

Senate Bill No. 1162

An act relating to education; amending s. 229.001, F.S.; revising a short title to delete obsolete language; amending s. 229.002, F.S.; revising the policy and guiding principles of the Legislature relating to education governance; amending s. 229.003, F.S.; revising the timeframe for education governance reorganization; revising the titles of the education governance officers and providing for appointment by the Florida Board of Education; revising the name of the Florida On-Line High School to conform with changes made by the bill; revising the membership of university boards of trustees and making appointees subject to Senate confirmation; abolishing the Board of Regents, the State Board of Community Colleges, and the Postsecondary Education Planning Commission; transferring the powers, duties, functions, records, personnel, property, unexpended balances of appropriations, allocations, other funds, administrative authority, administrative rules, pending issues, and existing contracts of the Board of Regents to the Florida Board of Education, of the State Board of Community Colleges to the Florida Board of Education, and of the Postsecondary Education Planning Commission to the Council for Education Policy Research and Improvement, respectively; creating the Council for Education Policy Research and Improvement under the Office of Legislative Services; transferring the Articulation Coordinating Committee and the Education Standards Commission by type two transfer from the Department of Education to the Florida Board of Education; requiring the Commissioner of Education and the Secretary of the Florida Board of Education to commence reorganization of the department and specifying offices and divisions; requiring the merger of the powers, duties, and staffs of the State Board of Independent Colleges and Universities and the State Board of Nonpublic Career Education, with an exception, into a single Commission for Independent Education; creating s. 229.0031, F.S.; creating the Council for Education Policy Research and Improvement; providing duties of the council; providing for administrative functions; providing membership; providing for an executive director; amending s. 229.004, F.S.; revising the timeframe for the creation of the Florida Board of Education; deleting the requirement that the board be part time; revising the duties and responsibilities of the board; conforming terminology with changes made by the bill; providing cross references to newly created missions and goals and guidelines; amending s. 229.005, F.S.; revising provisions relating to qualifications of Florida education governance officers to conform terminology to changes made by the bill and to provide cross references to newly created missions and goals; requiring the Commissioner of Education to work with the board and its secretary to oversee the chancellors and the executive director; deleting references to requirements of the Florida Constitution relating to education; requiring the Chancellor of Public Schools, the Chancellor of Colleges and Universities, the Chancellor of Community Colleges, and the Executive Director of Independent Education

to work as division vice presidents of the seamless K-20 education system; revising the name of the Florida On-Line High School to conform with changes made by the bill; amending s. 229.006, F.S.; deleting obsolete language relating to the creation and already-accomplished duties of the Education Governance Reorganization Transition Task Force; revising the timeframe for the reorganization; requiring the task force to provide guidance and monitoring of the reorganization implementation process and to report to the Governor, the Legislature, the Secretary of the Florida Board of Education, and the public on its progress; revising the timeframe and recipients of the final report of the task force; creating s. 229.0061, F.S.; establishing guidelines for the implementation, structure, functions, and organization of Florida's K-20 education system; creating s. 229.007, F.S.; establishing Florida's K-20 education performance accountability system; providing legislative intent; providing for recommendations for performance-based funding; establishing mission, goals, and systemwide measures; creating s. 229.0072, F.S.; establishing a reorganization implementation process; requiring the Governor to appoint university boards of trustees, a Florida Board of Education, and a Secretary of the Florida Board of Education; specifying duties of the Secretary of the Florida Board of Education; establishing duties of the Florida Board of Education relating to the transition and implementation of the K-20 system; requiring the Florida Board of Education to appoint advisory boards and to develop and recommend a new School Code; requiring the Commissioner of Education to work with the Florida Board of Education and its secretary to achieve full implementation of the seamless K-20 system and to commence reorganization of the department as required by the act; creating s. 229.0073, F.S.; establishing the Education Reorganization Workgroup to direct and oversee reorganization of the Department of Education; providing requirements for reorganization to include the establishment of offices, divisions, and a leadership team; providing duties of the offices; transferring the SMART Schools Clearinghouse to the Office of Educational Facilities and SMART Schools Clearinghouse within the Office of the Commissioner of Education; creating s. 229.0074, F.S.; establishing the mission of the Division of Independent Education; providing for membership and duties of the executive director; combining and transferring the powers and duties of the State Board of Independent Colleges and Universities and the State Board of Nonpublic Career Education, with an exception, to the Commission for Independent Education; providing for membership and duties of the commission; providing that the Florida Education Governance Reorganization Implementation Act does not authorize further regulation of independent schools or home education programs; creating s. 229.008, F.S.; providing for establishment and membership of boards of trustees of universities in the State University System; providing for protections from civil liability; creating s. 229.0081, F.S.; establishing powers and duties of university boards of trustees; creating s. 229.0082, F.S.; establishing powers and duties of university presidents; transferring the Florida Partnership for School

Readiness from the Executive Office of the Governor to the Agency for Workforce Innovation; transferring the Child Care Executive Partnership Program, child care and early childhood resource and referral, and the subsidized child care program, including statewide staff, to the Agency for Workforce Innovation; transferring the pre-kindergarten early intervention, migrant prekindergarten, and Florida First Start programs, including statewide staff, to the Agency for Workforce Innovation; designating the Agency for Workforce Innovation as lead agency for specified federal purposes; amending s. 411.01, F.S.; providing legislative intent with respect to the School Readiness Act; providing for the addition of members to the Florida Partnership for School Readiness; providing duties of the Florida Partnership for School Readiness; deleting obsolete language and conforming provisions; revising procedures for funding school readiness programs; requiring the implementation of a school readiness uniform screening; providing for the development of minimum child care licensing standards; amending s. 216.136, F.S.; deleting certain duties of the Social Services Estimating Conference to conform; adding staff of the Agency for Workforce Innovation to the School Readiness Program Estimating Conference; amending ss. 232.01 and 445.023, F.S.; conforming language and correcting cross references; effective January 1, 2002, repealing ss. 228.061(1) and (2), 230.23(4)(o), 230.2303, 230.2305, and 230.2306, F.S., relating to preschool and prekindergarten early intervention programs in the public schools, school board provision of early childhood and basic skills development, the Florida First Start Program, the prekindergarten early intervention program, and prekindergarten children service needs assessments; effective January 1, 2002, repealing ss. 402.28, 402.281(1), 402.3015, 402.3027, 402.3028, 402.305(18), 402.3052, 402.3135(2)(c), and 402.45(2) and (6), F.S., relating to Child Care Plus, the Gold Seal Quality Care program rating system, the subsidized child care program, observation and assessment of young children in subsidized child care programs, referral for assessment, the child care technical review panel, the child development associate training grants program, provision of assistance to Child Care Plus facilities, and certain requirements for the community resource mother or father program; effective January 1, 2002, repealing ss. 391.304(1)(a) and 411.222, F.S., relating to Department of Health coordination with the Department of Education and specified councils and the State Coordinating Council for School Readiness Programs; amending s. 228.082, F.S.; revising the name of the Florida On-Line High School to the Florida Virtual High School, which school shall be housed within the Commissioner of Education's Office of Technology and Information Services and monitored by the commissioner; stating the mission of the Florida Virtual High School; deleting obsolete language; revising the duties of the school's board of trustees; requiring the Department of Education to maximize federal indirect cost allowed on federal grants; requiring appropriation for expenditure of funds received from indirect cost allowance; effective June 30, 2002, repealing s. 229.8065, F.S., relating to expenditures for the Knott Data Center and projects, contracts, and grants programs; amending s. 229.085, F.S.;

removing an exemption for personnel employed by projects funded by contracts and grants; amending s. 240.205, F.S.; deleting provisions relating to certain contractual obligations of the Board of Regents; repealing s. 235.217(1)(b), (c), and (d), (2), (3)(a), (c), (d), and (e), (4), and (5), F.S., relating to membership and certain duties of the SMART Schools Clearinghouse; repealing ss. 240.145, 240.147, 240.209(2), 240.227, 240.307, and 240.311(4), F.S., relating to the Postsecondary Education Planning Commission, the powers and duties of the commission, the Board of Regents appointment of a Chancellor of the State University System, powers and duties of university presidents, the appointment of members of the State Board of Community Colleges, and the appointment of an executive director of the community college system; amending s. 240.3836, F.S.; revising provisions relating to access to baccalaureate degree programs; providing a process for authorizing community colleges to offer baccalaureate degree programs; amending s. 240.2011, F.S.; adding New College of Florida in Sarasota County to the State University System; creating fiscally autonomous campuses of the University of South Florida; amending s. 240.527, F.S.; requiring a Campus Board of the University of South Florida St. Petersburg; requiring separate accreditation; providing powers and duties of the Campus Board and the Campus Executive Officer; providing a procedure for preparing a budget request; providing for central support services contracts and a letter of agreement; excluding certain entities from certain provisions; requiring a Campus Board of the University of South Florida Sarasota/Manatee; authorizing separate accreditation; providing powers and duties of the Campus Board and the Campus Executive Officer; providing a procedure for preparing a budget request; providing for central support services contracts and a letter of agreement; establishing a mission, goals, and board of trustees for New College of Florida; providing for accreditation; redesignating St. Petersburg Junior College as St. Petersburg College; requiring accreditation; providing a mission; providing for students and fees; providing conditional authority to offer baccalaureate degree level programs; authorizing certain baccalaureate degree programs and a process for increasing their number; establishing a governing board and a coordinating board; providing for dispute resolution; providing for certain employment classifications; providing for the acquisition of land, buildings, and equipment; authorizing the power of eminent domain; providing for state funding; requiring a cost study; providing for the Florida Bright Futures Scholarship Testing Program; requiring the Articulation Coordinating Committee to identify scores, credit, and courses for which credit may be awarded for specified examinations; requiring the completion of examinations for receipt of certain awards; providing requirements with respect to the award of credit; requiring annual reporting of the effectiveness of the program; reenacting and amending s. 240.551, F.S.; revising provisions with respect to the Florida Prepaid College Program; revising provisions with respect to transfer and refund provisions; revising provisions relating to appointment of directors of the direct-support organization; authorizing the purchase of ad-

vance payment contracts for scholarships by nonprofit organizations; providing effective dates.

WHEREAS, in response to Floridians' amendment of s. 2, Art. IX of the State Constitution requiring a seven-member state board of education appointed by the Governor to staggered 4-year terms, subject to confirmation by the Senate, which "shall appoint the commissioner of education," the 2000 Legislature enacted the "Florida Education Governance Reorganization Act of 2000" (chapter 2000-321, Laws of Florida), and

WHEREAS, the Florida Education Governance Reorganization Act of 2000 provided legislative policy and guiding principles for a seamless kindergarten through postgraduate education system; provided for the future repeal of existing education entities and statutes; provided for boards of trustees for each university in the State University System; provided for the establishment and duties of the Florida Board of Education and specified education governance officers; and established the Education Governance Reorganization Transition Task Force charged with the duty to make recommendations to the Legislature, pursuant to a legislatively established timeline, to accomplish a smooth and orderly transition to the new education system, and

WHEREAS, the Education Governance Reorganization Transition Task Force was timely appointed and has been aggressively pursuing its statutory duties by holding meetings and public hearings throughout the state, consulting with education stakeholders and national experts, taking public testimony, and working to expedite its recommendations, NOW, THEREFORE,

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

Section 1. Section 229.001, Florida Statutes, is amended to read:

229.001 Short title.—This act may be cited as the "Florida Education Governance Reorganization Implementation Act of 2000."

Section 2. Section 229.002, Florida Statutes, is amended to read:

229.002 Declaration of policy and guiding principles.—

(1) It is the policy of the Legislature:

(a) To achieve within existing resources true systemic change in education governance by establishing a seamless academic educational system that fosters an integrated continuum of kindergarten through graduate school education for Florida's citizens.

(b) To promote enhanced academic success and funding efficiency by centralizing the governance of educational delivery systems and aligning responsibility with accountability.

(c) To provide consistent education policy vertically and horizontally across all educational delivery systems, focusing on students ~~the needs of those receiving education, not those providing education.~~

(d) To provide substantially improved vertical and horizontal articulation across all educational delivery systems ~~while ensuring that nonpublic education institutions and home education programs maintain their independence, autonomy, and nongovernmental status.~~

(e) To provide for devolution of authority to the schools, community colleges, universities, and other education institutions that are the actual deliverers of educational services in order to provide student-centered education services within the clear parameters of the overarching education policy established by the Legislature.

(f) To ensure that independent education institutions and home education programs maintain their independence, autonomy, and nongovernmental status.

(2) The guiding principles for Florida's new education governance are:

(a) A coordinated, seamless system for kindergarten through graduate school education.

(b) A system that is student-centered in every facet.

(c) A system that maximizes education access and provides the opportunity for a high-quality education ~~academic success~~ for all Floridians.

(d) A system that safeguards equity and supports academic excellence.

(e) A system that provides for local operational flexibility while promoting accountability for student achievement and improvement ~~refuses to compromise academic excellence.~~

Section 3. Section 229.003, Florida Statutes, is amended to read:

229.003 Florida education governance reorganization.—

(1) ~~Effective January 7, 2003, The Florida Board of Education, created pursuant to s. 229.004, shall be responsible for overseeing kindergarten through graduate school education, in accordance with the implementation process in s. 229.0072 and the policies and guiding principles in s. 229.002 and the mission and goals of s. 229.007.~~

~~(2) Effective January 7, 2003, the Florida Board of Education shall appoint the Commissioner of Education.~~

~~(2)(3) Effective January 7, 2003, There are is established the following education governance officers in addition to the Commissioner of Education:~~

~~(a) A Chancellor of Public Schools K-12 Education appointed by the Commissioner of Education.~~

~~(b) A Chancellor of Colleges and State Universities, appointed by the Commissioner of Education.~~

~~(c) A Chancellor of Community Colleges and Career Preparation, appointed by the Commissioner of Education.~~

~~(d) An Executive Director of Independent Nonpublic and Nontraditional Education, appointed by the Commissioner of Education.~~

Each chancellor and ~~the~~ executive director shall be appointed ~~to confirmation~~ by the Florida Board of Education and shall serve at the pleasure and under the authority of the Secretary of the Florida Board of Education ~~Commissioner of Education~~.

~~(3)(4) Effective July 1, 2000, The Governor shall appoint a seven-member board of trustees for the Florida Virtual On-Line High School, which shall be a body corporate with all the powers of a body corporate.~~

~~(4)(5) Effective January 7, 2003, The Governor shall appoint for each university in the State University System, a 12-member ~~nine-member~~ board of trustees, which shall be a body corporate with all the powers of a body corporate. In addition to the 12 members, a student body president shall serve as a voting member of the board of trustees. There shall be no state residency requirement for university board members, but the Governor shall consider diversity and regional representation. Each appointee is subject to confirmation by the Senate in the regular legislative session immediately following his or her appointment ~~All members of the board of trustees of Florida Atlantic University must reside within the service area of the university; three must be residents of Broward County, three must be residents of Palm Beach County, and three may be residents of any county within the service area.~~~~

(5) Effective July 1, 2001:

(a) The Board of Regents is abolished.

(b) All of the powers, duties, functions, records, personnel, and property; unexpended balances of appropriations, allocations, and other funds; administrative authority; administrative rules; pending issues; and existing contracts of the Board of Regents are transferred by a type two transfer, pursuant to s. 20.06(2), to the Florida Board of Education.

(c) The State Board of Community Colleges is abolished.

(d) All of the powers, duties, functions, records, personnel, and property; unexpended balances of appropriations, allocations, and other funds; administrative authority; administrative rules; pending issues; and existing contracts of the State Board of Community Colleges are transferred by a type two transfer, pursuant to s. 20.06(2), from the Department of Education to the Florida Board of Education.

(e) The Postsecondary Education Planning Commission is abolished.

(f) The Council for Education Policy Research and Improvement is created as an independent office under the Office of Legislative Services.

(g) All personnel, unexpended balances of appropriations, and allocations of the Postsecondary Education Planning Commission are transferred to the Council for Education Policy Research and Improvement.

(h) The Articulation Coordinating Committee and the Education Standards Commission are transferred by a type two transfer, pursuant to s. 20.06(2), from the Department of Education to the Florida Board of Education.

(i) Notwithstanding the provisions of s. 20.15, the Commissioner of Education and the Secretary of the Florida Board of Education shall work together to commence the reorganization of the Department of Education in accordance with s. 229.0073, which shall include an Office of the Commissioner of Education comprised of the general areas of operation that are common to all delivery sectors and, in addition, shall include:

1. The creation of an Office of Technology and Information Services, an Office of Workforce and Economic Development, an Office of Educational Facilities and SMART Schools Clearinghouse, and an Office of Student Financial Assistance.

2. The creation of a Division of Colleges and Universities.

3. The creation of a Division of Community Colleges.

4. The creation of a Division of Public Schools.

5. The creation of a Division of Independent Education.

6. The merger of the powers, duties, and staffs of the State Board of Independent Colleges and Universities and the State Board of Nonpublic Career Education, except as relating to any independent nonprofit college or university whose students are eligible to receive the William L. Boyd, IV, Florida resident access grants pursuant to s. 240.605, into a single Commission for Independent Education administratively housed within the Division of Independent Education.

~~(6) Effective January 7, 2003, the powers and duties of the following entities are relocated to the Florida Board of Education, which shall retain all related funding and budget authority for purposes of a single, seamless kindergarten through graduate school education system and single or coordinated budget and may retain or redistribute the powers and duties of each entity in accordance with the policies and guiding principles of s. 229.002, and the entities shall cease to exist:~~

~~(a) The Board of Regents.~~

~~(b) The State Board of Community Colleges.~~

~~(c) The State Board of Independent Colleges and Universities.~~

~~(d) The State Board of Nonpublic Career Education.~~

~~(e) The Division of Workforce Development of the Department of Education.~~

~~(f) The Postsecondary Education Planning Commission.~~

- ~~(g) The Articulation Coordination Committee.~~
- ~~(h) The Division of Human Resource Development of the Department of Education.~~
- ~~(i) The Division of Support Services of the Department of Education.~~
- ~~(j) The Division of Administration of the Department of Education.~~
- ~~(k) The Division of Financial Services of the Department of Education.~~
- ~~(l) The Division of Technology of the Department of Education.~~
- ~~(m) The Office of Student Financial Assistance of the Department of Education.~~
- ~~(n) The Division of Universities of the Department of Education.~~
- ~~(o) The Division of Community Colleges of the Department of Education.~~

Section 4. Section 229.0031, Florida Statutes, is created to read:

229.0031 Council for Education Policy Research and Improvement.—
Effective July 1, 2001, the Council for Education Policy Research and Improvement is created as an independent office under the Office of Legislative Services, pursuant to s. 11.147. The council shall conduct and review education research, provide independent analysis on education progress, and provide independent evaluation of education issues of statewide concern. The Office of Legislative Services shall provide administrative functions of the council, pursuant to joint policies of the Legislature.

(1) The council shall serve as a citizen board for independent policy research and analysis. The council shall be composed of five members appointed by the Governor, two members appointed by the Speaker of the House of Representatives, and two members appointed by the President of the Senate. Each member shall be appointed for a term of 6 years. However, for purposes of continuity, the Governor shall appoint two members, the Speaker of the House of Representatives shall appoint one member, and the President of the Senate shall appoint one member for a first term of 4 years. Members appointed for 4 years may be reappointed to one additional term. Members shall not include elected officials or employees of public or independent education entities. Members who miss two consecutive meetings may be replaced by the appointing officer.

(2) The council shall meet as often as it considers necessary to carry out its duties and responsibilities. Members shall be paid travel and per diem expenses as provided in s. 112.061 while performing their duties under this section.

(3) The council shall appoint an executive director, who shall serve at the pleasure of the council and shall perform the duties assigned to him or her by the council. The executive director is the chief administrative officer of the council and shall appoint all employees and staff members of the council, who shall serve under the executive director's direction and control.

(4) The council shall:

(a) Provide state policymakers, educators, and the public with objective and timely information that supports the seamless K-20 education system and the K-20 education accountability process designed to provide all students an opportunity for a high-quality education, in accordance with the policies and guiding principles of s. 229.002 and the performance accountability system in s. 229.007.

(b) Explore national and state emerging educational issues and examine how these issues should be addressed by education institutions in Florida.

(c) Prepare and submit to the Florida Board of Education a long-range master plan for education. The plan must include consideration of the promotion of quality, fundamental educational goals, programmatic access, needs for remedial education, regional and state economic development, international education programs, demographic patterns, student demand for programs, needs of particular subgroups of the population, implementation of innovative educational techniques and technology, and requirements of the labor market. The plan must evaluate the capacity of existing programs in public and independent institutions to respond to identified needs, and the council shall recommend efficient alternatives to address unmet needs. The council shall update the master plan at least every 5 years.

(d) Prepare and submit for approval by the Florida Board of Education a long-range performance plan for K-20 education in Florida, and annually review and recommend improvement in the implementation of the plan.

(e) Annually report on the progress of public schools and postsecondary education institutions toward meeting educational goals and standards as defined by s. 229.007.

(f) Recommend to the Legislature and the Florida Board of Education legislation and rules for the educational accountability system that support the policies and guiding principles of s. 229.002.

(g) Recommend to the Florida Board of Education revisions and new initiatives to further improve the K-20 education accountability system.

(h) Provide public education institutions and the public with information on the K-20 education accountability system, recommend refinements and improvements, and evaluate issues pertaining to student learning gains.

(i) On its own initiative or in response to the Governor, the Legislature, the Florida Board of Education, or the Commissioner of Education, issue reports and recommendations on matters relating to any education sector.

(j) By January 1, 2003, and on a 3-year cycle thereafter, review and make recommendations to the Legislature regarding the activities of research centers and institutes supported with state funds to assess the return on the state's investment in research conducted by public postsecondary education institutions, in coordination with the Leadership Board for Applied Research and Public Service, created pursuant to s. 240.706.

(k) Apply for and receive grants for the study of K-20 education system improvement consistent with its responsibilities.

(l) Assist the Florida Board of Education in the conduct of its educational responsibilities in such capacities as the board considers appropriate.

Section 5. Section 229.004, Florida Statutes, is amended to read:

229.004 Florida Board of Education.—

(1)(a) In accordance with the implementation process in s. 229.0072 Effective January 7, 2003, the Florida Board of Education is established as a body corporate. The board shall be a part-time citizen board consisting of seven members who are residents of the state appointed by the Governor to staggered 4-year terms, subject to confirmation by the Senate, provided, however, that Senate confirmation is not required for the members of the Florida Board of Education to perform the duties as prescribed in this education governance reorganization implementation act. Members of the board shall serve without compensation, but shall be entitled to reimbursement of travel and per diem expenses in accordance with s. 112.061. Members may be reappointed by the Governor for additional terms not to exceed 8 years of consecutive service.

(b) The Governor shall appoint the first chair of the Florida Board of Education who shall serve for 2 years. After expiration of the 2-year term and at the first regular meeting of the board after July 1, the Florida Board of Education shall select a chair and a vice chair from its appointed members. The chair shall serve a 2-year term and may be reselected for one additional consecutive term. The Florida Board of Education shall have a chairperson who shall be appointed by the Governor.

(2) The primary duties of the board shall be to establish education goals and objectives consistent with the policies and guiding principles of s. 229.002 and the mission and goals of s. 229.007 and, together with the Commissioner of Education, to oversee the implementation of and enforce compliance with the education policies established by the Legislature. The board, through its secretary, and the commissioner, shall establish, operate, and maintain optimal efficiency of an Office of the Commissioner of Education pursuant to s. 229.0061(2)(c) in accordance with the guidelines of ss. 229.0061 and 229.0073 Board of Education.

(3) In performing its duties, the board, together with the Commissioner of Education, shall:

(a) Ensure accountability and responsiveness to Florida's citizens, including the establishment of a Citizen Information Center that utilizes quick response and customer-friendly methodologies.

(b) Establish and aggressively enforce efficient and effective performance management objectives.

(c) Maximize the effectiveness of local, state, and federal education linkages and funds.

(d) Issue guidelines for the development of legislative budget requests for operations and fixed capital outlay for the coordinated K-20 system.

~~(e)(d)~~ Recommend ~~one budget or~~ a coordinated budget and long-range program plans based on consistent policies for a seamless kindergarten through graduate school education.

~~(f)(e)~~ Adopt cohesive rules, within statutory authority, for education systemwide issues, including rules governing systemwide access to educational opportunities, and ensure that rules adopted for the various education delivery systems are compatible.

~~(g)(f)~~ Ensure articulation and coordination within and across the entire education delivery system.

~~(h)(g)~~ Provide ongoing public information regarding performance results for the entire kindergarten through graduate school education system and each of its components.

(4) The board, through its secretary, with the Commissioner of Education, shall be responsible for:

(a) The work of with the Chancellor of Public Schools K-12 Education to establish, and maintain optimal efficiency of, a Division an Office of Public Schools, within the guidelines of ss. 229.0061 and 229.0073, and to achieve the mission and goals of s. 229.007 K-12 Education.

(b) The work of with the Chancellor of Colleges and State Universities to establish, and maintain optimal efficiency of, a Division an Office of Colleges and State Universities, within the guidelines of ss. 229.0061 and 229.0073, and to achieve the mission and goals of s. 229.007.

(c) The work of with the Chancellor of Community Colleges and Career Preparation to establish, and maintain optimal efficiency of, a Division an Office of Community Colleges, within the guidelines of ss. 229.0061 and 229.0073, and to achieve the mission and goals of s. 229.007 and Career Preparation.

(d) The work of with the Executive Director of Independent Nonpublic and Nontraditional Education to establish, and maintain optimal efficiency of, a Division an Office of Independent Nonpublic and Nontraditional Education, within the guidelines of ss. 229.0061 and 229.0073 Services.

Section 6. Section 229.005, Florida Statutes, is amended to read:

229.005 Florida education governance officers.—

(1) COMMISSIONER OF EDUCATION.—The Commissioner of Education shall work with the Florida Board of Education and its secretary to oversee the other education governance officers and focus be appointed by the Board of Education from candidates of national caliber and respected and proven organizational leadership with established experience in administering broad-based policy. The commissioner shall be a person who is eminently capable of focusing the entire kindergarten through graduate

school education system ~~on accomplishing to accomplish~~ the policies and guiding principles of s. 229.002 ~~and achieving the mission and goals of s. 229.007~~. The commissioner shall ~~serve as chief executive officer and, in cooperation with the Secretary of the Florida Board of Education, shall have the ability to successfully provide education policy and planning direction, program development, performance management, and funding allocation recommendations across the spectrum of kindergarten through graduate school education,~~ and the ability to achieve and safeguard the will of the people of Florida as expressed in s. 1, Art. IX of the Florida Constitution, that "adequate provision shall be made by law for a uniform, efficient, safe, secure, and high quality system of free public schools that allows students to obtain a high quality education and for the establishment, maintenance, and operation of institutions of higher learning and other public education programs that the needs of the people may require."

(2) CHANCELLOR OF PUBLIC SCHOOLS K-12 EDUCATION.—The Chancellor of Public Schools K-12 Education shall be appointed by the Florida Board of Education Commissioner of Education based on his or her ability to work as a division vice president of the seamless K-20 education system with the Florida Board of Education and the other education governance officers to comply with the policies and guiding principles of s. 229.002, to achieve the mission and goals of s. 229.007, to enhance the quality of public K-12 education in Florida, and to maximize the equity of public K-12 education in Florida by moving the focus to the school site and the individual student, ~~and to achieve and safeguard the will of the people of Florida as expressed in s. 1, Art. IX of the Florida Constitution, that "adequate provision shall be made by law for a uniform, efficient, safe, secure, and high quality system of free public schools that allows students to obtain a high quality education. . . ."~~

(3) CHANCELLOR OF COLLEGES AND STATE UNIVERSITIES.—The Chancellor of Colleges and State Universities shall be appointed by the Florida Board of Education Commissioner of Education based on his or her ability to work as a division vice president of the seamless K-20 education system with the Florida Board of Education and the other education governance officers to comply with the policies and guiding principles of s. 229.002, to achieve the mission and goals of s. 229.007, to enhance the national reputation and quality of education and educational research in Florida's colleges and state universities, and to work directly with each of the college and state university presidents and boards of trustees in focusing on the education and educational research needs of the individual college or university and its students.

(4) CHANCELLOR OF COMMUNITY COLLEGES AND CAREER PREPARATION.—The Chancellor of Community Colleges and Career Preparation shall be appointed by the Florida Board of Education Commissioner of Education based on his or her ability to work as a division vice president of the seamless K-20 education system with the Florida Board of Education and the other education governance officers to comply with the policies and guiding principles of s. 229.002, to achieve the mission and goals of s. 229.007, to enhance the quality of education in Florida's community colleges, and to work directly with each of the community college presidents

and boards of trustees in focusing on the education needs of the communities and students they serve.

(5) EXECUTIVE DIRECTOR OF INDEPENDENT NONPUBLIC AND NONTRADITIONAL EDUCATION.—The Executive Director of Independent Nonpublic and Nontraditional Education shall be appointed by the Florida Board of Education Commissioner of Education based on his or her ability to work as a division vice president of the seamless K-20 education system with the Florida Board of Education and the other education governance officers to comply with the policies and guiding principles of s. 229.002, to protect the independence, autonomy, and nongovernmental status of independent education in Florida, to enhance the quality and expand the offerings and innovations of independent nonpublic and nontraditional education in Florida, to establish partnerships with independent nonpublic education providers at all levels to achieve these goals, and to work directly with the Board of Trustees of the Florida Virtual On-Line High School and with Florida's private school associations, home education associations, independent nonpublic career education institutions, and independent colleges and universities to maximize educational choice and enhance the options, educational alternatives, and student-focused delivery for their students.

Section 7. Subsections (1), (4), (5), (6), and (7) of section 229.006, Florida Statutes, are amended to read:

229.006 Education Governance Reorganization Transition Task Force.—

(1) In order to accomplish a smooth transition ~~on January 7, 2003~~, from the elected State Board of Education to the appointed Florida Board of Education, there shall be established the Education Governance Reorganization Transition Task Force. ~~All members of the task force shall be appointed as soon as feasible but not later than October 1, 2000.~~ The task force shall be comprised of:

- (a) Five members appointed by the Governor;
- (b) Three members appointed by the President of the Senate; and
- (c) Three members appointed by the Speaker of the House of Representatives.

The transition task force shall ~~be charged with the duty to identify issues, conduct research, develop the necessary procedural and substantive framework, and make recommendations to the Legislature for an orderly 3-year phase-in for a seamless education continuum and a single or coordinated kindergarten through graduate school budget in accordance with the policies and guiding principles of s. 229.002, so that the Florida Board of Education may immediately begin its work on January 7, 2003, with maximum effectiveness.~~

(4) Having completed its recommendations to the Legislature by March 1, 2001, the transition task force shall redirect its focus to provide guidance and monitoring of the implementation process pursuant to s. 229.0072 and

to regularly report to the Governor, the Legislature, the Secretary of the Florida Board of Education, and the public on the progress of the reorganization implementation process. If any implementation activity is determined by a majority vote of the task force to be inconsistent with the intent of this act, the chair of the task force shall report such activity directly to the State Board of Education, and the State Board of Education shall act immediately to resolve the dispute. recommend to the Legislature:

~~(a) How best to achieve education system integration by:~~

~~1. Combining appropriate education functions and policies into or under the new Florida Board of Education.~~

~~2. Devolving the education delivery services and operational decisions to the appropriate location of delivery to students, specifically the schools, community colleges, colleges, universities, area technical centers, and other education institutions or places where the students receive their education.~~

~~3. Providing for a single or coordinated kindergarten through graduate school education budget.~~

~~(b) How best to achieve economies in education services, including recommendations concerning consolidation of information systems and integrated performance and financial accounting systems, while maximizing effectiveness within existing resources and staff.~~

~~(c)1. Which, if any, current education staff functions and resources should be eliminated, transferred, or realigned within the proposed new education organizational structure.~~

~~2. A recommended salary structure for the Commissioner of Education and for the chancellors.~~

~~(d) Whether an Office of Policy Research should be established to explore emerging issues, locate successful and innovative educational programs, and make recommendations to the Governor, the Florida Board of Education, and the Legislature and, if so, its mission, staffing, and location.~~

~~(e) The optimal mission of the Florida On-Line High School and a methodology for the operation and funding of the school to achieve that mission.~~

~~(f) The optimal location and structure of the Florida Partnership for School Readiness.~~

~~(5) By March 1, 2002, the transition task force shall recommend to the Legislature:~~

~~(a) Standards, definitions, and guidelines for universities, colleges, community colleges, schools, and other education institutions to ensure the quality of education, systemwide coordination, and efficient progress toward attainment of their appropriate missions.~~

~~(b) Rules and procedures as necessary to be followed by university boards of trustees, community college boards of trustees, and other boards of trust-~~

ees, as determined appropriate, for recruitment and selection of presidents, procedures for annual evaluations of presidents, and procedures for interaction between presidents, the boards of trustees, and the new Florida Board of Education.

~~(c) A systemwide strategic plan for postsecondary institutions that considers the role, in their respective communities, of each of the institutions.~~

~~(d) Methodologies for degree program approval, establishment of matriculation and tuition fees, and coordination of colleges' and universities' budget requests.~~

~~(e) Any additional statutory changes needed during the 2002 legislative session to complete the education governance reorganization transition.~~

~~(6) By March 1, 2003, the transition task force shall recommend to the Legislature:~~

~~(a) Statutory changes necessary to accomplish the policies and guiding principles of s. 229.002, including, but not limited to, statutory changes necessitated by the repeal and review provisions of subsection 3(8) of this act.~~

~~(b) Rulemaking authority for the new Florida Board of Education and a plan and timetable for transition or coordination of existing education sector agency rules and rulemaking authority recommendations, if any, for education agencies.~~

~~(c) Waiver authority, if any, for the Commissioner of Education or the Florida Board of Education.~~

~~(5)(7) By March May 1, 2003, the transition task force shall have completed its duties and shall make its final report to the Governor, the Florida Board of Education, the Commissioner of Education, the President of the Senate, the Speaker of the House of Representatives, and the minority leaders of each chamber. The final report shall include, but is not limited to:~~

~~(a) A summary of the work and recommendations of the task force and the status of full implementation of the K-20 education system.~~

~~(b) The status of all pending and completed actions on orders and rules, all enforcement matters, and all delegations, interagency agreements, and contracts with federal, state, regional, and local governments and private entities.~~

~~(c) Identification of any remaining or potential duplication in the administration of state education laws and rules, with specific recommendations to eliminate such duplication and promote more efficient administration.~~

Section 8. Section 229.0061, Florida Statutes, is created to read:

229.0061 Florida's K-20 education system; guidelines for implementation; guidelines for structure, functions, and organization.—

(1) GUIDELINES FOR IMPLEMENTATION.—

(a) Florida's seamless K-20 education system shall be a decentralized system in which as many commissions, boards, councils, and other excess layers of bureaucracy as possible are eliminated.

(b) Florida's K-20 education system shall rely on a single entity, the Florida Board of Education, as its single strategic voice. If the board desires assistance on matters of policy research or other issues, the board shall be authorized to appoint on an ad hoc basis a committee or committees to assist it on any and all issues within the K-20 education system.

(c) Members of the Florida Board of Education shall focus on high-level policy decisions.

(d) It is essential to the success of Florida's seamless K-20 education system to have a fully operational systemwide technology plan based on a common set of data definitions.

(2) GUIDELINES FOR STRUCTURE, FUNCTIONS, AND ORGANIZATION.—

(a) Roles of the Legislature, the Florida Board of Education, the education governance officers, and the institutional boards of trustees and school boards.—The Legislature shall establish education policy, enact education laws, and appropriate and allocate education resources. The Florida Board of Education shall enforce all laws, rules, and guidelines and shall timely provide direction, resources, assistance, intervention when needed, and strong incentives and disincentives to force accountability for results. In terms of major areas of responsibility, the Legislature, the Florida Board of Education, the education governance officers, and the institutional boards of trustees and school boards shall each perform essential constituent roles.

(b) Florida Board of Education.—The Florida Board of Education shall serve as the body corporate for Florida's seamless K-20 education system; implement the coordinated education vision; and, together with the Secretary of the Florida Board of Education, the commissioner, the chancellors, and the executive director, oversee the success of that vision. The Florida Board of Education shall:

1. Enforce systemwide education policies and goals.
2. Recommend annually the coordinated education budget and authorize the allocation of resources in accordance with law and rule. Any program recommended by the Florida Board of Education which requires state funding for more than 1 year must be presented in a multiyear budget plan.
3. Adopt long-term and short-term education plans, including a coordinated 5-year plan for postsecondary enrollment which the board shall submit annually to the Legislature and shall review periodically for adjustment.
4. Adopt university plans designed to achieve continued student diversity in undergraduate, graduate, and professional programs.

5. Enforce education accountability standards and measures of all components of the K-20 education system.
6. Accurately and continuously assess data and monitor and report performance.
7. Provide high-quality assistance and intervention when and where needed.
8. Provide timely and accurate information on all public and independent education services.
9. Recommend to the Legislature the missions of the public colleges and universities and community colleges.

(c) Commissioner of Education.—The Commissioner of Education shall serve as chief executive officer of the seamless K-20 education system. The commissioner shall propose action on all issues that the Florida Board of Education brings before the State Board of Education and shall be responsible for enforcing compliance with the mission and goals of the seamless K-20 education system by all education delivery sectors. The commissioner's office shall operate all statewide functions necessary to support the Florida Board of Education and the seamless K-20 education system, including the following areas:

1. Legal.
2. Communications, including a Citizen Information Center that provides quick response and uses customer-friendly methods.
3. Strategic planning and budget development.
4. General administration.
5. Assessment and accountability.
6. Data management, education technology, and an education data warehouse.
7. Access and opportunity.
8. Policy research and development, except the Council for Education Policy Research and Improvement.
9. Florida Board of Education personnel.
10. Workforce and economic development.
11. Educational facilities.
12. Technology and information services.
13. Student financial assistance.
14. Inspector General.

(d) Chancellors and executive director.—The Chancellor of Public Schools, the Chancellor of Community Colleges, the Chancellor of Colleges and Universities, and the Executive Director of Independent Education shall serve the Florida Board of Education, the Secretary of the Florida Board of Education, and the Commissioner of Education in the role of division vice presidents of the K-20 education system and as governance officers and critical members of the state-level education leadership team. They shall each be held responsible for providing leadership, administering programs, resolving disputes, providing technical assistance, and timely recommending action plans to the commissioner for sanctions or intervention when needed, as well as making recommendations to the board, the secretary, and the commissioner for strategic planning and budget development for their respective education delivery sectors. They shall support the governing policies and responsibilities of the board, the secretary, and the commissioner and bear primary responsibility for the achievement of the mission and goals of the K-20 education system by their education delivery sectors, as applicable to their sectors. They shall reinforce the policies and principles of the seamless K-20 education system in every venue and at every opportunity, and work together to facilitate horizontal communications and interactions between the education delivery sectors. Specifically, as applicable, each education governance officer shall:

1. Serve as the head of the division.
2. Supervise all employees and work of the division.
3. Properly and timely inform education institutions and the public as to legislative action, including funding, grant opportunities, and substantive policy changes affecting the division.
4. Direct the review of expenditures of public funds in accordance with legislative intent.
5. Evaluate the performance of each education institution under the division and report performance results to the public, the Legislature, the Commissioner of Education, the Florida Board of Education, and the institution and its governing board.
6. Direct institutional governing boards to take corrective action to improve unsatisfactory performance pursuant to law and rules of the Florida Board of Education.
7. Direct and oversee the development of the division's accountability system and recommend changes to the Commissioner of Education and the Florida Board of Education.
8. Direct the division's activities in order to coordinate with other divisions to provide a seamless education system.
9. Direct the provision of state services to institutions under the division.
10. Direct the development of the division's legislative budget request and work cooperatively with the commissioner and other governance officers to develop a coordinated budget request.

11. Serve as the primary point of contact and communication for the division.

(e) Institutional boards of trustees and school boards.—Each institutional board of trustees and school board shall:

1. Provide strategic planning and budget development for their institution or school district.

2. Implement and maintain high-quality education programs within law and rules of the Florida Board of Education.

3. Measure and enforce performance.

4. Provide timely and accurate reporting of information.

5. Provide direct input on education issues to the education governance officers.

6. Have broad latitude within law and rules of the Florida Board of Education in developing local policies and local programs to meet the needs of their students, their communities, and area employers.

7. Hold presidents and appointed superintendents responsible for institution and school performance.

8. Be responsible for the fiscal accountability of their institution or school district.

9. Be responsible for compliance with all laws, rules of the Florida Board of Education, and performance accountability requirements.

(f) Presidents and superintendents.—Each institutional president and school district superintendent shall:

1. Be responsible for efficient and effective budget and program administration.

2. Provide strong leadership to accomplish their education missions and goals.

3. Closely monitor education performance.

4. Provide timely and accurate financial and performance data.

5. Link instructional staff evaluations to student performance.

(g) Ad hoc advisory committees.—Advisory bodies shall be appointed on an ad hoc basis by the Florida Board of Education to serve the board, commissioner, and chancellors when and as needed by studying and recommending action on major issues that affect the direction and quality of education, providing public forums for debate, and safeguarding a coordinated systemwide approach to education policy decisions.

Section 9. Section 229.007, Florida Statutes, is created to read:

229.007 Florida's K-20 education performance accountability system; legislative intent; performance-based funding; mission, goals, and system-wide measures.—

(1) LEGISLATIVE INTENT.—It is the intent of the Legislature that:

(a) The performance accountability system implemented to assess the effectiveness of Florida's seamless K-20 education delivery system provide answers to the following questions in relation to its mission and goals:

1. What is the public getting in return for funds it invests in education?
2. How is Florida's K-20 education system performing in terms of educating its students?
3. How are the major delivery sectors performing to promote student achievement?
4. How are individual schools and postsecondary education institutions performing their responsibility to educate their students as measured by how students are performing and how much they are learning?

(b) The Florida Board of Education recommend to the Legislature systemwide performance standards; the Legislature establish systemwide performance measures and standards; and the systemwide measures and standards provide Floridians with information on what the public is getting in return for the funds it invests in education and how well the K-20 system educates its students.

(c) The Florida Board of Education establish performance measures and set performance standards for individual components of the public education system, including individual schools and postsecondary education institutions, which measures and standards are based primarily on student achievement.

(2) PERFORMANCE-BASED FUNDING—The Florida Board of Education shall work with the chancellors and each delivery system to develop proposals for performance-based funding, using performance measures established by the Legislature. The proposals must provide that at least 10 percent of the state funds appropriated for the K-20 education system are conditional upon meeting or exceeding established performance standards. The Florida Board of Education must submit the recommendations to the Legislature in the following sequence:

(a) By December 1, 2002, recommendations for state universities, for consideration by the 2003 Legislature and implementation in the 2003-2004 fiscal year.

(b) By December 1, 2003, recommendations for public schools and workforce education, for consideration by the 2004 Legislature and implementation in the 2004-2005 fiscal year.

(c) By December 1, 2004, recommendations for community colleges, for consideration by the 2005 Legislature and implementation in the 2005-2006 fiscal year.

(d) By December 1, 2005, recommendations for all other programs that receive state funds within the Department of Education.

(3) MISSION, GOALS, AND SYSTEMWIDE MEASURES.—The mission of Florida's K-20 education system, when it becomes fully operational, shall be to increase the proficiency of all students within one seamless, efficient system, by providing them with the opportunity to expand their knowledge and skills through learning opportunities and research valued by students, parents, and communities, and to maintain an accountability system that measures student progress toward the following goals:

(a) Highest student achievement, as measured by: student FCAT performance and annual learning gains; the number and percentage of schools that improve at least one school performance grade designation or maintain a school performance grade designation of "A" pursuant to s. 229.57; graduation or completion rates at all learning levels; and other measures identified in law or rule.

(b) Seamless articulation and maximum access, as measured by: the percentage of students who demonstrate readiness for the educational level they are entering, from kindergarten through postsecondary education and into the workforce; the number and percentage of students needing remediation; the percentage of Floridians who complete associate, baccalaureate, professional, and postgraduate degrees; the number and percentage of credits that articulate; the extent to which each set of exit-point requirements matches the next set of entrance-point requirements; and other measures identified in law or rule.

(c) Skilled workforce and economic development, as measured by: the number and percentage of graduates employed in their areas of preparation; the percentage of Floridians with high school diplomas and postsecondary education credentials; the percentage of business and community members who find that Florida's graduates possess the skills they need; and other measures identified in law or rule.

(d) Quality efficient services, as measured by: cost per completer or graduate; average cost per noncompleter at each educational level; cost disparity across institutions offering the same degrees; the percentage of education customers at each educational level who are satisfied with the education provided; and other measures identified in law or rule.

Section 10. Section 229.0072, Florida Statutes, is created to read:

229.0072 Reorganization implementation process.—In order to best achieve the legislative purpose of the Florida Education Governance Reorganization Implementation Act:

(1) The Governor shall appoint the members of the boards of trustees of the state universities in accordance with s. 229.008.

(2) Effective July 1, 2001, the Governor shall appoint a seven-member Florida Board of Education and a Secretary of the Florida Board of Education. The Florida Board of Education shall be housed within, and operate under the direction of, the State Board of Education. The Secretary of the Florida Board of Education shall possess proven organizational leadership and knowledge of broad-based education policy. The secretary shall be confirmed by the Senate during the 2002 regular legislative session, but may perform all duties in the interim. The secretary shall serve as secretary to the board and as the board's primary liaison with all entities involved in the reorganization of education. The secretary shall be responsible directly to the Florida Board of Education and shall serve as staff to the board on all action items relating to the reorganization. During the reorganization implementation period, the secretary shall:

(a) Be responsible for proposing actions regarding all education governance reorganization implementation issues.

(b) Be responsible for integration of the Department of Education as it is reorganized into an agency of the Governor.

(c) Serve as the head of the Education Reorganization Workgroup.

(d) Serve as the head of the K-20 education leadership team.

(3) The Florida Board of Education shall establish a detailed procedure for the implementation of a systemwide K-20 technology plan which includes a month-by-month timeline with monthly progress reports to the board.

(4) Subject to review and approval of the State Board of Education, the Florida Board of Education shall:

(a) Adopt rules pursuant to ss. 120.536(1) and 120.54 to implement provisions of law conferring duties upon it. The rules shall be submitted to the State Board of Education. If any rule is not disapproved by the State Board of Education within 45 days after its receipt, the rule shall be filed immediately with the Department of State.

(b) Prepare and submit a coordinated K-20 education budget to the Governor and Legislature that clearly defines the individual needs of the divisions within the Department of Education.

(c) Establish a work plan and timeline for the orderly implementation of the transition, including a fully detailed plan and timeline for the devolution of duties, as appropriate, to the university boards of trustees.

(d) Establish accountability standards for existing legislative performance goals, standards, and measures, and order the development of mechanisms to implement new legislative goals, standards, and measures.

(e) Supervise the coordination of institutions and delivery sectors.

(f) Establish policies for university and community college boards of trustees to follow in selecting presidents.

(g) Approve plans and reports, and take other necessary actions pertaining to the supervision of education.

(h) Effectuate the timely implementation of the seamless K-20 education system.

(i) Establish advisory boards on an ad hoc basis to provide the support needed to address issues such as public education facilities planning; student issues; instructional issues; distance learning and technology; academic quality, freedom, and responsibility; and research.

(j) Develop and review recommendations on issues of statewide importance, such as technology systems and facilities.

(k) Adopt criteria and implementation plans for future growth issues, such as new colleges and universities and campus mergers; and provide for cooperative agreements between and within public and private education sectors.

(l) Advise the State Board of Education regarding the issuance of bonds.

(m) Develop, and periodically review for adjustment, a coordinated 5-year plan for postsecondary enrollment and annually submit the plan to the Legislature.

(n) Develop and recommend to the Education Governance Reorganization Transition Task Force, the Governor, the Secretary of the Florida Board of Education, the Commissioner of Education, and the Legislature, no later than January 1, 2002, for adoption during 2002, a clear, concise new School Code, comprised of the revision of chapters 228-246, to accomplish the implementation, administration, and operation of Florida's seamless K-20 education system in accordance with the guidelines included in s. 229.0061.

(o) Serve as the successor for all collective bargaining agreements currently in effect with the Board of Regents.

(5) Effective July 1, 2001, the Commissioner of Education shall:

(a) Work with the Florida Board of Education and its secretary to achieve full implementation of the seamless K-20 education system.

(b) Commence reorganization of the Department of Education as a state agency of the Governor in accordance with legislative guidelines pursuant to s. 229.0073, the requirements of s. 229.003(5), and requests of the Florida Board of Education as approved by the State Board of Education.

(c) As Secretary of the State Board of Education, assist the Secretary of the Florida Board of Education in determining the agenda for the Florida Board of Education and provide the Florida Board of Education and the State Board of Education the full support of the reorganized Department of Education.

Section 11. Section 229.0073, Florida Statutes, is created to read:

229.0073 Reorganization of the Department of Education.—Effective July 1, 2001, notwithstanding the provisions of s. 20.15, the secretary’s Education Reorganization Workgroup is established to direct and provide oversight for the reorganization of Florida’s K-20 Department of Education. The workgroup shall be comprised of the Secretary of the Florida Board of Education, the Commissioner of Education, the Governor or his designee, the Chancellor of Colleges and Universities, the Chancellor of Community Colleges, the Chancellor of Public Schools, and the Executive Director of Independent Education, who shall consult with the legislative members of the Education Governance Reorganization Transition Task Force. The reorganization shall:

(1) Eliminate duplication across divisions; achieve greater efficiencies in financial and human resources and education services; and identify functions, resources, and services that should be eliminated, transferred, or realigned.

(2) Include a review and assessment of all bureaus, offices, divisions, and functions of the department reorganized pursuant to this section.

(3) Establish an Office of the Commissioner of Education that includes the general areas of operation that are common to all delivery sectors, such as administration, communication, legal services, financial aid, and government and public relations, in order to increase efficiency, improve service delivery to students, and fully support the operational needs of the Florida Board of Education.

(4) Establish the following divisions within the department:

(a) Division of Public Schools (K-12).—The state’s public elementary, middle, junior high, and high schools, as well as combination schools, charter schools, district magnet programs, and area technical centers.

(b) Division of Community Colleges.—The state’s 28 public community colleges.

(c) Division of Colleges and Universities.—The state’s public universities and colleges and the 4-year independent colleges and universities whose students are eligible to receive the William L. Boyd, IV, Florida resident access grants pursuant to s. 240.605, to enable more effective articulation between these public and private institutions. The division chancellor shall administer those provisions of chapter 246 that apply to the independent colleges and universities within the division and shall establish a liaison responsible for partnerships that enhance articulation between and communication with Florida’s 4-year independent colleges and universities.

(d) Division of Independent Education.—The independent education providers within the state, including home education programs that meet the requirements of s. 232.0201, private K-12 institutions as described in s. 229.808, independent colleges and universities, except those identified under paragraph (c), and private postsecondary career preparation and vocational training institutions.

1. The division shall be under an executive director and shall house a new commission, appointed by the Governor, to oversee licensing of independent postsecondary institutions, consumer protection, and program improvement. The commission shall have the powers and duties of the State Board of Independent Colleges and Universities specified in chapter 246, except the powers and duties relating to those institutions identified under paragraph (c), and of the State Board of Nonpublic Career Education.

2. The division shall serve as the advocate for and liaison to the independent education providers identified in this paragraph.

3. The executive director of the division shall establish a mechanism for regular interaction and input from independent education providers in the development of policies that provide seamless articulation for all students.

4. The division shall afford students and parents educational options apart from the public K-20 system.

(5) Establish the following offices within the Office of the Commissioner of Education which shall coordinate their activities with all other divisions and offices:

(a) Office of Technology and Information Services.—In conjunction with the Chancellor of Public Schools, the Chancellor of Community Colleges, and the Chancellor of Colleges and Universities, the office shall be responsible for developing a systemwide technology plan, making budget recommendations to the commissioner, providing data collection and management for the system, and coordinating services with other state, local, and private agencies. The office shall develop a method to address the need for a statewide approach to planning and operations of library and information services to achieve a single K-20 education system library information portal and a unified higher education library management system. The Florida Virtual High School shall be administratively housed within the office.

(b) Office of Workforce and Economic Development.—The office shall evaluate the role of each sector of education in Florida's workforce and economic development, assess the specific work skills and variety of careers provided, and report to the Florida Board of Education the effectiveness of each sector.

(c) Office of Educational Facilities and SMART Schools Clearinghouse.—The office shall validate all educational plant surveys and verify Florida Inventory of School Houses (FISH) data. The office shall provide technical assistance to public school districts when requested. The office, staff, property, and functions of the SMART Schools Clearinghouse are transferred by a type two transfer, pursuant to s. 20.06(2), from the Department of Management Services to the Office of Educational Facilities and SMART Schools Clearinghouse within the Office of the Commissioner of Education.

(d) Office of Student Financial Assistance.—The office shall provide access to and administer state and federal grants, scholarships, and loans to those students seeking financial assistance for postsecondary study pursuant to program criteria and eligibility requirements.

(6) Establish a K-20 education leadership team, including, but not limited to, the Secretary of the Florida Board of Education and the education governance officers. The leadership team shall be responsible for system-wide horizontal and vertical communication, and assisting the achievement of the seamless K-20 education system.

Section 12. Section 229.0074, Florida Statutes, is created to read:

229.0074 Division of Independent Education.—

(1) The mission of the Division of Independent Education is to enhance the opportunity to raise the educational attainment levels of students pursuing their education in nongovernment settings by representing their interests, and those of the institutions that serve them, in the Department of Education. The Division of Independent Education has no authority over the institutions or students in Florida's independent education sector. The Commission for Independent Education, administratively housed within the division, shall have such authority as specified in chapter 246 relating to independent postsecondary education, except regarding those institutions described in s. 229.0073(4)(c). The division shall serve as the advocate for, and liaison to, independent education providers and institutions, including home education programs that meet the requirements of s. 232.0201, private K-12 institutions as described in s. 229.808, independent colleges and universities except as otherwise provided in s. 229.0073(4)(c), and private postsecondary career preparation/vocational training institutions.

(2) The executive director of the division shall establish a mechanism for regular interaction and input from independent education providers in the development of policies that provide seamless articulation for all students. The executive director shall:

(a) Learn the interests and concerns of the students and providers of independent education at all levels in order to strongly represent them in the Department of Education.

(b) Articulate the interests and concerns of the students and providers of independent education at all levels in all relevant government settings, accurately reflecting the consensus or differences in opinion among those represented.

(c) Participate with the other division heads in key education decision-making processes.

(d) Monitor and participate in rulemaking and other activities relevant to the interests of the independent education sector.

(e) Serve as a key spokesperson for the independent education sector.

(f) Advocate for any necessary educational services and funds for independent education sector families and schools.

(g) Establish a clearinghouse of information.

(h) Foster a collaborative spirit and working relationship among the institutions of the private and public sectors.

(i) Identify and convey the best practices of the independent education sector for the benefit of the other education delivery sectors, and vice versa.

(j) Augment, where appropriate, the efforts of groups representing the students and providers of independent education to communicate their concerns to government.

(k) Facilitate the administration of education services provided by the Department of Education to the independent education sector, such as those relating to teacher certification and background checks.

(l) Encourage student-centered funding and the expansion of family choice in education.

(m) Develop and propose courses of action to the representatives of the independent education sector.

(n) Communicate relevant decisions to the independent education sector.

(o) Establish and oversee the division staff necessary to carry out the division's functions in the most economical and effective manner.

(p) Evaluate pending policies to ensure they do not place additional regulation or mandates on the independent education community.

(3) The powers and duties of the State Board of Independent Colleges and Universities and the State Board of Nonpublic Career Education, except as relating to any independent nonprofit college or university whose students are eligible to receive the William L. Boyd, IV, Florida resident access grants pursuant to s. 240.605, shall be combined and transferred to a single board named the Commission for Independent Education, which shall be administratively housed within the division. This single board shall authorize granting of certificates, diplomas, and degrees for independent postsecondary education institutions through exemption, registration, authorization, and licensing.

(4) The Commission for Independent Education shall consist of six citizens who are residents of this state. The commission shall function in matters relating to independent postsecondary education institutions in consumer protection, program improvement, registration, authorization, licensure, and certificate of exemption from licensure for institutions under its purview, in keeping with the stated goals of the seamless K-20 education system. The commission shall appoint an executive director to serve as secretary of the commission and shall elect a chair and other officers as needed from among its membership. Members of the commission shall be appointed by the Governor and confirmed by the Senate. The commission shall be composed of six members, as follows:

(a) One member from an independent college or university that enrolls students who receive state or federal financial aid.

(b) One member from an independent college or university that does not enroll students who receive state or federal financial aid excluding veteran's benefits.

(c) One member from an independent nondegree granting school that enrolls students who receive state or federal financial aid.

(d) One member from a public school district or community college who is an administrator of vocational-technical education.

(e) Two lay members who are not affiliated with an independent postsecondary education institution.

(5) The establishment of the Division of Independent Education shall not be construed to advance the extension or expansion of government regulation of independent or home education programs and nothing contained in this act shall authorize the state or any school district to further regulate, control, or interfere with the autonomy of independent K-12 schools or home education programs, or their governance, curriculum, accreditation, testing, or other practices.

Section 13. Section 229.008, Florida Statutes, is created to read:

229.008 Boards of trustees of the state universities.—

(1)(a) Effective July 1, 2001, and no later than November 1, 2001, the Governor shall appoint a 13-member board of trustees for each university in the State University System, each member to be confirmed by the Senate in the regular legislative session immediately following his or her appointment. In addition, a student body president shall serve as a voting member of his or her university board of trustees. There shall be no state residency requirement for university board members, but the Governor shall consider diversity and regional representation. Members of the boards of trustees shall receive no compensation but may be reimbursed for travel and per diem expenses as provided in s. 112.061.

(b) The Governor may remove a trustee upon the recommendation of the Florida Board of Education, or for cause.

(2) Each board of trustees shall be a public body corporate by the name of "The (name of university) Board of Trustees," with all the powers of a body corporate, including a corporate seal, the power to contract and be contracted with, to sue and be sued, to plead and be impleaded in all courts of law or equity, and to give and receive donations. In all suits against a board of trustees, service of process shall be made on the chair of the board or, in the absence of the chair, on the corporate secretary or designee.

(3) Boards of trustees' members shall be appointed for staggered 4-year terms, and may be reappointed for additional terms not to exceed 8 years of service.

(4) Each board of trustees shall select its chair and vice chair from the appointed members at its first regular meeting after July 1. The chair shall

serve for 2 years and may be reselected for one additional consecutive term. The duties of the chair shall include presiding at all meetings of the board, calling special meetings of the board, attesting to actions of the board, and notifying the Governor in writing whenever a board member fails to attend three consecutive regular board meetings in any fiscal year, which failure may be grounds for removal. The duty of the vice chair is to act as chair during the absence or disability of the chair.

(5) The university president shall serve as executive officer and corporate secretary of the board of trustees and shall be responsible to the board for all operations of the university and for setting the agenda for meetings of the board in consultation with the chair.

(6) Upon appointment, each board of trustees shall commence professional orientation, training, and board development activities, and shall begin setting direction for its university in keeping with accountability and performance expectations of the seamless K-20 education system. Each board of trustees shall submit to the Florida Board of Education action plans and timelines for devolution of duties and responsibilities to the board of trustees.

(7) The boards of trustees shall be responsible for cost-effective policy decisions appropriate to the university's mission, the implementation and maintenance of high-quality education programs within law and rules of the Florida Board of Education, the measurement of performance, the reporting of information, and the provision of input regarding state policy, budgeting, and education standards.

(8) Whenever any civil action has been brought against any member of a university board of trustees or employee for any act or omission arising out of and in the course of the performance of his or her duties and responsibilities, the university board of trustees may defray all costs of defending such action, including reasonable attorney's fees and expenses together with costs of appeal, and may save harmless and protect such person from any financial loss resulting from the lawful performance of his or her duties and responsibilities. Claims based on such actions or omissions may, in the discretion of the university board of trustees, be settled prior to or after the filing of suit thereon. The board of trustees may arrange for and pay the premium for appropriate insurance to cover all such losses and expenses.

(9) University boards of trustees shall be "corporations primarily acting as instrumentalities or agencies of the state," pursuant to s. 768.28(2), for purposes of sovereign immunity.

Section 14. Section 229.0081, Florida Statutes, is created to read:

229.0081 Powers and duties of university boards of trustees.—

(1) Notwithstanding the provisions of chapter 240, each university board of trustees is vested with the authority to govern and set policy for its university, as necessary to provide proper governance and improvement of the university in accordance with law and with rules of the Florida Board of Education. Each board of trustees shall perform all duties assigned by law

or by rule of the Florida Board of Education or the Commissioner of Education.

(2) Notwithstanding the provisions of chapter 240, each university board of trustees may adopt rules and policies consistent with the university mission, with law, and with rule of the Florida Board of Education, including rules and policies for the following:

(a) Selecting the president to serve at the pleasure of the board and perform such duties as are assigned by the board or otherwise provided by law or by rule.

(b) Fixing the compensation and other conditions of employment of the president.

(c) Conducting periodic evaluations of the president, submitting such evaluations to the Chancellor for review, and suspending or removing the president in accordance with guidelines established by the Chancellor.

(d) Appointing a presidential search committee to make recommendations to the full board of trustees, from which the board shall select a candidate for reference to the Chancellor and ratification by the Florida Board of Education.

(e) In consultation with the university president, defining and developing a strategic plan for the university for recommendation to the Chancellor, the Commissioner of Education, and the Florida Board of Education, as provided by law, specifying institutional goals and objectives.

(f) In consultation with the university president, providing for academic freedom and academic responsibility at the university.

(g) In consultation with the university president, submitting an institutional budget request, including a request for fixed capital outlay, to the Chancellor in accordance with guidelines established by the Florida Board of Education.

(h) Approving new, and terminating existing, undergraduate and graduate degree programs up to and including the master's degree level, based on criteria established by the Florida Board of Education.

(i) Purchasing, acquiring, receiving, holding, owning, managing, leasing, selling, disposing of, and conveying title to real property, in accordance with rules and guidelines of the Florida Board of Education.

(j) Entering into agreements for and accepting credit card, charge card, and debit card payments as compensation for goods, services, tuition, and fees.

(k) Establishing codes of conduct and appropriate penalties for violations of university rules by students and student organizations, including rules governing student academic honesty.

(l) Establishing a committee, at least one-half of the members of which shall be students appointed by the student body president, to periodically review and evaluate the student judicial system.

(m) Administering the personnel program for all employees of the university in accordance with law and with rules and guidelines of the Florida Board of Education, including: compensation and other conditions of employment, recruitment and selection, nonreappointment, standards for performance and conduct, evaluation, benefits and hours of work, recognition, inventions and works, travel, learning opportunities, academic freedom and responsibility, promotion, assignment, demotion, transfer, tenure and permanent status, ethical obligations and conflicts of interest, restrictive covenants, disciplinary actions, complaints, appeals and grievance procedures, and separation and termination from employment.

(n) Establishing and maintaining a personnel exchange program.

(o) Governing admission of students subject to the rules of the Florida Board of Education.

(p) Considering the past actions of any person applying for admission, enrollment, or employment, and establishing policies to deny admission, enrollment, or employment to an applicant because of misconduct if determined to be in the best interest of the university.

(q) Ensuring compliance with federal laws, regulations, and requirements.

(r) Using, maintaining, protecting, and controlling university-owned or university-controlled buildings and grounds, property and equipment, name, trademarks and other proprietary marks, and the financial and other resources of the university. Such authority may include placing restrictions on activities and on access to facilities, firearms, food, tobacco, alcoholic beverages, distribution of printed materials, human subjects, animals, and sound.

(s) Providing and coordinating policies relating to credit and noncredit educational offerings by the university.

(t) Administering a procurement program for the purchase, lease, or acquisition in any manner (including purchase by installment or lease-purchase contract which may provide for the payment of interest on the unpaid portion of the purchase price and for the granting of a security interest in the items purchased) of goods, materials, equipment, and services required by the university.

(u) Supervising faculty practice plans for the academic health science centers.

(v) Prescribing conditions for university health services support organizations to be certified and to use university property and services.

(w) Prescribing conditions, which include audit review and oversight by the board of trustees, for university direct-support organizations to use university property and services.

(3) Each board of trustees shall actively implement a plan, in accordance with guidelines of the Florida Board of Education, for working on a regular basis with the other university boards of trustees, representatives of the community college boards of trustees, and representatives of the district school boards, to achieve the goals of the seamless education system.

(4) Notwithstanding the provisions of s. 216.351, a state university board of trustees may authorize the rent or lease of parking facilities, provided that such facilities are funded through parking fees or parking fines imposed by a university. A board of trustees may authorize a university to charge fees for parking at such rented or leased parking facilities.

(5) Effective July 1, 2002, within proviso in the General Appropriations Act and law, each board of trustees shall set university tuition and fees. 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 matriculation fee 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. This subsection does not prohibit a university from increasing or assessing optional fees related to specific activities that are not required as a part of registration for courses.

(6) Effective July 1, 2002, each board of trustees shall implement the university facilities plan in accordance with law and guidelines of the Commissioner of Education's Office of Educational Facilities and SMART Schools Clearinghouse.

(7) A board of trustees shall perform such other duties as are provided by law or rule of the Florida Board of Education.

Section 15. Section 229.0082, Florida Statutes, is created to read:

229.0082 University presidents; powers and duties.—The president is the chief executive officer of the university, shall be corporate secretary of the state university board of trustees, and is responsible for the operation and administration of the university. Each university president shall:

(1) Recommend the adoption of rules, as appropriate, to the state university board of trustees to implement provisions of law governing the operation and administration of the university, which shall include the specific powers and duties enumerated in this section. Such rules shall be consistent with the mission of the university and the rules and policies of the Florida Board of Education.

(2) Prepare a budget request and an operating budget for approval by the university board of trustees.

(3) Establish and implement policies and procedures to recruit, appoint, transfer, promote, compensate, evaluate, reward, demote, discipline, and

remove personnel, within law and rules of the Florida Board of Education and in accordance with rules or policies approved by the university board of trustees.

(4) Govern admissions, subject to law and rules or policies of the university board of trustees and the Florida Board of Education.

(5) Approve, execute, and administer contracts for and on behalf of the university board of trustees for the acquisition of commodities, goods, equipment, services, leases of real and personal property, and planning and construction to be rendered to or by the university, provided such contracts are within law and guidelines of the Florida Board of Education and in conformance with policies of the university board of trustees, and are for the implementation of approved programs of the university.

(6) Act for the university board of trustees as custodian of all university property. The authority vested in the university president under this subsection includes the authority to prioritize the use of university space, property, equipment, and resources and the authority to impose charges for the use of those items.

(7) Establish the internal academic calendar of the university within general guidelines of the Florida Board of Education.

(8) Administer the university's program of intercollegiate athletics.

(9) Recommend to the board of trustees the establishment and termination of undergraduate and master's-level degree programs within the approved role and scope of the university.

(10) Award degrees.

(11) Recommend to the board of trustees a schedule of tuition and fees to be charged by the university, within law and rules of the Florida Board of Education.

(12) Organize the university to efficiently and effectively achieve the goals of the university.

(13) Review periodically the operations of the university in order to determine how effectively and efficiently the university is being administered and whether it is meeting the goals of its strategic plan adopted by the Florida Board of Education.

(14) Enter into agreements for student exchange programs which involve students at the university and students in other institutions of higher learning.

(15) Approve the internal procedures of student government organizations and provide purchasing, contracting, and budgetary review processes for these organizations.

(16) Ensure compliance with federal and state laws, regulations, and other requirements that are applicable to the university.

(17) Maintain all data and information pertaining to the operation of the university, and report on the attainment by the university of institutional and statewide performance accountability goals.

(18) Adjust property records and dispose of state-owned tangible personal property in the university's custody in accordance with procedures established by the university board of trustees. Notwithstanding the provisions of s. 273.055(5), all moneys received from the disposition of state-owned tangible personal property shall be retained by the university and disbursed for the acquisition of tangible personal property and for all necessary operating expenditures. The university shall maintain records of the accounts into which such moneys are deposited.

Section 16. Effective July 1, 2001, the Florida Partnership for School Readiness is transferred by a type two transfer, pursuant to s. 20.06(2), Florida Statutes, from the Executive Office of the Governor to the Agency for Workforce Innovation.

Section 17. Effective July 1, 2001, the Child Care Executive Partnership Program, child care and early childhood resource and referral, and the subsidized child care program, including but not limited to statewide staff as referenced in the interagency agreement between the Department of Children and Family Services and the Florida Partnership for School Readiness signed on March 15, 2001, are transferred by a type two transfer, pursuant to s. 20.06(2), Florida Statutes, to the Agency for Workforce Innovation.

Section 18. Effective July 1, 2001, the prekindergarten early intervention, migrant prekindergarten, and Florida First Start programs, including but not limited to statewide staff as referenced in the interagency agreement between the Department of Education and the Florida Partnership for School Readiness, are transferred by a type two transfer, pursuant to s. 20.06(2), Florida Statutes, to the Agency for Workforce Innovation.

Section 19. For purposes of administration of the Early Learning Opportunities Act and the Even Start Family Literacy Programs, pursuant to Pub. L. No. 106-554, the Agency for Workforce Innovation is designated as the lead agency and must comply with lead agency responsibilities pursuant to federal law.

Section 20. Section 411.01, Florida Statutes, is amended to read:

411.01 Florida Partnership for School Readiness; school readiness coalitions.—

(1) SHORT TITLE.—This section may be cited as the “School Readiness Act.”

(2) LEGISLATIVE INTENT.—

(a) The Legislature recognizes that school readiness programs increase children's chances of achieving future educational success and becoming productive members of society. It is the intent of the Legislature that such

programs be developmentally appropriate, research-based, involve parents as their child's first teacher, serve as preventive measures for children at risk of future school failure, enhance the educational readiness of eligible children, and support family education. Each school readiness program shall provide the elements necessary to prepare at-risk children for school, including health screening and referral and an appropriate educational program.

(b) It is the intent of the Legislature that school readiness programs be operated on a full-day, year-round basis to the maximum extent possible to enable parents to work and become financially self-sufficient.

(c) It is the intent of the Legislature that school readiness programs not exist as isolated programs, but build upon existing services and work in cooperation with other programs for young children, and that school readiness programs be coordinated and funding integrated to achieve full effectiveness.

(d) It is the intent of the Legislature that the administrative staff at the state level for school readiness programs be kept to the minimum necessary to carry out the duties of the Florida Partnership for School Readiness, as the school readiness programs are to be locally designed, operated, and managed, with the Florida Partnership for School Readiness adopting a system for measuring school readiness; developing school readiness program performance standards, outcome measurements, and data design and review; and approving and reviewing local school readiness coalitions and plans.

(e) It is the intent of the Legislature that appropriations for combined school readiness programs shall not be less than the programs would receive in any fiscal year on an uncombined basis.

(f) It is the intent of the Legislature that the school readiness program coordinate and operate in conjunction with the district school systems. However, it is also the intent of the Legislature that the school readiness program not be construed as part of the system of free public schools but rather as a separate program for children under the age of kindergarten eligibility, funded separately from the system of free public schools, utilizing a mandatory sliding fee scale, and providing an integrated and seamless system of school readiness services for the state's birth-to-kindergarten population.

(g) It is the intent of the Legislature that the federal child care income tax credit be preserved for school readiness programs.

(h) It is the intent of the Legislature that school readiness services shall be an integrated and seamless system of services with a developmentally appropriate education component for the state's eligible birth-to-kindergarten population described in subsection (6) and shall not be construed as part of the seamless K-20 education system except for the administration of the uniform screening system upon entry into kindergarten.

(3) SCHOOL READINESS PROGRAM.—

(a) The school readiness program shall be phased in on a coalition-by-coalition basis. Each coalition's school readiness program shall have avail-

able to it funding from all the coalition's early education and child care programs that are funded with state, federal, lottery, or local funds, including but not limited to Florida First Start programs, Even-Start literacy programs, prekindergarten early intervention programs, Head Start programs, programs offered by public and private providers of child care, migrant prekindergarten programs, Title I programs, subsidized child care programs, and teen parent programs, together with any additional funds appropriated or obtained for purposes of this section. These programs and their funding streams shall be components of the coalition's integrated school readiness program, with the goal of preparing children for success in school.

(b) Nothing contained in this act is intended to:

1. Relieve parents and guardians of their own obligations to ready their children for school; or

2. Create any obligation to provide publicly funded school readiness programs or services beyond those authorized by the Legislature.

(4) FLORIDA PARTNERSHIP FOR SCHOOL READINESS.—

(a) There is created The Florida Partnership for School Readiness was created to fulfill three major purposes: to administer school readiness program services that help parents prepare eligible children for school; to coordinate the provision of school readiness services on a full-day, full-year, full-choice basis to the extent possible in order to enable parents to work and be financially self-sufficient; and to establish a uniform screening instrument to be implemented by the Department of Education and administered by the school districts upon entry into kindergarten to assess the readiness for school of all children. Readiness for kindergarten is the outcome measure of the success of each school readiness program that receives state or federal funds. with responsibility for adopting and maintaining coordinated programmatic, administrative, and fiscal policies and standards for all school readiness programs, while allowing a wide range of programmatic flexibility and differentiation. The partnership is assigned to the Agency for Workforce Innovation Executive Office of the Governor for administrative purposes.

(b) The Florida Partnership for School Readiness shall:

1. Coordinate the birth-to-kindergarten services for children who are eligible pursuant to subsection (6) and the programmatic, administrative, and fiscal standards pursuant to this section for all public providers of school readiness programs.

2. Continue to provide unified leadership for school readiness through local school readiness coalitions.

3. Focus on improving the educational quality of all publicly funded school readiness programs.

(c)(b)1. The Florida Partnership for School Readiness shall include the Lieutenant Governor, the Commissioner of Education, the Secretary of Children and Family Services, and the Secretary of Health, or their designees,

and the chair of the Child Care Executive Partnership Board, and the chairperson of the Board of Directors of Workforce Florida, Inc. When the Lieutenant Governor or an agency head appoints a designee, the designee must be an individual who attends consistently, and, in the event that the Lieutenant Governor or agency head and his or her designee both attend a meeting, only one of them may vote.

2. The partnership shall also include ~~14~~ 10 members of the public who shall be business, community, and civic leaders in the state who are not elected to public office. These members and their families must not have a direct contract with any local coalition to provide school readiness services be providers in the early education and child care industry. The members must be geographically and demographically representative of the state. Each member shall be appointed by the Governor. ~~Eight of the members shall be appointed from a list of 10 nominees, of which five must be submitted by the President of the Senate and five must be submitted by the Speaker of the House of Representatives. By July 1, 2001, four members shall be appointed as follows: two members shall be from the child care industry, one representing the private for-profit sector appointed by the Governor from a list of two nominees submitted by the President of the Senate and one representing faith-based providers appointed by the Governor from a list of two nominees submitted by the Speaker of the House of Representatives; and two members shall be from the business community, one appointed by the Governor from a list of two nominees submitted by the President of the Senate and one appointed by the Governor from a list of two nominees submitted by the Speaker of the House of Representatives.~~ Members shall be appointed to 4-year terms of office. ~~However, of the initial appointees, two shall be appointed to 1-year terms, two shall be appointed to 2-year terms, three shall be appointed to 3-year terms, and three shall be appointed to 4-year terms.~~ The members of the partnership shall elect a chairperson annually from the nongovernmental members of the partnership. Any vacancy on the partnership shall be filled in the same manner as the original appointment.

~~(d)~~(e) The partnership shall meet at least quarterly but may meet as often as it deems necessary to carry out its duties and responsibilities. Members of the partnership shall participate without proxy at the quarterly meetings. The partnership may take official action by a majority vote of the members present at any meeting at which a quorum is present. ~~The partnership shall hold its first meeting by October 1, 1999.~~

~~(e)~~(d) Members of the partnership are subject to the ethics provisions in part III of chapter 112, and no member may derive any financial benefit from the funds administered by the Florida Partnership for School Readiness.

~~(f)~~(e) Members of the partnership shall serve without compensation but are entitled to reimbursement for per diem and travel expenses incurred in the performance of their duties as provided in s. 112.061, and reimbursement for other reasonable, necessary, and actual expenses.

~~(g)~~(f) For the purposes of tort liability, the members of the partnership and its employees shall be governed by s. 768.28.

~~(h)~~(g) The partnership shall appoint an executive director who shall ~~to~~ serve at the ~~its~~ pleasure of the Governor. The executive director ~~who~~ shall perform the duties assigned to him or her by the partnership. The executive director shall be responsible for hiring, subject to the approval of the partnership, all employees and staff members, who shall serve under his or her direction and control.

~~(i)~~(h) For purposes of administration of the federal Child Care and Development Fund, 45 C.F.R. parts 98 and 99, the partnership may be designated by the Governor as the lead agency, and if so designated shall comply with the lead agency responsibilities pursuant to federal law.

~~(j)~~(i) The Florida Partnership for School Readiness is the principal organization responsible for the enhancement of school readiness for the state's children, and shall:

1. Be responsible for the prudent use of all public and private funds in accordance with all legal and contractual requirements.

2. Provide final approval and periodic review of coalitions and plans.

3. Provide leadership for enhancement of school readiness in this state by aggressively establishing a unified approach to the state's efforts toward enhancement of school readiness. In support of this effort, the partnership may develop and implement specific strategies that address the state's school readiness programs.

4. Safeguard the effective use of federal, state, local, and private resources to achieve the highest possible level of school readiness for the state's children.

5. Provide technical assistance to coalitions.

6. Assess gaps in service.

7. Provide technical assistance to counties that form a multicounty coalition.

8.a. ~~By July 1, 2000,~~ Adopt a system for measuring school readiness that provides objective data regarding the expectations for school readiness, and establish a method for collecting the data and guidelines for using the data. The measurement, the data collection, and the use of the data must serve the statewide school readiness goal. The criteria for determining which data to collect should be the usefulness of the data to state policymakers and local program administrators in administering programs and allocating state funds, and must include the tracking of school readiness system information back to individual school readiness programs to assist in determining program effectiveness.

b. ~~By December 31, 2000, the partnership shall also~~ Adopt a system for evaluating the performance of students through the third grade to compare the performance of those who participated in school readiness programs with the performance of students who did not participate in school readiness

programs in order to identify strategies for continued successful student performance.

9. ~~By June 1, 2000,~~ Develop and adopt performance standards and outcome measures.

~~10. In consultation with the Postsecondary Education Planning Commission and the Education Standards Commission, assess the expertise of public and private Florida postsecondary institutions in the areas of infant and toddler developmental research; the related curriculum of training, career, and academic programs; and the status of articulation among those programs. Based on this assessment, the partnership shall provide recommendations to the Governor and the Legislature for postsecondary program improvements to enhance school readiness initiatives.~~

~~(k)(j)~~ The partnership may adopt rules necessary to administer the provisions of this section which relate to preparing and implementing the system for school readiness, collecting data, approving local school readiness coalitions and plans, providing a method whereby a coalition can serve two or more counties, awarding incentives to coalitions, and issuing waivers.

~~(l)(k)~~ The Florida Partnership for School Readiness shall have all powers necessary to carry out the purposes of this section, including, but not limited to, the power to receive and accept grants, loans, or advances of funds from any public or private agency and to receive and accept from any source contributions of money, property, labor, or any other thing of value, to be held, used, and applied for the purposes of this section.

~~(l)~~ The Florida Partnership for School Readiness shall be an independent, nonpartisan body and shall not be identified or affiliated with any one agency, program, or group.

(m) The Florida Partnership for School Readiness shall have a budget, shall be financed through an annual appropriation made for this purpose in the General Appropriations Act, and shall be subject to compliance audits and annual financial audits by the Auditor General.

(n) The partnership shall coordinate the efforts toward school readiness in this state and provide independent policy analyses and recommendations to the Governor, the Florida State Board of Education, and the Legislature.

~~(o) By July 1, 2000,~~ The partnership shall prepare and submit to the Florida State Board of Education a system for measuring school readiness. The system must include a uniform screening, which shall provide objective data regarding the following expectations for school readiness which shall include, at a minimum:

1. The child's immunizations and other health requirements as necessary, including appropriate vision and hearing screening and examinations.
2. The child's physical development.
3. The child's compliance with rules, limitations, and routines.

4. The child's ability to perform tasks.
5. The child's interactions with adults.
6. The child's interactions with peers.
7. The child's ability to cope with challenges.
8. The child's self-help skills.
9. The child's ability to express his or her needs.
10. The child's verbal communication skills.
11. The child's problem-solving skills.
12. The child's following of verbal directions.
13. The child's demonstration of curiosity, persistence, and exploratory behavior.
14. The child's interest in books and other printed materials.
15. The child's paying attention to stories.
16. The child's participation in art and music activities.
17. The child's ability to identify colors, geometric shapes, letters of the alphabet, numbers, and spatial and temporal relationships.

(p) The partnership shall prepare a plan for implementing the system for measuring school readiness in such a way that all children in this state will undergo the uniform screening established by the partnership when they enter kindergarten. Children who enter public school for the first time in first grade must undergo a uniform screening approved by the partnership for use in first grade. Because children with disabilities may not be able to meet all of the identified expectations for school readiness, the plan for measuring school readiness shall incorporate mechanisms for recognizing the potential variations in expectations for school readiness when serving children with disabilities and shall provide for communities to serve children with disabilities.

~~(q) The partnership shall recommend to the Governor, the Commissioner of Education, and the State Board of Education rules, and revisions or repeal of rules, which would increase the effectiveness of programs that prepare children for school.~~

~~(q)(r)~~ The partnership shall conduct studies and planning activities related to the overall improvement and effectiveness of school readiness measures.

~~(s) By February 1, 2000, the partnership shall work with the Office of the Comptroller for electronic funds transfer.~~

~~(t)~~ By February 1, 2000, the partnership shall present to the Legislature a plan for combining funding streams for school readiness programs into a School Readiness Trust Fund.

~~(r)~~^(u) The partnership shall establish procedures for performance-based budgeting in school readiness programs.

~~(s)~~^(v) The partnership shall submit an annual report of its activities to the Governor, the executive director of the Florida Healthy Kids Corporation, the President of the Senate, the Speaker of the House of Representatives, and the minority leaders of both houses of the Legislature. In addition, the partnership's reports and recommendations shall be made available to the Florida State Board of Education, other appropriate state agencies and entities, district school boards, central agencies for child care, and county health departments. The annual report must provide an analysis of school readiness activities across the state, including the number of children who were served in the programs and the number of children who were ready for school.

~~(t)~~^(w) The partnership shall work with school readiness coalitions to increase parents' training for and involvement in their children's preschool education and to provide family literacy activities and programs.

To ensure that the system for measuring school readiness is comprehensive and appropriate statewide, as the system is developed and implemented, the partnership must consult with representatives of district school systems, providers of public and private child care, health care providers, large and small employers, experts in education for children with disabilities, and experts in child development.

(5) CREATION OF SCHOOL READINESS COALITIONS.—

(a) School readiness coalitions.—

1. If a coalition's plan would serve less than 400 birth-to-kindergarten age children, the coalition must either join with another county to form a multicounty coalition, enter an agreement with a fiscal agent to serve more than one coalition, or demonstrate to the partnership its ability to effectively and efficiently implement its plan as a single-county coalition and meet all required performance standards and outcome measures.

2. Each coalition shall have at least 18 but not more than 25 members and such members must include the following:

a. A Department of Children and Family Services district administrator or his or her designee who is authorized to make decisions on behalf of the department.

b. A district superintendent of schools or his or her designee who is authorized to make decisions on behalf of the district.

c. A regional workforce development board chair or director, where applicable.

- d. A county health department director or his or her designee.
- e. A children's services council or juvenile welfare board chair or executive director, if applicable.
- f. A child care licensing agency head.
- g. One member appointed by a Department of Children and Family Services district administrator.
- h. One member appointed by a board of county commissioners.
- i. One member appointed by a district school board.
- j. A central child care agency administrator.
- k. A Head Start director.
- l. A representative of private child care providers.
- m. A representative of faith-based child care providers.

More than one-third of the coalition members must be from the private sector, and neither they nor their families may earn an income from the early education and child care industry. To meet this requirement a coalition must appoint additional members from a list of nominees presented to the coalition by a chamber of commerce or economic development council within the geographic area of the coalition.

3. No member of a coalition may appoint a designee to act in his or her place. A member may send a representative to coalition meetings, but that representative will have no voting privileges. When a district superintendent of schools or a district administrator for the Department of Children and Family Services appoints a designee to a school readiness coalition, the designee will be the voting member of the coalition, and any individual attending in his or her place, including the district administrator or superintendent, will have no voting privileges.

~~4. The school readiness coalition shall replace the district interagency coordinating council required under s. 230.2305.~~

~~4.5.~~ Members of the coalition are subject to the ethics provisions in part III of chapter 112.

~~5.6.~~ For the purposes of tort liability, the members of the school readiness coalition and its employees shall be governed by s. 768.28.

~~6.7.~~ Multicounty coalitions shall include representation from each county.

~~7.8.~~ The terms of all appointed members of the coalition must be staggered. Appointed members may serve a maximum of two terms. When a vacancy occurs in an appointed position, the coalition must advertise the vacancy.

(b) Program participation.—The school readiness program shall be established for children from birth to 5 years of age or until the child enters kindergarten. The program shall be administered by the school readiness coalition. Within funding limitations, the school readiness coalition, along with all providers, shall make reasonable efforts to accommodate the needs of children for extended-day and extended-year services without compromising the quality of the program.

(c) Program expectations.—

1. The school readiness program must meet the following expectations:

a. The program must prepare preschool children to enter kindergarten ready to learn, as measured by criteria established by the Florida Partnership for School Readiness.

b. The program must provide extended-day and extended-year services to the maximum extent possible to meet the needs of parents who work.

c. There must be coordinated staff development and teaching opportunities.

d. There must be expanded access to community services and resources for families to help achieve economic self-sufficiency.

e. There must be a single point of entry and unified waiting list.

f. As long as funding or eligible populations do not decrease, the program must serve at least as many children as were served prior to implementation of the program.

g. There must be a community plan to address the needs of all eligible children.

h. The program must meet all state licensing guidelines, where applicable.

2. The school readiness coalition must implement a comprehensive program of readiness services that enhance the cognitive, social, and physical development of children to achieve the performance standards and outcome measures specified by the partnership. At a minimum, these programs must contain the following elements:

a. Developmentally appropriate curriculum.

b. A character development program to develop basic values.

c. An age-appropriate assessment of each child's development.

d. A pretest administered to children when they enter a program and a posttest administered to children when they leave the program.

e. An appropriate staff-to-child ratio.

- f. A healthful and safe environment.
- g. A resource and referral network to assist parents in making an informed choice.

(d) Implementation.—

1. The school readiness program is to be phased in. Until the coalition implements its plan, the county shall continue to receive the services identified in subsection (3) through the various agencies that would be responsible for delivering those services under current law. Plan implementation is subject to approval of the coalition and the plan by the Florida Partnership for School Readiness.

2. Each school readiness coalition shall develop a plan for implementing the school readiness program to meet the requirements of this section and the performance standards and outcome measures established by the partnership. The plan must include a written description of the role of the program in the coalition's effort to meet the first state education goal, readiness to start school, including a description of the plan to involve the pre-kindergarten early intervention programs, Head Start Programs, programs offered by public or private providers of child care, preschool programs for children with disabilities, programs for migrant children, Title I programs, subsidized child care programs, and teen parent programs. The plan must also demonstrate how the program will ensure that each 3-year-old and 4-year-old child in a publicly funded school readiness program receives scheduled activities and instruction designed to prepare children to enter kindergarten ready to learn. Prior to implementation of the program, the school readiness coalition must submit the plan to the partnership for approval. The partnership may approve the plan, reject the plan, or approve the plan with conditions. The Florida Partnership for School Readiness shall review coalition plans at least annually. ~~plan shall be reviewed, revised, and approved biennially.~~

3. The plan for the school readiness program must include the following minimum standards and provisions:

a. A sliding fee scale establishing a copayment for parents based upon their ability to pay, which is the same for all program providers, to be implemented and reflected in each program's budget.

b. A choice of settings and locations in licensed, registered, religious-exempt, or school-based programs to be provided to parents.

c. Instructional staff who have completed the training course as required in s. 402.305(2)(d)1., as well as staff who have additional training or credentials as required by the ~~partnership~~ respective program provider. The plan must provide a method for assuring the qualifications of all personnel in all program settings.

d. Specific eligibility priorities for children within the coalition's county pursuant to subsection (6).

e. Performance standards and outcome measures established by the partnership or alternatively, standards and outcome measures to be used until such time as the partnership adopts such standards and outcome measures.

f. Reimbursement rates that have been developed by the coalition. Reimbursement rates shall not have the effect of limiting parental choice or creating standards or levels of services that have not been authorized by the Legislature.

g. Systems support services, including a central agency, child care resource and referral, eligibility determinations, training of providers, and parent support and involvement.

h. Direct enhancement services to families and children. System support and direct enhancement services shall be in addition to payments for the placement of children in school readiness programs.

i. A business plan, which must include the contract with a school readiness agent if the coalition is not a legally established corporate entity. Coalitions may contract with other coalitions to achieve efficiency in multiple-county services, and such contracts may be part of the coalition's business plan.

j. Strategies to meet the needs of unique populations, such as migrant workers.

As part of the plan, the coalition may request the Governor to apply for a waiver to allow the coalition to administer the Head Start Program to accomplish the purposes of the school readiness program. If any school readiness plan can demonstrate that specific statutory goals can be achieved more effectively by using procedures that require modification of existing rules, policies, or procedures, a request for a waiver to the partnership may be made as part of the plan. Upon review, the partnership may grant the proposed modification.

4. Persons with an early childhood teaching certificate may provide support and supervision to other staff in the school readiness program.

5. The coalition may not implement its plan until it submits the plan to and receives approval from the partnership. Once the plan has been approved, the plan and the services provided under the plan shall be controlled by the coalition rather than by the state agencies or departments. The plan shall be reviewed and revised as necessary, but at least biennially.

6. The following statutes will not apply to local coalitions with approved plans: ss. 125.901(2)(a)3., ~~228.061(1) and (2)~~, 230.2306, 411.221, ~~411.222~~, and 411.232. To facilitate innovative practices and to allow local establishment of school readiness programs, a school readiness coalition may apply to the Governor and Cabinet for a waiver of, and the Governor and Cabinet may waive, any of the provisions of ss. ~~230.2303, 230.2305, 230.23166, 402.3015~~, 411.223, and 411.232, if the waiver is necessary for implementation of the coalition's school readiness plan.

7. Two or more counties may join for the purpose of planning and implementing a school readiness program.

8. A coalition may, subject to approval of the partnership as part of the coalition's plan, receive subsidized child care funds for all children eligible for any federal subsidized child care program and be the provider of the program services.

9. Coalitions are authorized to enter into multiparty contracts with multicounty service providers in order to meet the needs of unique populations such as migrant workers.

(e) Requests for proposals; payment schedule.—

1. At least once every 3 years, beginning July 1, 2001, each coalition must follow the competitive procurement requirements of s. 287.057 for school readiness programs.

2. Each coalition shall develop a payment schedule that encompasses all programs funded by that coalition. The payment schedule must take into consideration the relevant market rate, must include the projected number of children to be served, and must be submitted to the partnership for information. Informal child care arrangements shall be reimbursed at not more than 50 percent of the rate developed for family childcare.

(f) Requirements relating to fiscal agents.—If the local coalition is not a legally established corporate entity, the coalition must designate a fiscal agent, which may be a public entity or a private nonprofit organization. The fiscal agent shall be required to provide financial and administrative services pursuant to a contract or agreement with the school readiness coalition. The fiscal agent may not provide direct early education or child care services; however, a fiscal agent may provide such services upon written request of the coalition to the partnership and upon the approval of such request by the partnership. The cost of the financial and administrative services shall be negotiated between the fiscal agent and the school readiness coalition. If the fiscal agent is a provider of early education and care programs, the contract must specify that the fiscal agent will act on policy direction from the coalition and will not receive policy direction from its own corporate board regarding disbursement of coalition funds. The fiscal agent shall disburse funds in accordance with the approved coalition school readiness plan and based on billing and disbursement procedures approved by the partnership. The fiscal agent must conform to all data-reporting requirements established by the partnership.

(g) ~~Coalition initiation grants; incentive bonuses.—~~

~~1. School readiness coalitions that are approved by the Florida Partnership for School Readiness by January 1, 2000, shall be eligible for a \$50,000 initiation grant to support the school readiness coalition in developing its school readiness plan.~~

~~2. School readiness coalitions that are approved by the Florida Partnership for School Readiness by March 1, 2000, shall be eligible for a \$25,000~~

~~initiation grant to support the school readiness coalition in developing its school readiness plan.~~

~~3.—School readiness coalitions that have their plans approved by July 1, 2000, shall receive funding from the Florida Partnership for School Readiness in fiscal year 2000-2001, and each year thereafter.~~

~~4.—Upon approval by the Florida Partnership for School Readiness of any coalition's plan that clearly shows enhancement in the quality and standards of the school readiness program without diminishing the number of children served in the program, the partnership shall award the coalition an incentive bonus, subject to appropriation.~~

~~5.—In fiscal year 2000-2001, and each year thereafter, any increases in funding for school readiness programs shall be administered through school readiness coalitions.~~

~~6.—In fiscal year 2001-2002, the Florida Partnership for School Readiness shall request proposals from government agencies and nonprofit corporations for the development and operation of a school readiness coalition in each county that does not have an approved coalition by March 1, 2001.~~

~~(g)(h) Evaluation and annual report.—Each school readiness coalition shall conduct an evaluation of the effectiveness of the school readiness program, including performance standards and outcome measures, and shall provide an annual report and fiscal statement to the Florida Partnership for School Readiness. This report must conform to the content and format specifications set by the Florida Partnership for School Readiness. The partnership must include an analysis of the coalition reports in its annual report.~~

~~(6) PROGRAM ELIGIBILITY.—The school readiness program shall be established for children under the age of kindergarten eligibility. Priority for participation in the school readiness program shall be given to children who meet one or more of the following criteria:~~

~~(a) Children under the age of kindergarten eligibility who are:~~

~~1. Children determined to be at risk of abuse, neglect, or exploitation and who are currently clients of the Family Safety Program Office of the Department of Children and Family Services.~~

~~2. Children at risk of welfare dependency, including economically disadvantaged children, children of participants in the welfare transition program, children of migrant farmworkers, and children of teen parents.~~

~~3. Children of working families whose family income does not exceed 150 percent of the federal poverty level.~~

~~(b) Three-year-old children and 4-year-old children who may not be economically disadvantaged but who have disabilities, have been served in a specific part-time or combination of part-time exceptional education programs with required special services, aids, or equipment, and were previously reported for funding part time with the Florida Education Finance Program as exceptional students.~~

(c) Economically disadvantaged children, children with disabilities, and children at risk of future school failure, from birth to 4 years of age, who are served at home through home visitor programs and intensive parent education programs such as the Florida First Start Program.

(d) Children who meet federal and state requirements for eligibility for the migrant preschool program but who do not meet the criteria of economically disadvantaged.

An “economically disadvantaged” child means a child whose family income is below 150 percent of the federal poverty level. Notwithstanding any change in a family’s economic status, but subject to additional family contributions in accordance with the sliding fee scale, a child who meets the eligibility requirements upon initial registration for the program shall be considered eligible until the child reaches kindergarten age.

(7) PARENTAL CHOICE.—

(a) The school readiness program shall provide parental choice pursuant to a purchase service order that ensures, to the maximum extent possible, flexibility in school readiness programs and payment arrangements. According to federal regulations requiring parental choice, a parent may choose an informal child care arrangement. The purchase order must bear the name of the beneficiary and the program provider and, when redeemed, must bear the signature of both the beneficiary and an authorized representative of the provider.

(b) If it is determined that a provider has provided any cash to the beneficiary in return for receiving the purchase order, the coalition or its fiscal agent shall refer the matter to the Division of Public Assistance Fraud for investigation.

(c) The Office of the Comptroller shall establish an electronic transfer system for the disbursement of funds in accordance with this subsection. School readiness coalitions shall fully implement the electronic funds transfer system within 2 years after plan approval unless a waiver is obtained from the partnership.

(8) STANDARDS; OUTCOME MEASURES.—All publicly funded school readiness programs shall be required to meet the performance standards and outcome measures developed and approved by the partnership. The Office of Program Policy Analysis and Government Accountability shall provide consultation to the partnership in the development of the measures and standards. These performance standards and outcome measures shall be adopted by June 1, 2000, and shall be applicable on a statewide basis.

(9) FUNDING; SCHOOL READINESS PROGRAM.—

(a) It is the intent of this section to establish an integrated and quality seamless service delivery system for all publicly funded early education and child care programs operating in this state.

(b) Notwithstanding s. 20.50:

1. The Agency for Workforce Innovation shall administer school readiness funds, plans, and policies pursuant to contract with the Florida Partnership for School Readiness and shall prepare and submit a unified budget request for the school readiness program in accordance with chapter 216.

2. All instructions to local school readiness coalitions shall emanate from the Agency for Workforce Innovation pursuant to policies of the Legislature, plans of the Florida Partnership for School Readiness, and the contract between the Florida Partnership for School Readiness and the agency.

(c) The Agency for Workforce Innovation shall prepare a plan that provides for the distribution and expenditure of all state and federal school readiness funds for children participating in public or private school readiness programs based upon an equity and performance funding formula. The plan shall be submitted to the Governor and the Legislative Budget Commission. Upon approval, the Legislative Budget Commission shall authorize the transfer of funds to the Agency for Workforce Innovation for distribution in accordance with the provisions of the formula.

(d)(b) All state funds budgeted for a county for the programs specified in subsection (3), along with the pro rata share of the state administrative costs of those programs in the amount as determined by the partnership, all federal funds and required local matching funds for a county for programs specified in subsection (3), and any additional funds appropriated or obtained for purposes of this section, shall be transferred for the benefit of the coalition for implementation of its plan, including the hiring of staff to effectively operate the coalition's school readiness program. As part of plan approval and periodic plan review, the partnership shall require that administrative costs be kept to the minimum necessary for efficient and effective administration of the plan, but total administrative expenditures shall not exceed 5 percent unless specifically waived by the partnership. The partnership shall annually report to the Legislature any problems relating to administrative costs.

~~(c) By February 15, 2000, the partnership shall present to the Legislature recommendations for combining funding streams for school readiness programs into a School Readiness Trust Fund. These recommendations must include recommendations for the inclusion or noninclusion of pre-kindergarten disabilities programs and funding.~~

(e)(d) The partnership shall annually distribute all eligible funds as block grants to assist coalitions in integrating services and funding to develop a quality service delivery system. Subject to appropriation, the partnership may also provide financial awards to coalitions demonstrating success in merging and integrating funding streams to serve children and school readiness programs.

(f)(e) State funds appropriated for the school readiness program may not be used for the construction of new facilities or the purchase of buses. By February 15, 2000, The partnership shall present to the Legislature recom-

mendations for providing necessary transportation services for school readiness programs.

(g)(f) All cost savings and all revenues received through a mandatory sliding fee scale shall be used to help fund the local school readiness program.

(10) SCHOOL READINESS UNIFORM SCREENING.—The Department of Education shall implement a school readiness uniform screening, including a pilot program during the 2001-2002 school year, to validate the system recommended by the Florida Partnership for School Readiness as part of a comprehensive evaluation design. Beginning with the 2002-2003 school year, the department shall require that all school districts administer the school readiness uniform screening to each kindergarten student in the district school system upon the student's entry into kindergarten. Children who enter public school for the first time in first grade must undergo a uniform screening adopted for use in first grade. The department shall incorporate school readiness data into the K-20 data warehouse for longitudinal tracking. Notwithstanding s. 228.093, the department shall provide the partnership and the Agency for Workforce Innovation with complete and full access to kindergarten uniform screening data at the student, school, district, and state levels in a format that will enable the partnership and the agency to prepare reports needed by state policymakers and local school readiness coalitions to access progress toward school readiness goals and provide input for continuous improvement of local school readiness services and programs.

~~(11)~~(10) **REPORTS.**—The Office of Program Policy Analysis and Government Accountability shall assess the implementation, efficiency, and outcomes of the school readiness program and report its findings to the President of the Senate and the Speaker of the House of Representatives by January 1, 2002. Subsequent reviews shall be conducted at the direction of the Joint Legislative Auditing Committee.

~~(12)~~(11) **CONFLICTING PROVISIONS.**—In the event of a conflict between the provisions of this section and federal requirements, the federal requirements shall control.

Section 21. Notwithstanding any other provision of law to the contrary, minimum child care licensing standards shall be developed to provide for reasonable, affordable, and safe before-school and after-school care. Standards, at a minimum, shall allow for a credentialed director to supervise multiple before-school and after-school sites.

Section 22. Effective January 1, 2002, paragraph (a) of subsection (6) and subsection (10) of section 216.136, Florida Statutes, are amended to read:

216.136 Consensus estimating conferences; duties and principals.—

(6) **SOCIAL SERVICES ESTIMATING CONFERENCE.**—

(a) **Duties.**—

1. The Social Services Estimating Conference shall develop such official information relating to the social services system of the state, including forecasts of social services caseloads, as the conference determines is needed for the state planning and budgeting system. Such official information shall include, but not be limited to, subsidized child care caseloads mandated by the Family Support Act of 1988.

~~2. In addition, the Social Services Estimating Conference shall develop estimates and forecasts of the unduplicated count of children eligible for subsidized child care as defined in s. 402.3015(1). These estimates and forecasts shall not include children enrolled in the prekindergarten early intervention program established in s. 230.2305.~~

~~3. The Department of Children and Family Services and the Department of Education shall provide information on caseloads and waiting lists for the subsidized child care and prekindergarten early intervention programs requested by the Social Services Estimating Conference or individual conference principals, in a timely manner.~~

2.4. The Social Services Estimating Conference shall develop information relating to the Florida Kidcare program, including, but not limited to, outreach impacts, enrollment, caseload, utilization, and expenditure information that the conference determines is needed to plan for and project future budgets and the drawdown of federal matching funds. The agencies required to collect and analyze Florida Kidcare program data under s. 409.8134 shall be participants in the Social Services Estimating Conference for purposes of developing information relating to the Florida Kidcare program.

(10) SCHOOL READINESS PROGRAM ESTIMATING CONFERENCE.—

(a) Duties.—

1. The School Readiness Program Estimating Conference shall develop ~~such~~ estimates and forecasts of the unduplicated count of children number of individuals eligible for school readiness programs in accordance with the standards of eligibility established in s. 411.01(6) ~~by state or federal statute or administrative rule~~ as the conference determines are needed to support the state planning, budgeting, and appropriations processes.

~~2. In addition, the School Readiness Program Estimating Conference shall estimate the unduplicated count of children who are eligible for services under the school readiness program.~~

2.3. The Florida Partnership for School Readiness shall provide information on needs and waiting lists for school readiness program services requested by the School Readiness Program Estimating Conference or individual conference principals in a timely manner.

(b) Principals.—The Executive Office of the Governor, the Director of Economic and Demographic Research, and professional staff who have forecasting expertise from the Florida Partnership for School Readiness, the

Agency for Workforce Innovation, the Department of Children and Family Services, the Department of Education, the Senate, and the House of Representatives, or their designees, are the principals of the School Readiness Program Estimating Conference. The principal representing the Executive Office of the Governor shall preside over sessions of the conference.

Section 23. Effective January 1, 2002, paragraph (a) of subsection (1) of section 232.01, Florida Statutes, is amended to read:

232.01 School attendance.—

(1)(a)1. All children who have attained the age of 6 years or who will have attained the age of 6 years by February 1 of any school year or who are older than 6 years of age but who have not attained the age of 16 years, except as hereinafter provided, are required to attend school regularly during the entire school term.

2. Children who will have attained the age of 5 years on or before September 1 of the school year are eligible for admission to public kindergartens during that school year under rules prescribed by the school board.

~~3. Children who will have attained the age of 3 years on or before September 1 of the school year are eligible for admission to prekindergarten early intervention programs during that school year as provided in s. 230.2305 or a preschool program as provided in s. 228.061.~~

Section 24. Effective January 1, 2002, paragraphs (b) and (c) of subsection (1) and subsection (4) of section 445.023, Florida Statutes, are amended to read:

445.023 Program for dependent care for families with children with special needs.—

(1) There is created the program for dependent care for families with children with special needs. This program is intended to provide assistance to families with children who meet the following requirements:

(b) ~~The child or children are considered to be children with special needs as defined by the subsidized child care program authorized under s. 402.3015.~~

(c) ~~The family meets the income guidelines established under s. 411.01(6) 402.3015. Financial eligibility for this program shall be based solely on the guidelines used for subsidized child care, notwithstanding any financial eligibility criteria to the contrary in s. 414.075, s. 414.085, or s. 414.095.~~

(4) In addition to school readiness ~~child care~~ services provided under s. ~~411.01 402.3015~~, dependent care may be provided for children age 13 years and older who are in need of care due to disability and where such care is needed for the parent to accept or continue employment or otherwise participate in work activities. The amount of subsidy shall be consistent with the rates for special needs child care established by the department. Dependent care needed for employment may be provided as transitional services for up to 2 years after eligibility for temporary cash assistance ends.

Section 25. Effective January 1, 2002, subsections (1) and (2) of section 228.061, paragraph (o) of subsection (4) of section 230.23, sections 230.2303, 230.2305, and 230.2306, Florida Statutes, are repealed.

Section 26. Effective January 1, 2002, section 402.28, subsection (1) of section 402.281, sections 402.3015, 402.3027, and 402.3028, subsection (18) of section 402.305, section 402.3052, paragraph (c) of subsection (2) of section 402.3135, and subsections (2) and (6) of section 402.45, Florida Statutes, are repealed.

Section 27. Effective January 1, 2002, paragraph (a) of subsection (1) of section 391.304 and section 411.222, Florida Statutes, are repealed.

Section 28. Section 228.082, Florida Statutes, is amended to read:

228.082 The Florida Virtual ~~On-Line~~ High School.—

(1)(a) The Florida Virtual On-Line High School is established for the development and delivery of on-line and distance learning education and shall be administratively housed within the Commissioner of Education's Office of Technology and Information Services. The Commissioner of Education shall monitor the school's performance and report its performance to the Florida Board of Education and the Legislature.

(b) The mission of the Florida Virtual High School is to provide students with high-quality technology-based educational opportunities to gain the knowledge and skills necessary to succeed in the 21st century. The school shall serve any student in the state who meets the profile for success in this educational delivery context and shall give priority to:

1. Students who need expanded access to courses in order to meet their educational goals, such as home education students and students in inner-city and rural high schools who do not have access to higher-level courses.

2. Students seeking accelerated access in order to obtain a high school diploma at least one semester early.

(c) To ensure students are informed of the opportunities offered by the Florida Virtual High School, the commissioner shall provide the board of trustees access to the records of public school students in a format prescribed by the board of trustees.

The board of trustees of the Florida Virtual High School shall identify appropriate performance measures and standards based on student achievement that reflect the school's statutory mission and priorities, and shall implement an accountability system for the school that includes assessment of its effectiveness and efficiency in providing quality services that encourage high student achievement, seamless articulation, and maximum access.

(2) The Florida Virtual On-Line High School shall be governed by a board of trustees comprised of seven members appointed by the Governor to 4-year staggered terms, one of whom shall be the current chair of the Florida High School Advisory Board and one of whom shall be a representative of the

fiscal agent, and one of whom shall be the Chief Information Officer or his designee from the State Technology Office pursuant to ~~ch. 2000-164, Laws of Florida~~. The board shall be a public agency entitled to sovereign immunity pursuant to s. 768.28, and board members shall be public officers who shall bear fiduciary responsibility for the Florida Virtual On-Line High School. The board of trustees shall have the following powers and duties:

(a)1. The board of trustees shall meet ~~within 30 days of July 1, 2000, and shall continue to meet~~ at least 4 times each year, upon the call of the chair, or at the request of a majority of the membership.

(b) ~~Until not more than 60 days after the initial meeting of the board, the current governance structure of the Florida On-Line High School shall be maintained.~~

2.(e) The fiscal year for the Florida Virtual On-Line High School shall be the state fiscal year as provided in s. 216.011(1)(n).

(b) The board of trustees shall be responsible for the Florida Virtual High School's development of a state-of-the-art technology-based education delivery system that is cost-effective, educationally sound, marketable, and capable of sustaining a self-sufficient delivery system through the Florida Education Finance Program, by fiscal year 2003-2004. Beginning in fiscal year 2001-2002, the school shall collect and report data for all students served and credit awarded. This data shall be segregated by private, public, and home school students by program. Information shall also be collected which reflects any other school in which a virtual high school student is enrolled.

(c)(d) The board of trustees shall aggressively seek avenues to generate revenue to support its future endeavors, and shall enter into agreements with distance learning providers. The board of trustees and may acquire, enjoy, use, and dispose of patents, copyrights, and trademarks and any licenses and other rights or interests thereunder or therein. Ownership of all such patents, copyrights, trademarks, licenses, and rights or interests thereunder or therein shall vest in the state, with the board having full right of use and full right to retain the revenues derived therefrom. Any funds realized from patents, copyrights, trademarks, or licenses shall be used to support the school's research and development activities in order to improve courseware and services to its students.

(d)(e) The board of trustees shall annually prepare and submit to the Florida Board of Education a legislative budget request, including funding requests for computers for public school students who do not have access to public school computers, in accordance with chapter 216 and s. 235.41. The legislative budget request of the Florida Virtual On-Line High School shall be prepared using the same format, procedures, and timelines required for the submission of the legislative budget of the Department of Education.

(e)(f) In accordance with law and rules of the Florida Board of Education, the board of trustees shall administer and maintain personnel programs for all employees of the board of trustees and the Florida Virtual On-Line High School. The board of trustees may adopt rules, policies, and procedures related to the appointment, employment, and removal of personnel.

1. The board of trustees shall determine the compensation, including salaries and fringe benefits, and other conditions of employment for such personnel.

2. The board of trustees may establish and maintain a personnel loan or exchange program by which persons employed by the board for the Florida Virtual On-Line High School as academic administrative and instructional staff may be loaned to, or exchanged with persons employed in like capacities by, public agencies either within or without this state, or by private industry. With respect to public agency employees, the program authorized by this subparagraph shall be consistent with the requirements of part II of chapter 112. The salary and benefits of board personnel participating in the loan or exchange program shall be continued during the period of time they participate in a loan or exchange program, and such personnel shall be deemed to have no break in creditable or continuous service or employment during such time. The salary and benefits of persons participating in the personnel loan or exchange program who are employed by public agencies or private industry shall be paid by the originating employers of those participants, and such personnel shall be deemed to have no break in creditable or continuous service or employment during such time.

3. The employment of all Florida Virtual On-Line High School academic administrative and instructional personnel shall be subject to rejection for cause by the board of trustees, and shall be subject to policies of the board of trustees relative to certification, tenure, leaves of absence, sabbaticals, remuneration, and such other conditions of employment as the board deems necessary and proper, not inconsistent with law.

4. Each person employed by the board of trustees in an academic administrative or instructional capacity with the Florida Virtual On-Line High School shall be entitled to a contract as provided by rules of the board.

5. All employees except temporary, seasonal, and student employees may be state employees for the purpose of being eligible to participate in the Florida Retirement System and receive benefits. The classification and pay plan, including terminal leave and other benefits, and any amendments thereto, shall be subject to review and approval by the Department of Management Services and the Executive Office of the Governor prior to adoption. In the event that the board of trustees assumes responsibility for governance pursuant to this section before approval is obtained, employees shall be compensated pursuant to the system in effect for the employees of the fiscal agent.

(f)(g) The board of trustees shall establish priorities for admission of students in accordance with paragraph (1)(b).

(g)(h) The board of trustees shall establish and distribute to all school districts and high schools in the state procedures for enrollment of students into courses offered by the Florida Virtual On-Line High School. Such procedures shall be designed to minimize paperwork and fairly resolve the issue of double funding students taking courses online maximize participation by students.

(h)(i) The board of trustees shall annually submit to the Florida Board Department of Education both forecasted and actual enrollments for the Florida Virtual On-Line High School, according to procedures established by the Florida Board Department of Education. At a minimum, such procedures must include the number of public, private, and home school students served by district.

(i)(j) The board of trustees shall provide for the content and custody of student and employee personnel records. Student records shall be subject to the provisions of s. 228.093. Employee records shall be subject to the provisions of s. 231.291.

(j)(k) The financial records and accounts of the Florida Virtual On-Line High School shall be maintained under the direction of the board of trustees and under regulations prescribed by the Florida State Board of Education for the uniform system of financial records and accounts for the schools of the state.

The Governor shall designate the initial chair of the board of trustees to serve a term of 4 years. Members of the board of trustees shall serve without compensation, but may be reimbursed for per diem and travel expenses pursuant to s. 112.061. The board of trustees shall be a body corporate with all the powers of a body corporate and such authority as is needed for the proper operation and improvement of the Florida Virtual On-Line High School. The board of trustees is specifically authorized to adopt rules, policies, and procedures, consistent with law and rules of the Florida Board of Education related to governance, personnel, budget and finance, administration, programs, curriculum and instruction, travel and purchasing, technology, students, contracts and grants, and property as necessary for optimal, efficient operation of the Florida Virtual On-Line High School. Tangible personal property owned by the board of trustees shall be subject to the provisions of chapter 273.

(3)(a) Until fiscal year 2003-2004, the Commissioner of Education shall include the Florida Virtual On-Line High School as a grant-in-aid appropriation in the department's legislative budget request to the Florida State Board of Education, the Governor, and the Legislature.

(a) ~~subject to any guidelines imposed in the General Appropriations Act, funds for the operation of the Florida On-Line High School shall be requested and appropriated within the Department of Education as a grant-in-aid category until such time as the Legislature authorizes a different funding mechanism.~~

(b) The Orange County District School Board shall be the temporary fiscal agent of the Florida Virtual On-Line High School.

(c) ~~Priorities for the delivery of services by the Florida On-Line High School shall ensure that priority access is provided equitably across the state.~~

(4) Under no circumstance may the credit of the state be pledged on behalf of the Florida Virtual On-Line High School.

(5) ~~By January 1, 2001, The board of trustees shall annually submit to the Governor, the Legislature, the Commissioner of Education, and the Florida Board of Education Reorganization Transition Commission a complete and detailed report setting forth:~~

(a) The operations and accomplishments of the Florida Virtual On-Line High School.

(b) The marketing and operational plan for the Florida Virtual On-Line High School, including recommendations regarding methods for improving the delivery of education through the Internet and other distance learning technology.

(c) The assets and liabilities of the Florida Virtual On-Line High School at the end of the fiscal year.

(d) A copy of an annual financial and compliance audit of the accounts and records of the Florida Virtual On-Line High School, conducted by an independent certified public accountant and performed in accordance with rules adopted by the Auditor General.

(e) Recommendations regarding the unit cost of providing services to students. In order to most effectively develop public policy regarding any future funding of the Florida Virtual On-Line High School, it is imperative that the cost of the program is accurately identified. The identified cost of the program must be based on reliable data ~~and reflect the costs associated with maintaining a state-of-the-art on-line high school, including the costs associated with maintaining a high-quality research and development effort to locate and assimilate, or develop, Internet-based courses.~~

(f) Recommendations regarding an accountability mechanism to assess the effectiveness of the services provided by the Florida Virtual On-Line High School.

(6) The Auditor General may, pursuant to his or her own authority, or at the direction of the Joint Legislative Auditing Committee, conduct an audit of the Florida Virtual On-Line High School.

(7) The ~~Florida State~~ Board of Education may adopt rules it deems necessary to implement reporting requirements for the Florida Virtual On-Line High School.

Section 29. The Department of Education shall maximize the available federal indirect cost allowed on all federal grants. Beginning with the 2002-2003 fiscal year, none of the funds received from indirect cost allowance shall be expended by the department without specific appropriation by the Legislature. Funds received pursuant to s. 240.241, Florida Statutes, are specifically exempt from this provision.

Section 30. Effective June 30, 2002, section 229.8065, Florida Statutes, is repealed.

Section 31. Effective July 1, 2002, subsection (2) of section 229.085, Florida Statutes, is amended to read:

229.085 Custody of educational funds.—

(2) There is created in the Department of Education the Projects, Contracts, and Grants Trust Fund. ~~If, in executing the terms of such grants or contracts for specific projects, the employment of personnel shall be required, such personnel shall not be subject to the requirements of s. 216.262(1)(a).~~ The personnel employed to plan and administer grants or contracts for specific such projects shall be considered in time-limited employment not to exceed the duration of the grant or until completion of the project, whichever first occurs. Such employees shall not acquire retention rights under the Career Service System, the provisions of s. 110.051(1) to the contrary notwithstanding. Any employee holding permanent career service status in a Department of Education position who is appointed to a position under the Projects, Contracts, and Grants Trust Fund shall retain such permanent status in the career service position.

Section 32. Subsection (6) of section 240.205, Florida Statutes, is amended to read:

240.205 Board of Regents incorporated.—The Board of Regents is hereby created as a body corporate with all the powers of a body corporate for all the purposes created by, or that may exist under, the provisions of this chapter or laws amendatory hereof and shall:

(6) Acquire real and personal property and contract for the sale and disposal of same and approve and execute contracts for the acquisition of commodities, goods, equipment, contractual services, leases of real and personal property, and construction. The acquisition may include purchase by installment or lease-purchase. Such contracts may provide for payment of interest on the unpaid portion of the purchase price. ~~The board may also acquire the same commodities, goods, equipment, contractual services, leases, and construction for use by a university when the contractual obligation exceeds \$1 million.~~ Title to all real property, however acquired, shall be vested in the Board of Trustees of the Internal Improvement Trust Fund and shall be transferred and conveyed by it. Notwithstanding any other provisions of this subsection, the Board of Regents shall comply with the provisions of s. 287.055 for the procurement of professional services as defined therein.

Section 33. Subsections (2), (4), and (5), paragraphs (b), (c), and (d) of subsection (1), and paragraphs (a), (c), (d), and (e) of subsection (3) of section 235.217, Florida Statutes, are repealed.

Section 34. Sections 240.145, 240.147, 240.227, 240.307, subsection (2) of section 240.209, and subsection (4) of section 240.311, Florida Statutes, are repealed.

Section 35. Section 240.3836, Florida Statutes, is amended to read:

240.3836 Site-determined baccalaureate degree access ~~program; fund-~~ing.—

(1) The Legislature recognizes that public and private postsecondary education institutions play essential roles in improving the quality of life

and economic well-being of the state and its residents. The Legislature also recognizes that economic development needs and the educational needs of place-bound, nontraditional students have increased the demand for local access to baccalaureate degree programs. In some, but not all, geographic regions, baccalaureate degree programs are being delivered successfully at the local community college through agreements between the community college and 4-year postsecondary institutions within or outside of the state. It is therefore the intent of the Legislature to further expand access to baccalaureate degree programs through the use of community colleges ~~apply this concept in the creation and funding of a program that supports local economic development and responds to public demand for increased access to baccalaureate degrees in areas of the state that are underserved by 4-year institutions.~~

(2) A community college may be authorized by the Florida Board of Education to offer a limited number of baccalaureate degrees designed to meet local workforce needs through one of the following processes:

(a) A community college may enter into a formal agreement with the state university in its service area for the community college to deliver specified baccalaureate degree programs. The agreement must be submitted to the Florida Board of Education for approval. The community college's proposal must include the following information:

1. Demand for the baccalaureate degree program is identified by the workforce development board, local businesses and industry, local chambers of commerce, and potential students.

2. Unmet need for graduates of the proposed degree program is substantiated.

3. The community college has the facilities and academic resources to deliver the program.

The proposal must be submitted to the Council for Education Policy Research and Improvement for review and comment. Upon approval of the Florida Board of Education for the specific degree program or programs, the community college shall pursue regional accreditation by the Commission on Colleges of the Southern Association of Colleges and Schools. Any additional baccalaureate degree programs the community college wishes to offer must be approved by the Florida Board of Education.

(b) A community college may develop a proposal to deliver specified baccalaureate degree programs in its district. The proposal must be submitted to the Florida Board of Education for approval. The community college's proposal must include the following information:

1. Demand for the baccalaureate degree program is identified by the workforce development board, local businesses and industry, local chambers of commerce, and potential students.

2. Unmet need for graduates of the proposed degree program is substantiated.

3. The community college has the facilities and academic resources to deliver the program.

The proposal must be submitted to the Council for Education Policy Research and Improvement for review and comment. Upon approval of the Florida Board of Education for the specific degree program or programs, the community college shall pursue regional accreditation by the Commission on Colleges of the Southern Association of Colleges and Schools. Any additional baccalaureate degree programs the community college wishes to offer must be approved by the Florida Board of Education.

(3) A community college may not terminate its associate in arts or associate in science degree programs as a result of the authorization provided in subsection (2). The Legislature intends that the primary mission of a community college, including a community college that offers baccalaureate degree programs, continues to be the provision of associate degrees that provide access to a university.

(2) Categorical funding is authorized for the site-determined baccalaureate degree access program created by this section. Funds may not be used to support the construction, renovation, or remodeling of facilities. This program is voluntary and does not preclude other mutually agreed upon arrangements between community colleges and 4-year institutions for the delivery of baccalaureate degrees on community college sites.

(3) Each community college wishing to participate in the site-determined baccalaureate degree access program must:

(a) Identify baccalaureate degree programs that are not currently offered at the community college but are proposed for delivery at the college to meet the academic and economic development needs of one or more communities within the college's service area. When assessing local needs, the college should seek input from the appropriate chamber of commerce, workforce development council, and other civic and business groups. As used in this section, the term "economic development" means entrepreneurial efforts, the attraction of new business and industry to the area, and the expansion of existing business and industry.

(b) Determine the number of students interested in pursuing each proposed baccalaureate degree program and identify the enrollment patterns, any special characteristics of those students, and any unique combination or modification of course offerings that may be necessary to meet student enrollment needs.

(c) Submit a proposal to the Postsecondary Education Planning Commission requesting validation of the need for the proposed baccalaureate degree program and tentative approval for program funding. The proposal must include:

1. A description of each proposed baccalaureate degree program identifying the junior-level and senior-level courses to be offered and designating whether the program should be offered for a cohort group or as an ongoing degree program.

~~2.—Evidence that local occupational forecasts support the existence of jobs for graduates of the proposed baccalaureate degree programs.~~

~~3.—An estimated number of students to be served by each proposed degree program.~~

~~4.—An assurance that the community college's existing facilities are sufficient to meet the additional demands for classroom and laboratory space for the proposed degree programs.~~

~~5.—Evidence that the college has requested the participation of no fewer than three regionally accredited 4-year postsecondary institutions, including at least one member of the State University System. Any member of the State University System and any independent, regionally accredited, 4-year institution that is chartered in, and has its primary campus located in, Florida may be a partner in a site-determined baccalaureate degree access program at any community college.~~

~~6.—A tentative agreement between the community college and the 4-year postsecondary institution selected to offer the upper-level courses leading to the proposed degree or degrees.~~

~~7.—Any additional provisions that the Postsecondary Education Planning Commission considers pertinent to the proposal.~~

~~(4) The Postsecondary Education Planning Commission, after soliciting comments from the Board of Regents and the State Board of Community Colleges, shall validate the need for each baccalaureate degree program proposed for delivery according to this section and shall notify the community college that its proposal has been approved or rejected. The commission shall establish procedures for the timely submission, review, and approval of the proposals and agreements required by this section. These procedures must be designed to allow the initiation of approved baccalaureate degree programs at least 3 times each fiscal year.~~

~~(5) Once the Postsecondary Education Planning Commission validates the need for the proposed baccalaureate degree program and notifies the community college that its proposal has been approved, the community college shall finalize an agreement with the regionally accredited, public or nonpublic, 4-year postsecondary institution selected to provide the upper-level instructional services in the approved baccalaureate degree program. The commission shall identify the common aspects that each agreement must address, including, but not limited to:~~

~~(a) A course delivery pattern based on the student enrollment patterns and characteristics included in the approved proposal.~~

~~(b) An articulation provision that guarantees acceptance of students who hold an associate in arts or associate in science degree and satisfy any other prerequisites for admission to the specific baccalaureate degree program.~~

~~(c) The provision of library services and student support services.~~

~~(d) An agreement that the participating 4-year postsecondary institution will continue offering instructional services at least until all qualified members of the initial group of students have had an opportunity to complete the degree program.~~

~~(e) The specific and measurable performance criteria that the Postsecondary Education Planning Commission may use to evaluate the outcomes and outputs of the baccalaureate degree program within an identified time-frame.~~

~~(f) An agreement that in-state student tuition for the degree program will not exceed the matriculation fee for the State University System unless the proposal approved by the Postsecondary Education Planning Commission allows the participating institutions to charge differentiated tuition and fees to encourage student attendance and participation. Out-of-state students shall pay full costs. Notwithstanding s. 240.605, students participating in a site-determined baccalaureate degree program may not receive a Florida Resident Access Grant.~~

~~(6) Each participating community college must submit the agreement required by this section to the Postsecondary Education Planning Commission for review and final approval before initiating an approved site-determined baccalaureate degree access program. Subject to the availability of legislative appropriations specifically provided for this purpose, the Postsecondary Education Planning Commission must recommend to the Commissioner of Education the total funds to be released to each participating community college for the initiation of the approved site-determined baccalaureate degree access program. The community college shall distribute funds to the participating 4-year postsecondary institution at the rate specified in the approved agreement. The Postsecondary Education Planning Commission shall not recommend the release of funding for any program that is terminated before or after the evaluation required by this section. The total funds to be released for the initiation of an approved program shall be based on the number of fundable upper-level student credit hours for each term. Unless otherwise provided in an appropriations act, the funding per credit hour shall be an amount equal to the state funds, excluding student fees, appropriated to the State University System for each full-time equivalent student enrolled in upper-level course work. Student credit hours funded under this program may not be duplicated in any other calculation of state funding for the 4-year institution.~~

~~(7) The Postsecondary Education Planning Commission may require the participating community colleges and 4-year postsecondary institutions to submit information necessary to monitor the annual performance of the program. Within 90 days after the 2nd and 4th year of the site-determined baccalaureate degree access program, the commission shall submit to the chairs of the education and fiscal committees of the Legislature a progress report, including an evaluation of the funding mechanism created by this section. The commission shall review each site-determined baccalaureate degree access program funded under this section to ascertain whether the performance measures specified in the agreement between the participating community college and the 4-year institution have been met. Each program~~

~~must be reviewed 4 years after initiation unless a shorter timeframe is specified in the agreement. The performance measures must include the student graduation rate, the employment rate of program graduates both within and outside the community college service area, the continuing need to offer the specific baccalaureate degree program in the community college service area, and such other information as the Postsecondary Education Planning Commission may determine necessary for program and performance evaluation. Based on its evaluation, the commission shall either approve continuation of the program, require modifications prior to program approval, or recommend that the participating institutions terminate the program after all qualified members of the initial group of students have an opportunity to complete the degree program. The commission must submit to the Commissioner of Education for inclusion in the legislative budget a request for funding for approved site-determined baccalaureate degree access programs.~~

~~(8) If no accredited 4-year institution is willing to provide a baccalaureate degree program approved by the Postsecondary Education Planning Commission under this section, the community college board of trustees may ask the commission to evaluate the college's request to offer the degree program. If the commission is satisfied that the community college should offer the degree program, it shall recommend to the Legislature the enactment of statutory authority for the community college to offer that specific baccalaureate degree program.~~

Section 36. Effective July 1, 2001, subsection (5) of section 240.2011, Florida Statutes, is amended, and subsection (12) is added to said section, to read:

240.2011 State University System defined.—The State University System shall consist of the following:

(5) The University of South Florida, with a main campus located in Hillsborough County and two fiscally autonomous campuses, one in Pinellas County, named the University of South Florida St. Petersburg, and the other named the University of South Florida Sarasota/Manatee.

(12) New College of Florida, located in Sarasota County, which is the 4-year residential liberal arts honors college of the State of Florida.

Section 37. Section 240.527, Florida Statutes, is amended to read:

(Substantial rewording of section. See s. 240.527, F.S., for present text.)

240.527 The University of South Florida St. Petersburg.—

(1) The St. Petersburg campus of the University of South Florida is established and shall be known as the "University of South Florida St. Petersburg."

(a) The Legislature intends that the University of South Florida St. Petersburg be operated and maintained as a separate organizational and

budget entity of the University of South Florida, and that all legislative appropriations for the University of South Florida St. Petersburg be set forth as separate line items in the annual General Appropriations Act.

(b) The University of South Florida St. Petersburg shall have a Campus Board and a Campus Executive Officer.

(c) As soon as possible, but no later than the effective date of this act, the President of the University of South Florida shall begin the process of application to the Commission on Colleges of the Southern Association of Colleges and Schools for separate accreditation of the University of South Florida St. Petersburg. If the application is not approved or is provisionally approved, the University of South Florida shall correct any identified deficiencies and shall continue to work for accreditation.

(2) The Board of Trustees of the University of South Florida shall appoint to the Campus Board, from recommendations of the President of the University of South Florida, five residents of Pinellas County. If a resident of Pinellas County is appointed to the Board of Trustees of the University of South Florida, the board shall appoint that member to serve jointly as a member of the Campus Board. If more than one Pinellas County resident is appointed to the Board of Trustees, the board shall select one joint member. The Board of Trustees may reappoint a member to the Campus Board for one additional term. The Campus Board has the powers and duties provided by law, which include the authority to:

(a) Review and approve an annual legislative budget request to be submitted to the Commissioner of Education. The Campus Executive Officer shall prepare the legislative budget request in accordance with guidelines established by the Florida Board of Education. This request must include items for campus operations and fixed capital outlay.

(b) Approve and submit an annual operating plan and budget for review and consultation by the Board of Trustees of the University of South Florida. The campus operating budget must reflect the actual funding available to that campus from separate line-item appropriations contained in each annual General Appropriations Act, which line-item appropriations must initially reflect the funds reported to the Legislature for the University of South Florida St. Petersburg campus for fiscal year 2000-2001 and any additional funds provided in the fiscal year 2001-2002 legislative appropriation.

(c) Enter into central support services contracts with the Board of Trustees of the University of South Florida for any services that the St. Petersburg campus cannot provide more economically, including payroll processing, accounting, technology, construction administration, and other desired services. However, all legal services for the campus must be provided by a central services contract with the university. The Board of Trustees of the University of South Florida and the Campus Board shall determine in a letter of agreement any allocation or sharing of student fee revenue between the University of South Florida's main campus and the St. Petersburg campus.

The Board of Trustees of the University of South Florida may lawfully delegate other powers and duties to the Campus Board for the efficient operation and improvement of the campus and for the purpose of vesting in the campus the attributes necessary to meet the requirements for separate accreditation by the Southern Association of Colleges and Schools.

(3) The University of South Florida St. Petersburg shall be administered by a Campus Executive Officer who shall be appointed by, report directly to, and serve at the pleasure of the President of the University of South Florida. The President shall consult with the Campus Board before hiring or terminating the Campus Executive Officer. The Campus Executive Officer has authority and responsibility as provided in law, including the authority to:

(a) Administer campus operations within the annual operating budget as approved by the Campus Board.

(b) Recommend to the Campus Board an annual legislative budget request that includes funding for campus operations and fixed capital outlay.

(c) Recommend to the Campus Board an annual campus operating budget.

(d) Recommend to the Campus Board appropriate services and terms and conditions to be included in annual central support services contracts.

(e) Carry out any additional responsibilities assigned or delegated by the President of the University of South Florida for the efficient operation and improvement of the campus, especially any authority necessary for the purpose of vesting in the campus attributes necessary to meet the requirements for separate accreditation.

(4) Students enrolled at the University of South Florida, including those enrolled at a branch campus, have the same rights and obligations as provided by law, policy, or rule adopted by the University of South Florida, the Florida Department of Education, or other lawful entity. The University of South Florida shall provide a comprehensive and coordinated system of student registration so that a student enrolled at any campus of the University of South Florida has the ability to register for courses at any other campus of the University of South Florida.

(5) The following entities are not affected by this section and remain under the administrative control of the University of South Florida:

(a) The University of South Florida College of Marine Science, which is a component college of the main campus.

(b) The Florida Institute of Oceanography, which is a Type One Institute.

(c) The University of South Florida Pediatric Research Center.

(d) The University of South Florida/USGS joint facility.

Section 38. The University of South Florida Sarasota/Manatee.—

(1) The Sarasota/Manatee campus of the University of South Florida is established and shall be known as the "University of South Florida Sarasota/Manatee."

(a) The Legislature intends that the University of South Florida Sarasota/Manatee be operated and maintained as a separate organizational and budget entity of the University of South Florida and that all legislative appropriations for the University of South Florida Sarasota/Manatee be set forth as separate line items in the annual General Appropriations Act.

(b) The University of South Florida Sarasota/Manatee shall have a Campus Board and a Campus Executive Officer.

(c) As soon as possible, but no later than July 1, 2002, the President of the University of South Florida shall begin the process of application to the Commission on Colleges of the Southern Association of Colleges and Schools for separate accreditation of the University of South Florida Sarasota/Manatee. If the application is not approved or is provisionally approved, the University of South Florida shall correct any identified deficiencies and shall continue to work for accreditation.

(2) The Board of Trustees of the University of South Florida shall appoint to the Campus Board, from recommendations of the President of the University of South Florida, three residents of Manatee County and two residents of Sarasota County, to serve 4-year staggered terms. If one or more residents of Sarasota County or Manatee County are appointed to the Board of Trustees of the University of South Florida, the board shall, at the next vacancy of the Campus Board, appoint one of those members to serve jointly as a member of the Campus Board. The Board of Trustees may reappoint a member to the Campus Board for one additional term. The Campus Board has the powers and duties provided by law, which include the authority to:

(a) Review and approve an annual legislative budget request to be submitted to the Commissioner of Education. The Campus Executive Officer shall prepare the legislative budget request in accordance with guidelines established by the Florida Board of Education. This request must include items for campus operations and fixed capital outlay.

(b) Approve and submit an annual operating plan and budget for review and consultation by the Board of Trustees of the University of South Florida. The campus operating budget must reflect the actual funding available to that campus from separate line-item appropriations contained in each annual General Appropriations Act, which line-item appropriations must initially reflect the funds reported to the Legislature for the University of South Florida Sarasota/Manatee campus for fiscal year 2000-2001 and any additional funds provided in the fiscal year 2001-2002 legislative appropriation.

(c) Enter into central support services contracts with the Board of Trustees of the University of South Florida for any services that the campus at Sarasota/Manatee cannot provide more economically, including payroll processing, accounting, technology, construction administration, and other desired services. However, all legal services for the campus must be provided

by a central services contract with the university. The Board of Trustees of the University of South Florida and the Campus Board shall determine in a letter of agreement any allocation or sharing of student fee revenue between the University of South Florida's main campus and the Sarasota/Manatee campus.

The Board of Trustees of the University of South Florida may lawfully delegate other powers and duties to the Campus Board for the efficient operation and improvement of the campus and for the purpose of vesting in the campus the attributes necessary to meet the requirements for separate accreditation by the Southern Association of Colleges and Schools.

(3) The University of South Florida Sarasota/Manatee shall be administered by a Campus Executive Officer who shall be appointed by, report directly to, and serve at the pleasure of the President of the University of South Florida. The President shall consult with the Campus Board before hiring or terminating the Campus Executive Officer. The Campus Executive Officer has authority and responsibility as provided in law, including the authority to:

(a) Administer campus operations within the annual operating budget as approved by the Campus Board.

(b) Recommend to the Campus Board an annual legislative budget request that includes funding for campus operations and fixed capital outlay.

(c) Recommend to the Campus Board an annual campus operating budget.

(d) Recommend to the Campus Board appropriate services and terms and conditions to be included in annual central support services contracts.

(e) Carry out any additional responsibilities assigned or delegated by the President of the University of South Florida for the efficient operation and improvement of the campus, especially any authority necessary for the purpose of vesting in the campus attributes necessary to meet the requirements for separate accreditation.

(4) Students enrolled at the University of South Florida, including those enrolled at a branch campus, have the same rights and obligations as provided by law, policy, or rule adopted by the University of South Florida, the Florida Department of Education, or other lawful entity. The University of South Florida shall provide a comprehensive and coordinated system of student registration so that a student enrolled at any campus of the University of South Florida has the ability to register for courses at any other campus of the University of South Florida.

(5) Promote technology transfer between the research operations of the University of South Florida and local economic development agencies.

Section 39. New College of Florida.—

(1) MISSION AND GOALS.—As a member of the State University System of Florida, New College of Florida preserves its distinctive mission as

a residential liberal arts honors college. To maintain this mission, New College of Florida has the following goals:

(a) To provide a quality education to students of high ability who, because of their ability, deserve a program of study that is both demanding and stimulating.

(b) To engage in undergraduate educational reform by combining educational innovation with educational excellence.

(c) To provide programs of study that allow students to design their educational experience as much as possible in accordance with their individual interests, values, and abilities.

(d) To challenge undergraduates not only to master existing bodies of knowledge but also to extend the frontiers of knowledge through original research.

(2) ACCREDITATION.—As soon as possible, New College of Florida shall apply to the Commission on Colleges of the Southern Association of Colleges and Schools for separate accreditation.

(3) BOARD OF TRUSTEES.—The Governor shall appoint 12 members to the Board of Trustees, to serve 4-year staggered terms, as follows:

(a) Three residents of Sarasota County.

(b) Two residents of Manatee County.

(c) Until the expiration date of the terms of office of the members who are on the board June 30, 2001, seven members selected from the Board of Trustees of the New College Foundation.

In addition, a student body president shall shall be a voting member of the board.

Section 40. St. Petersburg College.—

(1) LEGISLATIVE INTENT.—The Legislature intends to create an innovative means to increase access to baccalaureate degree level education in populous counties that are underserved by public baccalaureate degree granting institutions. This education is intended to address the state's workforce needs, especially the need for teachers, nurses, and business managers in agencies and firms that require expertise in technology.

(2) ST. PETERSBURG COLLEGE; MISSION; POLICIES.—St. Petersburg Junior College is redesignated as St. Petersburg College. The college shall immediately seek accreditation from the Southern Association of Colleges and Schools as a baccalaureate degree granting college.

(a) The primary mission of St. Petersburg College is to provide high-quality undergraduate education at an affordable price for students and the state. The purpose is to promote economic development by preparing people

for occupations that require a bachelor's degree and are in demand by existing or emerging public and private employers in this state.

(b) St. Petersburg College shall maintain the mission and policies of a Florida community college, including the open-door admissions policy and the authority to offer all programs consistent with a public community college's authority.

(c) St. Petersburg College shall maintain the distinction between the college and its university center. St. Petersburg College is limited to community college programs and to selected baccalaureate degree level programs that meet community needs and are authorized as provided by this section. The University Center may make available more diverse program offerings, but those programs are offered by a participating college or university and are not to be classified or funded as programs of St. Petersburg College.

(d) The academic policies of the upper-division program at St. Petersburg College must be in accordance with policies of the State University System.

(e) Sections 240.293 and 240.2945, Florida Statutes, apply to St. Petersburg College.

(3) STUDENTS; FEES.—

(a) St. Petersburg College shall maintain separate records for students who are enrolled in courses classified in the upper division and lower division of a baccalaureate program, according to the common course numbering and designation system. A student shall be reported as a community college student for enrollment in a lower-division course and as a baccalaureate degree program student for enrollment in an upper-division course.

(b) The Board of Trustees of St. Petersburg College shall establish the level of matriculation, tuition, and other authorized student fees.

1. For each credit hour of enrollment in a certificate level course or lower-division level college credit course, matriculation and tuition fees must be within the range authorized in law and rule for a community college student at that level.

2. For each credit hour of enrollment in an upper-division level course, matriculation and tuition fees must be in an amount established by the Board of Trustees of St. Petersburg College. However, fees for upper-division students must reflect the fact that the college does not incur the costs of major research programs. Therefore, the board shall establish fees for upper-division students within a range that is lower than the fees established for students at a public university but higher than the fees for community college students.

3. Other mandatory fees and local fees must be at the same level for all lower-division students. For upper-division students, other mandatory fees and local fees must be at a level less than fees established for University of South Florida students, regardless of program enrollment or level. However, students in workforce development education courses maintain the authorized fee exemptions described in s. 239.117, Florida Statutes, and may be

exempt from local fees imposed by the Board of Trustees, at the board's discretion.

(4) DEGREES.—

(a) In addition to the certificates, diplomas, and degrees authorized in s. 240.301, Florida Statutes, St. Petersburg College may offer selected baccalaureate degrees. Initially, the college may offer programs that lead to a baccalaureate degree in the following fields:

1. Bachelor of Science in Nursing. This program must be designed to articulate with the associate in science degree in nursing. St. Petersburg College shall continue to offer the associate in science degree in nursing.

2. Bachelor of Arts and Bachelor of Science in Elementary Education.

3. Bachelor of Arts and Bachelor of Science in Special Education.

4. Bachelor of Arts and Bachelor of Science in Secondary Education.

5. Bachelor of Applied Science in fields selected by the Board of Trustees of St. Petersburg College. The Board of Trustees shall base the selection on an analysis of workforce needs and opportunities in the following counties: Pinellas, Pasco, Hernando, and other counties approved by the Florida Department of Education. For each program selected, St. Petersburg College must offer a related associate in science or associate in applied science degree program, and the baccalaureate degree level program must be designed to articulate fully with at least one associate in science degree program. The college is encouraged to develop articulation agreements for enrollment of graduates of related associate in applied science degree programs.

(b) St. Petersburg College may offer courses that enable teachers to qualify for certification and recertification as required by law or rule.

(c) St. Petersburg College may offer programs to provide opportunities for a person who holds a baccalaureate degree, but is not certified to teach, to obtain any additional courses required for teacher certification.

(d) Master's degree level programs and doctoral programs may be provided by agreement with a college or university participating in the University Center of St. Petersburg College.

(e) For those students living outside Pinellas County, St. Petersburg College shall recruit for the upper-division only those students who have earned an associate degree. In recruiting upper-division students in Pasco and Hernando Counties, St. Petersburg College shall work cooperatively with Pasco-Hernando Community College and shall seek to offer courses and programs at Pasco-Hernando Community College when feasible. The nursing programs, in particular, must be conducted cooperatively, and programs at St. Petersburg College shall not conflict with Pasco-Hernando Community College's and the University of South Florida's cooperative nursing program.

(5) BOARDS.—

(a) The Board of Trustees of St. Petersburg Junior College is renamed the Board of Trustees of St. Petersburg College and serves as its governing board. The Governor shall appoint members as provided in s. 240.313, Florida Statutes, and the board has the duties and authorities granted in ss. 240.315 and 240.319, Florida Statutes, and by rules of the Florida Board of Education.

(b) The Board of Trustees of St. Petersburg College may authorize direct-support organizations as authorized in ss. 240.299 and 240.331, Florida Statutes.

(c) The Board of Trustees of St. Petersburg College may continue to award degrees, diplomas, and certificates as authorized for St. Petersburg Junior College, and in the name of St. Petersburg Junior College, until St. Petersburg College receives its accreditation.

(d) A coordinating board shall assist the Board of Trustees in its deliberations concerning issues that affect the upper-division of St. Petersburg College. The coordinating board consists of the President of the University of South Florida, the President of St. Petersburg College, the President of Pasco-Hernando Community College, and the chairs of the boards of trustees of those institutions.

(e) Beginning 4 years after the college receives accreditation to offer baccalaureate degrees, the Board of Trustees of St. Petersburg College may determine additional programs to be offered, with the approval of the coordinating board. The determination must consider community needs and economic opportunities.

(f) The coordinating board shall meet at the request of the President of the University of South Florida or the President of St. Petersburg College.

(g) If the coordinating board cannot decide an issue of importance to the programs designed for upper-division students, the chief educational officer of this state shall resolve the issue.

(6) EMPLOYEES.—

(a) Employment at St. Petersburg College is governed by the same laws that govern community colleges, except that upper-division faculty are eligible for continuing contracts upon the completion of the fifth year of teaching.

(b) Employee records for all personnel shall be maintained as required by s. 240.337, Florida Statutes.

(7) FACILITIES.—St. Petersburg College may request funding from the Public Education Capital Outlay and Debt Service Trust Fund as a community college and as a university. The municipalities in Pinellas County, the Board of County Commissioners of Pinellas County, and all other governmental entities are authorized to cooperate with the Board of Trustees of St. Petersburg College in establishing this institution. The acquisition and donation of lands, buildings, and equipment for the use of St. Petersburg

College are authorized as a public purpose. The Board of County Commissioners of Pinellas County and all municipalities in Pinellas County may exercise the power of eminent domain to acquire lands, buildings, and equipment for the use of St. Petersburg College, regardless of whether such lands, buildings, and equipment are located in a community redevelopment area.

(8) STATE FUNDING.—

(a) The Legislature intends to fund St. Petersburg College as a community college for its workforce development education programs and for its lower-division level college credit courses and programs.

(b) The Legislature intends to fund St. Petersburg College as a baccalaureate degree level institution for its upper-division level courses and programs.

(c) During the 2001-2002 fiscal year, St. Petersburg College shall estimate the appropriate level of funding for these programs. By March 1, 2002, the college shall complete a cost study and shall submit to the Legislature a proposal for cost accounting and legislative budget requests designed to acknowledge its unique classification. The cost study must indicate actual costs projected for the first 4 years of operation as a baccalaureate degree level institution, with the first students expected to enroll in the upper division in the fall semester of 2002.

Section 41. Nothing contained within this act shall be construed to adversely impact the accreditation of the University of South Florida.

Section 42. Florida Bright Futures Scholarship Testing Program.—

(1) By January 1, 2002, the Articulation Coordinating Committee shall identify the minimum scores, maximum credit, and course or courses for which credit is to be awarded for each College Level Examination Program (CLEP) general examination, CLEP subject examination, College Board Advanced Placement Program examination, and International Baccalaureate examination. In addition, the Articulation Coordinating Committee shall identify such courses in the general education core curriculum of each state university and community college.

(2) Each community college and state university must award credit for specific courses for which competency has been demonstrated by successful passage of one of these examinations unless the award of credit duplicates credit already awarded. Community colleges and universities may not exempt students from courses without the award of credit if competencies have been so demonstrated.

(3) Beginning with initial award recipients for the 2002-2003 academic year and continuing thereafter, students eligible for a Florida Academic Scholars award or a Florida Medallion Scholars award who are admitted to and enroll in a community college or state university shall, prior to registering for courses that may be earned through a CLEP examination and no later than registration for their second term, complete at least five examinations from those specified in subsection (1) in the following areas: English;

humanities; mathematics; natural sciences; and social sciences. Successful completion of dual enrollment courses, Advanced Placement examinations, and International Baccalaureate examinations taken prior to high school graduation satisfy this requirement. The Articulation Coordinating Committee shall identify the examinations that satisfy each component of this requirement.

(4) Initial award recipients for the 2001-2002 academic year who are eligible for a Florida Academic Scholars award or a Florida Medallion Scholars award and who are admitted to and enroll in a community college or state university may choose, prior to registering for courses that may be earned through CLEP examination, to complete up to five CLEP examinations, one in each of the following areas: English; humanities; mathematics; natural sciences; and social sciences.

(5) Each community college and state university shall pay for the CLEP examinations required pursuant to this section from the funds appropriated from the Educational Enhancement Trust Fund. Institutions shall pay no more than \$46 per examination for the program, which shall include access to a student guide to prepare for the test. The Department of Education shall negotiate with the College Board for a reduced rate for the examinations. The institution shall not charge the student for preparation and administration of the test, access to a student guide to prepare for the test, or record-keeping and reporting of each student's test results to the department.

(6) The credit awarded pursuant to this section shall apply toward the 120 hours of college credit required pursuant to s. 240.115(6).

(7) The maximum number of credit hours for which a student is eligible to receive a Florida Bright Futures Scholarship Program award shall be reduced by the number of hours for which credit is awarded pursuant to this section.

(8) Beginning with the 2002-2003 award recipients, the Department of Education shall track and annually report on the effectiveness of the program, and include information on the number of students participating in the program; the CLEP examinations taken and the passage rate of Florida Academic Scholars and Florida Medallion Scholars award recipients; the use of Advanced Placement and International Baccalaureate examinations and dual enrollment courses to satisfy the requirements of the program; and the course credit provided.

Section 43. Notwithstanding subsection (7) of section 3 of chapter 2000-321, Laws of Florida, section 240.551, Florida Statutes, shall not stand repealed on January 7, 2003, and is reenacted and amended to read:

240.551 Florida Prepaid College Program.—

(1) LEGISLATIVE INTENT.—The Legislature recognizes that educational opportunity at the postsecondary level is a critical state interest. It further recognizes that educational opportunity is best ensured through the provision of postsecondary institutions that are geographically and financially accessible. Accordingly, it is the intent of the Legislature that a pro-

gram be established through which many of the costs associated with postsecondary attendance may be paid in advance and fixed at a guaranteed level for the duration of undergraduate enrollment. It is similarly the intent of the Legislature to provide a program that fosters timely financial planning for postsecondary attendance and to encourage employer participation in such planning through program contributions on behalf of employees and the dependents of employees.

(2) DEFINITIONS.—

(a) “Advance payment contract” means a contract entered into by the board and a purchaser pursuant to this section.

(b) “Board” means the Florida Prepaid College Board.

(c) “Fund” means the Florida Prepaid College Trust Fund.

(d) “Program” means the Florida Prepaid College Program.

(e) “Purchaser” means a person who makes or is obligated to make advance registration or dormitory residence payments in accordance with an advance payment contract.

(f) “Qualified beneficiary” means:

1. A resident of this state at the time a purchaser enters into an advance payment contract on behalf of the resident;

2. A nonresident who is the child of a noncustodial parent who is a resident of this state at the time that such parent enters into an advance payment contract on behalf of the child; or

3. For purposes of advance payment contracts entered into pursuant to subsection (22), a graduate of an accredited high school in this state who is a resident of this state at the time he or she is designated to receive the benefits of the advance payment contract.

(g) “Registration fee” means matriculation fee, financial aid fee, building fee, and Capital Improvement Trust Fund fee.

(h) “State postsecondary institution” means any community college identified in s. 240.3031 or university identified in s. 240.2011.

(3) FLORIDA PREPAID COLLEGE PROGRAM; CREATION.—There is created a Florida Prepaid College Program to provide a medium through which the cost of registration and dormitory residence may be paid in advance of enrollment in a state postsecondary institution at a rate lower than the projected corresponding cost at the time of actual enrollment. Such payments shall be combined and invested in a manner that yields, at a minimum, sufficient interest to generate the difference between the prepaid amount and the cost of registration and dormitory residence at the time of actual enrollment. Students who enroll in a state postsecondary institution pursuant to this section shall be charged no fees in excess of the terms delineated in the advance payment contract.

(4) FLORIDA PREPAID COLLEGE TRUST FUND.—There is created within the State Board of Administration the Florida Prepaid College Trust Fund. The fund shall consist of state appropriations, moneys acquired from other governmental or private sources, and moneys remitted in accordance with advance payment contracts. All funds deposited into the trust fund may be invested pursuant to s. 215.47. Dividends, interest, and gains accruing to the trust fund shall increase the total funds available for the program. Notwithstanding the provisions of chapter 717, funds associated with terminated contracts pursuant to subsection (12) and canceled contracts for which no refunds have been claimed shall increase the total funds available for the program. However, the board shall establish procedures for notifying purchasers who subsequently cancel their contracts of any unclaimed refund and shall establish a time period after which no refund may be claimed by a purchaser who canceled a contract. Any balance contained within the fund at the end of a fiscal year shall remain therein and shall be available for carrying out the purposes of the program. In the event that dividends, interest, and gains exceed the amount necessary for program administration and disbursements, the board may designate an additional percentage of the fund to serve as a contingency fund. Moneys contained within the fund shall be exempt from the investment requirements of s. 18.10. Any funds of a direct-support organization created pursuant to subsection (22) shall be exempt from the provisions of this subsection.

(5) PROGRAM ADMINISTRATION.—

(a) The Florida Prepaid College Program shall be administered by the Florida Prepaid College Board as an agency of the state. The Florida Prepaid College Board is hereby created as a body corporate with all the powers of a body corporate for the purposes delineated in this section. For the purposes of s. 6, Art. IV of the State Constitution, the board shall be assigned to and administratively housed within the State Board of Administration, but it shall independently exercise the powers and duties specified in this section.

(b) The board shall consist of seven members to be composed of the Insurance Commissioner and Treasurer, the Comptroller, the Chancellor of the Board of Regents, the Executive Director of the State Board of Community Colleges, and three members appointed by the Governor and subject to confirmation by the Senate. Each member appointed by the Governor shall possess knowledge, skill, and experience in the areas of accounting, actuary, risk management, or investment management. Each member of the board not appointed by the Governor may name a designee to serve the board on behalf of the member; however, any designee so named shall meet the qualifications required of gubernatorial appointees to the board. Members appointed by the Governor shall serve terms of 3 years. Any person appointed to fill a vacancy on the board shall be appointed in a like manner and shall serve for only the unexpired term. Any member shall be eligible for reappointment and shall serve until a successor qualifies. Members of the board shall serve without compensation but shall be reimbursed for per diem and travel in accordance with s. 112.061. Each member of the board shall file a full and public disclosure of his or her financial interests pursuant to s. 8, Art. II of the State Constitution and corresponding statute.

(c) The board shall annually elect a board member to serve as chair and a board member to serve as vice chair and shall designate a secretary-treasurer who need not be a member of the board. The secretary-treasurer shall keep a record of the proceedings of the board and shall be the custodian of all printed material filed with or by the board and of its official seal. Notwithstanding the existence of vacancies on the board, a majority of the members shall constitute a quorum. The board shall take no official action in the absence of a quorum. The board shall meet, at a minimum, on a quarterly basis at the call of the chair.

(6) FLORIDA PREPAID COLLEGE BOARD; DUTIES.—The board shall:

(a) Appoint an executive director to serve as the chief administrative and operational officer of the board and to perform other duties assigned to him or her by the board.

(b) Administer the fund in a manner that is sufficiently actuarially sound to defray the obligations of the program. The board shall annually evaluate or cause to be evaluated the actuarial soundness of the fund. If the board perceives a need for additional assets in order to preserve actuarial soundness, the board may adjust the terms of subsequent advance payment contracts to ensure such soundness.

(c) Establish a comprehensive investment plan for the purposes of this section with the approval of the State Board of Administration. The comprehensive investment plan shall specify the investment policies to be utilized by the board in its administration of the fund. The board may place assets of the fund in savings accounts or use the same to purchase fixed or variable life insurance or annuity contracts, securities, evidence of indebtedness, or other investment products pursuant to the comprehensive investment plan and in such proportions as may be designated or approved under that plan. Such insurance, annuity, savings, or investment products shall be underwritten and offered in compliance with the applicable federal and state laws, regulations, and rules by persons who are duly authorized by applicable federal and state authorities. Within the comprehensive investment plan, the board may authorize investment vehicles, or products incident thereto, as may be available or offered by qualified companies or persons. A contract purchaser may not direct the investment of his or her contribution to the trust fund, and a contract beneficiary may not direct the contribution made on his or her behalf to the trust fund. Board members and employees of the board are not prohibited from purchasing advance payment contracts by virtue of their fiduciary responsibilities as members of the board or official duties as employees of the board.

(d) Solicit proposals and contract, pursuant to s. 287.057, for the marketing of the Florida Prepaid College Program. The entity designated pursuant to this paragraph shall serve as a centralized marketing agent for the program and shall be solely responsible for the marketing of the program. Any materials produced for the purpose of marketing the program shall be submitted to the board for review. No such materials shall be made available to the public before the materials are approved by the board. Any educa-

tional institution may distribute marketing materials produced for the program; however, all such materials shall have been approved by the board prior to distribution. Neither the state nor the board shall be liable for misrepresentation of the program by a marketing agent.

(e) Solicit proposals and contract, pursuant to s. 287.057, for a trustee services firm to select and supervise investment programs on behalf of the board. The goals of the board in selecting a trustee services firm shall be to obtain the highest standards of professional trustee services, to allow all qualified firms interested in providing such services equal consideration, and to provide such services to the state at no cost and to the purchasers at the lowest cost possible. The trustee services firm shall agree to meet the obligations of the board to qualified beneficiaries if moneys in the fund fail to offset the obligations of the board as a result of imprudent selection or supervision of investment programs by such firm. Evaluations of proposals submitted pursuant to this paragraph shall include, but not be limited to, the following criteria:

1. Adequacy of trustee services for supervision and management of the program, including current operations and staff organization and commitment of management to the proposal.
2. Capability to execute program responsibilities within time and regulatory constraints.
3. Past experience in trustee services and current ability to maintain regular and continuous interactions with the board, records administrator, and product provider.
4. The minimum purchaser participation assumed within the proposal and any additional requirements of purchasers.
5. Adequacy of technical assistance and services proposed for staff.
6. Adequacy of a management system for evaluating and improving overall trustee services to the program.
7. Adequacy of facilities, equipment, and electronic data processing services.
8. Detailed projections of administrative costs, including the amount and type of insurance coverage, and detailed projections of total costs.

(f) Solicit proposals and contract, pursuant to s. 287.057, for product providers to develop investment portfolios on behalf of the board to achieve the purposes of this section. Product providers shall be limited to authorized insurers as defined in s. 624.09, banks as defined in s. 658.12, associations as defined in s. 665.012, authorized Securities and Exchange Commission investment advisers, and investment companies as defined in the Investment Company Act of 1940. All product providers shall have their principal place of business and corporate charter located and registered in the United States. In addition, each product provider shall agree to meet the obligations of the board to qualified beneficiaries if moneys in the fund fail to offset the

obligations of the board as a result of imprudent investing by such provider. Each authorized insurer shall evidence superior performance overall on an acceptable level of surety in meeting its obligations to its policyholders and other contractual obligations. Only qualified public depositories approved by the Insurance Commissioner and Treasurer shall be eligible for board consideration. Each investment company shall provide investment plans as specified within the request for proposals. The goals of the board in selecting a product provider company shall be to provide all purchasers with the most secure, well-diversified, and beneficially administered postsecondary education expense plan possible, to allow all qualified firms interested in providing such services equal consideration, and to provide such services to the state at no cost and to the purchasers at the lowest cost possible. Evaluations of proposals submitted pursuant to this paragraph shall include, but not be limited to, the following criteria:

1. Fees and other costs charged to purchasers that affect account values or operational costs related to the program.
2. Past and current investment performance, including investment and interest rate history, guaranteed minimum rates of interest, consistency of investment performance, and any terms and conditions under which moneys are held.
3. Past experience and ability to provide timely and accurate service in the areas of records administration, benefit payments, investment management, and complaint resolution.
4. Financial history and current financial strength and capital adequacy to provide products, including operating procedures and other methods of protecting program assets.

(7) FLORIDA PREPAID COLLEGE BOARD; POWERS.—The board shall have the powers necessary or proper to carry out the provisions of this section, including, but not limited to, the power to:

- (a) Adopt an official seal and rules.
- (b) Sue and be sued.
- (c) Make and execute contracts and other necessary instruments.
- (d) Establish agreements or other transactions with federal, state, and local agencies, including state universities and community colleges.
- (e) Invest funds not required for immediate disbursement.
- (f) Appear in its own behalf before boards, commissions, or other governmental agencies.
- (g) Hold, buy, and sell any instruments, obligations, securities, and property determined appropriate by the board.
- (h) Require a reasonable length of state residence for qualified beneficiaries.

(i) Restrict the number of participants in the community college plan, university plan, and dormitory residence plan, respectively. However, any person denied participation solely on the basis of such restriction shall be granted priority for participation during the succeeding year.

(j) Segregate contributions and payments to the fund into various accounts and funds.

(k) Contract for necessary goods and services, employ necessary personnel, and engage the services of private consultants, actuaries, managers, legal counsel, and auditors for administrative or technical assistance.

(l) Solicit and accept gifts, grants, loans, and other aids from any source or participate in any other way in any government program to carry out the purposes of this section.

(m) Require and collect administrative fees and charges in connection with any transaction and impose reasonable penalties, including default, for delinquent payments or for entering into an advance payment contract on a fraudulent basis.

(n) Procure insurance against any loss in connection with the property, assets, and activities of the fund or the board.

(o) Impose reasonable time limits on use of the tuition benefits provided by the program. However, any such limitation shall be specified within the advance payment contract.

(p) Delineate the terms and conditions under which payments may be withdrawn from the fund and impose reasonable fees and charges for such withdrawal. Such terms and conditions shall be specified within the advance payment contract.

(q) Provide for the receipt of contributions in lump sums or installment payments.

(r) Require that purchasers of advance payment contracts verify, under oath, any requests for contract conversions, substitutions, transfers, cancellations, refund requests, or contract changes of any nature. Verification shall be accomplished as authorized and provided for in s. 92.525(1)(a).

(s) Delegate responsibility for administration of the comprehensive investment plan required in paragraph (6)(c) to a person the board determines to be qualified. Such person shall be compensated by the board. Directly or through such person, the board may contract with a private corporation or institution to provide such services as may be a part of the comprehensive investment plan or as may be deemed necessary or proper by the board or such person, including, but not limited to, providing consolidated billing, individual and collective recordkeeping and accountings, and asset purchase, control, and safekeeping.

(t) Endorse insurance coverage written exclusively for the purpose of protecting advance payment contracts, and the purchasers and beneficiaries

thereof, which may be issued in the form of a group life policy and which is exempt from the provisions of part V of chapter 627.

(u) Solicit proposals and contract, pursuant to s. 287.057, for the services of a records administrator. The goals of the board in selecting a records administrator shall be to provide all purchasers with the most secure, well-diversified, and beneficially administered postsecondary education expense plan possible, to allow all qualified firms interested in providing such services equal consideration, and to provide such services to the state at no cost and to the purchasers at the lowest cost possible. Evaluations of proposals submitted pursuant to this paragraph shall include, but not be limited to, the following criteria:

1. Fees and other costs charged to purchasers that affect account values or operational costs related to the program.

2. Past experience in records administration and current ability to provide timely and accurate service in the areas of records administration, audit and reconciliation, plan communication, participant service, and complaint resolution.

3. Sufficient staff and computer capability for the scope and level of service expected by the board.

4. Financial history and current financial strength and capital adequacy to provide administrative services required by the board.

(v) Establish other policies, procedures, and criteria to implement and administer the provisions of this section.

(w) Adopt procedures to govern contract dispute proceedings between the board and its vendors.

(8) QUALIFIED STATE TUITION PROGRAM STATUS.—Notwithstanding any other provision of this section, the board may adopt rules necessary to enable the program to retain its status as a “qualified state tuition program” in order to maintain its tax exempt status or other similar status of the program, purchasers, and qualified beneficiaries under the Internal Revenue Code of 1986, as defined in s. 220.03(1). The board shall inform purchasers of changes to the tax or securities status of contracts purchased through the program.

(9) PREPAID COLLEGE PLANS.—At a minimum, the board shall make advance payment contracts available for two independent plans to be known as the community college plan and the university plan. The board may also make advance payment contracts available for a dormitory residence plan.

(a)1. Through the community college plan, the advance payment contract shall provide prepaid registration fees for a specified number of undergraduate semester credit hours not to exceed the average number of hours required for the conference of an associate degree. The cost of participation in the community college plan shall be based primarily on the average current and projected registration fees within the Florida Community College System and the number of years expected to elapse between the purchase of the

plan on behalf of a qualified beneficiary and the exercise of the benefits provided in the plan by such beneficiary. Qualified beneficiaries shall bear the cost of any laboratory fees associated with enrollment in specific courses. Each qualified beneficiary shall be classified as a resident for tuition purposes, pursuant to s. 240.1201, regardless of his or her actual legal residence.

2. Effective July 1, 1998, the board may provide advance payment contracts for additional fees delineated in s. 240.35, not to exceed the average number of hours required for the conference of an associate degree, in conjunction with advance payment contracts for registration fees. The cost of purchasing such fees shall be based primarily on the average current and projected fees within the Florida Community College System and the number of years expected to elapse between the purchase of the plan on behalf of the beneficiary and the exercise of benefits provided in the plan by such beneficiary. Community college plan contracts purchased prior to July 1, 1998, shall be limited to the payment of registration fees as defined in subsection (2).

(b)1. Through the university plan, the advance payment contract shall provide prepaid registration fees for a specified number of undergraduate semester credit hours not to exceed the average number of hours required for the conference of a baccalaureate degree. The cost of participation in the university plan shall be based primarily on the current and projected registration fees within the State University System and the number of years expected to elapse between the purchase of the plan on behalf of a qualified beneficiary and the exercise of the benefits provided in the plan by such beneficiary. Qualified beneficiaries shall bear the cost of any laboratory fees associated with enrollment in specific courses. Each qualified beneficiary shall be classified as a resident for tuition purposes pursuant to s. 240.1201, regardless of his or her actual legal residence.

2. Effective July 1, 1998, the board may provide advance payment contracts for additional fees delineated in s. 240.235(1), for a specified number of undergraduate semester credit hours not to exceed the average number of hours required for the conference of a baccalaureate degree, in conjunction with advance payment contracts for registration fees. Such contracts shall provide prepaid coverage for the sum of such fees, to a maximum of 45 percent of the cost of registration fees. The costs of purchasing such fees shall be based primarily on the average current and projected cost of these fees within the State University System and the number of years expected to elapse between the purchase of the plan on behalf of the qualified beneficiary and the exercise of the benefits provided in the plan by such beneficiary. University plan contracts purchased prior to July 1, 1998, shall be limited to the payment of registration fees as defined in subsection (2).

(c) Through the dormitory residence plan, the advance payment contract may provide prepaid housing fees for a maximum of 10 semesters of full-time undergraduate enrollment in a state university. Dormitory residence plans shall be purchased in increments of 2 semesters. The cost of participation in the dormitory residence plan shall be based primarily on the average current and projected housing fees within the State University System and

the number of years expected to elapse between the purchase of the plan on behalf of a qualified beneficiary and the exercise of the benefits provided in the plan by such beneficiary. Qualified beneficiaries shall have the highest priority in the assignment of housing within university residence halls. Qualified beneficiaries shall bear the cost of any additional elective charges such as laundry service or long-distance telephone service. Each state university may specify the residence halls or other university-held residences eligible for inclusion in the plan. In addition, any state university may request immediate termination of a dormitory residence contract based on a violation or multiple violations of rules of the residence hall or other university-held residences. In the event that sufficient housing is not available for all qualified beneficiaries, the board shall refund the purchaser or qualified beneficiary an amount equal to the fees charged for dormitory residence during that semester. If a qualified beneficiary fails to be admitted to a state university or chooses to attend a community college that operates one or more dormitories or residency opportunities, or has one or more dormitories or residency opportunities operated by the community college direct-support organization, the qualified beneficiary may transfer or cause to have transferred to the community college, or community college direct-support organization, the fees associated with dormitory residence. Dormitory fees transferred to the community college or community college direct-support organization may not exceed the maximum fees charged for state university dormitory residence for the purposes of this section, or the fees charged for community college or community college direct-support organization dormitories or residency opportunities, whichever is less.

(10) TRANSFER OF BENEFITS TO PRIVATE AND OUT-OF-STATE COLLEGES AND UNIVERSITIES AND TO AREA TECHNICAL CENTERS.—A qualified beneficiary may apply the benefits of an advance payment contract toward:

(a) Any eligible independent college or university. An independent college or university that is located and chartered in Florida, that is not for profit, that is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools or the Accrediting Council for Independent Colleges and Schools Accrediting Commission of the Association of Independent Colleges and Schools, and that confers degrees as defined in s. 246.021, is eligible for such application. The board shall transfer, or cause to have transferred, to the eligible independent college or university designated by the qualified beneficiary an amount not to exceed the redemption value of the advance payment contract ~~at~~ within a state postsecondary institution. If the cost of registration or housing fees at the independent college or university is less than the corresponding fees at a state postsecondary institution, the amount transferred shall not exceed the actual cost of registration or housing fees. A transfer authorized under this paragraph may not exceed the number of semester credit hours or semesters of dormitory residence contracted on behalf of a qualified beneficiary.

(b) An eligible out-of-state college or university. An out-of-state college or university that is not for profit and is accredited by a regional accrediting association, and that confers degrees, is eligible for such application. The board shall transfer, or cause to have transferred, an amount not to exceed

the redemption value of the advance payment contract at a state postsecondary institution ~~or the original purchase price plus 5 percent compounded interest, whichever is less, after assessment of a reasonable transfer fee.~~ If the cost of registration or housing fees charged the qualified beneficiary at the eligible out-of-state college or university is less than this calculated amount, the amount transferred shall not exceed the actual cost of registration or housing fees. Any remaining amount shall be transferred in subsequent semesters until the transfer value is depleted. A transfer authorized under this paragraph may not exceed the number of semester credit hours or semesters of dormitory residence contracted on behalf of a qualified beneficiary.

(c) An applied technology diploma program or vocational certificate program conducted by a community college listed in s. 240.3031 or an area technical center operated by a district school board. The board shall transfer or cause to be transferred to the community college or area technical center designated by the qualified beneficiary an amount not to exceed the redemption value of the advance payment contract at within a state postsecondary institution. If the cost of the fees charged by the college or center, as authorized in s. 239.117, is less than the corresponding fees at a state postsecondary institution, the amount transferred may not exceed the actual cost of the fees. A transfer authorized under this paragraph may not exceed the number of semester credit hours contracted on behalf of a qualified beneficiary.

Notwithstanding any other provision in this section, an institution must be an "eligible educational institution" under s. 529 of the Internal Revenue Code to be eligible for the transfer of advance payment contract benefits.

(11) ADVANCE PAYMENT CONTRACTS; CONTENTS.—The board shall construct advance payment contracts for registration and may construct advance payment contracts for dormitory residence as provided in this section. Advance payment contracts constructed for the purposes of this section shall be exempt from chapter 517 and the Florida Insurance Code. Such contracts shall include, but not be limited to, the following:

(a) The amount of the payment or payments and the number of payments required from a purchaser on behalf of a qualified beneficiary.

(b) The terms and conditions under which purchasers shall remit payments, including, but not limited to, the date or dates upon which each payment shall be due.

(c) Provisions for late payment charges and for default.

(d) Provisions for penalty fees for withdrawals from the fund.

(e) Except for an advance payment contract entered into pursuant to subsection (22) or subsection (23), the name and date of birth of the qualified beneficiary on whose behalf the contract is drawn and the terms and conditions under which another person may be substituted as the qualified beneficiary.

(f) The name of any person who may terminate the contract. The terms of the contract shall specify whether the contract may be terminated by the purchaser, the qualified beneficiary, a specific designated person, or any combination of these persons.

(g) The terms and conditions under which a contract may be terminated, modified, or converted, the name of the person entitled to any refund due as a result of termination of the contract pursuant to such terms and conditions, and the amount of refund, if any, due to the person so named.

(h) The number of semester credit hours or semesters of dormitory residence contracted by the purchaser.

(i) The state postsecondary system toward which the contracted credit hours or semesters of dormitory residence will be applied.

(j) The assumption of a contractual obligation by the board to the qualified beneficiary to provide for a specified number of semester credit hours of undergraduate instruction at a state postsecondary institution, not to exceed the average number of credit hours required for the conference of the degree that corresponds to the plan purchased on behalf of the qualified beneficiary or to provide for a specified number of semesters of dormitory residence, not to exceed the number of semesters of full-time enrollment required for the conference of a baccalaureate degree.

(k) Other terms and conditions deemed by the board to be necessary or proper.

(12) DURATION OF BENEFITS; ADVANCE PAYMENT CONTRACT.—An advance payment contract may provide that contracts which have not been terminated or the benefits exercised within a specified period of time shall be considered terminated. Time expended by a qualified beneficiary as an active duty member of any of the armed services of the United States shall be added to the period of time specified pursuant to this subsection. No purchaser or qualified beneficiary whose advance payment contract is terminated pursuant to this subsection shall be entitled to a refund. The board shall retain any moneys paid by the purchaser for an advance payment contract that has been terminated in accordance with this subsection. Such moneys retained by the board are exempt from chapter 717, and such retained moneys must be used by the board to further the purposes of this section.

(13) REFUNDS.—

(a) Except as provided in paragraphs (b), ~~and (c)~~, and (f), no refund shall exceed the amount paid into the fund by the purchaser.

(b) If the beneficiary is awarded a scholarship, the terms of which cover the benefits included in the advance payment contracts, moneys paid for the purchase of the advance payment contracts shall be refunded returned to the purchaser in semester installments coinciding with the matriculation by the beneficiary in an amount which, in total, does not exceed the redemption value of the advance payment contract at a state postsecondary institution

~~amounts of either the original purchase price plus 5 percent compounded interest, or the current rates at state postsecondary institutions, whichever is less.~~

(c) In the event of the death or total disability of the beneficiary, moneys paid for the purchase of advance payment contracts shall be refunded ~~returned~~ to the purchaser in an amount not to exceed the redemption value of the advance payment contract at a state postsecondary institution together with 5 percent compounded interest, or the current rates at state postsecondary institutions, whichever is less.

(d) If an advance payment contract is converted from one registration plan to a plan of lesser value, the amount refunded shall not exceed the difference between the amount paid for the original contract and the amount that would have been paid for the contract to which the plan is converted had the converted plan been purchased under the same payment plan at the time the original advance payment contract was executed.

(e) No refund shall be authorized through an advance payment contract for any school year partially attended but not completed. For purposes of this section, a school year partially attended but not completed shall mean any one semester whereby the student is still enrolled at the conclusion of the official drop-add period, but withdraws before the end of such semester. If a beneficiary does not complete a community college plan or university plan for reasons other than specified in paragraph (c), the purchaser shall receive a refund of the amount paid into the fund for the remaining unattended years of the advance payment contract pursuant to rules promulgated by the board.

(14) CONFIDENTIALITY OF ACCOUNT INFORMATION.—Information that identifies the purchasers or beneficiaries of any plan promulgated under this section and their advance payment account activities is exempt from the provisions of s. 119.07(1). However, the board may authorize the program's records administrator to release such information to a community college, college, or university in which a beneficiary may enroll or is enrolled. Community colleges, colleges, and universities shall maintain such information as exempt from the provisions of s. 119.07(1).

(15) OBLIGATIONS OF BOARD; PAYMENT.—The state shall agree to meet the obligations of the board to qualified beneficiaries if moneys in the fund fail to offset the obligations of the board. The Legislature shall appropriate to the Florida Prepaid College Trust Fund the amount necessary to meet the obligations of the board to qualified beneficiaries.

(16) ASSETS OF THE FUND; EXPENDITURE PRIORITY.—The assets of the fund shall be maintained, invested, and expended solely for the purposes of this section and shall not be loaned, transferred, or otherwise used by the state for any purpose other than the purposes of this section. This subsection shall not be construed to prohibit the board from investing in, by purchase or otherwise, bonds, notes, or other obligations of the state or an agency or instrumentality of the state. Unless otherwise specified by the board, assets of the fund shall be expended in the following order of priority:

- (a) To make payments to state postsecondary institutions on behalf of qualified beneficiaries.
- (b) To make refunds upon termination of advance payment contracts.
- (c) To pay the costs of program administration and operations.

(17) EXEMPTION FROM CLAIMS OF CREDITORS.—Moneys paid into or out of the fund by or on behalf of a purchaser or qualified beneficiary of an advance payment contract made under this section, which contract has not been terminated, are exempt, as provided by s. 222.22, from all claims of creditors of the purchaser or the beneficiary. Neither moneys paid into the program nor benefits accrued through the program may be pledged for the purpose of securing a loan.

(18) PAYROLL DEDUCTION AUTHORITY.—The state or any state agency, county, municipality, or other political subdivision may, by contract or collective bargaining agreement, agree with any employee to remit payments toward advance payment contracts through payroll deductions made by the appropriate officer or officers of the state, state agency, county, municipality, or political subdivision. Such payments shall be held and administered in accordance with this section.

(19) DISCLAIMER.—Nothing in this section shall be construed as a promise or guarantee that a qualified beneficiary will be admitted to a state postsecondary institution or to a particular state postsecondary institution, will be allowed to continue enrollment at a state postsecondary institution after admission, or will be graduated from a state postsecondary institution.

(20) PROGRAM TERMINATION.—In the event that the state determines the program to be financially infeasible, the state may discontinue the provision of the program. Any qualified beneficiary who has been accepted by and is enrolled or is within 5 years of enrollment in an eligible independent college or university or state postsecondary institution shall be entitled to exercise the complete benefits for which he or she has contracted. All other contract holders shall receive a refund of the amount paid in and an additional amount in the nature of interest at a rate that corresponds, at a minimum, to the prevailing interest rates for savings accounts provided by banks and savings and loan associations.

(21) ANNUAL REPORT.—The board shall annually prepare or cause to be prepared a report setting forth in appropriate detail an accounting of the fund and a description of the financial condition of the program at the close of each fiscal year. Such report shall be submitted to the President of the Senate, the Speaker of the House of Representatives, and members of the State Board of Education on or before March 31 each year. In addition, the board shall make the report available to purchasers of advance payment contracts. The board shall provide to the Board of Regents and the State Board of Community Colleges, by March 31 each year, complete advance payment contract sales information, including projected postsecondary enrollments of qualified beneficiaries. The accounts of the fund shall be subject to annual audits by the Auditor General or his or her designee.

(22) DIRECT-SUPPORT ORGANIZATION; AUTHORITY.—

(a) The board may establish a direct-support organization which is:

1. A Florida corporation, not for profit, incorporated under the provisions of chapter 617 and approved by the Secretary of State.

2. Organized and operated exclusively to receive, hold, invest, and administer property and to make expenditures to or for the benefit of the program.

3. An organization which the board, after review, has certified to be operating in a manner consistent with the goals of the program and in the best interests of the state. Unless so certified, the organization may not use the name of the program.

(b) The direct-support organization shall operate under written contract with the board. The contract must provide for:

1. Approval of the articles of incorporation and bylaws of the direct-support organization by the board.

2. Submission of an annual budget for the approval of the board. The budget must comply with rules adopted by the board.

3. An annual financial and compliance audit of its financial accounts and records by an independent certified public accountant in accordance with rules adopted by the board.

4. Certification by the board that the direct-support organization is complying with the terms of the contract and in a manner consistent with the goals and purposes of the board and in the best interest of the state. Such certification must be made annually and reported in the official minutes of a meeting of the board.

5. The reversion to the board, or to the state if the board ceases to exist, of moneys and property held in trust by the direct-support organization for the benefit of the board or program if the direct-support organization is no longer approved to operate for the board or if the board ceases to exist.

6. The fiscal year of the direct-support organization, which must begin July 1 of each year and end June 30 of the following year.

7. The disclosure of material provisions of the contract and of the distinction between the board and the direct-support organization to donors of gifts, contributions, or bequests, and such disclosure on all promotional and fundraising publications.

(c) An annual financial and compliance audit of the financial accounts and records of the direct-support organization must be performed by an independent certified public accountant. The audit must be submitted to the board for review and approval. Upon approval, the board shall certify the audit report to the Auditor General for review. The board and Auditor

General shall have the authority to require and receive from the organization or its independent auditor any detail or supplemental data relative to the operation of the organization.

(d) The identity of donors who desire to remain anonymous shall be confidential and exempt from the provisions of s. 119.07(1) and s. 24(a), Art. I of the State Constitution, and such anonymity shall be maintained in the auditor's report. Information received by the organization that is otherwise confidential or exempt by law shall retain such status. Any sensitive, personal information regarding contract beneficiaries, including their identities, is exempt from the provisions of s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

(e) The chair and the executive director of the board shall be directors of the direct-support organization and shall jointly name, at a minimum, three other individuals to serve as directors of the organization.

(f) The board may authorize the direct-support organization established in this subsection to use program property, except money, and use facilities and personal services subject to the provisions of this section. If the direct-support organization does not provide equal employment opportunities to all persons regardless of race, color, religion, sex, age, or national origin, it may not use the property, facilities, or personal services of the board. For the purposes of this subsection, the term "personal services" includes full-time personnel and part-time personnel as well as payroll processing as prescribed by rule of the board. The board shall adopt rules prescribing the procedures by which the direct-support organization is governed and any conditions with which such a direct-support organization must comply to use property, facilities, or personal services of the board.

(g) The board may invest funds of the direct-support organization which have been allocated for the purchase of advance payment contracts for scholarships with receipts for advance payment contracts.

(23) SCHOLARSHIPS.—A nonprofit organization described in s. 501(c)(3) of the United States Internal Revenue Code and exempt from taxation under s. 501(a) of the United States Internal Revenue Code may purchase advance payment contracts for a scholarship program that has been approved by the board and is operated by the purchasing organization.

Section 44. Except as otherwise expressly provided in this act, this act shall take effect upon becoming a law.

Approved by the Governor June 6, 2001.

Filed in Office Secretary of State June 6, 2001.