

Council Substitute for  
Council Substitute for House Bill No. 745

An act relating to postsecondary education; amending s. 1009.24, F.S.; revising requirements for the Board of Governors in establishing tuition and out-of-state fees for graduate and professional programs; revising requirements for the Board of Governors in establishing a uniform maximum undergraduate tuition differential for universities that have research and development expenditures of a specified amount; allowing the university board of trustees to maintain the differential unless otherwise directed by the Board of Governors; amending s. 196.192, F.S.; specifying educational institutions as exempt entities for purposes of exemptions from ad valorem taxation for property owned by exempt entities; providing an effective date.

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

Section 1. Paragraph (c) of subsection (4) and subsection (16) of section 1009.24, Florida Statutes, as amended by section 5 of chapter 2007-329, Laws of Florida, are amended to read:

1009.24 State university student fees.—

(4)

(c) The Board of Governors, or the board's designee, may establish tuition for graduate and professional programs, and out-of-state fees for all programs. The sum of tuition and out-of-state fees assessed to nonresident students must be sufficient to offset the full instructional cost of serving such students. However, adjustments to out-of-state fees or tuition for graduate ~~and professional~~ programs pursuant to this section may not exceed 10 percent in any year and adjustments to out-of-state fees or tuition for professional programs may not exceed 15 percent in any year.

(16) The Board of Governors may establish a uniform maximum undergraduate tuition differential that does not exceed 40 percent of tuition for all universities that meet the criteria for Funding Level 1 under s. 1004.635(3), and may establish a uniform maximum undergraduate tuition differential that does not exceed 30 percent of tuition for all universities that have total research and development expenditures for all fields of at least \$100 million per year as reported annually to the National Science Foundation ~~meet the criteria for Funding Level 2 under s. 1004.635(3).~~ Once these criteria have been met and the differential established by the Board of Governors, the board of trustees of a qualified university may maintain the differential unless otherwise directed by the Board of Governors. However, the board shall ensure that the maximum tuition differential it establishes for universities meeting the Funding Level 1 criteria is at least 30 percent greater than the maximum tuition differential the board establishes for universities that meet the required Funding Level 2 criteria for research and development expenditures. The tuition differential is subject to the following conditions:

(a) The sum of tuition and the tuition differential may not be increased by more than 15 percent of the total charged for these fees in the preceding fiscal year.

(b) The tuition differential may not be calculated as a part of the scholarship programs established in ss. 1009.53-1009.537.

(c) Beneficiaries having prepaid tuition contracts pursuant to s. 1009.98(2)(b) which were in effect on July 1, 2007, and which remain in effect, are exempt from the payment of the tuition differential.

(d) The tuition differential may not be charged to any student who was in attendance at the university before July 1, 2007, and who maintains continuous enrollment.

(e) The tuition differential may be waived by the university for students who meet the eligibility requirements for the Florida public student assistance grant established in s. 1009.50.

(f) A university board of trustees that has been authorized by the Board of Governors to establish a tuition differential pursuant to this subsection may establish the tuition differential at a rate lower than the maximum tuition differential established by the board, but may not exceed the maximum tuition differential established by the board.

(g) The revenue generated from the tuition differential must be spent solely for improving the quality of direct undergraduate instruction and support services.

(h) Information relating to the annual receipt and expenditure of the proceeds from the assessment of the tuition differential shall be reported by the university in accordance with guidelines established by the Board of Governors.

Section 2. Section 196.192, Florida Statutes, is amended to read:

196.192 Exemptions from ad valorem taxation.—Subject to the provisions of this chapter:

(1) All property owned by an exempt entity, including educational institutions, and used exclusively for exempt purposes shall be totally exempt from ad valorem taxation.

(2) All property owned by an exempt entity, including educational institutions, and used predominantly for exempt purposes shall be exempted from ad valorem taxation to the extent of the ratio that such predominant use bears to the nonexempt use.

(3) All tangible personal property loaned or leased by a natural person, by a trust holding property for a natural person, or by an exempt entity to an exempt entity for public display or exhibition on a recurrent schedule is exempt from ad valorem taxation if the property is loaned or leased for no consideration or for nominal consideration.

For purposes of this section, each use to which the property is being put must be considered in granting an exemption from ad valorem taxation, including any economic use in addition to any physical use. For purposes of this section, property owned by a limited liability company, the sole member of which is an exempt entity, shall be treated as if the property were owned directly by the exempt entity. This section does not apply in determining the exemption for property owned by governmental units pursuant to s. 196.199.

Section 3. This act shall take effect July 1, 2008.

Approved by the Governor June 17, 2008.

Filed in Office Secretary of State June 17, 2008.