## **CHAPTER 2006-58**

## House Bill No. 1237

An act relating to special postsecondary education programs: creating s. 1004.226, F.S.: creating the 21st Century Technology, Research. and Scholarship Enhancement Act: providing legislative findings and intent: providing definitions: creating the Florida Technology. Research, and Scholarship Board within the Board of Governors of the State University System: providing for members of the board: providing for terms: providing for board members to be reimbursed for per diem and expenses incurred in the performance of their duties: requiring that the Board of Governors of the State University System provide staff support and other support for the board; requiring that the board provide recommendations for the 21st Century World Class Scholars Program and the Centers of Excellence Program: authorizing the board to form committees and consult with certain other entities: providing for the 21st Century World Class Scholars Program to provide matching funds to state universities to pay salaries and support research in science and technology: providing guidelines for the board to consider in developing its criteria for an award of matching funds: requiring a minimum investment of private funds: specifying the purposes of the Centers of Excellence: identifying the entities that are eligible to submit proposals for a center of excellence; requiring that the board develop criteria for approving proposals to create or expand a Center of Excellence: requiring that the board solicit proposals and notify state universities and research centers of a call for proposals; requiring that a Center of Excellence approved under the act report on its achievement of objectives; requiring certain documentation if funds are approved for a Center of Excellence in excess of a specified amount: requiring that the board submit an annual report to the Governor and Legislature; creating s. 1004.635, F.S.; creating the State University System Research and Economic Development Investment Program to provide matching funds to institutions to construct and acquire facilities and equipment to support research programs and foster economic development; providing for administration by the Board of Governors of the State University System; specifying eligibility criteria for state university participation; providing for the matching of appropriated funds; providing appropriations; providing for future repeal of s. 1004.226, F.S.; creating s. 1004.384, F.S.; authorizing a college of medicine at the University of Central Florida; creating s. 1004.385, F.S.; authorizing a college of medicine at Florida International University: providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 1004.226, Florida Statutes, is created to read:

<u>1004.226 The 21st Century Technology, Research, and Scholarship Enhancement Act.</u>

## (1) LEGISLATIVE FINDINGS AND INTENT.

(a) The Legislature finds that diversifying this state's economy requires a focus on building a growing base of high-wage jobs and on nurturing those technologies and clusters that will be the foundation of Florida's growing economic diversity and prosperity.

(b) The Legislature further finds that special programs are needed to facilitate the recruitment of exceptional talent to Florida's research universities and centers and to provide the infrastructure and resources that precipitate joint efforts and coinvestment among state research and development institutions, private industry, and government. Florida needs consistent commitment and investment in order to further the state's strategy of capitalizing on innovative research and development to build a thriving, technology-rich economy.

(2) CREATION.—The 21st Century Technology, Research, and Scholarship Enhancement Act is created for the purpose of:

(a) Investing in programs that attract world class scholars and building Centers of Excellence as an important means of increasing technology-based business in this state;

(b) Requiring coinvestment as a means of leveraging state dollars;

(c) Aligning research and development efforts with established, statewide economic-development strategies, including an emphasis on identified economic clusters;

(d) Facilitating value-added job creation through continuous improvement in university research, as well as entrepreneurship and capitaldevelopment programs; and

(e) Establishing Florida as a leading state for entrepreneurship and innovation, with continued commitment to university Centers of Excellence and an expanding base of research and development.

(3) DEFINITIONS.—As used in this section, the term:

(a) "A 21st Century World Class Scholar" means a principal researcher/ investigator who has high academic credentials, demonstrated competence, and experience that meets the requirements established by the board for a 21st Century World Class Scholar.

(b) "Applicant" means any state university, private university located in this state, or any private or public research center, community college, or training center in this state which coordinates with a state university for purposes of this act.

(c) "Board" means the Florida Technology, Research, and Scholarship Board.

(d) "Center of Excellence" means an organization of personnel, facilities, and equipment established to accomplish the purposes and objectives of this act.

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(e) "Community college" means a public community college in this state as defined in s. 1000.21.

(f) "Private university" means a baccalaureate degree-granting independent nonprofit university that is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools and that is located in and chartered as a domestic corporation by the state.

(g) "Research center" means an institute, center, or clinic that includes research and development or education as a principal mission of the organization.

(h) "State university" means a public university in this state as defined in s. 1000.21.

(4) FLORIDA TECHNOLOGY, RESEARCH, AND SCHOLARSHIP BOARD.—The Florida Technology, Research, and Scholarship Board is created within the Board of Governors of the State University System to guide the establishment of Centers of Excellence and the attraction of world class scholars.

(a) The board shall consist of 11 members. Five members shall be appointed by the Governor, one of whom the Governor shall appoint as chair of the board, one of whom must be a member of the board of directors of Enterprise Florida, Inc., and one of whom must be a member of the Board of Governors of the State University System. Three members shall be appointed by the President of the Senate and three members shall be appointed by the Speaker of the House of Representatives. Appointed members must be representative of business leaders, industrial researchers, academic researchers, scientists, and leaders in the emerging and advanced technology sector. Appointed members may not serve for more than 4 years and any vacancy that occurs during these appointees' terms shall be filled in the same manner as the original appointment. A majority of members constitutes a quorum.

(b) Members of the board shall serve without compensation, but are entitled to receive reimbursement for per diem and travel expenses in accordance with s. 112.061 while in the performance of their duties.

(c) The Board of Governors shall provide staff support for the activities of the board and per diem and travel expenses for board members.

(d) The board is charged with recommending criteria to the Board of Governors for the 21st Century World Class Scholars Program and with providing guidance to the Board of Governors regarding the implementation and administration of the Centers of Excellence Program. The board shall recommend to the Board of Governors the qualifications, standards, and requirements for approval of investments in Centers of Excellence under this act. The board may form committees of its members and is encouraged to consult with Enterprise Florida, Inc., the Florida Research Consortium, Bio-Florida, IT Florida, the Florida Aviation Aerospace Alliance, and any other entity whose input may be helpful in determining the requirements and standards for the program.

## (5) THE 21ST CENTURY WORLD CLASS SCHOLARS PROGRAM.

(a) This act allocates state matching funds to attract 21st Century World Class Scholars to state universities.

(b) The 21st Century World Class Scholars Program shall be used as a tool to develop the state's capabilities in science and high-technology research, emphasizing Florida's identified strengths in science and technology while also recognizing new technologies as they may emerge.

(c) The board, in consultation with senior administrators of state universities, state university foundation directors, the Office of Tourism, Trade, and Economic Development, the board of directors of Enterprise Florida, Inc., and leading members of private industry, shall develop and recommend to the Board of Governors criteria for the 21st Century World Class Scholars Program. Such criteria shall address, at a minimum, the following:

1. The presence of distinguished faculty members, including whether the university has a substantial history of external funding, along with the strong potential for attracting a scholar of national or international eminence.

2. The presence of academically outstanding students, along with the promise and potential for attracting additional highly qualified students.

3. The presence of adequate research and scholarly support services.

4. The existence of an academic environment having appropriate infrastructure, including buildings, classrooms, libraries, laboratories, and specialized equipment, that is conducive to the conduct of the highest quality of scholarship and research.

5. The demonstration of concordance with Florida's strategic plan for economic development or an emphasis on one or more emerging sciences or technologies that could favorably impact the state's economic future.

(d) A state university must raise a minimum of \$1 million to be eligible for state matching funds to recruit a 21st Century World Class Scholar. Funds raised by the university shall be eligible for a one-to-one match from the state. Revenues received from state appropriations, student tuition and fees, and state-funded contracts or grants are not eligible for state match.

(e) Upon the verification by the Board of Governors that a state university has met the criteria for a 21st Century World Class Scholar, the Board of Governors shall release matching funds to the university. Funds shall be used for the purpose of recruiting a 21st Century World Class Scholar and shall be expended according to an expenditure plan approved by the Board of Governors.

(f) This act is not intended to replace or obviate existing programs.

(6) CENTERS OF EXCELLENCE.

(a) The purposes and objectives of a Center of Excellence include:

1. Identifying and pursuing opportunities for university scholars, research center scientists and engineers, and private businesses to form collaborative partnerships to foster and promote the research required to develop commercially promising, advanced, and innovative science and technology and to transfer those discoveries to commercial sectors.

2. Acquiring and leveraging public-sector and private-sector funding to provide the totality of funds, personnel, facilities, equipment, and other resources needed to support the research required to develop commercially promising, advanced, and innovative science and technology and to transfer those discoveries to commercial sectors.

3. Recruiting and retaining world class scholars, high-performing students, and leading scientists and engineers in technology disciplines to engage in research in this state and to develop commercially promising, advanced, and innovative science and technology.

4. Enhancing and expanding science and technology curricula and laboratory resources at universities and research centers in this state.

5. Increasing the number of high-performing students in science and technology disciplines who graduate from universities in this state and pursue careers in this state.

6. Stimulating and supporting the inception, growth, and diversification of science and technology-based businesses and ventures in Florida and increasing employment opportunities for the workforce needed to support such businesses.

(b) The following entities are eligible to submit proposals for a center of excellence:

<u>1. Any state university.</u>

2. Any private university.

3. The H. Lee Moffitt Cancer Center and Research Institute.

4. The Florida Institute for Human and Machine Cognition, Inc.

5. Any community college, training center, or other public or private research center in the state which coordinates with a state university for purposes of this act.

(c) The board shall recommend to the Board of Governors criteria for approving proposals to create or expand a Center of Excellence. Such criteria shall consider:

<u>1. The maturity of the applicant's existing programs relating to a proposed Center of Excellence.</u>

2. The comprehensiveness and effectiveness of site plans relating to a proposed Center of Excellence.

<u>3. The existing amount of the applicant's resources dedicated to activities</u> relating to a proposed Center of Excellence.

4. The regional economic structure and climate.

5. The degree to which the applicant identifies and seizes opportunities to collaborate with other public or private entities for research purposes.

<u>6. The presence of a comprehensive performance and accountability measurement system.</u>

7. The use of an integrated research and development strategy using multiple levels of the educational system.

8. The ability of the applicant to raise research funds and leverage public and private investment dollars to support advanced and emerging scientific and technological research and development projects.

<u>9. The degree to which the applicant transfers advanced and emerging sciences and technologies from its laboratories to the commercial sector.</u>

<u>10.</u> The degree to which the applicant stimulates and supports the creation of new ventures.

<u>11.</u> The existence of a plan to enhance academic curricula by improving communication between academia and industry.

<u>12.</u> The existence of a plan to increase the number, quality, and retention rate of faculty and graduate students in advancing and emerging science and technology-based disciplines.

<u>13.</u> The existence of a plan to increase the likelihood of faculty and graduate students pursuing private-sector careers in the state.

<u>14.</u> The ability of the applicant to provide capital facilities necessary to support research and development.

(d) To call for proposals, the board shall notify the president or chief executive officer of the eligible entities identified in paragraph (b). The board shall periodically solicit proposals for Centers of Excellence.

(e) The board shall recommend to the Board of Governors for approval and funding those proposals that meet the criteria approved by the Board of Governors.

(f) If no proposal is judged worthy of approval during a solicitation cycle, an approval need not be made. This act does not establish a limit for an investment amount; however, any approval for a single Center of Excellence exceeding \$20 million must be documented to have superior prospects for success in its field of research and offer outstanding opportunities to leverage state dollars.

(7) ANNUAL REPORT.—The board, in cooperation with the Board of Governors of the State University System and the state universities or

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research centers receiving investments under this act, shall issue an annual report by December 31 each year of the activities conducted, including the accomplishments and overall economic benefits to the state, the number of 21st Century World Class Scholars attracted, the number of Centers of Excellence created or expanded, the success of collaborations with related industries, and the success of these programs. The annual report shall be presented to the Governor, the President of the Senate, and the Speaker of the House of Representatives. The annual report must include a copy of an independent audit of the board and a review of the progress of programs administered by the board.

Section 2. For the 2006-2007 fiscal year, the sum of \$8 million is appropriated from general revenue funds to the University of South Florida for the purpose of enhancing graduate programs.

Section 3. Section 1004.635, Florida Statutes, is created to read:

<u>1004.635</u> State University System Research and Economic Development Investment Program.—

(1) LEGISLATIVE INTENT.—It is the intent of the Legislature to create an investment program in state universities that enhances graduate education and enables state universities to become nationally competitive in science and technology-based economic development.

(2) GENERAL PROVISIONS.—There is created the State University System Research and Economic Development Investment Program to provide matching funds to eligible institutions to construct and acquire cuttingedge, state-of-the-art science and engineering research facilities and specialized equipment to support research programs, foster economic development, and accelerate Florida's innovation economy. The program shall be administered by the Board of Governors of the State University System.

(3) INSTITUTIONAL ELIGIBILITY CRITERIA.—

(a) To be eligible to participate in the State University System Research and Economic Development Investment Program at Funding Level 1, a state university must meet each of the following criteria:

1. The number of nonprofessional doctoral degrees awarded each year must exceed 250. For purposes of this section, nonprofessional doctoral degrees do not include degrees awarded in law, medicine, dentistry, and veterinary medicine. At least 25 percent of the nonprofessional doctoral degrees must be in a mathematics, science, technology, engineering, or health-related discipline as defined by Classification of Instructional Program codes.

2. The number of postdoctoral appointees reported in the most recent NSF/NIH Survey of Graduate Students and Postdoctorates in Science and Engineering must exceed 200.

<u>3. The 4-year undergraduate graduation rate must equal 40 percent or higher.</u>

<u>4. Expenditures from externally awarded contracts and grants must be a minimum of \$100 million per year.</u>

5. The university must have a proven track record of securing patents and licenses leading to products in the marketplace over the last 5 years.

<u>6. At least 75 percent of the entering freshmen each academic year who are classified as residents for tuition purposes pursuant to s. 1009.21 must be eligible to receive Florida Bright Futures Scholarships.</u>

7. The Basic Classification of the university, according to the 2005 Carnegie Classifications, must be as a research university with very high research activity.

(b) To be eligible to participate in the State University System Research and Economic Development Investment Program at Funding Level 2, a state university must meet, at a minimum, the requirements of subparagraphs (a)4. and 7.

The Board of Governors shall develop uniform guidelines, definitions, and reporting formats for a university to use to demonstrate that it meets each of the criteria described in this subsection. The Board of Governors shall determine the eligibility status of a state university to participate in the program provided that a state university may not participate in both Funding Level 1 and Funding Level 2 simultaneously.

(4) USE OF FUNDS.—Funds appropriated for the State University System Research and Economic Development Investment Program shall be used by the Board of Governors to match funds raised by an eligible university from nonuniversity sources on a one-time dollar-for-dollar basis.

Section 4. For the 2006-2007 fiscal year, the sum of \$95,000,000 is appropriated from nonrecurring general revenue funds to the Board of Governors of the State University System of which \$20 million shall be allocated for the 21st Century World Class Scholars Program, \$30 million shall be allocated for the Centers of Excellence Program, \$36.5 million shall be allocated for Funding Level 1 of State University System Research and Economic Development Investment Program, and \$8.5 million shall be allocated for Funding Level 2 of the State University System Research and Economic Development Investment Program.

Section 5. For the 2006-2007 fiscal year, the sum of \$5 million is appropriated from nonrecurring general revenue to the State Board of Education for the Dr. Philip Benjamin Matching Grant Program for Community Colleges to match donations for scholarships for first-generation-in-college students.

Section 6. <u>Section 1004.226</u>, Florida Statutes, shall expire on June 30, <u>2011</u>.

Section 7. Section 1004.384, Florida Statutes, is created to read:

<u>1004.384</u> University of Central Florida College of Medicine.—A college of medicine, as approved by the Board of Governors on March 23, 2006, is authorized at the University of Central Florida.

Section 8. Section 1004.385, Florida Statutes, is created to read:

<u>1004.385</u> Florida International University College of Medicine.—A college of medicine, as approved by the Board of Governors on March 23, 2006, is authorized at Florida International University.

Section 9. This act shall take effect July 1, 2006.

Approved by the Governor May 30, 2006.

Filed in Office Secretary of State May 30, 2006.