

HOUSE OF REPRESENTATIVES FINAL BILL ANALYSIS

BILL #:	CS/HB 5101	FINAL HOUSE FLOOR ACTION:	
SPONSOR(S):	Appropriations Committee and Education Appropriations Subcommittee and Fresen	117 Y's	0 N's
COMPANION BILLS:	SB 1514	GOVERNOR'S ACTION:	Pending

SUMMARY ANALYSIS

CS/HB 5101 passed the House on May 3, 2013, as SB 1514.

The bill includes portions of CS/HB 5101 and SB 1514. The bill conforms statute to the funding decisions in the 2013-2014 General Appropriations Act and addresses a variety of issues throughout the education system. Specifically, the bill:

- Notwithstanding the proviso following Specific Appropriation 87 in Senate Bill 1500 concerning the teacher salary increase to provide flexibility for the distribution of teacher salary increases.
- Authorizes school districts and virtual charter schools to provide virtual courses for a student in the summer for course completion when the student does not complete the virtual course by the end of the regular school year or for credit recovery when a student has unsuccessfully completed a traditional or virtual education course during the regular school year and must re-take the course in order to be eligible to graduate with the student's class.
- Limits credits earned through the Florida Virtual School (FLVS) to 1.0 full-time equivalent (FTE).
- Requires the Department of Education (DOE) to calculate the maximum value for funding a student and requires that if the sum of courses taken by a student is greater than 1.0, the membership value shall be equally distributed to all entities providing instruction so that the student's total FTE is equal to 1.0.
- Requires school districts and the FLVS to use a common student identifier to ensure that funding and FTE can be accurately distributed to all providers of student instruction.
- Clarifies the role and responsibility of the Florida Virtual Campus to provide online academic support services, resources, and access to distance learning courses offered by the state's public postsecondary education institutions.
- Clarifies student eligibility and funding from non-education sources for the College Preparatory Boarding Academy Pilot Program authorized in s. 1002.3305, F.S.
- Requires public schools to pay tuition costs from district Florida Education Finance Program (FEFP) appropriations to compensate colleges and universities for dually enrolled FTE.
- Repeals the state satellite network and transfers duties and responsibilities of the satellite transponder from the DOE to WFSU.
- Requires the department to publish minimum and recommended technology requirements necessary for students to access electronic and digital instructional materials by October 1, 2013.
- Continues the \$200,000 cap on state funds that may be expended for the remuneration of college and university presidents and administrative employees.
- Authorizes universities to enter into local development agreements with affected local governments for the purpose of negotiating mitigation of the impact of a university construction project on the local government.
- Authorizes a university board of trustees to expend reserve funds or carry forward balances from previous years' operational and programmatic appropriations for deferred maintenance needs at the Donald L. Tucker Civic Center for 2013-2014 and 2014-2015.
- Notwithstanding the allocations for Technology Transformation Grants for Rural School Districts provided in Specific Appropriation 102A in SB 1500 in order for the Commissioner of Education to recalculate the allocations based on each eligible entity's proportionate share of unweighted FTE by July 15, 2013.

See Fiscal Comments section for explanation of the fiscal impact of the bill.

Subject to the Governor's veto powers, the effective date of this bill is July 1, 2013 except as otherwise expressly provided in this bill.

I. SUBSTANTIVE INFORMATION

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h5101z.EDAS

DATE: May 16, 2013

A. EFFECT OF CHANGES:

Name Change for Brevard Community College

Present Situation

With the approval of its district board of trustees, a Florida college may change the name of the institution as listed in s. 1000.21(3), F.S., and use the designation “college” or “state college” if it has been authorized to grant baccalaureate degrees and has been accredited as a baccalaureate-degree-granting institution by the Commission on Colleges of the Southern Association of Colleges and Schools.¹ A district board of trustees that approves the use of the designation “college” or “state college” must seek statutory codification of the name change during the next regular legislative session.²

Brevard Community College

The Brevard Community College (BCC) District Board of Trustees approved the request to submit a proposal to offer the Baccalaureate of Applied Science in Organizational Management on March 19, 2012. The State Board of Education approved BCC’s proposal to offer a Baccalaureate of Applied Science in Organizational Management on December 12, 2012. BCC’s District Board of Trustees approved the college’s name change to Eastern Florida State College on December 17, 2012. The Southern Association of Colleges and Schools (SACS) approved the new baccalaureate degree program on December 9, 2012.³

Effect of Proposed Changes

The bill amends s. 1000.21, F.S., to change the name of “Brevard Community College” to “Eastern Florida State College.” The college has complied with the statutory requirement for its name change. The bill makes conforming changes in s. 288.8175, F.S.

State Satellite Network

Present Situation

The Department of Education leases satellite transponder capacity for the statewide delivery of governmental and educational broadcast services. These services include The Florida Channel, televised drawings of the Florida Lottery, and emergency management information. The department has executed a separate agreement with a Florida public broadcasting station for the management of the satellite transponder capacity. The current satellite lease agreement terminates on September 30, 2012. Public Education Capital Outlay funds were used to fund the agreement and all net revenue realized through the leasing of available transponder time, after deducting the costs of performing the management function, are required to be recycled to support public education distance learning in the state based upon an allocation formula of one-third to the Department of Education, one-third to Florida College System institutions, and one-third to state universities. Based on the last four years of leasing records, no public educational institution has utilized the satellite transponder. Due to the lack of use of the state satellite network by public educational institutions, the Department of Education will not renew the lease of the satellite transponder.

Effect of Proposed Changes

The bill repeals the section of law creating a state satellite network and authorizing the Department of Education to coordinate the implementation and management of the network and transponder. The

¹ Section 1001.60(2)(b)1., F.S.

² Section 1001.60(2)(c), F.S.

³ Department of Education Analysis of HB 627 (Feb. 2013).

Florida public broadcasting station that currently manages the satellite transponder for the DOE (WFSU) will continue to manage the satellite transponder for the continued operations and broadcast of The Florida Channel.

Transition to Electronic and Digital Instructional Materials

Present Situation

As authorized in s. 1006.29(3), F.S., beginning the 2015-2016 academic year, all adopted instructional materials for students in kindergarten through grade 12 must be provided in an electronic or digital format. For purposes of implementing this law, "electronic format" is defined as text-based or image-based content in a form that is produced on, published by, and readable on computers or other digital devices and is an electronic version of a printed book, whether or not any printed equivalent exists. "Digital format" is defined as text-based or image-based content in a form that provides the students with various interactive functions; that can be searched, tagged, distributed, and used for individualized content; and that has the ability to be accessed at anytime and anywhere.

Effect of Proposed Changes

The bill requires the Department of Education to publish minimum and recommended technology requirements that include specifications for hardware, software, networking, and security, and guidelines on the number of students per device necessary to ensure that students can access all electronic and digital instructional materials by the beginning of the 2015-2016 academic year.

Florida Virtual Campus

Present Situation

Section 1006.73, F.S., establishes the Florida Virtual Campus (FLVC) to provide access to online student and library support services, to serve as a statewide resource and clearinghouse for public postsecondary education distance learning courses and degree programs, and to facilitate collaboration among public postsecondary education institutions in their use of these resources to increase student access and completion of associate and baccalaureate degrees. The FLVC consolidates the services and resources formerly provided by the Florida Distance Learning Consortium, FACTS.org, the Florida Center for Library Automation, and the College Center for Library Automation. The FLVC now provides a single point of access for students interested in utilizing these services and resources. The chancellors of the Florida College System and the State University System exercise joint oversight of the FLVC and are responsible for establishing its governance and reporting structure, administrative and operational guidelines and processes, staffing requirements and operational budget.

Effect of Proposed Changes

The bill clarifies the primary purposes of the FLVC to include providing information and access to distance learning courses and degree programs offered by the public postsecondary education institutions and to coordinate with the Florida College System and State University System to identify and provide additional online academic support services and resources when the multi-institutional provision of such services and resources is more cost or operationally effective. The bill also expands the functionality of the statewide, internet-based distance learning catalog and authorizes the chancellors of the Florida College System and State University System to delegate the oversight authority and responsibility.

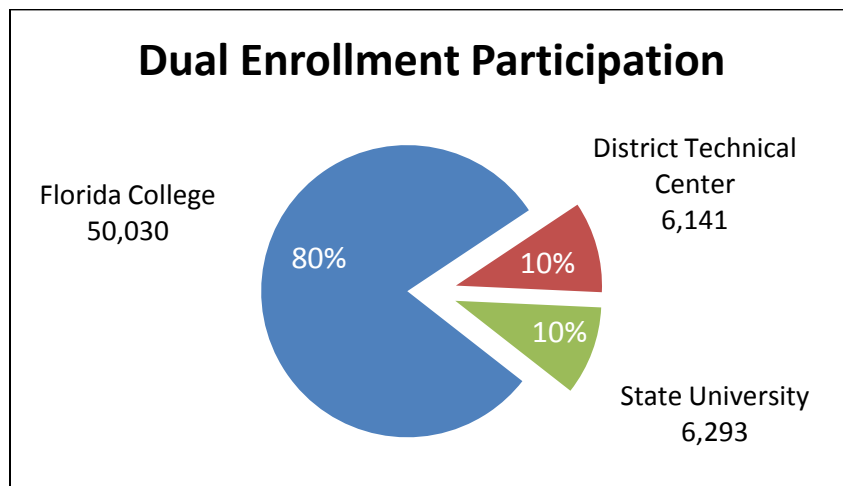
Dual Enrollment Funding

Present Situation

Dual Enrollment (DE) is a successful acceleration mechanism that allows students to simultaneously earn credit toward high school completion, and a career certificate, or an associate or baccalaureate degree. Section 1007.271, F.S., authorizes the program and provides that dually enrolled students are exempt from paying registration, tuition, and laboratory fees for DE courses taken at public postsecondary institutions such as school district technical centers, Florida College System (FCS) institutions, or State University System (SUS) institutions.⁴

In addition, DE students from Florida public high schools are provided instructional materials such as books, free of charge. Private school and home education students are responsible for the costs of their instructional materials and transportation; however, postsecondary institutions are not prohibited from providing instructional materials at no cost to these students.⁵ Additional funds are provided within the Florida Education Finance Program (FEFP) to cover school districts' costs for DE instructional materials.⁶

All 67 school districts participate in DE which may be coordinated between a public or private college or university or a school district technical center. In Academic Year 2011-2012, approximately 62,500 students (19,326 FTE students) participated in DE.⁷



Funding for Dual Enrollment

School Districts

Funding is provided to school districts through the Florida Education Finance Program (FEFP), the formula used to determine appropriations for public school funding. The Legislature annually appropriates funds in the FEFP based on enrollment estimates adopted by the statutorily required Education Estimating Conference for Public Schools.⁸ The FEFP is calculated five times throughout the year to arrive at each year's final allocation for each school district. Each calculation uses the latest information available regarding the number of students reported by districts. The FEFP uses a measurement for each student called a full-time-equivalent (FTE). One FTE equals one school year of instruction, at least 720 hours of instruction in grades K-3, or 900 hours of instruction for students in grades 4-12.⁹

⁴ Section 1007.721(16), F.S.

⁵ Section 1011.62(1)(i), F.S.

⁶ Specific Appropriation 84 proviso, Chapter 2012-118, Laws of Florida, FY 2012-2013 GAA

⁷ Florida College System

⁸ Section 216.136, F.S.

⁹ Section 1011.61(1)(a)(1), F.S.

Students in DE programs are included in FTE calculations for basic programs for grades 9 through 12 in determining funding FEFP.¹⁰ Instructional time for DE may vary from 900 hours; however the school district may only report the student for the maximum of 1.0 FTE. High school students typically take DE courses as part of their traditional six- or seven-period high school day, and districts reported that it is very uncommon for students to take DE courses at night or outside school hours.¹¹

Postsecondary Institutions

Students in DE courses are also reported for funding as FTE enrollments for a district technical center, FCS institution or university conducting the DE instruction.¹² The Education Estimating Conference is required to develop official information relating to the state and private educational systems, including forecasts of student enrollment. The FCS provides estimated FTE counts to the Legislature through the Education Estimating Conference on FCS Enrollment.¹³ The estimated FTE provided by colleges includes the number of dually enrolled FTE.

The FCS reported a 61 percent increase in enrollment in DE courses between academic years 2007-2008 and 2011-2012. In the 2007-2008 fiscal year, tuition and fees made up 32.9 percent of total funds. Currently, tuition and fees are 45.3 percent of colleges' total appropriated operational funds. As dual enrollment instruction has increased the Florida College System estimated the loss in tuition and fees in 2011-2012 to be \$58.2 million. OPPAGA's research project estimated the loss on only those courses taught on college campuses to be \$43.1 million.¹⁴

Effect of Proposed Changes

The bill requires dual enrollment articulation agreements between the colleges or universities and school districts to include a funding provision that requires the school district to pay the standard tuition rate per credit hour if the instruction takes place on the college or university campus. If the student is provided the instruction on the high school campus by a college or university faculty member, the school districts are required to reimburse the college or university institution for costs associated with the proportion of salary and benefits and other actual costs incurred by the college or university to provide the instruction. Finally, when the instruction is provided at the high school by school district faculty, the school district must fund the college or university's costs associated with offering the program. The bill also allows the college or university to enter into an agreement with the school district to authorize teachers who will teach dual enrollment courses. The bill specifically prohibits the school district from denying a student access to dual enrollment unless the student is ineligible to participate.

The standard tuition rate at a college for the 2012-2013 academic year is established in s. 1009.23, F.S., and set in the GAA at \$71.98 per credit hour.¹⁵ The base tuition rate at a university for the 2012-2013 academic year is established in s. 1009.24, F.S., and set in the GAA at \$103.32 per credit hour.¹⁶

Working Capital Trust Fund

Present Situation

Section 216.272, Florida Statutes, creates Working Capital Trust Funds for the purpose of providing sufficient funds for the operation of data processing centers. These trust funds are created for the

¹⁰ Section 1011.62(1)(i), F.S.

¹¹ OPPAGA research memorandum, Dual Enrollment: Instructional and Funding Arrangements, December 2011.

¹² Section 1011.62(i), F.S.

¹³ Section 216.136, F.S.

¹⁴ OPPAGA research memorandum, Dual Enrollment: Instructional and Funding Arrangements, December 2011.

¹⁵ Specific Appropriation 108, Chapter 2012-118, Laws of Florida, FY 2012-13 GAA

¹⁶ Specific Appropriation 129, Chapter 2012-118, Laws of Florida, FY 2012-13 GAA

moneys budgeted by an agency for the provision of data center services and related equipment and each agency utilizing the services of the data processing center shall pay such moneys into the appropriate Working Capital Trust Fund. Section 1010.81, Florida Statutes, creates the Knott Data Center Working Capital Trust Fund to receive the revenue from fees paid for services provided by the department's data center and disbursements to pay the costs of operating the data center as authorized in s. 216.272, Florida Statutes. As required by s. 282.201, Florida Statutes, the Department of Education's Knott Data Center was consolidated into the Northwest Regional Data Center (NWRDC) by the statutorily-required deadline of December 31, 2011. The department receives all of its data center services, excluding applications management support, from the NWRDC.

Effect of Proposed Changes

The bill renames the Knott Data Center Working Capital Trust Fund to the Education Working Capital Trust Fund as an authorized depository for the funds received by the Department of Education's technology office, interest earnings, and cash advances from its customers. Moneys deposited in the trust fund shall be used to fund the services provided by the department's technology office which operates as a cost-recovery office.

K-12 Performance Funding

Legislation enacted in 2012 established performance-based funding for courses requiring must pass, statewide, standardized end of course (EOC) assessments, i.e., Algebra I, Geometry, and Biology I. Beginning in the fourth year of administering the EOC assessment, a school district's receipt of FTE funding for the course is contingent upon the student passing the EOC assessment. Therefore, if a student fails the EOC assessment, the school will not receive FTE funding for that course. This requirement becomes effective in the 2013-2014 school year, the fourth year of administration for the Algebra I EOC. Additionally, funding of school district virtual program and Florida Virtual School students enrolled in courses requiring passage of an EOC assessment is contingent upon whether or not the student passes the EOC assessment. The bill delays the implementation date until 2016-2017.

Full-time Equivalent (FTE) Student Membership Reporting

Present Situation

The Florida Education Finance Program (FEFP) provides funding for a 180-day or 900-hour regular school year, with certain specific exceptions. Generally the 180-day or 900-hour equivalent FTE in the FEFP is six courses. Students attending juvenile justice facilities are funded for a 230- to 250-day school year. With the exception of Department of Juvenile Justice (DJJ) programs, Juveniles Incompetent to Proceed (JITP) programs, and part-time grades 6-12 Florida Virtual School (FLVS) courses, Prekindergarten through Grade 12 (PK-12) courses offered beyond the regular 180-day school year are not eligible for funding on a full-time equivalent (FTE) student basis through the FEFP. Even if no associated funding is provided districts are required to report summer school FTE, including the FTE associated with extended school year programs and summer reading programs, and FTE for courses beyond the allowable six. This information is provided for use by the Department of Education in preparing statistical reports, reviewing participation in selected summer programs, and planning for student growth.

Courses offered by the FLVS, franchises of the FLVS, district virtual instruction programs, district virtual course offerings, and virtual charter schools are funded on the basis of successful completion.¹⁷ An FTE for FLVS is equivalent to one student who has successfully completed six courses or credits or the prescribed level of content that counts toward promotion to the next grade. A student who completes fewer than six credits earn a fraction of an FTE. The FLVS may also report credits completed during the summer for FLVS part-time supplemental program students in grades 6-12 and these students may

¹⁷ <http://www.fldoe.org/fefp/fteinstr.asp>

earn more than one FTE. As noted in the above paragraph, school districts cannot report for funding the FTE for instruction provided above the 180-day or 900-hour regular school year instruction. Elementary students enrolled in the FLVS part-time for grades K-5 cannot earn more than 1.0 FTE and must meet one of the eligibility criteria in Section 1002.455, F.S.¹⁸

Prior to the 2012-2013 fiscal year, the Department of Education (DOE) did not have the ability to match student identification numbers to verify where the education instructional of the student was being provided. DOE was able to match records for the 2011-2012 fiscal year and the results estimated over 445,000 FTE in the school districts were not funded due to excess hours above the 1.0 FTE. DOE was also able to match over 15,000 FTE above the 1.0 FTE cap for funding for students receiving instruction from both the school districts and FLVS, resulting in an estimated \$63 million of additional funding paid for FTE instruction in the 2011-2012 fiscal year.

Section 1011.61(4), F.S., defines the maximum value for funding a student in kindergarten through grade 12 is one full-time equivalent student membership for a school year or equivalent.

Effect of Proposed Changes

In an effort to expand options for students, yet contain the costs of additional FTE students in the FEFP, the bill allows all courses reported for a student to be equally shared among providers of instruction to limit each student to 1.0 FTE, thus allowing all courses to earn funding in the FEFP. The bill also requires school districts and the FLVS to ensure the correct student identification number is reported for each student so the funding earned can be distributed based on the equal share of the 1.0 FTE to the entity providing the instruction of the student.

College and University Limits on Salaries Paid from Appropriated Funds

Present Situation

Sections 1012.885 and 1012.975, F.S., provide a limitation on state funds used for compensation for college and university presidents at \$200,000. Sections 1012.886 and 1012.976, F.S., provide a statutory cap of \$200,000 of appropriated state funds that can be used for administrative salaries of university and college employees, excluding medical school faculty and staff.

Effect of Proposed Changes

The bill removes the section of law which provides the expiration for the limitation pertaining to administrative employees and removes the section of law which specifies the applicable fiscal year for the limitation on presidents. By removing this language the \$200,000 salary cap amount in the aforementioned statutes is extended indefinitely.

Class Size Operating Categorical

The bill approves the 2012-2013 Class Size alternate calculation required by s. 1003.03(4), F.S. Approval of the Commissioner's alternate calculation will reduce the fiscal penalty for class size reduction for many districts and charters schools because the alternate calculation makes adjustments for data reporting errors and unanticipated student growth, both of which positively affect district compliance. The approval provided in this bill is in lieu of approval of the alternate calculation by the Legislative Budget Commission.

Intensive Reading Instruction

Present Situation

¹⁸ <http://www.fldoe.org/fefp/>

A school district that has one or more of the 100 lowest-performing elementary schools based on the state reading assessment, in the 2012-2013 and 2013-2014 fiscal years, is required to provide an additional hour of instruction beyond the normal school day for each day of the entire school year for intensive reading instruction in those schools.¹⁹ Funds for this program are designated in the Supplemental Academic Instruction and the Research-Based Reading Instruction Allocation categoricals in the Florida Education Finance Program.

Effect of Proposed Changes

The bill amends s. 1011.62(1)(f) and (9), F.S., to extend the requirement to provide an additional hour of intensive reading instruction daily for students enrolled in the 100 lowest performing elementary schools for a third year, to include the 2014-2015 fiscal year.

Career Education Reporting

Present Situation

The procedure for school districts to report full-time equivalent membership for students in grades 9 through 12 who are enrolled in career education courses was amended effective July 1, 2012.²⁰ Because of this revision, school districts reported a decline of approximately 20,000 FTE for students in grades 9 through 12 who were enrolled in career education courses in 2012-2013 compared to 2011-2012, and reported a similar increase in FTE membership for students in grades 9 through 12 in basic education courses. District reports of actual student enrollment in career education courses shows there was minimal change in students enrolled in career education courses in 2012-2013, compared to 2011-2012. The reported FTE for career education for 2012-2013 does not accurately reflect actual student FTE enrollment in career education for the 2012-2013 school year.

Effect of Proposed Changes

The bill amends s. 1011.61, F.S., to make a technical adjustment to the reporting sequence of FTE for students enrolled in career education in grades 9-12 for accuracy and funding. This adjustment will provide for an accurate accounting of career education FTE for funding in the FEFP for 2013-2014 and subsequent fiscal years.

School District Virtual Education

Present Situation

School districts may offer courses provided in a traditional classroom setting through online virtual instruction or through blended learning which includes both traditional classroom and online instruction.²¹ Courses provided in a traditional classroom setting or blended learning are normally offered as a yearlong or a semester course and, for funding purposes, are reported by the district as a fraction of a FTE based on hours of instruction, or seat time. Virtual education courses are competency-based. Students enrolled in a course provided through online virtual instruction may progress at their individually desired pace notwithstanding the progress of other students taking the same course. A student is awarded credit upon passing the virtual course. Once the credit is earned, the district reports the FTE for funding for each student. One virtual education course is equal to 1/6 of one full-time equivalent student membership (FTE). Credit is awarded to students who earn a passing grade in the course by the end of the scheduled term.

¹⁹ s. 1011.62(1)(f), (9), F.S.

²⁰ s. 15, ch. 2012-133, L.O.F.

²¹ s. 1003.498, F.S., s. 1002.45, F.S.

Some students enrolled in virtual courses do not complete the course by the end of the regular school term, yet the student cannot receive credit until the course is completed. In some districts, a student who does not complete the course by the end of the regular term reenrolls in the same course, through the FLVS, in order to complete the coursework during the summer. Upon the student's completion of the course, FLVS reports the FTE for funding. Districts have requested authorization to extend the instruction into the summer so the student can complete the course and receive credit without the interruption and district loss of funding associated with reenrollment in the same course through the FLVS in order to complete it.

Effect of Proposed Changes

The bill amends sections 1002.45 and 1003.498, F.S., to allow school districts to extend instruction for virtual education courses into the summer for students who do not complete the course by the end of the regular school year. This provision will allow the student to progress at an appropriate pace; will eliminate disruption of the student's learning; and will enable the home school district that has provided most of the student's education an opportunity to report the FTE for funding.

College-Preparatory Boarding Academy Pilot

Present Situation

The College Preparatory Boarding Academy Pilot Program was created by the 2012 Legislature for the purpose of providing unique educational opportunities to dependent or at-risk children who are academic under-performers but who have the potential to progress from at-risk to college-bound.²²The program is in its first year of planning and expects to begin serving eligible students in 2014. The school will be a residential charter school in Miami-Dade county, and is known as the "SEED" school.

Effect of Proposed Changes

The bill amends s. 1002.3305, F.S., to include as eligibility criteria for the SEED school, to include a student who is eligible for services funded by Temporary Assistance for Needy Families or Title IV-E of the Social Security Act and may be covered under the terms of the Florida Child Welfare Waiver Demonstration project with the United States Department of Health and Human Services. The College-Preparatory Boarding Academy is authorized to receive federal funds from non-education sources and allows funds to be transferred between state agencies for school operations. Also, the bill authorizes the school to enter into an agreement with the Department of Children and Families to admit students, through an alternative process, who are covered under the Florida Child Welfare Waiver Demonstration project.

University Facilities

Present Situation

University boards of trustees are required to draft a proposed campus development agreement which must:²³

- Identify the geographic area of the campus and local government covered by the campus development agreement;
- Establish its duration, which must be at least 5 years and not more than 10 years;
- Address public facilities and services including roads, sanitary sewer, solid waste, drainage, potable water, parks and recreation, and public transportation;
- Identify the level-of-service standards established by the applicable local government, identify the entity that will provide the service to the campus, and describe any financial arrangements

²² s. 1002.3305, F.S.

²³ S. 1013.30, F.S.

between the Board of Governors and other entities relating to the provision of the facility or service;

- Determine the impact of existing and proposed campus development, reasonably expected over the term of the campus development agreement, on each service or facility and any deficiencies in such service or facility which the proposed campus development will create or to which it will contribute;
- Address the issues with regard to additional facilities and services, including, but not limited to, electricity, nonpotable water, law enforcement, fire and emergency rescue, gas, and telephone; and
- Identify the lands to which the university board of trustees intends the campus development agreement to apply.

All improvements to facilities or services which are necessary to eliminate the deficiencies and the university board of trustees' fair share of the cost of the improvements, must be specifically listed in the campus development agreement. The university board of trustees is responsible for paying a portion of each of the improvements or by taking on full responsibility for the total cost for the improvements. Capital projects included in the campus development agreement may be used by the local government for the concurrency management purposes. A development authorized by a campus development agreement may not be built until the funds for the university's share are appropriated by the Legislature.

In 1993, a General Revenue service charge of 8 percent on revenues raised by any local option motor fuel tax levied was established to be deposited in the State University System Concurrency Trust Fund.

These funds were provided for the purpose of funding State University System offsite improvements required to meet concurrency standards.²⁴ Also, up to 25 percent of the balance in the trust fund for that year was used to defray the costs incurred in updating campus master plans. The revenue source for this trust fund was eliminated in 2008²⁵ and the remaining balance has been expended. Universities have had to absorb the costs associated with local concurrency within their budgetary appropriations for fixed capital outlay projects. Current statute stipulates that funds provided by universities in accordance with campus development agreements are subject to appropriation by the Legislature, yet no funds have been appropriated for this purpose.

Effect of Proposed Changes

The bill allows a state university to enter into a local development agreement with an affected host local government to identify specific projects in the university's campus master plan to be constructed for purposes of negotiating the impact of such projects on the host local government.

The bill also authorizes a university board of trustees to expend reserve or carry-forward balances from previous years' operational and programmatic appropriations for deferred maintenance needs at the Donald L. Tucker Civic Center in Tallahassee. This authorization for the 2013-2014 fiscal year through the 2014-2015 fiscal year.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

²⁴ Section 44, 1993-206, LOF

²⁵ Section 15, 2008-114, LOF

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

The bill conforms the statutes to the General Appropriations Act.

The bill provides flexibility to school districts by modifying the definition and reporting of FTE for funding in the FEFP. The bill requires the correct student identification number to be reported so funding earned can be distributed based on the equal share of the 1.0 FTE to the entity providing the instruction of the student which results in funding for all courses taught. The Public School Enrollment Estimating Conference met on March 22, 2013 to estimate the impact of the change in the reporting of funded FTE in FEFP as proposed by the bill.²⁶ Using the 2011-2012 fiscal year data match analysis to distribute the impact of the equal share of the 15,000 FTE identified above the 1.0 cap, 2,500 FTE would be the attributable portion to the FLVS. The requirement for virtual instruction FTE taught on a school campus to be reported by the district has an effective shift of an additional 1,200 FTE from FLVS to the district. Therefore, the net effect of 3,700 FTE would have had an estimated \$18 million impact to FLVS's overall funding for the 2011-2012 fiscal year appropriations. There is no change in the amount of per student funding. It should be noted these estimates are based on prior year funding information which has already been paid so there is no prior year funding reduction to districts or FLVS based on this analysis. However, when using the modified FTE forecast as impacted by the bill, the funding per student for the FEFP, as adopted in the 2013-2014 GAA, is increased from \$6,707 using the old FTE methodology, to \$6,779 using the new FTE methodology, due to the overall decrease in the number of forecast FTE of 28,940.

The bill adopts by reference the alternative compliance calculation amounts for the class size operating categorical allocation that were presented to the Education Appropriations subcommittee March 12, 2013. The alternate calculation, along with the estimated redistribution of funds based on districts providing a compliance plan, revises the original calculation from \$27 million to \$5.7 million for traditional schools and from \$1.6 million to \$108,000 for charter schools.

The bill authorizes school districts to extend instruction in virtual education courses into the summer for a student who does not complete the course by the end of the regular school term. This enables the student to complete the course and receive credit in that school year and the district to include the FTE for the completed course in its final FTE for funding for that school year.

²⁶ EDR Education Estimating Conference Public Schools Impact, March 22, 2013 Impact Conference, results found at <http://edr.state.fl.us/Content/conferences/publicschoolsimpact/index.cfm>.

The bill removes the expiration for the limitation pertaining to salaries of state university and FCS institutions administrative employees and presidents. By removing the time limits, the \$200,000 salary cap amount on expenditures from state funds for president or administrative personnel salaries is continued indefinitely.

The bill clarifies and expands the potential for additional non-education, federal, and multiple agency funding sources for the College Preparatory Boarding Academy Pilot Program.

The bill requires school districts to pay tuition costs to a university or college for dually enrolled students if the student takes the course on a college or university campus. Requiring school districts to pay public postsecondary institutions the standard tuition rate from funds allocated through the FEFP for dually enrolled students will reduce the amount of funding districts can spend on other programs.