



State Universities and Private Colleges Appropriations Committee

**March 10, 2010
3:00 p.m. – 6:00 p.m.
12 House Office Building**

Meeting Packet

**Larry Cretul
Speaker**

**William Proctor
Chair**

AGENDA



The Florida House of Representatives
State Universities and Private Colleges Appropriations Committee

Larry Cretul
Speaker

William Proctor
Chair

Meeting Agenda
Wednesday, March 10, 2010
12 House Office Building
3:00 p.m. – 6:00 p.m.

- I. Call to Order**

- II. Roll Call**

- III. Consideration of the following bills:**
 - HB 101 – University of South Florida by Representative McKeel

 - CS/HB 149 – Florida Institute on Phosphate Research and Industrial Activities by Agriculture & Natural Resources Policy Committee and Representative McKeel

- IV. Budget Workshop**

- V. Adjournment**

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 101

University of South Florida

SPONSOR(S): McKeel and others

TIED BILLS:

IDEN./SIM. BILLS: SB 838

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Health Care Regulation Policy Committee	14 Y, 0 N	Holt	Calamas
2) State Universities & Private Colleges Appropriations Committee		Smith <i>OS</i>	Trexler <i>AT</i>
3) Education Policy Council			
4)			
5)			

SUMMARY ANALYSIS

The bill authorizes the establishment of a pharmacy school at the University of South Florida (USF). USF plans to enroll the first class of 50 students in Fall 2011, 75 students in 2012, and 100 students annually thereafter until reaching full capacity at 400 students in 2016. Once students are enrolled, the program will have to become accredited in order for students to meet the licensure requirements for a pharmacist. The university will begin requesting state funding in fiscal year 2011-2012.

The bill takes effect upon becoming law.

HOUSE PRINCIPLES

Members are encouraged to evaluate proposed legislation in light of the following guiding principles of the House of Representatives:

- Balance the state budget.
- Create a legal and regulatory environment that fosters economic growth and job creation.
- Lower the tax burden on families and businesses.
- Reverse or restrain the growth of government.
- Promote public safety.
- Promote educational accountability, excellence, and choice.
- Foster respect for the family and for innocent human life.
- Protect Florida's natural beauty.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

The bill authorizes the establishment of a doctor of pharmacy (PharmD) degree at the University of South Florida (USF), Tampa Campus.

Section 1004.03(3), F.S., requires the Legislature to approve the establishment of new colleges, schools, or functional equivalents of any program leading to a degree that:

- Is offered as a credential for a specific license granted; and
- Will receive support from tuition and fees or from funds appropriated by the Legislature.

Thus, a public institution wishing to establish a doctoral program for a licensed profession such as pharmacy has to receive authorization from the Legislature before offering the program.

PharmD Programs

PharmD programs currently exist at five institutions in Florida—two public universities (University of Florida and Florida A & M University) and three independent institutions (Nova Southeastern University, Palm Beach Atlantic University, and Lake Erie College of Medicine-Bradenton Campus). According to the Board of Governors (BOG), the University of Florida and Florida A & M University awarded 635 pharmacy degrees in 2008 and 557 pharmacy degrees in 2007. [The three independent institutions graduate approximately 382 pharmacy students each year.¹]

Licensed Pharmacists

The Florida Pharmacy Act² establishes the educational requirements for a person desiring to be licensed as a pharmacist. Any PharmD graduate desiring to become licensed must apply to the Florida Department of Health to take, and successfully pass, the licensure examination. In order to sit for the examination, an individual must submit proof that they have:³

- Earned a degree from a school or college of pharmacy accredited by an accrediting agency recognized and approved by the United States Office of Education; or

¹ Board of Governors, 2010 Legislative Bill Analysis of House Bill 101 (January 27, 2010).

² Chapter 465, F.S.

³ Section 465.007(1)(b), F.S.

- Earned a degree from a 4-year undergraduate pharmacy program from a school or college of pharmacy located outside the United States and completed a minimum of 500 hours in a supervised work activity program in Florida under the supervision of a pharmacist licensed by the Department of Health.

Projected Need for Pharmacists in Florida

According to the Agency for Workforce Innovation (AWI), the annual growth rate of pharmacists statewide is 3.10 percent.⁴ By 2017, AWI projects that there will be 20,795 available jobs, which is an increase 4,128 positions or a 25 percent increase. AWI attributes the increased demand to the higher incidence of middle-aged and elderly individuals who use more prescription drugs; to scientific advances that will make more drug products available; and to the coverage of prescription drugs by a greater number of health insurance plans and Medicare.⁵

B. SECTION DIRECTORY:

Section 1. Creates s. 1004.387, F.S., authorizing a doctor of pharmacy degree program at the University of South Florida.

Section 2. Provides an effective date of upon becoming a law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

The following fiscal impact reflects the minimum amount USF projects will be needed to fund the direct costs related to start-up and continuing operations of the PharmD program.⁶ The charts below summarize the projected costs associated with three planning years and four implementation years to start a new PharmD program at USF.⁷ According to BOG staff, USF is on track to enroll its first pharmacy class in Fall 2011.⁸

1. Revenues and Expenditures during Planning Years:

The University of South Florida, reflected in the chart below, expects to receive \$1.3 million and spend \$1.9 million in FY 2010-11 to complete their planning activities. According to the BOG, the difference of approximately \$575,000 in FY 2009-10 is expected to be addressed through fundraising.

Planning Years			
	Year 1 (08-09)	Year 2 (09-10)	Year 3 (10-11)
Receipts (i.e. Community donations, contracts & grants)	\$ 25,000	\$ 652,238	\$ 1,322,762
Total Revenues:	\$ 25,000	\$ 652,238	\$ 1,322,762
Planning Years			
	Year 1 (08-09)	Year 2 (09-10)	Year 3 (10-11)
Salaries/Benefits	\$ -0-	\$ 551,800	\$1,486,234
Expenses	25,000	95,938	304,158
OCO	-0-	4,500	19,500
I&R Labs, Distance Learning Equipment	-0-	-0-	87,500
Total Expenditures:	\$ 25,000	\$ 652,238	\$ 1,897,392

⁴ Agency for Workforce Innovation. Occupational Profile: Pharmacists, available at: <http://www.whatpeopleareasking.com/occprofile.asp?soccode=291051> (last viewed January 29, 2010)

⁵ Agency for Workforce Innovation, Labor Market Statistics Center, Florida Jobs: Employment Outlook by Workforce Region, spreadsheet on file with the Health Care Regulation Policy Committee staff.

⁶ USF PharmD Business Plan, FBOG Table 2P, Summary of Costs for Proposed Doctor of Pharmacy (January 2009).

⁷ Board of Governors, 2010 Legislative Bill Analysis of House Bill 101 (January 27, 2010).

⁸ E-mail correspondence with the Board of Governors and University of South Florida staff (January 29, 2010).

2. Revenues and Expenditures during Implementation Years:

USF plans to request recurring appropriations based on a per student rate of \$8,000.⁹ USF anticipates the first class will start in 2011-2012 (year 1) with an enrollment of 50 students. By 2016-2017 (year 6), USF anticipates reaching capacity of 400 students and projects a total recurring General Revenue (GR) need of \$3.2M. In fiscal years 2011-2012 and 2012-2013, USF projects needing additional funds and will likely request \$2,792,059 in non-recurring GR from the Legislature. According to the proposal, the largest instructional and research expenditures consist of faculty salaries and benefits followed by administrative and operational costs.

Implementation Years				
	Year 1 (11-12)	Year 2 (12-13)	Year 3 (13-14)	Year 4 (14-15)
#Students/Tuition per Student	50/\$15,100	125/\$16,610	225/\$18,270	325/\$18,270
Receipts (i.e. Community donations, contracts & grants)	\$ 800,000	\$ -0-	\$ -0-	\$ -0-
Tuition	755,000	2,076,250	4,110,750	5,937,750
State Appropriations	1,409,358	2,782,701	1,800,000	2,600,000
Research Grants	- 0-	-0-	- 0-	2,250,000
Total Revenues:	\$ 2,964,358	\$ 4,858,951	\$ 5,910,750	\$ 10,787,750
	Year 1 (11-12)	Year 2 (12-13)	Year 3 (13-14)	Year 4 (14-15)
Salaries/Benefits	\$ 2,295,542	\$ 4,249,251	\$ 5,431,369	\$ 6,028,216
Expenses	412,316	499,700	584,576	1,615,504
OCO	31,500	60,000	76,500	78,795
Data Processing	-0-	-0-	-0-	40,000
Library Resources	-0-	-0-	-0-	290,000
I&R Labs, Distance Learning Equipment	225,000	50,000	-0-	500,000
Total Expenditures:	\$ 2,964,358	\$ 4,858,951	\$ 6,092,445	\$ 8,552,515

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The proposed PharmD program at USF may provide graduates for retail outlets and other pharmacy related industries throughout the state. The proposed PharmD program may reduce the number of enrollments at independent colleges and universities in Florida that currently offer a PharmD program (i.e. Nova Southeastern University; Palm Beach Atlantic University; and Lake Erie College of Medicine-Bradenton Campus).

D. FISCAL COMMENTS:

Lake Erie College of Medicine-Bradenton Campus (LECOM)

In recent years, LECOM has received state funding to support health programs. In the 2009-2010 General Appropriations Act, LECOM received \$785,106 in GR and \$332,000 in Federal Stimulus funds to support Florida residents who are enrolled in the Osteopathic Medicine or Pharmacy Program at the

⁹ USF PharmD Business Plan, FBOG Table 2P, Summary of Costs for Proposed Doctor of Pharmacy (January 2009).

LECOM/Bradenton.¹⁰ According to the FY 2009-10 spending plan submitted by LECOM, they allocated \$334,605 to the pharmacy program to provide tuition subsidies for students.¹¹

Nova Southeastern University (Nova)

In recent years Nova has also received state funding to support health programs. In the 2009-2010 General Appropriations Act, Nova received \$3.4M in GR and \$1.6M in Federal Stimulus funds to support Florida residents who are enrolled in the Osteopathic Medicine, Pharmacy, or Nursing Programs at Nova.¹² According to the FY 2009-10 spending plan submitted by Nova, they allocated \$801,012 to the pharmacy program to provide tuition subsidies of \$1,665 to 481 students.¹³

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable

2. Other:

None.

B. RULE-MAKING AUTHORITY:

No additional rule-making authority is required to implement the provisions of the bill.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES

None.

¹⁰ FY 2009-10 General Appropriations Act

¹¹ Florida House of Representatives, State Universities & Private Colleges Appropriations Committee, 2010-2011 Base Budget Review, *available in* January 12, 2010 committee meeting packet.

¹² FY 2009-10 General Appropriations Act

¹³ Florida House of Representatives, State Universities & Private Colleges Appropriations Committee, 2010-2011 Base Budget Review, *available in* January 12, 2010 committee meeting packet.

HB 101

2010

1 A bill to be entitled
2 An act relating to the University of South Florida;
3 creating s. 1004.387, F.S.; authorizing a doctor of
4 pharmacy degree program at the university; providing an
5 effective date.

6

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

8

9 Section 1. Section 1004.387, Florida Statutes, is created
10 to read:

11 1004.387 Doctor of pharmacy degree program at the
12 University of South Florida.--A doctor of pharmacy degree
13 program is authorized at the University of South Florida.

14 Section 2. This act shall take effect upon becoming a law.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 149 Florida Institute of Phosphate Research
SPONSOR(S): Agriculture & Natural Resources Committee, McKeel
TIED BILLS: **IDEN./SIM. BILLS:**

	REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1)	Agriculture & Natural Resources Policy Committee	12 Y, 0 N, As CS	Thompson	Reese
2)	State Universities & Private Colleges Appropriations Committee		Smith <i>VS</i>	Trexler <i>AT</i>
3)	General Government Policy Council			
4)				
5)				

SUMMARY ANALYSIS

The bill replaces section 378.101, Florida Statutes, with section 1004.346, Florida Statutes, establishing the Florida Institute of Phosphate Research (FIPR) within the University of South Florida (USF) Polytechnic and providing for a revised name, the Florida Institute of Phosphate Research and Industrial Activities (FIPRIA), to reflect said affiliation. The bill, in part:

- Provides for a type two transfer, pursuant to s. 20.06(2), Florida Statutes, of the FIPR to the proposed FIPRIA within the USF Polytechnic.
- Revises the FIPR's seven member board of directors naming it the "Phosphate Research Activities Board" and directs the board to ensure that funds are appropriated as specified in this section.
- Provides for administrative rules of procedure for the Phosphate Research Activities Board.
- Provides for an institute executive director.
- Provides for specific duties and authority of the proposed FIPRIA.
- Repeals section 378.102, Florida Statutes, and amends section 211.31, Florida Statutes, to make conforming changes.

Many of the bill's provisions will have no direct fiscal impacts. Some of the provisions are expected to have an indirect fiscal impact on state and local governments and on the private sector. For details, see the FISCAL COMMENTS section of the analysis.

The bill will take effect upon becoming law.

HOUSE PRINCIPLES

Members are encouraged to evaluate proposed legislation in light of the following guiding principles of the House of Representatives

- Balance the state budget.
- Create a legal and regulatory environment that fosters economic growth and job creation.
- Lower the tax burden on families and businesses.
- Reverse or restrain the growth of government.
- Promote public safety.
- Promote educational accountability, excellence, and choice.
- Foster respect for the family and for innocent human life.
- Protect Florida's natural beauty.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Florida Institute of Phosphate Research

The United States is the largest producer and consumer of phosphate rock in the world and the leading producer and supplier of phosphate fertilizers in the world, providing approximately 75 percent of the nation's phosphate supply and approximately 25 percent of the world supply. Phosphate companies own or have mineral rights to almost 450,000 acres in Florida. Ninety percent of the phosphate rock mined in the state is used to make fertilizer. Of the remaining 10 percent, half is used in animal feed supplements. Phosphate is also used in a variety of products, including vitamins, soft drinks, toothpaste, light bulbs, film, bone china, flame resistant fabric, optical glass, and other consumer goods. There is no substitute or synthetic for phosphorus, which is essential for life in all growing things, plants and animals alike.¹

In 1978, the Florida Legislature created the Florida Institute of Phosphate Research (FIPR)² to study phosphate issues and to provide phosphate information to the industry and the general public. Current law³ directs the FIPR to conduct, or cause to be conducted, studies that would improve phosphate industry efficiency, reduce its use of water and energy resources, and enhance efforts to reclaim the land that mining and processing affects. The law requires the FIPR to educate and inform Florida citizens about the industry, its effects, and the FIPR's research findings as well as general scientific knowledge concerning the industry.

The FIPR is a state research organization located in Bartow, Florida, and is administratively attached to the University of South Florida (USF). USF provides administrative services to the Institute, including accounting, payroll, personnel, and legal and travel services; in return, the FIPR pays a fee to USF for these services. Oversight of the Institute is a function of the FIPR Board of Directors.

The FIPR has a staff of 25 full-time and part-time employees and is governed by a 5-member board of directors appointed by the Governor. The membership of the board is as follows:

- One member from the faculty of a university within the State University System;

¹ Phosphate Fact Sheet – Florida Phosphate Council

² s. 378.101, F.S.

³ Id.

- One member from a major conservation group in Florida;
- One member from state government, and
- Two members from the phosphate mining or processing industry.

Current law⁴ requires the Governor to make these appointments on the basis of their ability to set priorities for phosphate research. The appointees are tasked with giving direction to phosphate research efforts that address problems of the industry in which the public has substantial interest. Members serve 3-year terms and may be reappointed.

The FIPR also serves as a phosphate-related information clearinghouse. The FIPR's research concentrates on: chemical processing of phosphate rock into fertilizer (including studies on the byproduct phosphogypsum), beneficiation or mineral processing to separate clay and sand from the phosphate rock, reclamation of mined lands, mining processes, and public and environmental health (including radiation) issues.⁵ Other FIPR activities include holding intensive summer workshops for teachers, hosting conferences and seminars, maintaining an extensive library of information on phosphate, providing mini-grants to develop phosphate teaching units, and conducting various other strategic projects and technical advisory committees.⁶

The University of South Florida Polytechnic

The 2008 Legislature designated the Lakeland campus of USF as the "University of South Florida Polytechnic."⁷ The USF Polytechnic is the newest of the four campuses in the USF system. According to the USF Polytechnic website, it is the state's only polytechnic and provides upper level undergraduate and graduate students with an opportunity for applied learning and research in a personalized setting.

The USF Polytechnic model offers degrees and certificates in many different degree programs and certificate programs, providing a multi-disciplinary focus with real-world application.⁸

Under current law,⁹ USF Polytechnic is a separate organizational and budget entity from USF. The USF Polytechnic is required to have a campus board and a campus executive director. The campus board is comprised of four residents of the Lakeland campus service area who are appointed by the president of USF and one member of the USF board of trustees who is selected by the campus board. Members of the campus board serve 4-year terms and may be reappointed for one term. USF Polytechnic is administered by a campus executive officer appointed by the USF president.

Proposed Changes

The bill replaces section 378.101, Florida Statutes, with section 1004.346, Florida Statutes, establishing the FIPR within the USF Polytechnic and providing for a revised name, the Florida Institute of Phosphate Research and Industrial Activities (FIPRIA), to reflect said affiliation.

The bill provides for a type two transfer, pursuant to s. 20.06(2), Florida Statutes, of the FIPR to the proposed FIPRIA within the USF Polytechnic. This includes the transfer of all powers, duties, functions, records, personnel, property, administrative authority, administrative rules, pending issues, and existing contracts of the FIPR. The transfer also includes unexpended balances of appropriations, allocations, and other funds.

⁴ Id.

⁵ Florida Senate Interim Report 2005-154, Activities Related to the Closure of Phosphate Mining Operations and the Uses of Phosphate Mining Byproducts and Closed Phosphate Lands, December 2004.

⁶ Florida Senate Interim Report 2009-316, The Florida Institute of Phosphate Research, October, 2008.

⁷ s. 1004.345, F.S.

⁸ <http://www.poly.usf.edu/>

⁹ s. 1004.345, F.S.

The bill creates the "Phosphate Research Activities Board" and directs the board to ensure that funds appropriated to the university from the Phosphate Research Trust Fund are expended exclusively for the purpose of carrying out the phosphate-related activities specified in this section.

The bill requires the Governor to appoint two persons representing the phosphate mining or processing industry and one member representing a major environmental conservation group in the state. The Board of Trustees of the USF Polytechnic is directed to appoint four persons with experience in research administration, finance, or commercialization activities.

The bill limits the terms of board members to three years, requires an annual election of the chairman of the board by the members, and requires members to serve at the pleasure of the entity that appoints them. The bill also:

- Allows board members to serve until a successor is appointed, not to exceed 180 days beyond the expiration of his or her term;
- Provides that a board member is eligible for reappointment to subsequent terms; and
- Requires board members to serve without compensation but allows for reimbursement for per diem and travel expenses, as provided in s. 112.061.

The bill provides for a FIPRIA Executive Director who is designated by, and serves at the pleasure of, the Campus Executive Officer of USF Polytechnic or his or her designee. The bill directs the FIPRIA Executive Director to be responsible for the daily administration of the Institute, including the expenditure of funds from all sources.

The bill requires the proposed FIPRIA to:

- Conduct or contract for studies on the environmental and health effects of phosphate mining and reclamation;
- Conduct or contract for studies of reclamation alternatives and technologies in phosphate mining and processing and wetlands reclamation;
- Conduct or contract for a comprehensive study of phosphatic clay and phosphogypsum disposal and utilization as a part of phosphate mining and processing; and
- Provide the public with access to the results of its activities and maintain a public library related to the Institute's activities.

The bill allows the proposed FIPRIA to:

- Research and develop methods for better and more efficient practices for commercial and industrial activities, including, but not limited to, mitigating the health and environmental effects of such activities as well as developing and evaluating reclamation alternatives and technologies;
- Secure funding from grants and other available sources for carrying out the activities authorized or required under this section;
- Enter into contracts with any firm, institution, corporation, or federal, state, local, or foreign governmental agency to carry out the activities authorized or required under this section;
- Promote the application and commercialization of the institute's technologies, knowledge, and intellectual property in accordance with university policies and procedures;
- Educate the public about the science related to topics and issues that are within the Institute's scope of expertise;
- Hold public hearings;
- Establish public-private partnerships; and
- Provide consulting services.

The bill repeals section 378.102, Florida Statutes, and amends section 211.31, Florida Statutes, to make conforming changes.

B. SECTION DIRECTORY:

Section 1. Renumbers and amends s. 378.101, F.S.; creating s. 1004.346, F.S.; establishing the Florida Institute on Phosphate Research and Industrial Activities within the University of South Florida Polytechnic; creating the Phosphate Research Activities Board; providing for board duties, membership, and terms; providing for the administration of the Institute; requiring the Institute to conduct and contract for specified studies and to provide public access to certain information; authorizing the Institute to conduct phosphate-related activities, secure funding, and enter into agreements with public, private, foreign, and domestic entities.

Section 2. Amends s. 211.31, F.S.; conforming a cross-reference.

Section 3. Provides for a type two transfer, pursuant to s. 20.06(2), Florida Statutes, of the Florida Institute on Phosphate Research to the proposed Florida Institute on Phosphate Research and Industrial Activities within the University of South Florida Polytechnic.

Section 4. Repeals s. 378.102, F.S., to conform to administrative changes made by the act.

Section 5. Provides this act shall take effect upon becoming law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

See Fiscal Comments section, parts b), c), and d).

2. Expenditures:

None

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

See Fiscal Comments section, parts b), c), and d).

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

See Fiscal Comments section parts b), c), and d).

D. FISCAL COMMENTS:

a) The severance taxation of solid minerals, including phosphate, was enacted into law in 1971. The tax rates and the disposition of these revenues have been amended since that time. Currently, the FIPR is funded through the Phosphate Research Trust Fund (Trust Fund), which is established in Section 211.3103, F.S., as part of the distribution of severance tax revenues.

The law¹⁰ establishes the per ton severed tax rate at \$1.945 (9.3 percent of the severance tax revenues) and levies a surcharge of \$1.38 per ton severed until the surcharge revenue reaches a \$60 million threshold. Beginning July 1 of the fiscal year following the date on which the surcharge revenue reaches the \$60 million threshold, the per ton severed tax rate is to be reduced to \$1.51 (6.6 percent of

¹⁰ s. 211.3103, F.S.

the severance tax revenues). The surcharge revenue is designated for the closure of the Piney Point and Mulberry sites¹¹ and for approved reclamation of non-mandatory lands.

According to the Department of Environmental Protection (DEP), as of November 4, 2009, the surcharge revenues have not reached \$60 million. The DEP suggests that if mining continues at the current rate, the surcharge has a reasonable possibility of hitting \$60 million by June 30, 2010. According to the Department of Revenue, the total surcharge collected as of October 22, 2009, was \$32,752,059.50. It's anticipated that \$60 million will be reached around October, 2010.

Since fiscal year 2004-05, program expenditures have exceeded the Trust Fund revenues.¹² In order to cover the difference, the Trust Fund's cash balance is being depleted. According to the FIPR, the cash balance in the Trust Fund as of September 1, 2009, was \$9,603,489.56.

The bill directs the Phosphate Research Activities Board to ensure that funds appropriated to the university from the Phosphate Research Trust Fund are expended exclusively for the purpose of carrying out the phosphate-related activities specified in this section and makes the proposed FIPRIA Executive Director responsible for the expenditure of funds.

b) The bill authorizes the proposed FIPRIA to expand its mission to include commercial and industrial activity related research. This could create positive fiscal impacts on the private sector and state and local governments.

c) The bill authorizes the proposed FIPRIA to enter into contracts in carrying out the activities specified in this section and to secure funding from grants and other available sources for such activities. These methods could lead to developments that may create positive fiscal impacts on the private sector and state and local governments.

d) The bill authorizes the proposed FIPRIA to provide consulting services, hold public hearings, provide related scientific education to the public, and establish public-private partnerships. These practices could lead to developments that may create positive fiscal impacts on the private sector and state and local governments.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to: require counties or municipalities to spend funds or take an action requiring the expenditure of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or reduce the percentage of a state tax shared with counties or municipalities.

2. Other:

None

B. RULE-MAKING AUTHORITY:

None

C. DRAFTING ISSUES OR OTHER COMMENTS:

¹¹ Mulberry Phosphates in Polk County and Piney Point in Manatee County are both former phosphate fertilizer chemical processing plants that closed in December 1999. Each site contains a process water problem associated with phosphogypsum stacks. Phosphogypsum is the radioactive byproduct of phosphate production, thus, the water used in the process can be harmful to the environment and costly in the industrial and reclamation process.

¹² Florida Senate Interim Report 2009-316, The Florida Institute of Phosphate Research, October, 2008.

IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES

On February 3, 2010, the Agriculture and Natural Resources Policy Committee adopted a strike-all amendment to this bill. The amendment:

- Changes the statute number, relocating the section;
- Rewords the bill for clarification purposes;
- Changes the name of the existing institute to the Florida Institute of Phosphate Research and Industrial Activities and establishes it within the University of South Florida Polytechnic;
- Provides for a type two transfer of the Florida Institute of Phosphate Research to the new proposed institute;
- Revises the criteria for the appointment of members to the board overseeing the Institute;
- Provides for an executive director to administer the activities of the Institute;
- Clarifies the duties and authority of the Institute; and
- Makes conforming changes.

Amendment No.

COUNCIL/COMMITTEE ACTION

ADOPTED _____ (Y/N)
ADOPTED AS AMENDED _____ (Y/N)
ADOPTED W/O OBJECTION _____ (Y/N)
FAILED TO ADOPT _____ (Y/N)
WITHDRAWN _____ (Y/N)
OTHER _____

1 Council/Committee hearing bill: State Universities & Private
2 Colleges Appropriations Committee
3 Representative(s) McKeel offered the following:
4

5 **Amendment (with title amendment)**

6 Remove everything after the enacting clause and insert:
7 Section 1. Section 378.101, Florida Statutes, is
8 transferred, renumbered as section 1004.346, Florida Statutes,
9 and amended to read:

10 (Substantial rewording of section. See
11 s. 378.101, F.S., for present text.)

12 1004.346 Florida Industrial and Phosphate Research
13 Institute.-

14 (1) INSTITUTE CREATION.-The Florida Industrial and
15 Phosphate Research Institute is established within the
16 University of South Florida Polytechnic.

17 (2) PHOSPHATE RESEARCH AND ACTIVITIES BOARD.-The Phosphate
18 Research and Activities Board is created to monitor the
19 expenditure of funds appropriated to the university from the

Amendment No.

20 Phosphate Research Trust Fund.

21 (a) The board shall approve an annual report, prepared by
22 the institute executive director, which outlines the expenditure
23 of the funds appropriated to the university from the Phosphate
24 Research Trust Fund and describes the various phosphate-related
25 projects and institute operations funded by those moneys.

26 (b) The board shall consist of five members. The Governor
27 shall appoint two persons representing the phosphate mining or
28 processing industry and one member representing a major
29 environmental conservation group in the state. The Secretary of
30 Environmental Protection or his or her designee and the Campus
31 Executive Officer of the University of South Florida Polytechnic
32 shall also serve as board members.

33 (c) Members of the board appointed by the Governor shall
34 be appointed to 3-year terms. A board member may continue to
35 serve until a successor is appointed, but not more than 180 days
36 after the expiration of his or her term. A board member is
37 eligible for reappointment to subsequent terms.

38 (d) Board members shall annually elect a chair from among
39 the membership.

40 (e) Board members shall serve without compensation, but
41 are entitled to reimbursement for per diem and travel expenses
42 as provided in s. 112.061.

43 (3) INSTITUTE EXECUTIVE DIRECTOR.—An executive director
44 shall be designated by and serve at the pleasure of the Campus
45 Executive Officer of the University of South Florida Polytechnic
46 or his or her designee. The executive director shall be
47 responsible for the daily administration of the institute,

Amendment No.

48 including the expenditure of funds from all sources. The
49 executive director shall consult with the Phosphate Research and
50 Activities Board on the projects that the institute expects to
51 undertake using moneys appropriated from the Phosphate Research
52 Trust Fund.

53 (4) INSTITUTE DUTIES AND AUTHORIZED ACTIVITIES.-

54 (a) The institute shall:

55 1. Establish methods for better and more efficient
56 practices for phosphate mining and processing.

57 2. Conduct or contract for studies on the environmental
58 and health effects of phosphate mining and reclamation.

59 3. Conduct or contract for studies of reclamation
60 alternatives and technologies in phosphate mining and processing
61 and wetlands reclamation.

62 4. Conduct or contract for studies of phosphatic clay and
63 phosphogypsum disposal and utilization as a part of phosphate
64 mining and processing.

65 5. Provide the public with access to the results of its
66 activities and maintain a public library related to the
67 institute's activities, which may contain special collections.

68 (b) The institute may:

69 1. Research and develop methods for better and more
70 efficient processes and practices for commercial and industrial
71 activities, including, but not limited to, mitigating the health
72 and environmental effects of such activities as well as
73 developing and evaluating alternatives and technologies.

74 2. Secure funding from grants and other available sources
75 for carrying out the activities authorized or required under

COUNCIL/COMMITTEE AMENDMENT

Bill No. CS/HB 149 (2010)

Amendment No.

76 | this section.

77 | 3. Enter into contracts with any firm, institution, or
78 | corporation, or federal, state, local, or foreign governmental
79 | agency, to carry out the activities authorized or required under
80 | this section.

81 | 4. Promote the application, patenting, and
82 | commercialization of the institute's technologies, knowledge,
83 | and intellectual property in accordance with university policies
84 | and procedures.

85 | 5. Educate the public about the science related to topics
86 | and issues that are within the institute's scope of expertise.

87 | 6. Hold public hearings.

88 | 7. Establish public-private partnerships.

89 | 8. Provide consulting services.

90 | Section 2. Subsection (4) of section 211.31, Florida
91 | Statutes, is amended to read:

92 | 211.31 Levy of tax on severance of certain solid minerals;
93 | rate, basis, and distribution of tax.-

94 | (4) The expenses of administering this part and ss.
95 | 378.021, 378.031, and 1004.346 ~~378.101~~ shall be borne by the
96 | Land Reclamation Trust Fund, the Nonmandatory Land Reclamation
97 | Trust Fund, and the Phosphate Research Trust Fund.

98 | Section 3. All powers, duties, functions, records,
99 | personnel, property, and unexpended balances of appropriations,
100 | allocations, and other funds of the Florida Institute of
101 | Phosphate Research are transferred by a type two transfer
102 | pursuant to s. 20.06(2), Florida Statutes, to the Florida
103 | Industrial and Phosphate Research Institute within the

Amendment No.

104 University of South Florida Polytechnic.

105 Section 4. Section 378.102, Florida Statutes, is repealed.

106 Section 5. This act shall take effect upon becoming a law.

107

108

109

T I T L E A M E N D M E N T

110

Remove the entire title and insert:

111

A bill to be entitled

112

An act relating to the Florida Industrial and Phosphate Research

113

Institute; transferring, renumbering, and amending s. 378.101,

114

F.S.; establishing the Florida Industrial and Phosphate Research

115

Institute within the University of South Florida Polytechnic;

116

creating the Phosphate Research and Activities Board; providing

117

duties, membership, and terms for the board; providing for an

118

executive director of the institute; providing duties for the

119

executive director; providing duties and authorized activities

120

for the institute; amending s. 211.31, F.S.; conforming a cross-

121

reference; providing for a type two transfer of the Florida

122

Institute of Phosphate Research to the Florida Industrial and

123

Phosphate Research Institute within the University of South

124

Florida Polytechnic; repealing s. 378.102, F.S., relating to the

125

Florida Institute of Phosphate Research; providing an effective

126

date.

1 A bill to be entitled
2 An act relating to the Florida Institute on Phosphate
3 Research and Industrial Activities; renumbering and
4 amending s. 378.101, F.S.; establishing the Florida
5 Institute on Phosphate Research and Industrial Activities
6 within the University of South Florida Polytechnic;
7 creating the Phosphate Research Activities Board;
8 providing for board duties, membership, and terms;
9 providing for the administration of the institute;
10 requiring the institute to conduct and contract for
11 specified studies and to provide public access to certain
12 information; authorizing the institute to conduct
13 phosphate-related activities, secure funding, and enter
14 into agreements with public, private, foreign, and
15 domestic entities; amending s. 211.31, F.S.; conforming a
16 cross-reference; providing for a type two transfer of the
17 Florida Institute of Phosphate Research to the University
18 of South Florida Polytechnic; repealing s. 378.102, F.S.,
19 relating to the Florida Institute of Phosphate Research,
20 to conform to changes made by the act; providing an
21 effective date.

22
23 Be It Enacted by the Legislature of the State of Florida:

24
25 Section 1. Section 378.101, Florida Statutes, is
26 renumbered as section 1004.346, Florida Statutes, and amended to
27 read:

28 (Substantial rewording of section. See

29 s. 378.101, F.S., for present text.)
 30 1004.346 Florida Institute on Phosphate Research and
 31 Industrial Activities.-
 32 (1) INSTITUTE CREATION.-The Florida Institute on Phosphate
 33 Research and Industrial Activities is established within the
 34 University of South Florida Polytechnic.
 35 (2) PHOSPHATE RESEARCH ACTIVITIES BOARD.-The Phosphate
 36 Research Activities Board shall ensure that funds appropriated
 37 to the university from the Phosphate Research Trust Fund are
 38 expended exclusively for the purpose of carrying out the
 39 phosphate-related activities specified in this section.
 40 (a) The board shall consist of seven members. The Governor
 41 shall appoint two persons representing the phosphate mining or
 42 processing industry and one member representing a major
 43 environmental conservation group in the state. The Board of
 44 Trustees of the University of South Florida Polytechnic shall
 45 appoint four persons with experience in research administration,
 46 finance, or commercialization activities.
 47 (b) Members of the board shall be appointed for terms up
 48 to 3-years and shall serve at the pleasure of the entity that
 49 appoints them. A board member may continue to serve until a
 50 successor is appointed, but not more than 180 days beyond the
 51 expiration of his or her term. A board member is eligible for
 52 reappointment to subsequent terms.
 53 (c) Board members shall annually elect a chair from among
 54 their membership.
 55 (d) Board members shall serve without compensation but are
 56 entitled to reimbursement for per diem and travel expenses as

57 | provided in s. 112.061.

58 | (3) INSTITUTE EXECUTIVE DIRECTOR.—An executive director,
 59 | who shall be designated by and serve at the pleasure of the
 60 | Campus Executive Officer of the University of South Florida
 61 | Polytechnic or his or her designee, shall be responsible for the
 62 | daily administration of the institute, including the expenditure
 63 | of funds from all sources.

64 | (4) INSTITUTE DUTIES AND AUTHORIZED ACTIVITIES.—

65 | (a) The institute shall:

66 | 1. Conduct or contract for studies on the environmental
 67 | and health effects of phosphate mining and reclamation.

68 | 2. Conduct or contract for studies of reclamation
 69 | alternatives and technologies in phosphate mining and processing
 70 | and wetlands reclamation.

71 | 3. Conduct or contract for a comprehensive study of
 72 | phosphatic clay and phosphogypsum disposal and utilization as a
 73 | part of phosphate mining and processing.

74 | 4. Provide the public with access to the results of its
 75 | activities and maintain a public library related to the
 76 | institute's activities, which may contain special collections.

77 | (b) The institute may:

78 | 1. Research and develop methods for better and more
 79 | efficient practices for commercial and industrial activities,
 80 | including, but not limited to, mitigating the health and
 81 | environmental effects of such activities as well as developing
 82 | and evaluating reclamation alternatives and technologies.

83 | 2. Secure funding from grants and other available sources
 84 | for carrying out the activities authorized or required under

85 this section.

86 3. Enter into contracts with any firm, institution,
 87 corporation, or federal, state, local, or foreign governmental
 88 agency to carry out the activities authorized or required under
 89 this section.

90 4. Promote the application and commercialization of the
 91 institute's technologies, knowledge, and intellectual property
 92 in accordance with university policies and procedures.

93 5. Educate the public about the science related to topics
 94 and issues that are within the institute's scope of expertise.

95 6. Hold public hearings.

96 7. Establish public-private partnerships.

97 8. Provide consulting services.

98 Section 2. Subsection (4) of section 211.31, Florida
 99 Statutes, is amended to read:

100 211.31 Levy of tax on severance of certain solid minerals;
 101 rate, basis, and distribution of tax.—

102 (4) The expenses of administering this part and ss.
 103 378.021, 378.031, and 1004.346 ~~378.101~~ shall be borne by the
 104 Land Reclamation Trust Fund, the Nonmandatory Land Reclamation
 105 Trust Fund, and the Phosphate Research Trust Fund.

106 Section 3. All powers, duties, functions, records,
 107 personnel, property, and unexpended balances of appropriations,
 108 allocations, and other funds of the Florida Institute of
 109 Phosphate Research are transferred by a type two transfer
 110 pursuant to section 20.06(2), Florida Statutes, to the Florida
 111 Institute on Phosphate Research and Industrial Activities within
 112 the University of South Florida Polytechnic.

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2010

113 Section 4. Section 378.102, Florida Statutes, is repealed.

114 Section 5. This act shall take effect upon becoming a law.

