

Committee Substitute for  
Committee Substitute for Senate Bill No. 696

An act relating to community colleges; amending s. 1001.64, F.S.; providing conditions for certain contracting by community college boards of trustees; authorizing boards of trustees to enter into certain short-term loans and contracts and make payments subject to appropriation; authorizing boards of trustees to incur long-term debt according to specified requirements; prohibiting a board of trustees from securing or repaying such debt using tuition or certain other revenues; amending s. 1004.70, F.S.; requiring community college boards of trustees to authorize debt incurred by direct-support organizations; authorizing delegation for approval of short-term loans and lease-purchase agreements; providing restrictions; amending s. 1009.22, F.S., relating to workforce education postsecondary student fees, and s. 1009.23, F.S., relating to community college student fees; revising provisions relating to the pledge of fee revenues to the repayment of debt by community college boards of trustees; providing requirements for the request, issuance, securing, and payment of bonds; providing for limitation of actions; amending s. 1000.21, F.S.; renaming Daytona Beach Community College as “Daytona Beach College and renaming Indian River Community College as “Indian River College”; providing an effective date.

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

Section 1. Subsections (26) and (38) of section 1001.64, Florida Statutes, are amended to read:

1001.64 Community college boards of trustees; powers and duties.—

(26) Each board of trustees is authorized to contract for the purchase, sale, lease, license, 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, subject to the provisions of subsection (38) and ss. 1009.22 and 1009.23,)~~ of goods, materials, equipment, and services required by the community college. The board of trustees may choose to consolidate equipment contracts under master equipment financing agreements made pursuant to s. 287.064.

(38) Each board of trustees is authorized to enter into short-term loans and installment, lease-purchase, and other financing contracts for a term of not more than 5 years, including renewals, extensions, and refundings. Payments on short-term loans and installment, lease-purchase, and other financing contracts pursuant to this subsection shall be subject to annual appropriation by the board of trustees. Each board of trustees is authorized to borrow funds and incur long-term debt, including promissory notes, installment sales agreements, lease-purchase agreements, certificates of participation, and other similar long-term financing arrangements, only as

~~specifically provided entering into lease-purchase agreements and the issuance of revenue bonds as specifically authorized and only for the purposes authorized in ss. 1009.22(6) and (9) and 1009.23(11) and (12). At the option of the board of trustees, bonds issued pursuant to ss. 1009.22(6) and (9) and 1009.23(11) and (12) may be issued which are secured by a combination of revenues authorized to be pledged to bonds pursuant to such subsections ss. 1009.22(6) and 1009.23(11) or ss. 1009.22(9) and 1009.23(12). Revenue bonds may not be secured by or paid from, directly or indirectly, tuition, financial aid fees, the Community College Program Fund, or any other operating revenues of a community college. Lease-purchase agreements may be secured by a combination of revenues as specifically authorized pursuant to ss. 1009.22(7) and 1009.23(10).~~

Section 2. Paragraph (e) is added to subsection (4) of section 1004.70, Florida Statutes, to read:

1004.70 Community college direct-support organizations.—

(4) ACTIVITIES; RESTRICTIONS.—

(e) A community college board of trustees must authorize all debt, including lease-purchase agreements, incurred by a direct-support organization. Authorization for approval of short-term loans and lease-purchase agreements for a term of not more than 5 years, including renewals, extensions, and refundings, for goods, materials, equipment, and services may be delegated by the board of trustees to the board of directors of the direct-support organization. Trustees shall evaluate proposals for debt according to guidelines issued by the Division of Community Colleges. Revenues of the community college may not be pledged to debt issued by direct-support organizations.

Section 3. Subsections (6) and (9) of section 1009.22, Florida Statutes, are amended to read:

1009.22 Workforce education postsecondary student fees.—

(6)(a) Each district school board and community college board of trustees may establish a separate fee for capital improvements, technology enhancements, or equipping buildings which may not exceed 5 percent of tuition for resident students or 5 percent of tuition and out-of-state fees for nonresident students. Funds collected by community colleges through the fee these fees may be bonded only for the purpose of financing or refinancing new construction and equipment, renovation, or remodeling of educational facilities. The fee shall be collected as a component part of the tuition and fees, paid into a separate account, and expended only to construct and equip, maintain, improve, or enhance the certificate career education or adult education facilities of the school district or community college. Projects funded through the use of the capital improvement fee must meet the survey and construction requirements of chapter 1013. Pursuant to s. 216.0158, each district school board and community college board of trustees shall identify each project, including maintenance projects, proposed to be funded in whole or in part by such fee. Capital improvement fee revenues may be pledged by a board of trustees as a dedicated revenue source to the repayment of debt,

including lease-purchase agreements, with an overall term of not more than 7 years, including renewals, extensions, and refundings, and revenue bonds, with a term not exceeding to exceed 20 years, and not exceeding to exceed the useful life of the asset being financed, only for the new construction and equipment, renovation, or remodeling of educational facilities. Bonds authorized pursuant to this paragraph shall be requested by the community college board of trustees and shall be issued by the Division of Bond Finance in compliance with s. 11(d), Art. VII of the State Constitution and the State Bond Act. The Division of Bond Finance may pledge fees collected by one or more community colleges to secure such bonds. Any project included in the approved educational plant survey pursuant to chapter 1013 is approved pursuant to s. 11(f), Art. VII of the State Constitution. Community colleges may use the services of the Division of Bond Finance of the State Board of Administration to issue any bonds authorized through the provisions of this subsection. Any such bonds issued by the Division of Bond Finance shall be in compliance with the provisions of the State Bond Act. Bonds issued pursuant to the State Bond Act may shall be validated in the manner provided by chapter 75. The complaint for such validation shall be filed in the circuit court of the county where the seat of state government is situated, the notice required to be published by s. 75.06 shall be published only in the county where the complaint is filed, and the complaint and order of the circuit court shall be served only on the state attorney of the circuit in which the action is pending. A maximum of 15 cents per credit hour may be allocated from the capital improvement fee for child care centers conducted by the district school board or community college board of trustees. The use of capital improvement fees for such purpose shall be subordinate to the payment of any bonds secured by the fees.

(b) The state does hereby covenant with the holders of the bonds issued under paragraph (a) that it will not take any action that will materially and adversely affect the rights of such holders so long as the bonds authorized by paragraph (a) are outstanding.

(9) Community college boards of trustees and district school boards are not authorized to charge students enrolled in workforce development programs any fee that is not specifically authorized by statute. In addition to tuition, out-of-state, financial aid, capital improvement, and technology fees, as authorized in this section, community college boards of trustees and district school boards are authorized to establish fee schedules for the following user fees and fines: laboratory fees; parking fees and fines; library fees and fines; fees and fines relating to facilities and equipment use or damage; access or identification card fees; duplicating, photocopying, binding, or microfilming fees; standardized testing fees; diploma replacement fees; transcript fees; application fees; graduation fees; and late fees related to registration and payment. Such user fees and fines shall not exceed the cost of the services provided and shall only be charged to persons receiving the service. Parking fee revenues may be pledged by a community college board of trustees as a dedicated revenue source for the repayment of debt, including lease-purchase agreements, with an overall term of not more than 7 years, including renewals, extensions, and refundings, and revenue bonds with a term terms not exceeding 20 years and not exceeding the useful life of the asset being financed. Community colleges shall use the services of the

Division of Bond Finance of the State Board of Administration to issue any revenue bonds authorized by ~~the provisions of~~ this subsection. Any such bonds issued by the Division of Bond Finance shall be in compliance with the provisions of the State Bond Act. Bonds issued pursuant to the State Bond Act ~~may~~ shall be validated in the manner established in chapter 75. The complaint for such validation shall be filed in the circuit court of the county where the seat of state government is situated, the notice required to be published by s. 75.06 shall be published only in the county where the complaint is filed, and the complaint and order of the circuit court shall be served only on the state attorney of the circuit in which the action is pending.

Section 4. Subsections (11) and (12) of section 1009.23, Florida Statutes, are amended to read:

1009.23 Community college student fees.—

(11)(a) Each community college board of trustees may establish a separate fee for capital improvements, technology enhancements, or equipping student buildings which may not exceed 10 percent of tuition for resident students or 10 percent of the sum of tuition and out-of-state fees for nonresident students. The fee for resident students shall be limited to an increase of \$2 per credit hour over the prior year. Funds collected by community colleges through ~~the fee these fees~~ may be bonded only as provided in this subsection for the purpose of financing or refinancing new construction and equipment, renovation, or remodeling of educational facilities. The fee shall be collected as a component part of the tuition and fees, paid into a separate account, and expended only to construct and equip, maintain, improve, or enhance the educational facilities of the community college. Projects funded through the use of the capital improvement fee shall meet the survey and construction requirements of chapter 1013. Pursuant to s. 216.0158, each community college shall identify each project, including maintenance projects, proposed to be funded in whole or in part by such fee.

(b) Capital improvement fee revenues may be pledged by a board of trustees as a dedicated revenue source to the repayment of debt, including lease-purchase agreements, with an overall term, ~~including renewals, extensions, and refundings~~, of not more than 7 years, ~~including renewals, extensions, and refundings~~, and revenue bonds with a term not ~~exceeding to exceed~~ 20 annual maturities and not ~~exceeding to exceed~~ the useful life of the asset being financed, only for financing or refinancing of the new construction and equipment, renovation, or remodeling of educational facilities. Bonds authorized ~~pursuant to through the provisions of~~ this subsection shall be ~~requested by the community college board of trustees and shall be~~ issued by the Division of Bond Finance ~~upon the request of the community college board of trustees in compliance with the provisions of~~ s. 11(d), Art. VII of the State Constitution and the State Bond Act. The Division of Bond Finance may pledge fees collected by one or more community colleges to secure such bonds. Any project included in the approved educational plant survey pursuant to chapter 1013 is approved pursuant to s. 11(~~f~~)(d), Art. VII of the State Constitution.

~~(c)(d) Any validation of the Bonds issued pursuant to this subsection may be validated shall be~~ in the manner provided by chapter 75. Only the initial

series of bonds is required to be validated. The complaint for such validation shall be filed in the circuit court of the county where the seat of state government is situated, the notice required to be published by s. 75.06 shall be published only in the county where the complaint is filed, and the complaint and order of the circuit court shall be served only on the state attorney of the circuit in which the action is pending.

(d)(e) A maximum of 15 percent may be allocated from the capital improvement fee for child care centers conducted by the community college. The use of capital improvement fees for such purpose shall be subordinate to the payment of any bonds secured by the fees.

(e)(e) The state does hereby covenant with the holders of the bonds issued under this subsection that it will not take any action that will materially and adversely affect the rights of such holders so long as the bonds authorized by this subsection are outstanding.

(12) In addition to tuition, out-of-state, financial aid, capital improvement, student activity and service, and technology fees authorized in this section, each community college board of trustees is authorized to establish fee schedules for the following user fees and fines: laboratory fees; parking fees and fines; library fees and fines; fees and fines relating to facilities and equipment use or damage; access or identification card fees; duplicating, photocopying, binding, or microfilming fees; standardized testing fees; diploma replacement fees; transcript fees; application fees; graduation fees; and late fees related to registration and payment. Such user fees and fines shall not exceed the cost of the services provided and shall only be charged to persons receiving the service. A community college may not charge any fee except as authorized by law or rules of the State Board of Education. Parking fee revenues may be pledged by a community college board of trustees as a dedicated revenue source for the repayment of debt, including lease-purchase agreements, with an overall term of not more than 7 years, including renewals, extensions, and refundings, and revenue bonds with a term terms not exceeding 20 years and not exceeding the useful life of the asset being financed. Community colleges shall use the services of the Division of Bond Finance of the State Board of Administration to issue any revenue bonds authorized by ~~the provisions of~~ this subsection. Any such bonds issued by the Division of Bond Finance shall be in compliance with the provisions of the State Bond Act. Bonds issued pursuant to the State Bond Act may ~~shall~~ be validated in the manner established in chapter 75. The complaint for such validation shall be filed in the circuit court of the county where the seat of state government is situated, the notice required to be published by s. 75.06 shall be published only in the county where the complaint is filed, and the complaint and order of the circuit court shall be served only on the state attorney of the circuit in which the action is pending.

Section 5. Paragraphs (e) and (k) of subsection (3) of section 1000.21, Florida Statutes, are amended to read:

1000.21 Systemwide definitions.—As used in the Florida K-20 Education Code:

(3) "Community college," except as otherwise specifically provided, includes the following institutions and any branch campuses, centers, or other affiliates of the institution:

- (e) Daytona Beach ~~Community~~ College.
- (k) Indian River ~~Community~~ College.

Section 6. This act shall take effect July 1, 2008.

Approved by the Governor June 17, 2008.

Filed in Office Secretary of State June 17, 2008.