A bill to be entitled

An act relating to education funding; amending s. 236.081, F.S.; revising the formula for determination of district cost differentials; eliminating adjustments for district sparsity supplements; providing an effective date.

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

Section 1. Subsection (2), and paragraph (c) of subsection (6) of section 236.081, Florida Statutes, 1998 Supplement, are amended to read:

236.081 Funds for operation of schools.——If the annual allocation from the Florida Education Finance Program to each district for operation of schools is not determined in the annual appropriations act or the substantive bill implementing the annual appropriations act, it shall be determined as follows:

commissioner shall annually compute for each district the current year's district cost differential. The district cost differential shall be calculated by adding each district's price level index as published in the Florida Price Level Index, prepared by the Executive Office of the Governor, for the most recent 3 years and dividing the resulting sum by 3. The result for each district shall be multiplied by 0.008 and to the resulting product shall be added 0.200; except that for any district for which the housing component of the district's cost differential for the current year exceeds 100 percent of the statewide average, such result shall be multiplied by 0.0085 and to the resulting product there shall be added 0.15.

The sum thus obtained shall be the cost differential for that 1 2 district for that year. (6) DETERMINATION OF SPARSITY SUPPLEMENT. --3 4 (c) Each district's allocation of sparsity supplement 5 funds shall be adjusted in the following manner: 1. A maximum discretionary levy per FTE value for each 6 7 district shall be calculated by dividing the value of each 8 district's maximum discretionary levy by its FTE student 9 count; 10 2. A state average discretionary levy value per FTE shall be calculated by dividing the total maximum 11 discretionary levy value for all districts by the state total 12 13 FTE student count; 3. For districts that have a levy value per FTE as 14 calculated in subparagraph 1. higher than the state average 15 calculated in subparagraph 2., a sparsity wealth adjustment 16 shall be calculated as the product of the difference between 17 18 the state average levy value per FTE calculated in subparagraph 2. and the district's levy value per FTE 19 20 calculated in subparagraph 1. and the district's FTE student 21 count and -1; 22 4. Each district's sparsity supplement allocation shall be calculated by adding the amount calculated as 23 specified in paragraphs (a) and (b) and the wealth adjustment 24 25 amount calculated in this paragraph. 26 Section 2. This act shall take effect July 1, 1999. 27 28 29 HOUSE SUMMARY 30 Revises the formula for determination of district cost differentials. Eliminates adjustments for district 31

sparsity supplements.