

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/SB 1646

SPONSOR: Senator Constantine

SUBJECT: Class Size Reduction

DATE: March 6, 2003 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Woodruff</u>	<u>O'Farrell</u>	<u>ED</u>	<u>Favorable/CS</u>
2.	<u> </u>	<u> </u>	<u>AED</u>	<u> </u>
3.	<u> </u>	<u> </u>	<u>AP</u>	<u> </u>
4.	<u> </u>	<u> </u>	<u> </u>	<u> </u>
5.	<u> </u>	<u> </u>	<u> </u>	<u> </u>
6.	<u> </u>	<u> </u>	<u> </u>	<u> </u>

I. Summary:

The legislation under consideration would implement Amendment Number 9 to the Florida Constitution, School Class Size Reduction, approved by voters in the November 2002 General Election. The bill would impact the following areas:

Implementation of Class Size Amendment – The bill defines the terms “core-curricula courses” and “extra-curricula courses.” The bill incorporates the class size limits set by the constitutional amendment and outlines options available to a school district in meeting the class size limits. Actions which might be taken by the Department of Education to bring a school district which is not in compliance with the class size limits into compliance are outlined. Among the options are rezoning, use of acceleration mechanisms, use of the Florida Virtual School, year round school calendars, extended school year, and double sessions. The bill creates an operating categorical to direct funds appropriated by the legislature to class size reduction purposes.

Use of state operating funds for education – Current flexibility given to a district in the use of the categorical funds for teacher recruitment and retention is removed. Because of the expected shortage of teachers, the state would require these funds to be used solely for teacher recruitment and retention. Additional categorical funds appropriated for class size reduction would be restricted to use by the district for that purpose or for teacher salary increases.

School construction – Current requirements to construct small schools are repealed. The Department of Education is charged with reviewing its rules to determine if there are changes which could result in greater flexibility for districts with construction projects or which could improve the construction process. Districts are given greater latitude in the use of relocatables for classrooms. Cost per student station restrictions would be placed on the use of state funds for construction of facilities related to class size reduction.

Teacher recruitment and retention – Current statutes would be amended to remove specific requirements placed on teachers holding certificates issued by other states to allow the teachers to receive a Florida Teaching Certificate. The requirements for a person to be hired as an adjunct teacher are changed. The length of time a teacher may participate in the DROP is extended from 60 months to 96 months at the discretion of the district school superintendent. The Department of Management Services is required to contact the Internal Revenue Service to determine that the proposed changes to the DROP are acceptable.

The Florida Business and Education in School Together (Florida BEST) program is created. Businesses are encouraged to house k-3 public schools in the business's facilities.

Charter schools – The current cap on the number of charter schools is repealed.

The bill substantially amends sections 121.091, 1001.42, 1003.01, 1003.02, 1003.03, 1003.43, 1003.436, 1011.62, 1011.69, 1012.56, 1012.57, 1013.03, and 1013.31; creates section 1013.368; and repeals sections 1002.33 (13), 1012.41, 1013.21, and 1013.43 of the Florida Statutes.

II. Present Situation:

Section 1003.03, Florida Statutes, currently identifies maximum class size goals. The goal for kindergarten through grade 3 is 20 students per teacher except for “D” and “F” schools where the goal is set as 15 students per teacher. No student to teacher ratio is identified for other grade groupings.

The Legislature began to specifically address class size reduction in 1995-96 by earmarking \$40,000,000 in the proviso for the Florida Education Finance Program (FEFP) appropriation in the General Appropriations Act for that purpose. In Fiscal Years 1996-97, 1997-98, 1998-99, and 1999-2000, the Legislature appropriated categorical funding for school districts to use in reducing class size for grades kindergarten through 3. In 1999, the Legislature also appropriated \$100,000,000 to the districts for construction of facilities that would result in class size reduction. Beginning with the 1999-2000 General Appropriations Act and continuing through 2002-03, the Legislature has included class size reduction in proviso as an authorized purpose of the Supplemental Academic Instruction appropriation.

In the general election of November, 2002 the electorate approved constitutional amendment 9, the class size reduction amendment. Legislation must be enacted to implement the amendment. Among the actions the legislature must take are to define certain terms used in the amendment language and to decide upon a funding methodology. Indications are that the current number of teachers available is insufficient to both meet the amendment's requirements and to replace currently employed teachers who will be retiring or leaving the teaching profession for other reasons. Data also indicates that in some school districts there will be a need for additional classroom facilities in order to meet the teacher/pupil ratios set by the amendment.

III. Effect of Proposed Changes:

The bill implements Amendment 9 to the Florida Constitution relating to class size reduction which was adopted in the general election of November, 2002. Following is a section by section description of the proposed changes.

Section 2. The bill amends the provisions of the Deferred Retirement Option Program (DROP) related to members who are instructional personnel. A district school superintendent may authorize instructional personnel to participate in the DROP for 96 months instead of the current 60 months.

Section 3. The bill repeals the requirement to construct small student capacity schools and encourages school boards to subdivide large schools into schools-within-a-school.

Section 4. The terms "core-curricula courses" and "extracurricular courses" used in the language of the constitutional amendment are defined.

Section 5. A new requirement is placed on each school district to notify parents of the acceleration mechanisms available to students.

Section 6. The maximum class sizes specified in the constitutional amendment are incorporated into statute. The maximum class size limits in core curricula classes to be achieved before 2010 are: for pre-kindergarten through grade three, 18 students per teacher; for grade 4 through 8, 22 students per teacher; for grade 9 through 12, 25 students per teacher. The intermediate progression formula of a reduction of at least 2 students per year toward the final ratio is also placed in statute.

The implementation schedule is specified. For fiscal years 2003-2004 through 2005-2006, the calculation for compliance must be based on district averages. For fiscal years 2006-2007 and 2007-2008, the calculation for compliance is based on school level averages. Beginning with the 2008-2009 school year, the calculation is based at the individual classroom level.

A school district is required to reduce by two-students-per-year its average class size until the district reaches the constitutional limits. The CS allows the districts freedom in choosing how to achieve the mandated intermediate reduction and final levels. However, beginning with the 2005-2006 school year, there are mandated actions which must be implemented by those districts which do not meet the intermediate or final class size requirements. Beginning with the 2006-2007 school year, the Department of Education must develop a compliance plan for each district which is not in compliance. The list of possible actions a school board must consider in order to meet the class size caps is expanded from 2 to 4. The four actions are: double sessions, year-round schools, extended school year, and rezoning.

A school board that does not comply with the requirements may be suspended pursuant to the Governor's constitutional authority.

Sections 7 and 8. Two changes related to course credits are provided. Flexibility is granted to the school districts to determine when the one-half credit in life management skills is taken by

students. The number of class hours of instruction required to receive one credit is reduced from the current 135 hours of instruction to 120 hours.

Sections 9 and 10. The flexibility currently allowed in statute for a school district to transfer funds from the teacher recruitment and retention categorical to use for other activities is rescinded. Funds for teacher recruitment and retention will now be restricted to that purpose. Restrictive language is also placed on the use of operating funds appropriated by the legislature for class size reduction in order to limit a district's use of such funds.

Section 11. Changes are made in the educator certification requirements for teachers from out-of-state who apply for a Florida Teaching Certificate. Current requirements to pass mastery tests are removed. Alternative ways to meet requirements are provided. Documentation of successful teaching at the postsecondary level may be substituted as a basis for certification.

Section 12. Changes are made in the procedures for adjunct educator certification. Applicants must have a major in the subject area being taught instead of the previous requirement of a minor in the subject area. Alternatively the applicant may pass a subject area mastery test to be issued an adjunct teaching certificate.

Section 13. The Department of Education is charged with reviewing its rules related to construction to identify requirements that could be amended to provide districts with additional flexibility in addressing class size reduction.

Section 14. School districts are required to periodically update the Florida Inventory of School Houses (FISH) in order to monitor the types and utilization of space.

Section 15. A new section identifying the cost per student station for educational facilities is created.

Section 16. The Department of Management Services is required to request an opinion from the Internal Revenue Service as to the qualified status of the proposed changes to the DROP.

Section 17. A new program to encourage business and education partnerships is created. The Florida Business and Education in School Together (Florida BEST) school program would encourage businesses to house k-3 public schools in the business' facility.

Section 18. Certain exemptions from local ordinances and regulations are provided for businesses which house a Florida BEST school.

Section 19. The limit on the number of charter schools in a school district is removed from statute. Current requirements to construct small schools are repealed. The requirement for a school district to employ a director of career and technical education is repealed. Restrictions on the use of relocatable facilities are repealed.

Section 20. Severability

Section 21. Effective Dates

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The June, 2002 revenue estimating conference held prior to the November election estimated that the first year operating cost impact of the amendment would be \$628 million and that the operating cost would grow to \$2.8 billion in 2006/07. The conference estimated a cost of \$2.4 billion in facilities for the first year and a total facilities cost of \$9.4 billion. These estimates were based on the procedure of current law - current practice. The cost figures will change as more accurate data on currently available space is collected, as the legislature defines the terms used in the language of the amendment, and if there are changes in the current law and practice relating to flexibility in the use of funds, facilities construction and utilization standards, and to requirements for the recruitment and retention of teachers.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
