenn Burdick College of Engineering Building," and the "Alfred and Rose Schiff Dean's Conference Room."

**The bill authorizes the naming of four facilities at the University of Central Florida**: the "Nicholson School of Communication," the "Anthony and Sonja Nicholson Field House," the "James and Annie Ying Academic Center," and the "Burnett Biomedical Sciences Building."

The bill designates University House at **FIU** as the "Ronald W. Reagan Presidential House."

## **Courtelis**

### ***SB 1064 Higher Education Facilities***

This bill requires each university to maintain a separate account for private matching funds. In doing so, several unnecessary administrative processes are eliminated including the need to transfer private match funds from universities to the state's Courtelis Matching Grant Trust Fund; the need to process interim budget amendments to create matching trust fund budget authority to spend the private match from the Courtelis fund; the need for Department of Education staff to track and invest separate cash sources in the trust fund; and also the need for staff to review, analyze and approve project encumbrance authorization requests and monthly cash disbursement requests for the private funds.

The bill terminates the Courtelis Matching Grant Trust Fund on July 1, 2009 since the Courtelis Matching Grant Trust Fund will no longer be a repository of private match under the provisions of the bill. The bill directs reversions in appropriations for both the Courtelis Matching Grant Program and the Community College Program to be returned to the fund from which originally appropriated. It also allows projects to be approved by

the legislature as well as the Board of Governors or Board of Education as long as they meet statutory criteria.

## **Retirement**

### ***SB 420 State Retirement***

This bill makes available certain options for public education employees:

- Regarding employees of the state university system, this bill expands participation in the Optional Retirement Program for the State University System to include those eligible for renewed membership in the FRS.
- Employees who have elected participation in the State University System Optional Retirement System have the one-time option of transferring to either the FRS or the Public Employee Optional Retirement Program.

The bill provides for a transfer of benefits and cessation from future benefits under the original program for employees who elect participation in the State University System Optional Retirement Program. For employees who elect transfer to the FRS from the State University System Optional Retirement Program, service credit is based on the actuarially determined accumulated benefit obligation for that period of service, and the transfer sum is determined by a formula and methodology certified by an enrolled actuary.

Regarding participation in the Public Employee Optional Retirement Program, this bill expands the definition of an eligible employee by both removing the restriction on employees participating in an optional retirement program, and including participants in the State University System Optional Retirement Program.

The bill also amends s. 112.0801, F.S., which addresses group insurance programs provided for state agencies, counties, municipalities, special districts, community colleges, and district school boards. This provision defines a retiree as an officer or employee who retires under a state retirement system, or a state optional annuity or retirement program, or who is receiving disability retirement. To be considered as a retired officer or employee under the Public Employee Optional Retirement Program (State Investment Plan), the member must meet six years of creditable service, and comply with statutory age and service requirements, contingent on class of service, and age requirements pursuant to the Internal Revenue Code.

The bill takes effect July 1, 2007.

### ***SB 412 Education/Children of POWs or MIAs***

This bill extends educational benefits to dependent children of Florida resident parents who have been declared prisoners of war or missing in action since the Viet Nam era. The bill extends the benefit to children of certain military and civilian personnel. It deletes the reference to persons who were

classified prisoners of war or missing in action in the Korean Conflict and the Viet Nam era. The effect of this change is to expand the category to include all Florida residents who have been classified prisoners of war or missing in action. The bill would extend educational benefits at state expense to dependent children of those additional persons.

The bill also reduces the Florida residency requirement from 5 years to 1 year prior to an event resulting in said resident being declared a prisoner of war or missing in action. Further, it deletes statute language that could be interpreted as limiting the eligibility for educational benefits to only those who were Florida residents at the time the act was originally passed in 1972.

The bill provides for an effective date of July 1, 2007.

### ***SB108 Minority & Underrepresented Student Achievement***

The bill requires the Florida Partnership for Minority and Underrepresented Student Achievement (Partnership) to work with school districts on the following activities:

- Identify minority and underrepresented students for participation in AP and other advanced courses; and
- Provide information to students and parents regarding opportunities to take AP and other advanced courses.

The Partnership is tasked with providing information to students, parents, teachers, counselors, administrators, school districts, community colleges, and state universities regarding opportunities to take the PSAT/NMSQT or PLAN. The bill also requires the Partnership, in cooperation with the DOE, to provide information about its activities to administrators, teachers, and counselors.

This bill amends section 1007.35 of the Florida Statutes.

### ***HB 343 Student Financial Assistance/Need-based Students***

The bill expands the Florida Student Assistance Grant Program (FSAG) by creating the Florida Public Postsecondary Career Education Student Assistance Grant (FCESAG) to provide need-based financial aid to postsecondary career certificate students who attend a community college or district school board operated career center. Unlike other FSAG programs, the bill provides that postsecondary career certificate students are not required to qualify for a Pell Grant to receive aid through the FCESAG.

The bill also expands eligibility for the Florida Work Experience Program (FWEP) to: (a) postsecondary career certificate students who attend a community college or district school board operated career center; and (b) students pursuing teacher certification at an Educator Preparation Institute (EPI), although they have previously attained a baccalaureate degree. Further, the bill amends the FWEP program to:

- Provide that employers may be reimbursed for up to 70 percent of a student's wages.
- Require employers to pay student employees the federal or state minimum wage, whichever is greater.
- Require postsecondary institutions to pay for certain mandatory prerequisites to a student's employment with a public elementary or secondary school.
- Permit a postsecondary institution to use up to 100 percent of its FWEP funding to employ students within the institution and to reimburse itself for 100 percent of such students' wages.

From the Student Loan Operating Trust Fund, the bill appropriates \$500,000 to the FWEP and \$2.6 million to the FCESAG Program. The bill takes effect July 1, 2007.

### **Differential Tuition**

#### ***SB 1710 State University Student Fees (Differential Tuition)***

This bill authorizes the BOG to establish a tuition differential at Funding Level 1 and 2 universities. The funding levels were established in the 2006 session (Chapter 2006-58 - 21st Century Technology, Research and Scholarship Act). The tuition differential at Level 1 schools is capped at 40% of tuition. Funding of the tuition differential at Level 2 schools cannot exceed 30% of tuition. However, the growth of tuition plus the differential cannot exceed 15% for any fiscal year. The University Board of Trustees of a university which has been authorized by the BOG to charge a tuition differential may establish a tuition differential lower than the maximum authorized by the BOG. Revenue generated by the tuition differential must be spent solely for improving the quality of direct undergraduate instruction and support services. The bill exempts the tuition differential from ss. 1009.53, 1009.534, 1009.535, and 1009.536, F.S., which govern the Florida Bright Futures Scholarship Program, Florida Academic Scholars Award, Florida Medallion Scholars award, and Florida Gold Seal Vocational Scholars award, respectively. Thus, recipients of a Bright Futures Scholarship award would have to pay the fee; it would not be paid by the scholarship award.

The bill provides a specific exemption for beneficiaries of the Stanley G. Tate Florida Prepaid College Program for contracts which have been purchased prior to July 1, 2007. The bill permits the Prepaid College Board to offer a tuition differential contract after that date. The fee may be waived for students who meet FSAG eligibility criteria.

At the present time, universities meeting the Funding Level 1 criteria are the University of Florida and Florida State University. The University of South Florida presently meets the Funding Level 2 criteria. New, non-prepaid undergraduates would pay the tuition differential during FY 2007-08. Assuming no waivers for Florida Student Assistance Grant students, and maximum allowable increase for the tuition differential, the 3 institutions would earn about \$3.6 million for that year. However, in the fourth year, with the same assumptions plus an annual legislative 5% tuition

increase, revenue for the tuition differential for the three institutions would grow to an estimated \$73.6 million.

## **Academic Affairs**

### ***HB 7147 Postsecondary Education***

#### ***Enhancements***

##### **Community College Baccalaureate Degrees**

This bill revises requirements with regard to community college baccalaureate degree programs to:

- Specify that community colleges granting baccalaureate degrees will remain under the authority of the State Board of Education and the community college's board of trustees;
- Authorize a community college to develop proposals to deliver baccalaureate degree programs in math and science that would prepare graduates to enter a teaching position in math or science;
- Specify the elements that must be present in formal agreements to deliver baccalaureate degree programs by other institutions at community college sites;
- Require a community college to notify the State Board of Education (SBE) at least 90 days prior to its submission of a plan to offer a baccalaureate degree of its intention to do so;
- Require the SBE to notify each state university and each regionally accredited private college and university chartered in the state and that has its primary campus in Florida of the community college's intent;
- Provide state universities 60 days to submit an alternative plan to offer the baccalaureate degree on the community college's campus,
- In the absence of a state university proposal, provide regionally accredited private colleges and universities 30 days to submit an alternative proposal to the SBE;
- Delineate the powers and duties of community college boards of trustees to establish tuition and out-of-state fees for upper division courses in baccalaureate degree programs consistent with law and the General Appropriations Act;
- Prohibit the reporting of a non-resident student for tuition purposes in calculating enrollment in community college baccalaureate degree programs;
- Require funds appropriated for baccalaureate degree programs to be used only for such programs;
- Establish state policy that funding for a community college baccalaureate degree program will be no more than 85 percent of the cost of direct instruction in upper level university programs;

- Require community college faculty who teach in baccalaureate degree programs to teach a minimum of 15 classroom contact hours; and
- Require community colleges that grant baccalaureate degrees to maintain reporting and funding distinctions between site-determined baccalaureate degree programs and baccalaureate degree programs offered through concurrent-use partnerships.

##### **Articulation**

- Requires the Office of Program Policy and Government Accountability (OPPAGA) to study postsecondary enrollment forecasting models and report to Legislative leaders by February 1, 2008;
  - Requires the Department of Education (DOE) to review courses in the statewide course numbering system and report to Legislative leaders by February 1, 2008;
  - Requires a private postsecondary institution that participates in common course numbering to identify in its catalog specific courses that are included in the common course numbering system;
  - Requires the DOE to develop and maintain on the department's website a list of courses in the statewide course numbering system and the institution that offers each course;
  - Establishes the Florida Business and Education Collaborative as an advisory board to make recommendations annually for defining and attaining Florida's economic goals;
  - Requires OPPAGA to study the implementation of articulation policies and recommend improvements to Legislative leaders by February 1, 2008; and
- ##### **Naming of University Facilities**
- Authorizes a state university to name a building, road, recreational complex or other similar facility for a living person if the university board of trustees designates the facility in accordance with rules adopted by the Board of Governors of the State University System.

### ***SB 2484 Lodging & Food Service Establishments***

#### **Background - Hospitality Education Program**

Section 509.302, F.S., creates the Hospitality Education Program (HEP). The primary goal of the HEP is "to inform all individuals and businesses licensed under this chapter, in cooperation with recognized associations that represent the licensees, in the application of state and federal laws and rules. The program also includes: career training; management training; continuing education programs; awareness of food recovery programs, and such other programs as may be deemed appropriate by the director of the division, the advisory council, and the director of education.

The Hospitality Education Program's office and resource library is located in the University Center at FSU. Section 509.302, F.S., requires the division, with the advice of the advisory council, to "employ a director of education for the lodging and food service industry." The director is charged

with the responsibility to develop and implement the HEP. The HEP is funded by a \$10 fee that is included in the annual license fee. Currently, there is an interagency agreement with FSU's Department of Hospitality Administration for the daily management and oversight of the HEP which is housed on the campus of FSU. The HEP also affiliates with programs administered at FIU, UCF, and the statutes specify that the program may be affiliated with any other member of the State University System, State Community College System, or with any privately funded college or university offering a program in hospitality administration and management.

The division uses HEP resources to provide two types of training. It provides "school-to-career training" which is intended hospitality students to help prepare them for their careers. The division also provides training to licensees.

#### **Advisory Council**

The bill amends s. 509.291, F.S., to increase from five members to six members the number of advisory council voting members that must be appointed by the secretary of the department. The bill changes the reference from the Florida Hotel and Motel Association to the Florida Restaurant and Lodging Association (FRLA). It also provides for the FRLA to designate one representative from the lodging industry and one representative from the food service industry to serve as voting members of the council. Currently, the former Florida Hotel and Motel Association designates only one voting member of the council. The bill changes the title of the person appointed to the council from a college or university from "hospitality administration educator" to "hospitality education administrator." The bill increases the term of this appointment from two to four years.

#### **Hospitality Education Program**

The bill amends s. 509.302, F.S., to eliminate the position of "director of education." The bill amends ss. 509.302(5), and (7), F.S., to delete the authority of the director of education to employ personnel, and to receive compensation. It authorizes the director of the division, with advice from the advisory council, to administer the HEP. The bill removes the reference to the "entire industry" and specifies the HEP be offered for the benefit of the restaurant and lodging industries of this state. The bill specifies the types of training and training related activities that the council shall administer and fund. These include:

- Training of licensees and their managers and employees in the application of state and federal laws and rules; and
- Funding of enhancement of school-to-career training and transition programs for students interested in pursuing careers in the food service or lodging industry.

The bill specifies that enhancement activities must be funded by grants and the application process for the grants must be administered by the division. The bill requires that HEP funded training and transition

programs must be provided through the public school system utilizing a nationally recognized curriculum approved by the division and provided by "non-profit statewide organizations in the hospitality field." The term "nonprofit statewide organizations in the hospitality services" appears to exclude the state universities and community colleges from providing HEP funded training and transition programs. The bill specifies that grant funding includes all expenses incident to providing those services, including: the cost of staff support; student scholarships; compensation to program instructors for time spent in relevant training; special events or competitive events; and a reasonable stipend for travel, lodging, and meals for instructors and students participating in training or in related special events or competitive events. It also provides for a reasonable stipend for travel, lodging and meals for instructors and students participating in training and special events. All expenses must be included in a budget submitted by the grant applicant and approved by the division and may be audited by the division. The bill amends s. 509.302(5), F.S., to increase from \$150,000 to \$250,000 the maximum amount of funds that the advisory council may designate annually to support school-to-career transition programs. The bill authorizes the division to adopt rules to provide criteria for grant program approval and the procedures for processing grant program applications. The bill requires that the criteria and procedures must be approved by the advisory council. The bill specifies the criteria for evaluating grant program applications. The criteria shall give primary consideration to:

- The experience and history of the applicant in representing the food service or lodging industry,
- The applicant's prior commitment to school-to-career transition programs in the food service or lodging industry, and
- The applicant's demonstrated ability to provide services statewide with industry support and participation.

The bill limits grants to 4-year terms, with funding provided on an annual basis.

#### **SURE Ventures**

##### ***HB 83 Venture Capital Investments***

This bill creates the Florida Capital Formation Act, which is designed to increase the amount of venture capital investment in Florida. The bill creates the Florida Opportunity Fund (fund), to invest in seed capital and early stage venture capital funds. The investments may not be direct investments with individual businesses, but must consist of partnerships with private venture capital funds (the "funds-of-funds" approach). Enterprise Florida, Inc. shall facilitate the creation of the fund. The fund shall be organized as a private, not-for-profit corporation under chapter 617. Enterprise Florida shall select a five-person appointment committee; this committee will select a board of directors for the Florida Opportunity Fund. The board shall select a Florida Opportunity Fund investment manager. The bill requires one dollar in private match for every one dollar the state invests; in addition, investments must be made in Florida-based businesses in life sciences,

information technology, advanced manufacturing processes, aviation and aerospace, and homeland security and defense.

The bill creates the Institute for the Commercialization of Public Research (institute), to serve as a clearinghouse for research projects generated by universities and colleges, research institutes, and publicly supported organizations. The purpose of the institute is to assist in the commercialization of products by attracting private investment into projects generated in the state.

**State University Research Commercialization Assistance Grant Program**

The bill establishes the State University Research Commercialization Assistance Grant Program (program) for the purpose of promoting the commercialization of state university research projects to enhance the economy in this state. This program is created under the Florida Technology, Research, and Scholarship Board overseen by the Board of Governors for the State University System. The program offers three tiers of grants where phase one grants offer \$50,000 to assist in initial activities for projects; phase two grants offer up to \$100,000 for the development of business plans; and phase three grants offer up to \$250,000 for the execution of business plans. Phase two grants and phase three grants require a 1:1 match in private funds. The Florida Technology, Research, and Scholarship Board must consider the potential return on the investment and creation of new jobs when evaluating proposals. When a return on investment is realized, grants must be repaid to the General Revenue Fund.

**Annual Report**

This program requires an annual report to the Governor, the President of the Senate, and the Speaker of the House of Representatives detailing the number and amount of grant awards.

The effective date of the bill is July 1, 2007.

The bill appropriates \$35 million in General Revenue for fiscal year 2007-2008.

- \$29.5 million is provided to the fund for investments;
- \$500,000 is provided for start-up activities for the Florida Opportunity Fund;
- \$100,000 is provided for start-up costs associated with the institute;
- \$900,000 is appropriated to the institute for its operational expenses; and
- \$4 million is appropriated to the State University Research Commercialization Assistance Grant Program.