STORAGE NAME: h0701s1z.ed \*\*AS PASSED BY THE LEGISLATURE\*\*

**DATE**: July 26, 2000 **CHAPTER #**: 2000-181, Laws of Florida

# HOUSE OF REPRESENTATIVES AS REVISED BY THE COMMITTEE ON EDUCATION APPROPRIATIONS FINAL ANALYSIS

**BILL #**: CS/HB 701 (PCB ED 00-02)

**RELATING TO**: Public School Funding

**SPONSOR(S)**: Committees on Governmental Operations and Education Appropriations,

Representative Sorensen and others

TIED BILL(S):

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

(1) EDUCATION APPROPRIATIONS YEAS 9 NAYS 0

(2) GOVERNMENTAL OPERATIONS YEAS 6 NAYS 0

(3)

(4)

(5)

#### I. <u>SUMMARY</u>:

This bill represents the 2000 Legislature's comprehensive approach to modifying public school funding.

This bill contains the following provisions:

- 1. Creates a Task Force on Public School Funding to examine and make recommendations to the Governor and the Legislature on the funding of the state system of public schools.
- 2. Repeals Section 236.081, F.S. (The Florida Education Finance Program) effective June 30, 2004, subject to prior review by the Task Force on Public School Funding.
- 3. Revises the funding model for exceptional student education programs.
- 4. Removes an outdated provision relating to funding instruction outside the required number school days.
- 5. Amends the procedure for computing a district's required local effort when there is litigation contesting the assessed value of the tax roll to require that the amount of the good faith payment made by the taxpayer to the tax collector to be added to the district's required local effort.
- 6. Revises scholarships to public or private schools of choice for students with disabilities from a pilot program in the Sarasota school district to a state-wide program.
- Creates the Equity in School-Level Funding Act.

This bill becomes effective upon becoming a law.

**DATE**: July 26, 2000

PAGE 2

#### II. <u>SUBSTANTIVE ANALYSIS</u>:

#### A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

1.	Less Government	Yes [x] No []	N/A []
2.	Lower Taxes	Yes [x] No []	N/A []
3.	Individual Freedom	Yes [x] No []	N/A []
4.	Personal Responsibility	Yes [x] No []	N/A []
5.	Family Empowerment	Yes [x] No []	N/A []

#### **B. PRESENT SITUATION:**

# Task Force on Public School Funding--

Florida's public school funding system (The Florida Education Finance Program) was enacted by the 1973 Legislature and has been amended by subsequent Legislatures. The FEFP is a formula based allocation system designed to support a state-wide uniform system of free public schools that incorporates the following fundamental principles:

- 1. Equalized funding among school districts: this is achieved by enforcing uniform state-wide standards for assessing the value of property on which school taxes are levied; applying the same school tax millage rate in each school district, adjusted for the level of assessment compared to the state average (to assure fairness among tax payers in each school district); and matching state funds with each school district's tax revenue in an amount that causes the combination of state and local funds to be the same level of funding for each student notwithstanding the tax paying ability of the school district.
- 2. <u>Student based funding</u>: this is achieved by using a "weighted formula" that provides funds to pay for specialized programs or services for some students that are in addition to and beyond the amount of funds provided for basic education for all students.
- 3. <u>Geographic cost differential</u>; this is achieved by using a modified "consumer price index" that represents the cost of a market basket of identical goods and services priced in each of the school districts at the same time annually.
- 4. **Sparsity supplement:** this is achieved by using a "formula" to provide supplemental funds to districts where the student enrollment is deemed to be too small to generate sufficient funds required to provide the full range of high school courses.
- 5. **Local flexibility**; this is achieved by giving school districts the discretion to determine how most of the funds available for current operations are expended.
- 6. <u>Categorical programs</u>; this is achieved by appropriating additional funds that may be expended only for a legislatively specified purpose such as the following:

**DATE**: July 26, 2000

PAGE 3

A. <u>Instructional materials</u>; this is achieved by using a "formula" to allocate supplemental state funds to each school district to provide textbooks and other instructional materials for students.

- B. <u>Student transportation</u>; this is achieved by using a "formula" specifically designed to accommodate costs associated with operating student transportation services and to allocate supplemental state funds to each school district to provide home to school transportation for students.
- C. <u>Safe schools</u>: this is achieved by using a "formula" to provide supplemental state funds to each school district to provide a safe learning environment for students.
- D. <u>Instructional technology</u>; this is achieved by using a "formula" to provide supplemental state funds to each school district to provide instructional technology for students.
- E. <u>Supplemental academic instruction</u>: this is achieved by using a "formula" to provide state funds to each school district to be used to provide <u>supplemental instruction</u> for any student as needed to help the student to progress from grade to grade and to graduate. Supplemental instruction may be provided to a student in any manner and at any time, during or beyond the regular 180-day term, as determined by the student's school as being the most effective for the student. These funds are in addition to the funds allocated on the basis of FTE in the FEFP.

The intent of the state's funding system as stated in Section 236.012, Florida Statutes, is "To guarantee to each student in the Florida public educational system the availability of programs and services appropriate to his or her educational needs which are substantially equal to those available to any similar student notwithstanding geographic differences and varying local economic factors."

In November 1998, the citizens amended the education clause of the State Constitution to provide that the public schools are to "allow students to obtain a high quality education." The Legislature has enacted legislation requiring Performance Based Budgeting in which future funding is to be based on achieving measurable results. The current funding system is essentially a formula for allocating and distributing funds based on student enrollment. Concerns have been expressed that the formula needs to be revised to make the funding system consistent and supportive of a system of accountability that is based on student achievement. Further, some complain that certain aspects of the formula result in inequitable funding for some districts.

#### Funding of Exceptional Student Education Programs --

Section 236.025, Florida Statutes provides that funding for exceptional student education (ESE) requires the use of a "matrix of services to document the services that each exceptional student will receive. The nature and intensity of services indicated on the matrix shall be consistent with the services described in each exceptional student's individual education plan."

Teachers, principals, superintendents and others have stated that the use of the "matrix of services" for funding exceptional student education is too complex and requires an excessive paper-work burden for classroom teachers. Also, school districts are unable to accurately estimate student enrollment using the matrix of services funding model because it requires that each student be classified as Level I, II, III, IV, or V based on the documented services provided. Each level of service has a different program cost factor.

**DATE**: July 26, 2000

PAGE 4

Florida's funding system for K-12 students (FEFP) provides funds based on current year actual enrollment. The annual appropriation is based on a forecast of estimated student enrollment in the next fiscal year. This requires a dependable system of accurately estimating student enrollment by program for each district.

The districts October 1999 FEFP survey of actual enrollment of exceptional students in the matrix of services five program cost factors showed that the district's estimate used for the 1999-2000 Appropriation was over-projected by 40,497 weighted FTE. Over-projection of weighted ESE FTE resulted in the Legislature over-appropriating \$131,621,134 to fund an inaccurate estimate. These funds had to be turned back to the state. (The level of error in the districts estimated ESE enrollment used for the 1998-99 General Appropriations Act caused an over appropriation of approximately \$100,000,000.)

The Federal law, Individuals with Disabilities Education Act (IDEA), guarantees "a free appropriate education" for students with disabilities. This act also provides due process rights for students and their parents to ensure access to appropriate educational services. Florida law also requires that exceptional students be provided programs and services appropriate to meet their educational needs.

Across the nation, state funding systems for exceptional student education fit into four types:1) Weighted Student; 2) Flat Grant; 3) Resource-based; and 4) Percent Reimbursement. The National Center for Special Education Finance reports the number of states using each of the four types of funding as weighted student-18, flat grant-10, resource-based-10, and percentage reimbursement-11. Florida uses the Weighted Student type of funding and the Federal Government uses the Flat Grant type.

# Funding Instruction Outside the Required Number of Days --

The 1999 Legislature created a Supplemental Academic Instruction Categorical Fund as part of the Florida Education Finance Program (FEFP). Funding for instruction beyond the regular 180-day school year for all K-12 students is provided through the Supplemental Academic Instruction allocation. Prior to the 1999-2000 General Appropriations Act funding for instruction outside the require number of days was based on full-time equivalent student membership enrollment (FTE) within the FEFP.

#### Computation of District Required Local Effort (RLE)--

Section 194.171, FS, provides that a taxpayer may contest in court the taxable assessment of property; however, before such action may be taken the taxpayer must pay to the tax collector not less than the amount of the tax which the taxpayer admits in good faith to owe. Section 236.081 (4), F.S., provides that if the assessed value of the property in contest involves more than 6 percent of the total nonexempt assessment roll for the purpose of computing the required local effort for the school district, the Department of Education shall exclude from the district's roll the amount of the assessed value in contest. The associated RLE is then supplanted with state funds until settlement of the dispute. The law as currently written does not require the Department of Education to include the amount of the taxpayer's good faith payment to the tax collector in the district's local required effort computation. The district which receives the good-faith payment and the state funds which supplant the lost RLE may then receive double-funding.

Scholarships to public or private schools of choice for students with disabilities--Section 229.05371, F.S., was enacted as a pilot program limited to the Sarasota school district. Based on information provided by the Department of Education at least one student participated in the program during the 1999-2000 school term.

**DATE**: July 26, 2000

PAGE 5

## **Equity in School-Level Funding Act --**

Chapter 99-398, Laws of Florida, was enacted as major public school reform legislation. Two of the primary policies were: 1) every student should gain at least a year's worth of school knowledge in a year's time, and 2) every school should be accountable for all student's successfully achieving state academic standards as measured by state examinations. The current state system of public school funding focuses on equity of funding among school districts but does not require school districts to provide equitable funding for each school in the district. School districts have complete authority over local allocation of funds to schools. School allocations are at least partially determined by student enrollment and staffing formulas.

#### C. EFFECT OF PROPOSED CHANGES:

# Task Force on Public School Funding --

The Task Force or Public School Funding is created to examine and make recommendations to the Governor and the Legislature on the funding of the State system of public schools as provided by the Florida Education Finance Program (FEFP) created by Section 236.081, Florida Statutes, and implemented by the general appropriations acts. Draft recommendations shall be submitted by September 1, 2001 and final recommendations by February 1, 2002. At least one public hearing is required to be held in each of the Department of Education's five service regions. The authorization of the task force expires June 30, 2003.

This bill repeals Section 236.081, F.S., (the FEFP) effective June 30, 2004, subject to prior review by the task force.

The effect of this change will be evident when the Legislature receives and acts on the recommendations submitted by the Task Force on Public School Funding.

#### Funding of Exceptional Student Education Programs --

Beginning with the 2000-2001 fiscal year, FEFP funds appropriated for exceptional students receiving services associated with former ESE program cost factors for Levels I, II, and III will be in two separate allocations: 1) The funds for basic education for these exceptional students will be included in the allocation for basic education at the same funding level per student as provided for non-exceptional students, and 2) additional funds will be provided in an "ESE Guaranteed Allocation" to each district to be used to provide programs and services for exceptional students that are additional to the programs and services provided from the funds allocated in (1) for basic education. The "ESE Guaranteed Allocation" will not be recalculated during the year.

The effect of this change will be to: 1) provide more accuracy and stability in school district budgets and in the legislative appropriation for K-12 education; 2) provide a guaranteed level of funding for exceptional student education to each school district at the beginning of each fiscal year that is not recalculated during the year; and 3) eliminate the state paperwork burden on classroom teachers required for funding exceptional student education.

The funding appropriated in the FEFP for exceptional student education in the 2000-2001 General Appropriations Act is identical to the amount that would have been appropriated under the matrix five levels of service funding model. However, the amount of funds appropriated for the "ESE Guaranteed Allocation" will be guaranteed at the beginning of the fiscal year and will not be recalculated during the year based on changes in student enrollment. The effect is to establish a stable funding system for exceptional student

**DATE**: July 26, 2000

PAGE 6

education which will free teachers from paperwork, allowing more time for teaching students. Also, school districts can make decisions about how to provide services for exceptional students without the risk of losing budgeted funds in the middle of the school year.

## Funding Instruction Outside the Required Number of Days --

This change deletes obsolete language relating to counting instruction outside the required number of school days as full-time equivalent membership for students in grades 9-12. Funding for this purpose is now provided by the Supplemental Academic Instruction program and the Workforce Education fund.

# Computation of District Required Local Effort (RLE)--

The bill requires the plaintiffs in litigation affecting more than 6 percent of the total nonexempt assessment roll to provide the district school board and the Department of Education a copy of the petition and the receipt for the good faith payment at the time they are filed with the court. The amount of the good faith payment made by the taxpayer to the tax collector will be included in a district's required local effort while the assessed value of the tax roll is in litigation. This revision will more accurately allocate funds and will eliminate short-term double funding of RLE for litigated property.

Scholarships to public or private schools of choice for students with disabilities -The bill revises the program from a pilot program for one school district to a state-wide
program. Program implementation will be similar to the Opportunity Scholarship program;
however, criteria for eligibility will depend on failure of the student to progress in two
academic areas rather than on the school's grade. Student participation in this program
cannot be estimated with any degree of certainty.

# **Equity in School-Level Funding Act --**

The bill requires each school district to allocate FEFP, lottery and discretionary local revenue to schools based on each school's share of the revenue earned. The effect of this change will be to cause school districts to take any actions necessary to ensure that all schools are treated equitably in the allocation of funds for current operations. Implementation is phased in over a four-year period beginning with 50% in 2000-2001; 65% in 2001-2002; 80% in 2002-2003; and 90% in 2003-2004. The school-level allocation does not include funds for Supplemental Academic Instruction, categorical programs such as Student Transportation, and Federal Funds which may be targeted to specific student populations that are not enrolled equally in each school.

#### D. SECTION-BY-SECTION ANALYSIS:

- Section 1. Creates The Task Force on Public School Funding.
- Section 2. Repeals Section 236.081, F.S., effective June 30, 2004.

Section 3. Amends Section 236.025, F.S., relating to the funding model for exceptional student education programs. It eliminates the use of the ESE Matrix of Services procedure and paperwork burden on teachers by changing the funding for ESE weighted program cost factors for Levels I, II, and III to a combination of Basic program FTE funding plus a "guaranteed allocation" that is not recalculated during the school year. The ESE weighted program cost factors for Level IV and V are retained unchanged.

**DATE**: July 26, 2000

PAGE 7

Section 4. Amends Paragraphs (c), (d), and (h) of subsection (1) and paragraph (d) of subsection (4) of Section 236.081, Florida Statutes as follows:

- (1) (c) -- Deletes ESE Program Cost Factors Level I, II, and III and provides that the ESE Matrix of Service will apply only to students receiving programs and services meeting the requirements of ESE Levels IV and V. Also, deletes two obsolete Program Cost Factors for Students-at-risk Programs and Dropout prevention and teenage parents Programs. Students receiving programs and services under these two programs are funded as FTE for basic education and supplemental funding is provided in the appropriation for the Supplemental Academic Instruction allocation.
- (1) (d) -- Deletes obsolete reference to the weighted program cost factor for students-at-risk programs and replaces it with the English for Speakers of Other Languages Programs for conforming language.
- (1) (h) -- Deletes obsolete reference to FTE funding for instruction outside the required number of school days for students in grades 9-12. Funding for these students is provided in the appropriation for the Supplemental Academic Instruction allocation.
- (4) (d) -- Amended to require the plaintiff who is litigating the assessed value of property on the tax roll to provide to the school district and the Department of Education a copy of the petition and receipt for the good faith payment at the time they are filed with the court. Also, to require that the amount of the good faith payment made by the taxpayer to the tax collector shall be added to the district's required local effort for the FEFP.
- Section 5. Section 237.34, FS, is amended to require cost reports for each of the two ESE weighted Program Cost Factors rather than on an aggregate basis. Also, the bill requires that each district shall expend at least 90% of the funds generated by the ESE Program Cost Factors on aggregate total school costs (this replaces the former requirement of 80%).
- Section 6. Section 229.05371, FS, is amended to expand the ESE Scholarships to public or private schools of choice for students with disabilities from a pilot program for Sarasota County to a state-wide program.
- Section 7. Creates the Equity in School-Level Funding Act.
- Section 8. Provides that the effective date is upon becoming a law.

#### III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

- A. FISCAL IMPACT ON STATE GOVERNMENT:
  - 1. Revenues:

\$500,000 is provided in the 2000-2001 General Appropriations Act for professional staff and other costs of the Task Force on Public School Funding during its three-year life: July 2000 through June 2003.

**DATE**: July 26, 2000

PAGE 8

#### 2. Expenditures:

N/A

#### **B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

# 1. Revenues:

- a. Ultimately, recommendations made by the Task Force on Public School Funding, to the degree they are revisions to the funding formula, will affect school district revenue allocations, if enacted by the Legislature.
- b. The revised ESE funding formula will affect district revenue by guaranteeing the revenue for exceptional services for the former Levels 1 to 3. If districts do not serve students in these programs as they have projected, they will not have to turn back any of these appropriated revenues to the state. This will create greater stability in district budgets.
  - In addition, capping of ESE FTE for Levels 1 to 3 has been eliminated by requiring reporting of the FTE for the educational program for these ESE students in the Basic program, which is not capped. The elimination of capping enables districts to generate incremental additional revenue for ESE students not included in the enrollment forecast used for the Legislative appropriation.
- c. The revision to the RLE for inclusion of the good faith payment made by the owner of the property in litigation reduces district revenue to a level which will more closely approximate the revenue level attained upon resolution of the litigation. Previously, districts in this situation would have been "double-funded" until the litigation was resolved.

#### 2. Expenditures:

- a. The ESE lump sum guaranteed funding will give school districts greater flexibility in how they spend ESE funds with less emphasis and concern on placement of students. Also, expenditures for matrix support, training, and "coaching" will be redirected to the provision of services.
  - In addition, school district expenditures for ESE programs and services have been increased from 80 to 90% of revenues provided.
- b. The RLE revision, by eliminating "double-funding", will reduce the risk of over-committing future unrealized funds.
- c. The School Equity provision will reduce school district flexibility in the expenditure of funds because school allocations will be determined by statutorily-driven formula.

**DATE**: July 26, 2000

PAGE 9

#### C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

N/A

#### D. FISCAL COMMENTS:

The appropriation for the Task Force or Public School Funding is made to The Office of Legislative Services, is non-recurring, and is to be used only to pay costs required in carrying out the statutory duties of the Task Force.

#### 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 spend 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 counties or municipalities 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 the counties or municipalities.

#### V. COMMENTS:

#### A. CONSTITUTIONAL ISSUES:

Section 1 of Article IX of the State Constitution requires that " ... Adequate provision shall be made by law for a .....system of free public schools ...."

By repealing Section 236.081, Florida Statutes, effective June 30, 2004 in this bill it makes it necessary for the Legislature to enact a new law making "adequate provision" for a "system of free public schools" or reenact Section 236.081, FS, before June 30, 2004.

#### B. RULE-MAKING AUTHORITY:

N/A

#### C. OTHER COMMENTS:

This legislation was taken up by the Education Appropriations Committee on December 9, 1999, as PCB ED 00-02, and passed unanimously with one amendment.

This legislation was taken up by the Committee on Governmental Operations on February 22, 2000, as HB 701, and passed unanimously with two amendments as a committee substitute.

**DATE**: July 26, 2000

PAGE 10

#### VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

The following amendment was adopted by the Education Appropriations Committee on December 9, 1999:

On page 2, line 30, after (c) delete the word "Provide", and insert "Continue to provide".

The following two amendments were adopted by the Committee on Governmental Operations on February 22, 2000:

On page 5, lines 27 and 28, remove all of said lines and insert "or other valued goods or services from any public or private source, including in-kind."

On page 5, lines 19 and 20, remove all of said lines and insert "commission. All members of the commission staff are exempt from the Career Service System and shall be employed in accordance with the legislative personnel plan administered by the Office of Legislative Services."

The Committee on Governmental Operations reported the bill favorably, as amended, as a committee substitute.

On April 25, 2000 the House of Representatives read the bill a second time and adopted an amendment inserting three new sections:

Section 3. Section 236.025, Florida Statutes, the Funding Model for Exceptional Student Education Programs is amended to change the program cost factors for exceptional student education programs from five to two; to repeal the requirement that teachers must complete a Matrix of services to document the services provided to each exceptional student receiving services defined as program cost factors Support Level I, II, and III to be eligible for funding for exceptional students; and replace the Support Level I, II, and III program cost factors with two separate allocations: 1) The funds for basic education for exceptional students will be included in the allocation for basic education at the same funding level per student as is provided for non-exceptional students, and 2) additional funds will be provided in an "ESE Guaranteed Allocation" to each school district to be used to provide programs and services for exceptional students that are in addition to the programs and services funded in (1) for basic education. The "ESE Guaranteed Allocation" will not be recalculated during the year based on changes in student enrollment. The amount of funds appropriated in the FEFP for exceptional student education in the 2000-2001 General Appropriation Act is identical to the amount that would have been appropriated under the matrix five levels of service funding model.

Section 4. Paragraph (c) and (d) of subsection 236.081, Florida Statutes, were amended to repeal program cost factors Support Levels I, II, and III under programs for exceptional students and to make technical changes to conform and update other language in these paragraphs.

Section 5. Paragraph (b) of subsection (2) and paragraph (a) of subsection (3) of section 237.34, Florida Statutes, was amended to delete the exception for reporting district expenditures for exceptional student program cost factors on a school-by-school basis and to require that each district shall expend at least 90% of the funds generated by each exceptional student program cost factor on aggregate total school costs.

On May 1, 2000, the House of Representatives read the bill a third time and adopted an amendment removing an appropriation from the bill.

**DATE**: July 26, 2000

**PAGE 11** 

On May 1, 2000, the Senate substituted CS/HB 701 for SB 1204 by two-thirds vote and read CS/HB 701 the second time and amended the bill as follows:

Senate Amendment 1: deleted everything after the enacting clause and inserted:

Section 1. Creating The Task Force on Public School Funding.

Section 2. Repealing Section 236.081, Florida Statutes, effective June 30, 2004, subject to prior review by the Task Force on Public School Funding.

Section 3. Amending Section 236.025, Florida Statutes, providing for two program cost factors and a guaranteed allocation for funding exceptional student education programs. Repeals the matrix of service requirement for exceptional students receiving services defined under former program cost factors Support Level I, II, and III.

Section 4. Providing an effective date.

Amendment 1A inserted:

Section 4. Amending Section 229.05371, Florida Statutes, to change Scholarships to public and private schools of choice for students with disabilities from a pilot program for Sarasota County to a state-wide program.

The bill as amended was placed on the Senate Calendar of Bills on Third Reading.

On May 3, 2000 the Senate read the bill a third time and amended it as follows:

Senate reconsidered the vote by which Amendment 1 was adopted and amended Amendment 1 as follows:

Amendment 1B inserted: Providing for the Task Force to appoint an executive director, executive director to employ research and support staff, placing the task force in the Office of Legislative Services, authorizing the task force to enter into contracts and to accept grants and in kind services of staff in the Department of Education, school districts, and state universities.

Amendment 1C inserted: The recommendations of the Task Force must include proposed legislation.

Amendment 1D inserted: Creating Section 236.08103, Equity in School-Level Funding Act.

On May 5, 2000 the House of Representatives adopted House Amendment 1 to Senate Amendment 1 removing from the amendment page 4, line 7 through page 6, line 21 and inserting in lieu thereof:

Section 3. (Section 236.025, Florida Statutes, was amended as described above in the House amendment of Section 236.025 adopted on April 25, 2000.)

Section 4. Paragraphs (c), (d), and (h) of subsection (1) and paragraph (d) of subsection (4) of section 236.081, Florida Statutes, were amended as follows:

Paragraphs (c) and (d) of subsection (1) of section 236.081 were amended to repeal Program Cost Factors for Support Levels I, II, and III for exceptional students and to make technical changes to conform and update other language in these paragraphs.

**DATE**: July 26, 2000

**PAGE 12** 

Paragraph (h) of subsection (1) of section 236.081 was amended to delete an outdated provision relating to funding instruction outside the required number of school days.

Paragraph (d) of subsection (4) of section 236.081 was amended to require the plaintiff who is litigating the assessed value of property on the tax roll to provide to the School District and to the Department of Education a copy of the petition and receipt for the good faith payment at the time they are filed with the court. Also, to require that the amount of the good faith payment shall be added to the district's required local effort for the FEFP.

Section 5. Paragraph (b) of subsection (2) and paragraph (a) of subsection (3) of section 237.34, Florida Statutes, were amended as follows:

Paragraph (b) of subsection (2) was amended to delete the exception for reporting school district expenditures for exceptional student program cost factors on an aggregate basis.

Paragraph (a) of subsection (3) was amended to require that each district shall expend at least 90% (increased from 80%) of the funds generated by each ESE Program Cost Factor on aggregate total school costs.

The House passed the Bill as amended.

VII. SIGNATURES:

On May 5, 2000 the Senate In Returning Messages Concurred with House Amendment 1 to Senate Amendment 1 and passed CS/HB 701 as amended.

# COMMITTEE ON EDUCATION APPROPRIATIONS: Prepared by: Staff Director: WILLIAM CECIL GOLDEN JOHN NEWMAN AS REVISED BY THE COMMITTEE ON GOVERNMENTAL OPERATIONS: Prepared by: Staff Director: Jennifer D. Krell Jimmy O. Helms FINAL ANALYSIS PREPARED BY THE COMMITTEE ON EDUCATION APPROPRIATIONS: Staff Director: Prepared by: Mark Armstrong John Newman