

STORAGE NAME: h0921.edk

DATE: March 21, 1997

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
EDUCATION K-12
BILL ANALYSIS & ECONOMIC IMPACT STATEMENT**

BILL #: HB 921

RELATING TO: Expenditure Requirements for Education Programs

SPONSOR(S): Representative Boyd

STATUTE(S) AFFECTED: Amends s. 237.34, F.S.

COMPANION BILL(S): SB 74 (i)

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) EDUCATION K-12
- (2) EDUCATION (FISCAL)
- (3)
- (4)
- (5)

I. SUMMARY:

As an incentive, school districts currently receive increased funds when advanced placement students score well on the College Board Advanced Placement Examination. This bill requires that at least 80% of such funds be allocated by the district to the high school that served the qualifying students.

The fiscal impact of the bill is indeterminate; however, the Department of Education (DOE) indicates that additional reporting, monitoring, and system programming will be required to implement the law (see Fiscal Comments and Comments).

II. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

When a student participating in an advanced placement program receives post-secondary credit by scoring a minimum of 3 (on a five point scale) on the College Board Advanced Placement Examination, the local district is awarded an additional 0.24 F.T.E. as an incentive. (s.236.081(1)(q), F.S.) The Legislature appropriated \$16,786,889 for this purpose in the FY 1996-1997 General Appropriations Act.

There is no requirement that the school district allocate the incentive funding to the specific schools that served qualifying students.

B. EFFECT OF PROPOSED CHANGES:

School districts will be required to allocate at least 80 percent of advanced placement incentive funding, provided in accordance with section 236.081(1)(q), to the high school which generated the funds.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

Yes, the bill revises the methods of allocation of funds by school districts.

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

Yes, see (1), above. Additionally, the bill amends a section that requires extensive cost-accounting and cost-reporting, and consequently could result in significant administrative costs (see Comments).

(3) any entitlement to a government service or benefit?

Yes, the bill entitles individual schools to at least 80 percent of their school-generated advanced placement incentive funding.

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

Not applicable.

(2) what is the cost of such responsibility at the new level/agency?

Not applicable.

(3) how is the new agency accountable to the people governed?

Not applicable.

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

No.

b. Does the bill require or authorize an increase in any fees?

No.

c. Does the bill reduce total taxes, both rates and revenues?

No.

d. Does the bill reduce total fees, both rates and revenues?

No.

e. Does the bill authorize any fee or tax increase by any local government?

No.

3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

No.

b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

No.

4. Individual Freedom:

a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

No.

b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

No.

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:
 - (1) Who evaluates the family's needs?
Not applicable.
 - (2) Who makes the decisions?
Not applicable.
 - (3) Are private alternatives permitted?
Not applicable.
 - (4) Are families required to participate in a program?
Not applicable.
 - (5) Are families penalized for not participating in a program?
Not applicable.
- b. Does the bill directly affect the legal rights and obligations between family members?
No.
- c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:
 - (1) parents and guardians?
Not applicable.
 - (2) service providers?
Not applicable.
 - (3) government employees/agencies?
Not applicable.

ACADEMIC EXCELLENCE COUNCIL'S ADDITIONAL CONSIDERATIONS:

1. Does it improve instruction?

To the extent schools are encouraged by the funding assurance to better-motivate students to achieve advanced-placement status, the bill could be viewed as having a positive effect on instruction.

2. Does it allow teachers to teach?

Yes, see 1., above.

3. Does it improve student character?

Yes, see 1., above.

4. Does it prepare our students to be a part of the 21st century workforce?

Yes, see 1., above.

5. Does it empower parents to make decisions?

Not applicable.

6. Does it create educational options?

Yes, see 1., above.

7. Does it create an environment where students can learn?

Yes, see 1., above.

D. SECTION-BY-SECTION ANALYSIS:

Section 1: Amends s. 237.34, F.S., requiring school districts to allocate at least 80 percent of advanced placement incentive funding.

Section 2: Provides an effective date of July 1, 1997.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

See fiscal comments.

2. Recurring Effects:

See fiscal comments.

3. Long Run Effects Other Than Normal Growth:

See fiscal comments.

4. Total Revenues and Expenditures:

See fiscal comments.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

See fiscal comments.

2. Recurring Effects:

See fiscal comments.

3. Long Run Effects Other Than Normal Growth:

See fiscal comments.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

None.

2. Direct Private Sector Benefits:

None.

3. Effects on Competition, Private Enterprise and Employment Markets:

None.

D. FISCAL COMMENTS:

The fiscal impact of this bill is indeterminate; however, the bill as drafted could result in significant fiscal impact. The DOE indicates that complying with the provisions of the bill will require establishing a reporting system and associated monitoring. To this end, the department will need additional programming to calculate and report the revenue element addressed in the bill.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to expend funds or to take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of a state tax shared with counties or municipalities.

V. COMMENTS:

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A technical amendment will be offered to conform the bill to its Senate companion by mirroring the Senate's correction of a statutory reference. This staff analysis presumes the technical correction.

The DOE indicates that districts use a variety of local budgeting practices and that confirmation of whether schools actually receive the benefit of the additional revenues anticipated by this bill may be subject to interpretation.

The bill amends s. 237.34, which requires cost accounting and reporting. The DOE suggests that instead of amending s. 237.34, a more direct approach would be to amend s. 236.081(1)(q), to require that the additional 0.24 FTE must benefit the school providing instruction. The recommended drafting approach would avoid the reporting, monitoring, and programming expenses associated with the bill.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

VII. SIGNATURES:

COMMITTEE ON EDUCATION K-12:

Prepared by:

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