

1 A bill to be entitled
2 An act relating to public school funding;
3 creating the Citizens Commission on Funding
4 K-12 Education; providing legislative intent;
5 providing composition, organization, and duties
6 of the commission; assigning the commission to
7 the Office of Legislative Services for fiscal
8 and administrative purposes; authorizing
9 reimbursement to members for per diem and
10 travel expenses incurred in the performance of
11 commission duties; providing for appointment of
12 a director and employment of staff; authorizing
13 entering into contracts or agreements for
14 required expertise; authorizing application for
15 and acceptance of funds and services from
16 public and private sources; requiring
17 submission of draft and final recommendations
18 to improve the system of funding K-12 education
19 to the Governor, the President of the Senate,
20 the Speaker of the House of Representatives,
21 and the Commissioner of Education, and
22 providing for termination of the commission
23 upon submission of the final recommendations;
24 providing for public hearings around the state
25 prior to submission of the final
26 recommendations; amending s. 236.025, F.S.;
27 revising funding for exceptional student
28 education programs; amending s. 236.081, F.S.;
29 revising funding for exceptional student
30 education programs; amending s. 237.34, F.S.;
31 revising reporting requirements for exceptional

1 student education programs; providing an
2 effective date.

3
4 WHEREAS, the 1947 Legislature enacted a comprehensive
5 state system of public school funding referred to as the
6 Minimum Foundation Program (MFP), and the primary principles
7 of that system of funding remained in effect for 26 years, and

8 WHEREAS, at the end of more than 2 years of in-depth
9 analysis and development, assisted by national experts in
10 public school policy and funding, the 1973 Legislature enacted
11 the Florida Education Finance Program (FEFP) to replace the
12 MFP, and the primary principles of the FEFP have been in
13 effect for 26 years, and

14 WHEREAS, the 1994 Legislature enacted the Government
15 Performance and Accountability Act, requiring budgets to
16 include outcomes, performance measures, and standards, and

17 WHEREAS, the voters of the State of Florida, in the
18 November 1998 General Election, amended Section 1 of Article
19 IX of the State Constitution to state in part: "Adequate
20 provision shall be made by law for a uniform, efficient, safe,
21 secure, and high quality system of free public schools that
22 allows students to obtain a high quality education..." NOW,
23 THEREFORE,

24
25 Be It Enacted by the Legislature of the State of Florida:

26
27 Section 1. Citizens Commission on Funding K-12
28 Education.--

29 (1) INTENT.--It is the intent of the Legislature that
30 Florida's state system of public school funding:

31 (a) Continue to be constitutionally valid;

1 (b) Continue to incorporate the fundamental principle
2 of fairness for both students and taxpayers through "equity in
3 funding," by matching state funds with local funds;

4 (c) Continue to provide equity among schools within a
5 district as well as equity among school districts;

6 (d) Be aligned to implement performance-based
7 educational policies;

8 (e) Have as its major purpose the funding of direct
9 instruction to students;

10 (f) Be administered at the state and local levels in a
11 manner that incorporates appropriate provisions of
12 accountability for student learning, together with efficient
13 and effective use of resources to achieve this purpose;

14 (g) Not provide, without justification, preferential
15 funding to any district; and

16 (h) Be simple to explain to the public.

17 (2) CREATION OF COMMISSION.--The Citizens Commission
18 on Funding K-12 Education is hereby created and is assigned to
19 the Office of Legislative Services for fiscal and
20 administrative purposes. The commission shall be composed of
21 12 members who do not hold an elective office and who are
22 representative of the business and community leaders in each
23 region of the state. The Governor shall appoint four members,
24 including the chair and vice chair, the President of the
25 Senate shall appoint four members, and the Speaker of the
26 House of Representatives shall appoint four members. Members
27 of the commission shall serve without compensation, but may be
28 reimbursed for per diem and travel expenses incurred in the
29 performance of commission duties pursuant to s. 112.061,
30 Florida Statutes.

31 (3) DUTIES OF COMMISSION.--

1 (a) The commission shall examine Florida's system of
2 funding K-12 education as a whole entity, including the
3 interrelationship of the individual parts as they constitute
4 the total funding for the state and for each school district,
5 and shall also examine independently each specific component
6 of the system. Without limiting other areas of review or its
7 recommendations, the commission shall review the following:

8 1. Any litigation that has challenged the
9 constitutionality of Florida's system of educational funding,
10 and any similar litigation in other states, during the past
11 decade.

12 2. The relationship of state and local funding for
13 current operations.

14 3. The maintenance of funding equity in the allocation
15 of dollars among districts and among schools within districts.

16 4. The acquisition and support of technology to assist
17 in the instructional process.

18 5. Funding support for parental choice in the
19 selection of educational services for their children.

20 6. Funding public schools based on school performance
21 as measured by student achievement.

22 7. The results and recommendations of public school
23 funding studies conducted by nationally recognized experts,
24 groups, and other states.

25 8. Funding for students enrolled in "basic education
26 programs" compared to funding for students enrolled in
27 "special education programs."

28 9. The differences among school districts in
29 identifying students for weighted funding.

30 10. The use of prior year school district expenditures
31 to establish program cost factors.

1 11. The ratio of classroom teachers to total school
2 district employees.

3 12. The expenditure of funds for direct classroom
4 instruction compared to indirect expenditures.

5 13. Funding of educational facilities, including
6 district school impact fees, and funding for districts with
7 the greatest unmet need for new classrooms based on a district
8 effort index pursuant to s. 235.186, Florida Statutes.

9 14. The impact to local school districts of property
10 which is exempt from ad valorem taxation for the purpose of
11 public school funding.

12 15. Current practices relating to levels of ad valorem
13 assessments.

14 16. Funding of student transportation, including
15 rewards and sanctions based on efficient practices.

16 17. The relationship between the use of categorical
17 funds and FEFP funds, and whether categorical funding should
18 be continued.

19 (b) The chair of the commission shall appoint a
20 director, who shall be the chief administrative officer of the
21 commission. With approval of the chair, the director may
22 employ research and support staff to serve the needs of the
23 commission. All members of the commission staff are exempt
24 from the Career Service System and shall be employed in
25 accordance with the legislative personnel plan administered by
26 the Office of Legislative Services.

27 (c) The commission is authorized to enter into
28 contracts or agreements with individuals, organizations, or
29 firms to provide expertise required by the commission to
30 perform its duties.

31

1 (d) The commission is authorized to apply for and
2 accept funds, grants, donations, expenses, in-kind services,
3 or other valued goods or services from any public or private
4 source, including in-kind services of employees of the state
5 Department of Education, the school districts, and the state
6 universities.

7 (e) Following a thorough review and understanding of
8 Florida's system of funding K-12 education, the commission
9 shall submit recommendations to improve the system to the
10 Governor, the President of the Senate, the Speaker of the
11 House of Representatives, and the Commissioner of Education.
12 Draft recommendations shall be submitted by February 1, 2002,
13 and final recommendations shall be submitted by October 1,
14 2002. The commission shall cease to exist after the submission
15 of its final recommendations. The commission shall hold its
16 organizational meeting no later than September 1, 2000. Before
17 adopting final recommendations, the commission shall hold at
18 least one public hearing in the northeastern, panhandle,
19 central, and southern regions of the state.

20 Section 2. Section 236.025, Florida Statutes, is
21 amended to read:

22 236.025 Revised funding model for exceptional student
23 education programs.--

24 (1) The revised funding model for exceptional student
25 education programs is designed to: be better for students
26 than the existing funding system by encouraging school
27 districts and schools to identify and implement educationally
28 effective instructional delivery models; simplify funding by
29 utilizing two ~~five~~ weighted cost factors and a guaranteed
30 allocation; provide fiscal support for exceptional students in
31 general education classes; be outcome driven; ~~and~~ be revenue

1 neutral; and reduce the paperwork burden associated with state
2 funding. This funding model is designed to support both
3 traditional and new service delivery models along the
4 continuum of services required for exceptional students. It is
5 the intent of the Legislature, through the General
6 Appropriations Act, to minimize the fiscal impact on school
7 districts of the implementation of this funding model.

8 (2)(a) The revised funding model uses existing basic,
9 at-risk, and vocational ~~five~~ Florida Education Finance Program
10 cost factors, two exceptional education cost factors, and a
11 guaranteed allocation for exceptional student education
12 programs. Exceptional education cost factors are determined by
13 using a matrix of services to document the services that each
14 exceptional student will receive. The nature and intensity of
15 the services indicated on the matrix shall be consistent with
16 the services described in each exceptional student's
17 individual education plan.

18 (b) In order to generate funds using one of the two
19 weighted cost factors, a matrix of services must be completed
20 at the time of the student's initial placement into an
21 exceptional student education program and at least once every
22 3 years ~~least once each year~~ by ~~public school~~ personnel who
23 have received approved training. ~~Additionally, each time an~~
24 ~~exceptional student's individual education plan, family~~
25 ~~support plan, or education plan is reviewed, the matrix of~~
26 ~~services must also be reviewed.~~ Nothing listed in the matrix
27 shall be construed as limiting the services a school district
28 must provide in order to ensure that exceptional students are
29 provided a free, appropriate public education.

30 (c) Students identified as exceptional, in accordance
31 with chapter 6A-6, Florida Administrative Code, who do not

1 have a matrix of services as specified in paragraph (b) shall
2 generate funds on the basis of full-time-equivalent student
3 membership in the Florida Education Finance Program at the
4 same funding level per student as provided for basic students.
5 Additional funds for these exceptional students will be
6 provided through the guaranteed allocation designated in
7 subsection (3).

8 (3) For students identified as exceptional who do not
9 have a matrix of services, there is created a guaranteed
10 allocation to provide these students with a free appropriate
11 public education, in accordance with s. 230.23(4)(m) and rules
12 of the state board, which shall be allocated annually to each
13 school district in the amount provided in the General
14 Appropriations Act. These funds shall be in addition to the
15 funds appropriated on the basis of full-time-equivalent
16 student membership in the Florida Education Finance Program,
17 and the amount allocated for each school district shall not be
18 recalculated during the year. These funds shall be used to
19 provide special education and related services for exceptional
20 students.

21 (4)(3) The Department of Education shall revise its
22 monitoring systems for exceptional student education programs
23 to include a review of delivery of services as indicated on
24 the matrix of services.

25 (5)(4) The Department of Education shall adopt
26 ~~promulgate~~ rules necessary to implement the revised funding
27 model.

28 ~~(5) The funding level in the 1997-1998 FEFP for~~
29 ~~exceptional student education shall be guaranteed for 3 years~~
30 ~~so that no district will have a financial uncertainty during~~
31 ~~the initial implementation of the revised funding model.~~

1 Section 3. Paragraphs (c) and (d) of subsection (1) of
2 section 236.081, Florida Statutes, are amended to read:

3 236.081 Funds for operation of schools.--If the annual
4 allocation from the Florida Education Finance Program to each
5 district for operation of schools is not determined in the
6 annual appropriations act or the substantive bill implementing
7 the annual appropriations act, it shall be determined as
8 follows:

9 (1) COMPUTATION OF THE BASIC AMOUNT TO BE INCLUDED FOR
10 OPERATION.--The following procedure shall be followed in
11 determining the annual allocation to each district for
12 operation:

13 (c) Determination of programs.--Cost factors based on
14 desired relative cost differences between the following
15 programs shall be established in the annual General
16 Appropriations Act. The Commissioner of Education shall
17 specify a matrix of services and intensity levels to be used
18 by districts in the determination of the two weighted cost
19 factors for exceptional students with the highest levels of
20 need. For these students, the funding support level shall fund
21 the exceptional students' education program, with the
22 exception of extended school year services for students with
23 disabilities.funding support for each exceptional student.
24 ~~The funding support level for each exceptional student shall~~
25 ~~fund the exceptional student's total education program.~~

- 26 1. Basic programs.--
27 a. Kindergarten and grades 1, 2, and 3.
28 b. Grades 4, 5, 6, 7, and 8.
29 c. Grades 9, 10, 11, and 12.
30 2. Programs for exceptional students.--
31 a. ~~Support Level I.~~

- 1 ~~b. Support Level II.~~
2 ~~c. Support Level III.~~
3 a.d. Support Level IV.
4 b.e. Support Level V.
5 3. Secondary career education programs.--
6 ~~4. Students at risk programs.--~~
7 ~~a. Dropout prevention and teenage parents.~~
8 4.b. English for Speakers of Other Languages.--
9 (d) Annual allocation calculation.--
10 1. The Department of Education is authorized and
11 directed to review all district programs and enrollment
12 projections and calculate a maximum total weighted full-time
13 equivalent student enrollment for each district for the K-12
14 FEFP.
15 2. Maximum enrollments calculated by the department
16 shall be derived from enrollment estimates used by the
17 Legislature to calculate the FEFP. If two or more districts
18 enter into an agreement under the provisions of s.
19 230.23(4)(d), after the final enrollment estimate is agreed
20 upon, the amount of FTE specified in the agreement, not to
21 exceed the estimate for the specific program as identified in
22 paragraph (c), may be transferred from the participating
23 districts to the district providing the program.
24 3. As part of its calculation of each district's
25 maximum total weighted full-time equivalent student
26 enrollment, the department shall establish separate enrollment
27 ceilings for each of two program groups. Group 1 shall be
28 composed of grades K-3, grades 4-8, and grades 9-12. Group 2
29 shall be composed of students in exceptional student education
30 programs, English for Speakers of Other Languages
31 ~~students at risk~~ programs, all basic programs other than the

1 programs in group 1, and all vocational programs in grades
2 7-12.

3 a. The weighted enrollment ceiling for group 2
4 programs shall be calculated by multiplying the final
5 enrollment conference estimate for each program by the
6 appropriate program weight. The weighted enrollment ceiling
7 for program group 2 shall be the sum of the weighted
8 enrollment ceilings for each program in the program group,
9 plus the increase in weighted full-time equivalent student
10 membership from the prior year for clients of the Department
11 of Children and Family Services and the Department of Juvenile
12 Justice.

13 b. If, for any calculation of the FEFP, the weighted
14 enrollment for program group 2, derived by multiplying actual
15 enrollments by appropriate program weights, exceeds the
16 enrollment ceiling for that group, the following procedure
17 shall be followed to reduce the weighted enrollment for that
18 group to equal the enrollment ceiling:

19 (I) The weighted enrollment ceiling for each program
20 in the program group shall be subtracted from the weighted
21 enrollment for that program derived from actual enrollments.

22 (II) If the difference calculated under
23 sub-sub-subparagraph (I) is greater than zero for any program,
24 a reduction proportion shall be computed for the program by
25 dividing the absolute value of the difference by the total
26 amount by which the weighted enrollment for the program group
27 exceeds the weighted enrollment ceiling for the program group.

28 (III) The reduction proportion calculated under
29 sub-sub-subparagraph (II) shall be multiplied by the total
30 amount of the program group's enrollment over the ceiling as
31 calculated under sub-sub-subparagraph (I).

1 (IV) The prorated reduction amount calculated under
2 sub-sub-subparagraph (III) shall be subtracted from the
3 program's weighted enrollment. For any calculation of the
4 FEFP, the enrollment ceiling for group 1 shall be calculated
5 by multiplying the actual enrollment for each program in the
6 program group by its appropriate program weight.

7 c. For program group 2, the weighted enrollment
8 ceiling shall be a number not less than the sum obtained by:

9 (I) Multiplying the sum of reported FTE for all
10 programs in the program group that have a cost factor of 1.0
11 or more by 1.0, and

12 (II) By adding this number to the sum obtained by
13 multiplying the projected FTE for all programs with a cost
14 factor less than 1.0 by the actual cost factor.

15 4. Following completion of the weighted enrollment
16 ceiling calculation as provided in subparagraph 3., a
17 supplemental capping calculation shall be employed for those
18 districts that are over their weighted enrollment ceiling. For
19 each such district, the total reported unweighted FTE
20 enrollment for group 2 programs shall be compared with the
21 total appropriated unweighted FTE enrollment for group 2
22 programs. If the total reported unweighted FTE for group 2 is
23 greater than the appropriated unweighted FTE, then the excess
24 unweighted FTE up to the unweighted FTE transferred from group
25 2 to group 1 for each district by the Public School FTE
26 Estimating Conference shall be funded at a weight of 1.0 and
27 added to the funded weighted FTE computed in subparagraph 3.
28 This adjustment shall be calculated beginning with the third
29 calculation of the 1998-1999 FEFP.

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1 Section 4. Paragraph (b) of subsection (2) and
2 paragraph (a) of subsection (3) of section 237.34, Florida
3 Statutes, are amended to read:

4 237.34 Cost accounting and reporting.--

5 (2) COST REPORTING.--

6 (b) Each district shall report on a school-by-school
7 and on an aggregate district basis expenditures for each
8 program funded in s. 236.081(1)(c), ~~except that programs for~~
9 ~~exceptional students shall be reported on an aggregate basis.~~

10 (3) PROGRAM EXPENDITURE REQUIREMENTS.--

11 (a) Each district shall expend at least the percent of
12 the funds generated by each of the programs listed herein on
13 the aggregate total school costs for such programs:

14 1. Kindergarten and grades 1, 2, and 3, 90 percent.

15 2. Grades 4, 5, 6, 7, and 8, 80 percent.

16 3. Grades 9, 10, 11, and 12, 80 percent.

17 4. Programs for exceptional students, on an aggregate
18 program basis, 90 ~~80~~ percent.

19 5. Grades 7 through 12 vocational education programs,
20 on an aggregate program basis, 80 percent.

21 6. Students-at-risk programs, on an aggregate program
22 basis, 80 percent.

23 7. Juvenile justice programs, on an aggregate program
24 basis, 80 percent.

25 8. Any new program established and funded under s.
26 236.081(1)(c), that is not included under subparagraphs 1.
27 through 6., on an aggregate basis as appropriate, 80 percent.

28 Section 5. This act shall take effect upon becoming a
29 law.

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31