

THE FLORIDA LEGISLATURE



May 5, 2011

The Honorable Mike Haridopolos
President of the Senate

The Honorable Dean Cannon
Speaker, House of Representatives

Dear Mr. President and Mr. Speaker:

Your Conference Committee on the disagreeing votes of the two houses on SB 2120, 1st Eng., same being:

An act relating to K-12 education funding.

having met, and after full and free conference, do recommend to their respective houses as follows:

1. That the House of Representatives recede from its Amendment 1.
2. That the Senate and House of Representatives adopt the Conference Committee Amendment attached hereto, and by reference made a part of this report.

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The Conference Committee Amendment for SB 2120, 1st Eng., relating to K-12 education funding, provides for the following:

- Authorizes DOR to provide certain information regarding the gross receipts tax to the State Board of Education, the Division of Bond Finance, and the Office of Economic and Demographic Research. In making the determination of the amount of bonds that can be serviced by the gross receipts tax, the State Board of Education is to disregard the effects of a 2010 nonrecurring refund.
- Expands the class size reduction lottery bond program to include other educational facilities.
- Authorizes a regional educational consortium service organization to generate revenue to support its activities. A consortium may establish ownership of patents, copyrights, trademarks and licenses. Revenues generated must be used to support each organization's marketing and research and development activities in order to increase services to its member school districts.
- Provides that the allocation of state funds for a regional education consortium shall be determined based on funds provided in the General Appropriations Act.
- Adjusts the charter school enrollment process such that students living in a development that provides the facility and related property with an appraised value of at least \$10 million for a charter school in the development shall be entitled to 50 percent of the enrollment in the charter school.
- Provides that charter school systems may be designated as local education agencies for the purpose of receiving federal funds.
- Limits the administrative fee that school districts withhold from high performing charter schools, as defined by SB 1546, to 2 percent for up to 250 students and to 2 percent for up to 500 students for high performing charter school systems as defined in s. 1002.33(20)(a)3.
- Clarifies prior legislation and authorizes the expenditure of PECO funds by a charter-school-in-the-workplace prior to July 1, 2010.
- Increases the number of students assigned to an instructor in the school year prekindergarten program from 11 to 12, and from 18 to 20 for an instructor plus an assistant. Reduces the administrative allowance for early learning coalitions from 4.5 to 4.0 percent.
- Redefines the term "core curricula courses" for the purpose of designating classes subject to the maximum class size requirements and requires the Department of Education (DOE) to maintain a list of such courses.
- Provides flexibility for school districts to implement class size requirements when additional students enroll in a school after the October survey and for grades 4 to 8 students who take high school courses. Clarifies the use of class size reduction funds.
- Authorizes school districts to establish pilot digital instructional materials schools. Participating districts will be required to have a local instructional improvement system and rely heavily on electronic instructional materials. Pilot schools will not have to purchase the required instructional materials adoption within the first two years and will not have to purchase materials from the depository. Districts will provide a plan and report on the outcomes.
- Revises statutes related to instructional materials for public schools, including revising naming conventions, using "instructional materials" as the generic rather than

"textbooks"; modifying and expanding the description and requirements for local instructional improvement systems; revising the instructional materials review process by replacing committees with three national expert reviewers; clarifying and expanding bid advertisement specifications for electronic and digital content; revising the term for instructional materials adoption from 6 to 5 years; requiring that by 2015-2016, all adopted instructional materials for K-12 students are to be in electronic or digital format and districts are to use at least 50 percent of the annual allocation for the purchase of digital or electronic instructional materials on the state adopted list.

- Provides recurring flexibility, after March 1 of each year, for instructional materials funds to be used to purchase hardware for student instruction after required instructional materials purchases have been made.
- Revises the definition of adult education and provisions relating to the coenrollment of high school students in adult education courses.
- Adjusts industry certified bonus weights based on rigor and the employment value of the certification with revised weights remaining within existing funding levels, and provides for middle school student eligibility for industry certification and bonus weights;
- Requires school districts to provide to the DOE by October 1, copies of contracts and amounts paid to providers of virtual instruction. Also requires districts to spend the difference between funds received for the virtual instruction program and amounts paid to providers of virtual instruction on local instructional improvement systems and electronic and digital instructional materials.
- Removes the additional FTE provision for the Florida Virtual School.
- Creates a virtual education contribution categorical in the FEFP.
- Authorizes an interdistrict transfer of FEFP funds when students in Department of Juvenile Justice facilities are transferred between student membership surveys.
- Allows 16 districts that passed a referendum in the 2010 general election to levy 0.25 mills for the authorized two years and eligible districts to receive state compression adjustment funds for two more years. Provides for the expiration of the authorization for school boards to levy by supermajority vote, following referendum, an additional 0.25 mills for critical operations or capital outlay on June 30, 2011.
- Defines casualty insurance for educational and ancillary facilities for purposes of school district expenditure of capital improvement millage revenues.
- Waives the equal dollar reduction penalty in the FEFP for school district audit findings for property and casualty insurance expenditures for the 2009-2010 fiscal year and the 2010-2011 fiscal year prior to January 1, 2011.
- Provides that state funding for the Merit Award Program will be discontinued after 2011-2012 payment of the 2010-2011 awards.
- Provides the DOE with flexibility to provide Florida Knowledge Network materials and other educational services online or by other electronic media, instead of primarily through television broadcast.
- Updates and clarifies DOE responsibilities for the Florida Information Resource Network.
- Extends an exemption from state educational facilities requirements for the demolition and replacement of school buildings for certain school districts.
- Adopts by reference, the alternative compliance calculation amounts to the class size reduction operating categorical allocation for the 2010-2011 fiscal year.

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This bill substantially amends sections 213.053, 215.61, 1001.10, 1001.25, 1001.271, 1001.28, 1001.451, 1002.33, 1002.34, 1002.45, 1002.55, 1002.63, 1002.71, 1003.01, 1003.03, 1004.02, 1006.28, 1006.281, 1006.29, 1006.30, 1006.31, 1006.32, 1006.33, 1006.34, 1006.35, 1006.36, 1006.38, 1006.39, 1006.40, 1006.43, 1011.62, 1011.685, 1011.71, 1012.225, 1013.737, creates sections 1003.4935, 1006.282, and 1011.621, and repeals section 1006.43 of the Florida Statutes.