

CHAMBER ACTION

1 The Committee on Appropriations recommends the following:

2  
3 **Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to funding for school districts; amending  
7 s. 1011.62, F.S.; revising the calculation of the district  
8 cost differential for purposes of allocation of state  
9 funds to each district for current operation; providing an  
10 effective date.

11  
12 Be It Enacted by the Legislature of the State of Florida:

13  
14 Section 1. Subsection (2) of section 1011.62, Florida  
15 Statutes, is amended to read:

16 1011.62 Funds for operation of schools.--If the annual  
17 allocation from the Florida Education Finance Program to each  
18 district for operation of schools is not determined in the  
19 annual appropriations act or the substantive bill implementing  
20 the annual appropriations act, it shall be determined as  
21 follows:

22 (2) DETERMINATION OF DISTRICT COST DIFFERENTIALS.--The  
 23 Commissioner of Education shall annually compute for each  
 24 district the current year's district cost differential.

25 (a) Determination of district cost differential for  
 26 districts with a 2003-2004 cost differential greater than  
 27 1.0000.--The district cost differential shall be the greater of:

28 1. The ~~district~~ cost differential shall be calculated by  
 29 adding each district's price level index as published in the  
 30 Florida Price Level Index for the most recent 3 years and  
 31 dividing the resulting sum by 3. The result for each district  
 32 shall be multiplied by 0.008 and to the resulting product shall  
 33 be added 0.200; or

34 2. The lesser of:

35 a. 1.0000; or

36 b. The cost differential that when used in the prior  
 37 year's FEFP funding formula will result in the district's prior  
 38 year funding per unweighted FTE being the same as the prior  
 39 year's state average.

40 (b) Determination of district cost differential for  
 41 districts with a 2003-2004 cost differential of less than  
 42 1.0000.--

43 1. For fiscal years 2004-2005 through 2007-2008, the  
 44 district cost differential shall be the greater of:

45 a. The cost differential calculated by adding each  
 46 district's price level index as published in the Florida Price  
 47 Level Index for the most recent 3 years and dividing the  
 48 resulting sum by 3. The result for each district shall be

49 multiplied by 0.008 and to the resulting product shall be added  
 50 0.200; or

51 b. The lesser of:

52 (I) The district's 2003-2004 cost differential which shall  
 53 be increased each year for 4 consecutive years by a factor that  
 54 is calculated by subtracting from 1.000 the district's 2003-2004  
 55 cost differential and then dividing the result by 5; or

56 (II) The cost differential that when used in the prior  
 57 year's FEFP funding formula will result in the district's prior  
 58 year funding per unweighted FTE being the same as the prior  
 59 year's state average.

60 2. For fiscal years 2008-2009 and thereafter, the district  
 61 cost differential shall be the greater of:

62 a. The cost differential calculated by adding each  
 63 district's price level index as published in the Florida Price  
 64 Level Index for the most recent 3 years and dividing the  
 65 resulting sum by 3. The result for each district shall be  
 66 multiplied by 0.008 and to the resulting product shall be added  
 67 0.200; or

68 b. The lesser of:

69 (I) 1.0000; or

70 (II) The cost differential that when used in the prior  
 71 year's FEFP funding formula will result in the district's prior  
 72 year funding per unweighted FTE being the same as the prior  
 73 year's state average.

74 (c) Calculation of prior year's state funding.--For the  
 75 purpose of calculating prior year's state funding in this  
 76 section, prior year's state funding shall include total state

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77 | and local formula and categorical funds for K-12 programs and  
78 | maximum potential discretionary local revenue and shall not  
79 | include funds for the Discretionary Lottery and School  
80 | Recognition Program ~~the sum thus obtained shall be the cost~~  
81 | ~~differential for that district for that year.~~

82 |       Section 2. This act shall take effect July 1, 2004.