By Senator Bennett

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21-652-03 See HB 15

A bill to be entitled 1 2 An act relating to funding for school districts; amending s. 1011.62, F.S.; deleting 3 4 the determination of district cost 5 differentials for the purpose of allocation of funds to school districts for operation of 6 7 schools; correcting cross-references; amending s. 1011.68, F.S.; deleting use of the Florida 8 9 Price Level Index for the purpose of allocation of funds to school districts for student 10 transportation; amending ss. 110.1228, 213.053, 11 12 402.22, 1002.38, 1002.39, 1004.75, 1010.20, 1011.02, 1011.71, 1012.44, and 1012.64, F.S.; 13 conforming provisions and correcting 14 cross-references; providing an effective date. 15 16 17 Be It Enacted by the Legislature of the State of Florida: 18 19 Section 1. Section 1011.62, Florida Statutes, is amended to read: 20 21 1011.62 Funds for operation of schools. -- If the annual 22 allocation from the Florida Education Finance Program to each district for operation of schools is not determined in the 23 annual appropriations act or the substantive bill implementing 24 25 the annual appropriations act, it shall be determined as follows: 26 27 (1) COMPUTATION OF THE BASIC AMOUNT TO BE INCLUDED FOR 28 OPERATION. -- The following procedure shall be followed in determining the annual allocation to each district for 29 30 operation:

- (a) Determination of full-time equivalent membership.--During each of several school weeks, including scheduled intersessions of a year-round school program during the fiscal year, a program membership survey of each school shall be made by each district by aggregating the full-time equivalent student membership of each program by school and by district. The department shall establish the number and interval of membership calculations, except that for basic and special programs such calculations shall not exceed nine for any fiscal year. The district's full-time equivalent membership shall be computed and currently maintained in accordance with regulations of the commissioner.
- (b) Determination of base student allocation.--The base student allocation for the Florida Education Finance Program for kindergarten through grade 12 shall be determined annually by the Legislature and shall be that amount prescribed in the current year's General Appropriations Act.
- (c) Determination of programs.—Cost factors based on desired relative cost differences between the following programs shall be established in the annual General Appropriations Act. The Commissioner of Education shall specify a matrix of services and intensity levels to be used by districts in the determination of the two weighted cost factors for exceptional students with the highest levels of need. For these students, the funding support level shall fund the exceptional students' education program, with the exception of extended school year services for students with disabilities.
 - 1. Basic programs.--
 - a. Kindergarten and grades 1, 2, and 3.
 - b. Grades 4, 5, 6, 7, and 8.

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- 1 Grades 9, 10, 11, and 12. c.
 - 2. Programs for exceptional students. --
 - Support Level IV. a.
 - b. Support Level V.
 - Secondary career and technical education 3. programs. --
 - English for Speakers of Other Languages .--
 - (d) Annual allocation calculation. --
 - The Department of Education is authorized and directed to review all district programs and enrollment projections and calculate a maximum total weighted full-time equivalent student enrollment for each district for the K-12 FEFP.
 - 2. Maximum enrollments calculated by the department shall be derived from enrollment estimates used by the Legislature to calculate the FEFP. If two or more districts enter into an agreement under the provisions of s. 1001.42(4)(d), after the final enrollment estimate is agreed upon, the amount of FTE specified in the agreement, not to exceed the estimate for the specific program as identified in paragraph (c), may be transferred from the participating districts to the district providing the program.
- 3. As part of its calculation of each district's maximum total weighted full-time equivalent student enrollment, the department shall establish separate enrollment ceilings for each of two program groups. Group 1 shall be composed of basic programs for grades K-3, grades 4-8, and grades 9-12. Group 2 shall be composed of students in exceptional student education programs, English for Speakers of Other Languages programs, and all career and technical 31 programs in grades 7-12.

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- The weighted enrollment ceiling for group 2 programs shall be calculated by multiplying the final enrollment conference estimate for each program by the appropriate program weight. The weighted enrollment ceiling for program group 2 shall be the sum of the weighted enrollment ceilings for each program in the program group, plus the increase in weighted full-time equivalent student membership from the prior year for clients of the Department of Children and Family Services and the Department of Juvenile Justice.
- If, for any calculation of the FEFP, the weighted enrollment for program group 2, derived by multiplying actual enrollments by appropriate program weights, exceeds the enrollment ceiling for that group, the following procedure shall be followed to reduce the weighted enrollment for that group to equal the enrollment ceiling:
- (I) The weighted enrollment ceiling for each program in the program group shall be subtracted from the weighted enrollment for that program derived from actual enrollments.
- (II) If the difference calculated under sub-sub-subparagraph (I) is greater than zero for any program, a reduction proportion shall be computed for the program by dividing the absolute value of the difference by the total amount by which the weighted enrollment for the program group exceeds the weighted enrollment ceiling for the program group.
- The reduction proportion calculated under sub-sub-subparagraph (II) shall be multiplied by the total amount of the program group's enrollment over the ceiling as calculated under sub-sub-subparagraph (I).
- (IV) The prorated reduction amount calculated under 31 sub-sub-subparagraph (III) shall be subtracted from the

program's weighted enrollment. For any calculation of the FEFP, the enrollment ceiling for group 1 shall be calculated by multiplying the actual enrollment for each program in the program group by its appropriate program weight.

- c. For program group 2, the weighted enrollment ceiling shall be a number not less than the sum obtained by:
- (I) Multiplying the sum of reported FTE for all programs in the program group that have a cost factor of 1.0 or more by 1.0, and
- (II) By adding this number to the sum obtained by multiplying the projected FTE for all programs with a cost factor less than 1.0 by the actual cost factor.
- 4. Following completion of the weighted enrollment ceiling calculation as provided in subparagraph 3., a supplemental capping calculation shall be employed for those districts that are over their weighted enrollment ceiling. For each such district, the total reported unweighted FTE enrollment for group 2 programs shall be compared with the total appropriated unweighted FTE enrollment for group 2 programs. If the total reported unweighted FTE for group 2 is greater than the appropriated unweighted FTE, then the excess unweighted FTE up to the unweighted FTE transferred from group 2 to group 1 for each district by the Public School FTE Estimating Conference shall be funded at a weight of 1.0 and added to the funded weighted FTE computed in subparagraph 3.
- (e) Funding model for exceptional student education programs.--
- 1.a. The funding model uses basic, at-risk, support levels IV and V for exceptional students and career and technical Florida Education Finance Program cost factors, and a guaranteed allocation for exceptional student education

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programs. Exceptional education cost factors are determined by using a matrix of services to document the services that each exceptional student will receive. The nature and intensity of the services indicated on the matrix shall be consistent with the services described in each exceptional student's individual educational plan.

- In order to generate funds using one of the two weighted cost factors, a matrix of services must be completed at the time of the student's initial placement into an exceptional student education program and at least once every 3 years by personnel who have received approved training. Nothing listed in the matrix shall be construed as limiting the services a school district must provide in order to ensure that exceptional students are provided a free, appropriate public education.
- Students identified as exceptional, in accordance with chapter 6A-6, Florida Administrative Code, who do not have a matrix of services as specified in sub-subparagraph b. shall generate funds on the basis of full-time-equivalent student membership in the Florida Education Finance Program at the same funding level per student as provided for basic students. Additional funds for these exceptional students will be provided through the guaranteed allocation designated in subparagraph 2.
- 2. For students identified as exceptional who do not have a matrix of services, there is created a guaranteed allocation to provide these students with a free appropriate public education, in accordance with s. 1001.42(4)(m) and rules of the State Board of Education, which shall be allocated annually to each school district in the amount 31 provided in the General Appropriations Act. These funds shall

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30 31 be in addition to the funds appropriated on the basis of FTE student membership in the Florida Education Finance Program, and the amount allocated for each school district shall not be recalculated during the year. These funds shall be used to provide special education and related services for exceptional students.

- (f) Supplemental academic instruction; categorical
 fund.--
- 1. There is created a categorical fund to provide supplemental academic instruction to students in kindergarten through grade 12. This paragraph may be cited as the "Supplemental Academic Instruction Categorical Fund."
- 2. Categorical funds for supplemental academic instruction shall be allocated annually to each school district in the amount provided in the General Appropriations Act. These funds shall be in addition to the funds appropriated on the basis of FTE student membership in the Florida Education Finance Program and shall be included in the total potential funds of each district. These funds shall be used to provide supplemental academic instruction to students enrolled in the K-12 program. Supplemental instruction strategies may include, but are not limited to: modified curriculum, reading instruction, after-school instruction, tutoring, mentoring, class size reduction, extended school year, intensive skills development in summer school, and other methods for improving student achievement. Supplemental instruction may be provided to a student in any manner and at any time during or beyond the regular 180-day term identified by the school as being the most effective and efficient way to best help that student progress from grade to grade and to graduate.

- 3. Effective with the 1999-2000 fiscal year, funding on the basis of FTE membership beyond the 180-day regular term shall be provided in the FEFP only for students enrolled in juvenile justice education programs. Funding for instruction beyond the regular 180-day school year for all other K-12 students shall be provided through the supplemental academic instruction categorical fund and other state, federal, and local fund sources with ample flexibility for schools to provide supplemental instruction to assist students in progressing from grade to grade and graduating.
- 4. The Florida State University School, as a developmental research school, is authorized to expend from its FEFP or Lottery Enhancement Trust Fund allocation the cost to the student of remediation in reading, writing, or mathematics for any graduate who requires remediation at a postsecondary educational institution.
- 5. Beginning in the 1999-2000 school year, dropout prevention programs as defined in ss. 1003.52, 1003.53(1)(a), (b), and (c), and 1003.54 shall be included in group 1 programs under subparagraph (d)3.
- (g) Education for speakers of other languages.--A school district shall be eligible to report full-time equivalent student membership in the ESOL program in the Florida Education Finance Program provided the following conditions are met:
- 1. The school district has a plan approved by the Department of Education.
- 2. The eligible student is identified and assessed as limited English proficient based on assessment criteria.
- 3.a. An eligible student may be reported for funding in the ESOL program for a base period of 3 years. However, a

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student whose English competency does not meet the criteria for proficiency after 3 years in the ESOL program may be reported for a fourth, fifth, and sixth year of funding, provided his or her limited English proficiency is assessed and properly documented prior to his or her enrollment in each additional year beyond the 3-year base period.

- If a student exits the program and is later reclassified as limited English proficient, the student may be reported in the ESOL program for funding for an additional year, or extended annually for a period not to exceed a total of 6 years pursuant to this paragraph, based on an annual evaluation of the student's status.
- 4. An eligible student may be reported for funding in the ESOL program for membership in ESOL instruction in English and ESOL instruction or home language instruction in the basic subject areas of mathematics, science, social studies, and computer literacy.
- (h) Small, isolated high schools. -- Districts which levy the maximum nonvoted discretionary millage, exclusive of millage for capital outlay purposes levied pursuant to s. 1011.71(2), may calculate full-time equivalent students for small, isolated high schools by multiplying the number of unweighted full-time equivalent students times 2.75; provided the percentage of students at such school passing both parts of the high school competency test, as defined by law and rule, has been equal to or higher than such percentage for the state or district, whichever is greater. For the purpose of this section, the term "small, isolated high school" means any high school which is located no less than 28 miles by the shortest route from another high school; which has been 31 serving students primarily in basic studies provided by

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sub-subparagraphs (c)1.b. and c. and may include subparagraph (c)4.; and which has a membership of no more than 100 students, but no fewer than 28 students, in grades 9 through 12.

(i) Calculation of full-time equivalent membership with respect to instruction from community colleges or state universities .-- Students enrolled in community college or university dual enrollment instruction pursuant to s. 1007.271 may be included in calculations of full-time equivalent student memberships for basic programs for grades 9 through 12 by a district school board. Such students may also be calculated as the proportional shares of full-time equivalent enrollments they generate for the community college or university conducting the dual enrollment instruction. Early admission students shall be considered dual enrollments for funding purposes. Students may be enrolled in dual enrollment instruction provided by an eligible independent college or university and may be included in calculations of full-time equivalent student memberships for basic programs for grades 9 through 12 by a district school board. However, those provisions of law which exempt dual enrolled and early admission students from payment of instructional materials and tuition and fees, including laboratory fees, shall not apply to students who select the option of enrolling in an eligible independent institution. An independent college or university which is located and chartered in Florida, is not for profit, is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools or the Accrediting Commission of the Association of Independent Colleges and Schools, and which confers degrees as defined in s. 1005.02 31 shall be eligible for inclusion in the dual enrollment or

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early admission program. Students enrolled in dual enrollment instruction shall be exempt from the payment of tuition and fees, including laboratory fees. No student enrolled in college credit mathematics or English dual enrollment instruction shall be funded as a dual enrollment unless the student has successfully completed the relevant section of the entry-level examination required pursuant to s. 1008.30.

- (j) Coenrollment.--If a high school student wishes to earn high school credits from a community college and enrolls in one or more adult secondary education courses at the community college, the community college shall be reimbursed for the costs incurred because of the high school student's coenrollment as provided in the General Appropriations Act.
- (k) Instruction in exploratory career education.—Students in grades 7 through 12 who are enrolled for more than four semesters in exploratory career education may not be counted as full-time equivalent students for this instruction.
- (1) Calculation of additional full-time equivalent membership based on international baccalaureate examination scores of students.—A value of 0.24 full-time equivalent student membership shall be calculated for each student enrolled in an international baccalaureate course who receives a score of 4 or higher on a subject examination. A value of 0.3 full-time equivalent student membership shall be calculated for each student who receives an international baccalaureate diploma. Such value shall be added to the total full-time equivalent student membership in basic programs for grades 9 through 12 in the subsequent fiscal year. The school district shall distribute to each classroom teacher who provided international baccalaureate instruction:

- 1. A bonus in the amount of \$50 for each student taught by the International Baccalaureate teacher in each international baccalaureate course who receives a score of 4 or higher on the international baccalaureate examination.
- 2. An additional bonus of \$500 to each International Baccalaureate teacher in a school designated performance grade category "D" or "F" who has at least one student scoring 4 or higher on the international baccalaureate examination, regardless of the number of classes taught or of the number of students scoring a 4 or higher on the international baccalaureate examination.

Bonuses awarded to a teacher according to this paragraph shall not exceed \$2,000 in any given school year and shall be in addition to any regular wage or other bonus the teacher received or is scheduled to receive.

(m) Calculation of additional full-time equivalent membership based on Advanced International Certificate of Education examination scores of students.—A value of 0.24 full-time equivalent student membership shall be calculated for each student enrolled in a full-credit Advanced International Certificate of Education course who receives a score of 2 or higher on a subject examination. A value of 0.12 full-time equivalent student membership shall be calculated for each student enrolled in a half-credit Advanced International Certificate of Education course who receives a score of 1 or higher on a subject examination. A value of 0.3 full-time equivalent student membership shall be calculated for each student who received an Advanced International Certificate of Education diploma. Such value shall be added to

the total full-time equivalent student membership in basic

 programs for grades 9 through 12 in the subsequent fiscal year. The school district shall distribute to each classroom teacher who provided Advanced International Certificate of Education instruction:

- 1. A bonus in the amount of \$50 for each student taught by the Advanced International Certificate of Education teacher in each full-credit Advanced International Certificate of Education course who receives a score of 2 or higher on the Advanced International Certificate of Education examination. A bonus in the amount of \$25 for each student taught by the Advanced International Certificate of Education teacher in each half-credit Advanced International Certificate of Education course who receives a score of 1 or higher on the Advanced International Certificate of Education examination.
- 2. An additional bonus of \$500 to each Advanced International Certificate of Education teacher in a school designated performance grade category "D" or "F" who has at least one student scoring 2 or higher on the full-credit Advanced International Certificate of Education examination, regardless of the number of classes taught or of the number of students scoring a 2 or higher on the full-credit Advanced International Certificate of Education examination.
- 3. Additional bonuses of \$250 each to teachers of half-credit Advanced International Certificate of Education classes in a school designated performance grade category "D" or "F" which has at least one student scoring a 1 or higher on the half-credit Advanced International Certificate of Education examination in that class. The maximum additional bonus for a teacher awarded in accordance with this subparagraph shall not exceed \$500 in any given school year.

Teachers receiving an award under subparagraph 2. are not eligible for a bonus under this subparagraph.

Bonuses awarded to a teacher according to this paragraph shall not exceed \$2,000 in any given school year and shall be in addition to any regular wage or other bonus the teacher received or is scheduled to receive.

- (n) Calculation of additional full-time equivalent membership based on college board advanced placement scores of students.—A value of 0.24 full-time equivalent student membership shall be calculated for each student in each advanced placement course who receives a score of 3 or higher on the College Board Advanced Placement Examination for the prior year and added to the total full-time equivalent student membership in basic programs for grades 9 through 12 in the subsequent fiscal year. Each district must allocate at least 80 percent of the funds provided to the district for advanced placement instruction, in accordance with this paragraph, to the high school that generates the funds. The school district shall distribute to each classroom teacher who provided advanced placement instruction:
- 1. A bonus in the amount of \$50 for each student taught by the Advanced Placement teacher in each advanced placement course who receives a score of 3 or higher on the College Board Advanced Placement Examination.
- 2. An additional bonus of \$500 to each Advanced Placement teacher in a school designated performance grade category "D" or "F" who has at least one student scoring 3 or higher on the College Board Advanced Placement Examination, regardless of the number of classes taught or of the number of

students scoring a 3 or higher on the College Board Advanced Placement Examination.

Bonuses awarded to a teacher according to this paragraph shall not exceed \$2,000 in any given school year and shall be in addition to any regular wage or other bonus the teacher received or is scheduled to receive.

- (o) Year-round-school programs.--The Commissioner of Education is authorized to adjust student eligibility definitions, funding criteria, and reporting requirements of statutes and rules in order that year-round-school programs may achieve equivalent application of funding requirements with non-year-round-school programs.
- (p) Extended-school-year program.—It is the intent of the Legislature that students be provided additional instruction by extending the school year to 210 days or more. Districts may apply to the Commissioner of Education for funds to be used in planning and implementing an extended-school-year program. The Department of Education shall recommend to the Legislature the policies necessary for full implementation of an extended school year.
- (q) Determination of the basic amount for current operation.—The basic amount for current operation to be included in the Florida Education Finance Program for kindergarten through grade 12 for each district shall be the product of the following:
- 1. The full-time equivalent student membership in each program, multiplied by
- 2. The cost factor for each program, adjusted for the maximum as provided by paragraph (c), multiplied by
 - 3. The base student allocation.

1 (r) Computation for funding through the Florida
2 Education Finance Program.--The State Board of Education may
3 adopt rules establishing programs and courses for which the
4 student may earn credit toward high school graduation.
5 (2) DETERMINATION OF DISTRICT COST DIFFERENTIALS.--The

(2) DETERMINATION OF DISTRICT COST DIFFERENTIALS.--The Commissioner of Education 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 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; the sum thus obtained shall be the cost differential for that district for that year.

(2)(3) INSERVICE EDUCATIONAL PERSONNEL TRAINING EXPENDITURE.—Of the amount computed in <u>subsection</u> subsections (1) and (2), a percentage of the base student allocation per full-time equivalent student or other funds shall be expended for educational training programs as determined by the district school board as provided in s. 1012.98.

(3)(4) COMPUTATION OF DISTRICT REQUIRED LOCAL EFFORT.—The Legislature shall prescribe the aggregate required local effort for all school districts collectively as an item in the General Appropriations Act for each fiscal year. The amount that each district shall provide annually toward the cost of the Florida Education Finance Program for kindergarten through grade 12 programs shall be calculated as follows:

- (a) Estimated taxable value calculations.--
- 1.a. Not later than 2 working days prior to July 19, the Department of Revenue shall certify to the Commissioner of

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Education its most recent estimate of the taxable value for school purposes in each school district and the total for all school districts in the state for the current calendar year based on the latest available data obtained from the local property appraisers. Not later than July 19, the Commissioner of Education shall compute a millage rate, rounded to the next highest one one-thousandth of a mill, which, when applied to 95 percent of the estimated state total taxable value for school purposes, would generate the prescribed aggregate required local effort for that year for all districts. The Commissioner of Education shall certify to each district school board the millage rate, computed as prescribed in this subparagraph, as the minimum millage rate necessary to provide the district required local effort for that year.

- b. The General Appropriations Act shall direct the computation of the statewide adjusted aggregate amount for required local effort for all school districts collectively from ad valorem taxes to ensure that no school district's revenue from required local effort millage will produce more than 90 percent of the district's total Florida Education Finance Program calculation, and the adjustment of the required local effort millage rate of each district that produces more than 90 percent of its total Florida Education Finance Program entitlement to a level that will produce only 90 percent of its total Florida Education Finance Program entitlement in the July calculation.
- 2. As revised data are received from property appraisers, the Department of Revenue shall amend the certification of the estimate of the taxable value for school purposes. The Commissioner of Education, in administering the

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provisions of subparagraph (8) (9) (a) 2., shall use the most recent taxable value for the appropriate year.

- (b) Final calculation .--
- 1. The Department of Revenue shall, upon receipt of the official final assessed value of property from each of the property appraisers, certify to the Commissioner of Education the taxable value total for school purposes in each school district, subject to the provisions of paragraph (d). The commissioner shall use the official final taxable value for school purposes for each school district in the final calculation of the annual Florida Education Finance Program allocations.
- 2. For the purposes of this paragraph, the official final taxable value for school purposes shall be the taxable value for school purposes on which the tax bills are computed and mailed to the taxpayers, adjusted to reflect final administrative actions of value adjustment boards and judicial decisions pursuant to part I of chapter 194. By September 1 of each year, the Department of Revenue shall certify to the commissioner the official prior year final taxable value for school purposes. For each county that has not submitted a revised tax roll reflecting final value adjustment board actions and final judicial decisions, the Department of Revenue shall certify the most recent revision of the official taxable value for school purposes. The certified value shall be the final taxable value for school purposes, and no further adjustments shall be made, except those made pursuant to $subparagraph(8) \frac{(9)}{(a)} (a) 2.$
 - (c) Equalization of required local effort.--
- 1. The Department of Revenue shall include with its certifications provided pursuant to paragraph (a) its most

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recent determination of the assessment level of the prior year's assessment roll for each county and for the state as a whole.

- 2. The Commissioner of Education shall adjust the required local effort millage of each district for the current year, computed pursuant to paragraph (a), as follows:
- The equalization factor for the prior year's assessment roll of each district shall be multiplied by 95 percent of the taxable value for school purposes shown on that roll and by the prior year's required local-effort millage, exclusive of any equalization adjustment made pursuant to this paragraph. The dollar amount so computed shall be the additional required local effort for equalization for the current year.
- b. Such equalization factor shall be computed as the quotient of the prior year's assessment level of the state as a whole divided by the prior year's assessment level of the county, from which quotient shall be subtracted 1.
- The dollar amount of additional required local effort for equalization for each district shall be converted to a millage rate, based on 95 percent of the current year's taxable value for that district, and added to the required local effort millage determined pursuant to paragraph (a).
- 3. Notwithstanding the limitations imposed pursuant to s. 1011.71(1), the total required local-effort millage, including additional required local effort for equalization, shall be an amount not to exceed 10 minus the maximum millage allowed as nonvoted discretionary millage, exclusive of millage authorized pursuant to s. 1011.71(2). Nothing herein shall be construed to allow a millage in excess of that 31 authorized in s. 9, Art. VII of the State Constitution.

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- For the purposes of this chapter, the term "assessment level" means the value-weighted mean assessment ratio for the county or state as a whole, as determined pursuant to s. 195.096, or as subsequently adjusted. In the event a court has adjudicated that the department failed to establish an accurate estimate of an assessment level of a county and recomputation resulting in an accurate estimate based upon the evidence before the court was not possible, that county shall be presumed to have an assessment level equal to that of the state as a whole.
- If, in the prior year, taxes were levied against an interim assessment roll pursuant to s. 193.1145, the assessment level and prior year's nonexempt assessed valuation used for the purposes of this paragraph shall be those of the interim assessment roll.
 - (d) Exclusion. --
 - In those instances in which:
- There is litigation either attacking the authority of the property appraiser to include certain property on the tax assessment roll as taxable property or contesting the assessed value of certain property on the tax assessment roll, and
- The assessed value of the property in contest involves more than 6 percent of the total nonexempt assessment roll, the plaintiff shall provide to the district school board of the county in which the property is located and to the Department of Education a certified copy of the petition and receipt for the good faith payment at the time they are filed with the court.
- 2. For purposes of computing the required local effort 31 for each district affected by such petition, the Department of

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Education shall exclude from the district's total nonexempt assessment roll the assessed value of the property in contest and shall add the amount of the good faith payment to the district's required local effort.

(e) Recomputation.--Following final adjudication of any litigation on the basis of which an adjustment in taxable value was made pursuant to paragraph (d), the department shall recompute the required local effort for each district for each year affected by such adjustments, utilizing taxable values approved by the court, and shall adjust subsequent allocations to such districts accordingly.

(4)(5) CATEGORICAL FUNDS.--

- (a) In addition to the basic amount for current operations for the FEFP as determined in subsection (1), the Legislature may appropriate categorical funding for specified programs, activities, or purposes.
- (b) For fiscal year 2002-2003, if a district school board finds and declares in a resolution adopted at a regular meeting of the school board that the funds received for any of the following categorical appropriations are urgently needed to maintain school board specified academic classroom instruction, the school board may consider and approve an amendment to the school district operating budget transferring the identified amount of the categorical funds to the appropriate account for expenditure:
 - 1. Funds for student transportation.
- 2. Funds for in-service educational personnel training.
 - 3. Funds for safe schools.
 - 4. Funds for public school technology.
 - 5. Funds for teacher recruitment and retention.

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- 6. Funds for supplemental academic instruction.
- (c) Each district school board shall include in its annual financial report to the Department of Education the amount of funds the school board transferred from each of the categorical funds identified in this subsection and the specific academic classroom instruction for which the transferred funds were expended. The Department of Education shall provide instructions and specify the format to be used in submitting this required information as a part of the district annual financial report.
 - (5)(6) DETERMINATION OF SPARSITY SUPPLEMENT.--
- (a) Annually, in an amount to be determined by the Legislature through the General Appropriations Act, there shall be added to the basic amount for current operation of the FEFP qualified districts a sparsity supplement which shall be computed as follows:

1101.8918 Sparsity Factor = 2700 + district - 0.1101 sparsity index

except that districts with a sparsity index of 1,000 or less shall be computed as having a sparsity index of 1,000, and districts having a sparsity index of 7,308 and above shall be computed as having a sparsity factor of zero. A qualified district's full-time equivalent student membership shall equal or be less than that prescribed annually by the Legislature in the appropriations act. The amount prescribed annually by the Legislature shall be no less than 17,000, but no more than 31 24,000.

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- (b) The district sparsity index shall be computed by dividing the total number of full-time equivalent students in all programs in the district by the number of senior high school centers in the district, not in excess of three, which centers are approved as permanent centers by a survey made by the Department of Education.
- (c) Each district's allocation of sparsity supplement funds shall be adjusted in the following manner:
- A maximum discretionary levy per FTE value for each district shall be calculated by dividing the value of each district's maximum discretionary levy by its FTE student count;
- 2. A state average discretionary levy value per FTE shall be calculated by dividing the total maximum discretionary levy value for all districts by the state total FTE student count;
- 3. For districts that have a levy value per FTE as calculated in subparagraph 1. higher than the state average calculated in subparagraph 2., a sparsity wealth adjustment shall be calculated as the product of the difference between the state average levy value per FTE calculated in subparagraph 2. and the district's levy value per FTE calculated in subparagraph 1. and the district's FTE student count and -1;
- 4. Each district's sparsity supplement allocation shall be calculated by adding the amount calculated as specified in paragraphs (a) and (b) and the wealth adjustment amount calculated in this paragraph.
- $\underline{(6)}$ (7) DECLINE IN FULL-TIME EQUIVALENT STUDENTS.--In those districts where there is a decline between prior year and current year unweighted FTE students, 50 percent of the

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30 31 decline in the unweighted FTE students shall be multiplied by the prior year calculated FEFP per unweighted FTE student and shall be added to the allocation for that district. For this purpose, the calculated FEFP shall be computed by multiplying the weighted FTE students by the base student allocation and then by the district cost differential. If a district transfers a program to another institution not under the authority of the district's school board, including a charter technical career center, the decline is to be multiplied by a factor of 0.15.

(7)(8) QUALITY ASSURANCE GUARANTEE.--The Legislature may annually in the General Appropriations Act determine a percentage increase in funds per K-12 unweighted FTE as a minimum guarantee to each school district. The guarantee shall be calculated from prior year base funding per unweighted FTE student which shall include the adjusted FTE dollars as provided in subsection(8)(9), quality guarantee funds, and actual nonvoted discretionary local effort from taxes. From the base funding per unweighted FTE, the increase shall be calculated for the current year. The current year funds from which the guarantee shall be determined shall include the adjusted FTE dollars as provided in subsection (8) (9) and potential nonvoted discretionary local effort from taxes. A comparison of current year funds per unweighted FTE to prior year funds per unweighted FTE shall be computed. For those school districts which have less than the legislatively assigned percentage increase, funds shall be provided to quarantee the assigned percentage increase in funds per unweighted FTE student. Should appropriated funds be less than the sum of this calculated amount for all districts, the commissioner shall prorate each district's allocation. This

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30 31 provision shall be implemented to the extent specifically funded.

- (8) (9) TOTAL ALLOCATION OF STATE FUNDS TO EACH DISTRICT FOR CURRENT OPERATION.—The total annual state allocation to each district for current operation for the FEFP shall be distributed periodically in the manner prescribed in the General Appropriations Act.
- The basic amount for current operation for the (a) FEFP as determined in subsection (1), multiplied by the district cost differential factor as determined in subsection (2), plus the amounts provided for categorical components within the FEFP, plus the amount for the sparsity supplement as determined in subsection(5)(6), the decline in full-time equivalent students as determined in subsection (6) $\frac{(7)}{(7)}$, and the quality assurance guarantee as determined in subsection (7)(8), less the required local effort as determined in subsection(3)(4). If the funds appropriated for the purpose of funding the total amount for current operation as provided in this paragraph are not sufficient to pay the state requirement in full, the department shall prorate the available state funds to each district in the following manner:
- 1. Determine the percentage of proration by dividing the sum of the total amount for current operation, as provided in this paragraph for all districts collectively, and the total district required local effort into the sum of the state funds available for current operation and the total district required local effort.
- 2. Multiply the percentage so determined by the sum of the total amount for current operation as provided in this

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paragraph and the required local effort for each individual district.

- From the product of such multiplication, subtract 3. the required local effort of each district; and the remainder shall be the amount of state funds allocated to the district for current operation.
- (b) The amount thus obtained shall be the net annual allocation to each school district. However, if it is determined that any school district received an underallocation or overallocation for any prior year because of an arithmetical error, assessment roll change, full-time equivalent student membership error, or any allocation error revealed in an audit report, the allocation to that district shall be appropriately adjusted. If the Department of Education audit adjustment recommendation is based upon controverted findings of fact, the Commissioner of Education is authorized to establish the amount of the adjustment based on the best interests of the state.
- (c) The amount thus obtained shall represent the net annual state allocation to each district; however, notwithstanding any of the provisions herein, each district shall be guaranteed a minimum level of funding in the amount and manner prescribed in the General Appropriations Act.

Section 2. Subsection (2) of section 1011.68, Florida Statutes, is amended to read:

1011.68 Funds for student transportation. -- The annual allocation to each district for transportation to public school programs, including charter schools as provided in s. 1002.33(18)(b), of students in membership in kindergarten through grade 12 and in migrant and exceptional student 31 programs below kindergarten shall be determined as follows:

1 The allocation for each district shall be 2 calculated annually in accordance with the following formula: 3 T = B + EX. The elements of this formula are defined as 4 5 follows: T is the total dollar allocation for transportation. 6 B is the base transportation dollar allocation prorated by an 7 adjusted student membership count. The adjusted membership count shall be derived from a multiplicative index function in 8 9 which the base student membership is adjusted by multiplying 10 it by index numbers that individually account for the impact 11 of the price level index, average bus occupancy, and the extent of rural population in the district. EX is the base 12 13 transportation dollar allocation for disabled students prorated by an adjusted disabled student membership count. The 14 base transportation dollar allocation for disabled students is 15 the total state base disabled student membership count 16 17 weighted for increased costs associated with transporting disabled students and multiplying it by the prior year's 18 19 average per student cost for transportation. The adjusted 20 disabled student membership count shall be derived from a multiplicative index function in which the weighted base 21 disabled student membership is adjusted by multiplying it by 22 index numbers that individually account for the impact of the 23 24 price level index, average bus occupancy, and the extent of 25 rural population in the district. Each adjustment factor shall be designed to affect the base allocation by no more or less 26 27 than 10 percent. 28 Section 3. Paragraph (a) of subsection (1) of section 29 110.1228, Florida Statutes, is amended to read: 30

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30 31 110.1228 Participation by small counties, small municipalities, and district school boards located in small counties.--

- (1) As used in this section, the term:
- (a) "District school board" means a district school board located in a small county or a district school board that receives funding pursuant to s. 1011.62(5)(6).

Section 4. Subsection (6) of section 213.053, Florida Statutes, is amended to read:

213.053 Confidentiality and information sharing.--

(6) Any information received by the Department of Revenue in connection with the administration of taxes, including, but not limited to, information contained in returns, reports, accounts, or declarations filed by persons subject to tax, shall be made available by the department to the Auditor General or his or her authorized agent, the director of the Office of Program Policy Analysis and Government Accountability or his or her authorized agent, the Comptroller or his or her authorized agent, the Insurance Commissioner or his or her authorized agent, the Treasurer or his or her authorized agent, or a property appraiser or tax collector or their authorized agents pursuant to s. 195.084(1), in the performance of their official duties, or to designated employees of the Department of Education solely for determination of each school district's price level index pursuant to s. 1011.62(2); however, no information shall be disclosed to the Auditor General or his or her authorized agent, the director of the Office of Program Policy Analysis and Government Accountability or his or her authorized agent, the Comptroller or his or her authorized agent, the Insurance Commissioner or his or her authorized agent, the Treasurer or

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his or her authorized agent, or to a property appraiser or tax 2 collector or their authorized agents, or to designated 3 employees of the Department of Education if such disclosure is 4 prohibited by federal law. The Auditor General or his or her 5 authorized agent, the director of the Office of Program Policy 6 Analysis and Government Accountability or his or her 7 authorized agent, the Comptroller or his or her authorized 8 agent, the Treasurer or his or her authorized agent, and the 9 property appraiser or tax collector and their authorized 10 agents, or designated employees of the Department of Education 11 shall be subject to the same requirements of confidentiality and the same penalties for violation of the requirements as 12 13 the department. For the purpose of this subsection, 14 'designated employees of the Department of Education" means 15 only those employees directly responsible for calculation of 16 price level indices pursuant to s. 1011.62(2). It does not 17 include the supervisors of such employees or any other 18 employees or elected officials within the Department of 19 Education. 20

Section 5. Subsection (7) of section 402.22, Florida Statutes, is amended to read:

402.22 Education program for students who reside in residential care facilities operated by the Department of Children and Family Services.--

(7) Notwithstanding the provisions of s. 1001.42(4)(n), the educational program at the Marianna Sunland Center in Jackson County shall be operated by the Department of Education, either directly or through grants or contractual agreements with other public educational agencies. The annual state allocation to any such agency shall be computed pursuant to s. 1011.62(1), (2), and (4) (5) and allocated in the amount

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that would have been provided the local school district in which the residential facility is located.

Section 6. Paragraph (a) of subsection (6) of section 1002.38, Florida Statutes, is amended to read:

1002.38 Opportunity Scholarship Program. --

- OPPORTUNITY SCHOLARSHIP FUNDING AND PAYMENT .--
- The maximum opportunity scholarship granted for an eligible student shall be a calculated amount equivalent to the base student allocation in the Florida Education Finance Program multiplied by the appropriate cost factor for the educational program that would have been provided for the student in the district school to which he or she was assigned, multiplied by the district cost differential. In addition, the calculated amount shall include the per-student share of instructional materials funds, technology funds, and other categorical funds as provided for this purpose in the General Appropriations Act.

Section 7. Paragraph (a) of subsection (6) of section 1002.39, Florida Statutes, is amended to read:

1002.39 The John M. McKay Scholarships for Students with Disabilities Program. -- There is established a program that is separate and distinct from the Opportunity Scholarship Program and is named the John M. McKay Scholarships for Students with Disabilities Program, pursuant to this section.

- (6) SCHOLARSHIP FUNDING AND PAYMENT. --
- (a)1. The maximum scholarship granted for an eligible student with disabilities shall be a calculated amount equivalent to the base student allocation in the Florida Education Finance Program multiplied by the appropriate cost factor for the educational program that would have been 31 provided for the student in the district school to which he or

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she was assigned, multiplied by the district cost differential.

- In addition, a share of the guaranteed allocation 2. for exceptional students shall be determined and added to the calculated amount. The calculation shall be based on the methodology and the data used to calculate the guaranteed allocation for exceptional students for each district in chapter 2000-166, Laws of Florida. Except as provided in subparagraph 3., the calculation shall be based on the student's grade, matrix level of services, and the difference between the 2000-2001 basic program and the appropriate level of services cost factor, multiplied by the 2000-2001 base student allocation and the 2000-2001 district cost differential for the sending district. Also, the calculated amount shall include the per-student share of supplemental academic instruction funds, instructional materials funds, technology funds, and other categorical funds as provided for such purposes in the General Appropriations Act.
- 3. Until the school district completes the matrix required by paragraph (3)(b), the calculation shall be based on the matrix that assigns the student to support level I of service as it existed prior to the 2000-2001 school year. When the school district completes the matrix, the amount of the payment shall be adjusted as needed.

Section 8. Paragraph (a) of subsection (6) of section 1004.75, Florida Statutes, is amended to read:

1004.75 Training school consolidation pilot projects.--

(6) FUNDING.--The Department of Education shall shift funds generated by students in the pilot training centers established by this section, including workforce development

recurring and nonrecurring funds, from the appropriate school district to the respective community college. The community college shall qualify for future facilities funding upon transfer of the facility.

(a) Consistent with s. $1011.62\underline{(6)}(7)$, school districts that transfer programs will receive an amount equal to 15 percent of the funding generated for the program under the FEFP in 1996-1997.

Section 9. Paragraph (a) of subsection (2) and paragraph (b) of subsection (3) of section 1010.20, Florida Statutes, are amended to read:

1010.20 Cost accounting and reporting for school districts.--

- (2) COST REPORTING. --
- (a) Each district shall report on a district-aggregate basis expenditures for inservice training pursuant to s. 1011.62(2)(3) and for categorical programs as provided in s. 1011.62(4)(5).
 - (3) PROGRAM EXPENDITURE REQUIREMENTS. --
- (b) Funds for inservice training established in s. $1011.62\underline{(2)(3)}$ and for categorical programs established in s. $1011.62\underline{(4)(5)}$ shall be expended for the costs of the identified programs as provided by law and in accordance with the rules of the State Board of Education.

Section 10. Subsection (3) of section 1011.02, Florida Statutes, is amended to read:

- 1011.02 District school boards to adopt tentative budget.--
- 29 (3) The proposed budget shall include an amount for 30 local required effort for current operation, in accordance 31 with the requirements of s. 1011.62(3)(4).

1 Section 11. Subsections (1) and (4) of section 2 1011.71, Florida Statutes, are amended to read: 3 1011.71 District school tax.--4 (1) If the district school tax is not provided in the 5 General Appropriations Act or the substantive bill 6 implementing the General Appropriations Act, each district 7 school board desiring to participate in the state allocation 8 of funds for current operation as prescribed by s. 9 $1011.62(8)\frac{(9)}{(9)}$ shall levy on the taxable value for school 10 purposes of the district, exclusive of millage voted under the 11 provisions of s. 9(b) or s. 12, Art. VII of the State Constitution, a millage rate not to exceed the amount 12 13 certified by the commissioner as the minimum millage rate necessary to provide the district required local effort for 14 15 the current year, pursuant to s. $1011.62(3)\frac{(4)}{(a)}$ (a)1. In addition to the required local effort millage levy, each 16 17 district school board may levy a nonvoted current operating discretionary millage. The Legislature shall prescribe 18 19 annually in the appropriations act the maximum amount of 20 millage a district may levy. The millage rate prescribed shall 21 exceed zero mills but shall not exceed the lesser of 1.6 mills or 25 percent of the millage which is required pursuant to s. 22 1011.62(3)(4), exclusive of millage levied pursuant to 23 24 subsection (2). 25 (4) Nothing in s. 1011.62(3)(4)(a)1. shall in any way be construed to increase the maximum school millage levies as 26 27 provided for in subsection (1). 28 Section 12. Section 1012.44, Florida Statutes, is 29 amended to read: 30 1012.44 Qualifications for certain persons providing speech-language services. -- The State Board of Education shall 31

adopt rules for speech-language services to school districts that qualify for the sparsity supplement as described in s. $1011.62\underline{(5)}\underline{(6)}$. These services may be provided by baccalaureate degree level persons for a period of 3 years. The rules shall authorize the delivery of speech-language services by baccalaureate degree level persons under the direction of a certified speech-language pathologist with a master's degree or higher. By October 1, 2003, these rules shall be reviewed by the State Board of Education.

Section 13. Subsection (2) of section 1012.64, Florida Statutes, is amended to read:

1012.64 Sabbatical leave.--

(2) Funds, not to exceed 25 percent, of the district's allocation for inservice training under s. $1011.62\underline{(2)}(3)$ or other district funds may be expended in order to fulfill the provisions of this section, provided that the district allocates \$5 of district funds for each \$1 of state inservice training funds expended under this subsection.

Section 14. This act shall take effect July 1, 2003.

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