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DFC Memo: 2020-07
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MEMORANDUM

TO: Florida College System Presidents

FROM: Kathy Hebda

DATE: July 1, 2020

SUBJECT: SB 72 – Higher Education

The 2020 Florida Legislature passed Senate Bill (SB) 72, an act related to Higher Education, which has implications for Florida College System (FCS) and State University System (SUS) institutions related to rules and regulations in building projects, grant programs and academic/research standards and establishes the Florida Institute of Politics and the Adam Smith Center for the Study of Economic Freedom.

The following sections of the legislation are relevant to FCS Institutions:

Modified Public Education Capital Outlay (PECO) list criteria for FCS institutions' projects.

SB 72 amended section (s.) 1001.03, Florida Statutes (F.S.), as it relates to the State Board of Education's (SBOE) authority to develop and submit the prioritized PECO list of FCS institution projects for funding consideration by the Florida Legislature, under s. 1013.64(4), F.S.

Specifically, the legislation will require the SBOE to modify the process in which it develops its priority funding recommendation list that is provided to the legislature for new construction, remodeling or renovation projects that have not received prior state funding. Previously, a new project could only be included on the list if there were sufficient excess funds pursuant to s. 1013.60, F.S. However, as of July 1, 2020, the SBOE will prioritize new projects if sufficient capacity within the bonding estimate from the Revenue Estimating Conference exists. Essentially, this provision puts the FCS on equal footing with the SUS in the ability to add new projects.

Provisions for postsecondary students relating to innovative pricing techniques and payment options.

Additionally, SB 72 amended s. 1004.085, F.S., dealing with textbook and instructional materials affordability. Currently, institutions may not automatically enroll students in services that provide textbooks and instructional materials electronically; rather, students must "opt in" to take advantage of cost-savings measures for programs. As of July 1, 2020, pricing techniques and payment options must include an opt-in OR opt-out provision for students. If an institution adopts an opt-out policy, the institution may automatically assign all students in a course to receive digital materials or other pricing payment options unless the student opts out of the policy. Students selecting the opt-out provision would

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be responsible for acquiring any necessary course materials on their own.

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Institutions should be aware of the new provision and may wish to consider using an opt-out policy if there is documented evidence that the options reduce the cost of textbooks and instructional materials for students. Institutions should document which course sections use the opt-out model as well as the number of students choosing to opt-out for annual reporting purposes pursuant to s. 1004.085(7), F.S.

Modifies provisions relating to the carry forward of operational funds by SUS and FCS institutions.

SB 72 amended s. 1013.841, F.S., modifying reporting dates. This provision extends the time for institutions to submit their spending plans for carry forward balances in excess of 5 or 7 percent, based on FTE enrollment of less than 15,000 and 15,000 or greater, respectively.

- New deadlines:
 - The carry forward spending plans shall be submitted to the Boards of Trustees for review and approval by September 30, 2020, and each September 30 thereafter.
 - The SBOE shall review and publish the carry forward spending plans for FCS institutions by November 15, 2020, and each November 15 thereafter.

Additionally, the legislation allows institutions to have a commitment of funds in a contingency reserve for expenses incurred as a result of a state of emergency declared by the Governor (e.g. costs of donating medical supplies during COVID-19).

Modifies provisions related to Florida's Grant and Scholarship programs.

SB 72 modifies multiple Florida Grant and Scholarship programs to increase access, eligibility and attainment as follows:

Florida Student Assistance Grant (FSAG) Program:

- Priority in the distribution of summer awards must be given to students who are within one semester of completing a degree or certificate program, as applicable (the FSAG Public program also includes priority for students who have not yet earned nine semester hours in summer terms).
- Priority in the distribution of grant funds may be given to students who are within one semester of completing a degree or certificate program, as applicable.
- Timely distribution of funding is ensured by allowing the department to suspend or revoke future term funding if institutions fail to timely remit refunds due to the department.

Benacquisto Scholarship Program:

- Modifies requirements for initial eligibility and scholarship renewal provisions for students who wish to participate in the program:
 - Removes the National Achievement Scholarship calculation when determining the award amount for students.

- Requires students to be enrolled fulltime; however, an eligible student who has fewer than 12 credits remaining to completion, may receive funding for one term in order to complete the degree.
- Provides that renewal is not affected by changes to the student's residency status.
- Establishes time constraints on eligibility: students would be eligible for five years after high school graduation and could only receive the award for 10 semesters.
- Provides that exceptions to renewal requirements may be granted in cases of verifiable illness or other documented emergency that hindered the student's ability to maintain eligibility.

Florida Bright Futures Program:

- Modifies the Florida Academic Scholars award to specify an annual stipend for textbooks, as appropriated in the General Appropriations Act (GAA). Previously students were only eligible for \$300 for each fall and spring semester.
- Modifies the Florida Medallion Scholars award to specify that beginning in the fall 2021 semester, a Florida Medallion Scholar who is enrolled in an associate degree program at an FCS institution is eligible for an award equal to the amount necessary to pay 100 percent of tuition and fees.

The following topics were included in SB 72 and relate to SUS institutions and to nonpublic colleges and universities.

- Extends the term a board member can serve until a successor is appointed for the Phosphate Research and Activities Board.
- Establishes the Florida Institute of Politics at Florida State University and the Adam Smith Center for the Study of Economic Freedom at Florida International University.
- Modifies provisions related to the Board of Governors, its legislative budget requests and employee contracts.
- Expands agency contract criteria for services with nonpublic colleges or universities.

KH/chh

Attachment

cc: Council of Business Affairs