

**Constitution Revision Commission
Education Committee
Proposal Analysis**

(This document is based on the provisions contained in the proposal as of the latest date listed below.)

Proposal #: P 44

Relating to: EDUCATION, State University System

Introducer(s): Commissioner Washington

Article/Section affected: Article IX, section 7

Date: January 18, 2018

	REFERENCE	ACTION
1.	<u>ED</u>	<u>Pre-meeting</u>

I. SUMMARY:

The proposal amends Article IX, section 7 of the Florida Constitution to add a new subsection requiring any tuition or fee increase for a state university to be approved by an affirmative vote of at least nine members of the university board of trustees and an affirmative vote of at least twelve members of the Board of Governors before the increase in tuition and fees could become effective.

II. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

Tuition setting authority

The 2010 State University System Governance Agreement¹ established a collaborative model of governance for the state university system between the Board of Governors and the Legislature. The agreement required that the responsibilities of each body, including tuition setting authority, be established in law² and responsibility for the State University System under section 7, Art. IX of the State Constitution.

The legislature has exclusive authority to establish undergraduate tuition for state universities. Effective July 1, 2014, the resident undergraduate tuition for lower-level and upper-level coursework was set at \$105.07 per credit hour³. There are also certain fees, including the Capital

¹ s. 1001.7065, Florida Statutes

² s. 1001.705, Florida Statutes

³ s. 1009.24(4)(a), Florida Statutes

Improvement Trust Fund fee⁴ established in law, but subject to modification upon approval by the university Board of Trustees and Board of Governors.

State University System Fees

The Board of Governors, as the body authorized to “operate, regulate, control, and be fully responsible for the management of the whole university system”⁵ has been legislatively delegated authority to establish tuition for graduate and professional programs and out of state fees for all programs.⁶ There are also a number of fees that, upon approval by the university Board of Trustees, are brought before the BOG for consideration and approval, including Flexible tuition policies.⁷ These policies may include undergraduate or graduate block tuition, block tuition differential, or market tuition rates for graduate-level online courses or graduate-level courses offered through a university’s continuing education program. However, such policies must align with the requesting university’s mission and cannot increase the state’s fiscal liability or obligations including, but not limited to, programs authorized under sections 1009.53-1009.538, F.S., (Bright Futures Scholarships) and sections 1009.97-1009.984, F.S., (Florida Prepaid programs). Upon a majority favorable vote by the seventeen-member Board of Governors, the university is then authorized to impose the fee.

The University Board of Trustees have been delegated authority to establish or increase a number of fees, subject to law, including:

- Activity and service⁸ and health
- Financial aid⁹
- Technology¹⁰
- Capital Improvement Trust Fund¹¹
- Tuition Differential¹²
- Distance Learning Course¹³
- Fees for applications, orientation, ID cards, transcripts, equipment, traffic violations, transient students, childcare services, etc.¹⁴

Universities are prohibited from charging any fee that is not specifically authorized.¹⁵ Florida statute outlines the process that a university BOT must follow to publicly notice and notify all enrolled students of any proposal to increase tuition or fees, which includes providing students with the rationale for the proposed increase and how the funds resulting from the increase will be

⁴ Section 1009.24(8)(a), FS

⁵ Section 7, Article VI. Florida Constitution

⁶ Section 1009.24(4)(b), FS

⁷ Section 1009.24(4)(c), FS

⁸ Section 1009.24(4)(d), FS and Section 1009.24(10)(a), FS

⁹ Section 1009.24(7), FS

¹⁰ Section 1009.24(13), FS

¹¹ Section 1009.24(8), FS

¹² Section 1009.24(5), FS and Section 1009.24(16), FS

¹³ Section 1009.24(17), FS

¹⁴ Section 1009.24(14), FS

¹⁵ Section 1009.24(18), FS

used.¹⁶ Currently, the fee would be imposed subsequent to the favorable vote of a majority of the thirteen member board. Fees that are subject to BOG approval would be required to receive a majority favorable vote by the BOG as well.

Each year, the BOG is required to submit to the legislature a report summarizing the fee proposals received by the board during the preceding year and the actions taken by the board in response to such proposals.¹⁷ In 2011, eight proposals were submitted to the BOG for new fees and three were approved with the remainder withdrawn from the universities.¹⁸ In 2012, six proposals for new fees were submitted to the BOG and two new fees were approved and the other new fee proposals withdrawn by their respective university.¹⁹ For the most recent report from 2013, two new fees were proposed but neither were approved by the BOG.²⁰ Current fees for each university is published on the BOG website.²¹

B. EFFECT OF PROPOSED CHANGES:

The proposal requires a favorable vote of 9 of the 13 members of a BOT to propose a new fee or fee increase. If the fee is also subject to BOG approval, 12 of the 17 BOG members would also have to approve the fee increase in order for it to be imposed. The proposal requires that any proposed increase in tuition or a student fee is supported by more than a majority of the university board of trustee and Board of Governors' members.

C. FISCAL IMPACT:

Indeterminate.

III. Additional Information:

A. Statement of Changes:

(Summarizing differences between the current version and the prior version of the proposal.)

None.

B. Amendments:

None.

¹⁶ Section 1009.24(20), FS

¹⁷ Section 1009.24(15)(f), FS

¹⁸ State University System of Florida, 2011 New Fee Report

¹⁹ State University System of Florida, New Fees Authorized by the Florida Board of Governors for Fall 2012

²⁰ State University System of Florida, New Fees Authorized by the Florida Board of Governors for Fall 2013

²¹ http://www.flbog.edu/board/office/budget/_doc/tuition/2017-18-SUS-Tuition-and-Fee-for-New-Students-at-Main-Campus-by-level.pdf

C. Technical Deficiencies:

None.

D. Related Issues:

None.