

2006 LEGISLATIVE ISSUE FORM

BOG/SUS ISSUE: Tuition Flexibility



PROPOSED STATUTORY LANGUAGE: *Attached*

1. Change Needed: Statutory Section Not Determined

HB 1001 on governance of the State University System provides that the Legislature has the authority and responsibility for setting tuition at Florida's public universities. In order to be competitive with other college and university systems across the country, the Board of Governors needs the authority to establish tuition and fees for all levels except resident undergraduate students. Tuition for resident undergraduate students should be established by the Board of Governors or its designee within parameters established by the Legislature in the General Appropriations Act.

At the July 21, 5005 Board of Governors meeting the following motion on tuition was adopted:

Continue the Board of Governors delegation to the University Boards of Trustees the authority to set tuition for all levels of students, except resident undergraduates.

2. Current Condition:

University Boards of Trustees are authorized in proviso language to set tuition and fees at all levels except resident undergraduates. This authorization expires June 30, 2006 unless it is reauthorized by the Legislature.

3. Rationale for Change:

The Board of Governors needs tuition and fee flexibility to meet local and national market conditions in attracting students and in raising revenue.

4. Fiscal Impact:

Neither Bright Futures nor the Pre-paid program will be impacted.

5. Justification for BOARD OF GOVERNOR'S Priority (if applicable):

The authority to set tuition at all levels except resident undergraduate helps the Board of Governors to manage the whole university system as required by Florida's Constitution.

6. Link to BOG Strategic Plan:

This flexibility promotes several goals of the Board of Governors strategic plan. The universities will facilitate access because they will have the flexibility to set tuition and fees to meet market conditions while gathering the financial resources needed to deliver a high quality education. This change will help to build world-class research universities

by attracting some of the brightest young minds to our research programs. In turn, the State University System can continue to attract researchers of international repute to its campuses, in part because of the quality of our graduate students.

PROPOSED STATUTORY LANGUAGE

Section 1009.24, F.S.

(3a) Within proviso in the General Appropriations Act and law, ~~each board of trustees~~ the Board of Governors or its designee shall set university tuition and fees for resident undergraduate students.

(3b) The Board of Governors or its designee shall set university tuition and fees for all levels of students except resident undergraduates.

(3c) The sum of the activity and service, health, and athletic fees a student is required to pay to register for a course shall not exceed 40 percent of the tuition established in law or in the General Appropriations Act. No university shall be required to lower any fee in effect on the effective date of this act in order to comply with this subsection. Within the 40 percent cap, universities may not increase the aggregate sum of activity and service, health, and athletic fees more than 5 percent per year unless specifically authorized in law or in the General Appropriations Act.