

# 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.)

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Prepared By: Education Appropriations Committee

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BILL: CS/CS/SJR 2090

SPONSOR: Education Appropriations Committee, Education Committee and Senator Lynn

SUBJECT: School Classroom Sizes/Teachers' Pay

DATE: April 26, 2005

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Matthews</u>	<u>O'Farrell</u>	<u>ED</u>	<u>Favorable/CS</u>
2.	<u>Armstrong</u>	<u>Newman</u>	<u>EA</u>	<u>Favorable/CS</u>
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

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## I. Summary:

The committee substitute for the joint resolution revises the constitution's class size requirements to require, beginning in the 2007 school year, that the district average number of students assigned to a teacher may not exceed:

- 18 students in prekindergarten through grade 3;
- 22 students in grade 4 through grade 8; and
- 25 students in grade 9 through grade 12.

In addition, the resolution requires that the minimum salary for each public school teacher shall be provided by law but must be at least \$35,000 and must be higher than the national average beginning salary for public school teachers.

The joint resolution also establishes an effective date of July 1 for the amendment following approval by the electors.

The joint resolution substantially amends Art. IX, section 1 of the State Constitution.

The joint resolution also creates section 26 of Article XII of the State Constitution.

## II. Present Situation:

### *Constitutional Amendment*

Article XI of the Florida Constitution provides for five methods of amending the Constitution. They are: 1) proposal by the Legislature; 2) revision commission; 3) initiative; 4) constitutional convention; and 5) taxation and budget reform commission.

Article XI, s. 1 of the Florida Constitution provides for proposed changes to the Constitution originating with the Legislature:

SECTION 1. Proposal by legislature.--Amendment of a section or revision of one or more articles, or the whole, of this constitution may be proposed by joint resolution agreed to by three-fifths of the membership of each house of the legislature. The full text of the joint resolution and the vote of each member voting shall be entered on the journal of each house.

### Margin of Approval by Electors

The Constitution provides that a proposed amendment or revision must pass by a simple majority of electors voting on the measure.<sup>1</sup>

### Submission to Electors

A proposed amendment to the Constitution may be submitted to the electors at two different times. The default provision is that a proposed amendment is submitted to the electors at the next general election more than 90 days after the proposed amendment is filed.<sup>2</sup> However, the Legislature can move up the date of submission to the electors of a single amendment by enacting a law providing for submission at an earlier special election more than 90 days after the proposed amendment is filed.<sup>3</sup>

### Ballot Restrictions

Under s. 101.161(1), F.S., the ballot statement for a joint resolution is not limited to 75 words, but the ballot title may not exceed 15 words.

### Effective Date of Amendment

An amendment approved by the electors may take effect at two different times. The default provision is that an approved amendment is effective on the first Tuesday after the first Monday in January following the election.<sup>4</sup> An amendment also may be effective on another date specified in the amendment.<sup>5</sup>

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<sup>1</sup> The actual language in the Constitution provides that a proposed amendment or revision must be approved by “vote of the electors,” defined as “... the majority of those voting on the matter in the election, general or special ...” Art. XI, s. 5(d); Art. X, s. 12(d), FLA CONST.

<sup>2</sup> Art XI, s. 5(a)

<sup>3</sup> *Id.*

<sup>4</sup> Art XI, s. 5(d)

<sup>5</sup> *Id.*

*Class Size Reduction*

In November 2002, the voters of Florida approved an amendment to Art. IX, section 1 of the State Constitution to provide that by the beginning of the 2010-2011 school year the maximum number of students assigned to a teacher teaching in public school classrooms shall be as follows: for students in prekindergarten through grade 3 no more than 18; for students in grades 4-8 no more than 22; and for students in grades 9-12 no more than 25.

The amendment further provides that beginning with the 2003-2004 fiscal year, the legislature shall provide sufficient funds to reduce the average number of students in each classroom by at least two students per year until the maximum number does not exceed the requirement in 2010-2011.

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. The need for classroom facilities depends on how districts choose to utilize existing facilities to meet the teacher/pupil ratios provided in the amendment.

Section 1003.03, F.S., provides that each school district that is not in compliance with the maximum class size requirements shall reduce the average number of students per classroom for each of the three grade groups by at least two students per year. Determination of the average number of students per classroom for each of the three grade groups shall be as follows:

- Fiscal years 2003-2004 through 2005-2006 shall be calculated at the district level.
- Fiscal years 2006-2007 through 2007-2008 shall be calculated at the school level.
- Fiscal years 2008-2009 through 2009-2010 shall be calculated at the individual classroom level.

The Department of Education must annually calculate district class size using student membership surveys.

School districts must consider but are not required to implement certain options to meet the class size reductions, including:

- Adopting policies to encourage qualified students to take dual enrollment courses;
- Adopting policies to encourage students to take courses from the Florida Virtual School;
- Repealing district school board policies that require students to have more than 24 credits to graduate from high school;
- Adopting policies to allow students to graduate from high school as soon as they pass the grade 10 FCAT and complete the courses required for high school graduation;
- Using methods to maximize use of instructional staff, such as changing required teaching loads, scheduling of planning periods, deploying district employees that have professional certification to the classroom, or using adjunct educators;

- Using innovative methods to reduce the cost of school construction by using prototype school designs, using SMART Schools designs, or participating in the School Infrastructure Thrift Program;
- Using joint-use facilities through partnerships with community colleges, state universities, and private colleges and universities;
- Adopting alternative methods of class scheduling, such as block scheduling;
- Redrawing school attendance zones to maximize use of facilities while minimizing the additional use of transportation;
- Operating schools beyond the normal operating hours to provide classes in the evening or operate more than one session of school during the day;
- Using year-round schools and other nontraditional calendars that do not adversely impact annual assessment of student achievement;
- Reviewing and considering amending any collective bargaining contracts that hinder the implementation of class size reduction; and
- Using any other approach not prohibited by law.

Beginning in the 2003-2004 fiscal year, if any district does not meet the two-student-per-year reduction requirement, the Department of Education shall calculate an amount which is proportionate to the amount of class size reduction not accomplished. Upon verification of the department's calculation by the Florida Education Finance Program Appropriation Allocation Conference, the Executive Office of the Governor shall transfer undistributed funds equivalent to the calculated amount from the district's Class Size Reduction Operating Categorical allocation to the district's fixed capital outlay appropriation to be used to meet the class size reduction requirements. The amount transferred shall not be greater than the undistributed balance in the district's class size reduction operating categorical allocation. However, the Legislative Budget Commission may approve an alternate amount of funds to be transferred if the State Board of Education determines that a district has been unable to meet class size reduction requirements despite appropriate efforts.

Beginning in the 2005-2006 school year, each district that has not met the two-student-per-year reduction is required to implement one of the following policies in the subsequent school year:

- Year-round schools;
- Double sessions;
- Rezoning;
- Maximizing use of instructional staff by changing teacher loads and planning periods, using adjunct educators, returning district employees who have professional certification to the classroom, or operating beyond normal operating hours or more than one session per day.

Beginning in the 2006-2007 school year, each district that has not met the two-student-per-year reduction is required to implement a constitutional compliance plan prepared by the Department of Education until the district complies with the constitutional class size maximum.

The Legislature has appropriated \$700 million for capital outlay costs for class size reduction under the constitutional amendment. For FY 2004-2005, the Legislature appropriated \$978.8

million for operational costs in meeting the class size amendment. Senate Bill 2600 proposes \$1.5 billion for operational costs in meeting class size reduction requirements for FY 2005-2006.

Due to the variables concerned with implementing class size reduction, there is a wide range of estimated costs in complying with the class size amendment through the 2010-2011 school year. The Revenue Estimating Conference estimated a range of approximately \$20 billion to \$27 billion in meeting class size requirements through 2010-2011. The Department of Education has estimated a range of approximately \$22 billion to \$26.5 billion in meeting class size requirements through 2010-2011. These estimated ranges are predicated on certain assumptions such as classroom type and use, land costs, cost per student station, and utilization factors. These estimates are also based on the procedure of current law and current practice. The cost figures may change as more accurate data on currently available space is collected and if there are changes in the current law and practice relating to flexibility in the use of funds, utilization of existing facilities construction standards, and requirements for the recruitment and retention of teachers.

#### *Teacher Salaries*

There is currently no minimum threshold for teacher salaries throughout the state. These wages are the subject of collective bargaining agreements. Therefore, there is a great deal of variance in beginning teacher salaries. According to the Department of Education the state average minimum salary for teachers is as follows:<sup>6</sup>

- Bachelor's degree      \$28,607
- Master's degree        \$30,761
- Specialist                \$31,997
- Doctorate                \$33,039

However, according to unverified data from the American Federation of Teachers, the state's average beginning teacher salary for 2002-2003 was \$30,491.<sup>7</sup>

### **III. Effect of Proposed Changes:**

#### *Effective Date of Amendment*

The joint resolution creates section 26 of Article XII of the State Constitution to provide an effective date for the amendment on class size and teacher pay of July 1 subsequent to approval by the electors. This effective date provides the legislature with sufficient time to enact implementing legislation and makes orderly implementation achievable.

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<sup>6</sup> [www.firn.edu/doe/eias/eiaspubs/pdf/tchsal04.pdf](http://www.firn.edu/doe/eias/eiaspubs/pdf/tchsal04.pdf)

<sup>7</sup> [www.aft.org/salary/2003/download/2003Table2.pdf](http://www.aft.org/salary/2003/download/2003Table2.pdf)

*Class Size*

This joint resolution revises the constitution's class size requirements to require, beginning in the 2007 school year, that the district average number of students assigned to a teacher may not exceed:

- 18 students in prekindergarten through grade 3;
- 22 students in grade 4 through grade 8; and
- 25 students in grade 9 through grade 12.

Accordingly, class size calculations would remain at the district average. Under current law, class size calculations would be at the school level for FY 2006-2007 through 2007-2008 and at the classroom level for FY 2008-2009 and beyond.<sup>8</sup>

*Teacher Pay*

The resolution requires that the minimum salary for each public school teacher shall be provided by law but must be at least \$35,000 and must be higher than the national average beginning salary for public school teachers.

Senate Bill 2480, which would implement the minimum salary provision, defines the term, "teacher," for purposes of the amendment to mean all full-time, certified instructional personnel identified in s. 1012.01(2)(a)-(d), F.S. This section includes guidance counselors, librarians, and media specialists in the definition of teacher for purposes of minimum teacher salary requirements as long as these individuals are full-time certificated instructional personnel. Part-time teachers, substitute teachers, adjuncts, and administrative personnel would not qualify.

There may be problems in establishing the national average beginning public school teacher salary. Neither the joint resolution nor SB 2480 indicate the manner in which the salary is to be calculated and by whom. According to the American Federation of Teachers (AFT), the national average beginning teacher salary in 2002-2003 was \$29,564, and the estimated national average for 2003-2004 was \$30,496. However, there are limitations to the usefulness of this data. First, the data may not be timely for purposes of meeting the constitutional obligations. States do not respond simultaneously to teacher salary surveys. Second, states vary in the manner in which they collect and analyze teacher salary data.<sup>9</sup> These figures may not be calculated consistently. Third, AFT estimated the average beginning salary in 2002-2003 for eight (8) states.<sup>10</sup> In addition, the salary calculations of seven states included some combination of benefits or supplemental pay.<sup>11</sup> Moreover, several states indicated that a further explanation of their salary calculations was required.<sup>12</sup> Fourth, the national average was not weighted by the number of teachers in each state.<sup>13</sup> Finally, the estimates for 2003-2004 assumed that the same rate of salary

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<sup>8</sup> Section 1003.03(2)(b), F.S.

<sup>9</sup> *Memorandum re: Beginning Teacher Salaries, Office of Program Policy Analysis and Government Accountability, March 2, 2005.*

<sup>10</sup> *Id.*

<sup>11</sup> *Id.*

<sup>12</sup> *Id.*

<sup>13</sup> *Id.*

change would apply to all states, even though the rates of change varied widely across the states between 2001-2002 and 2002-2003.<sup>14</sup>

Pursuant to Art. XI, s. 5 of the State Constitution, the resolution, if approved by the voters, would take effect July 1, 2006, assuming that SB 2088, which provides for a special election to take place on September 5, 2005, passes each house with the requisite three-fourths vote. If SB 2088 fails passage, the joint resolution would be submitted to the voters at the 2006 general election and would take affect July 1, 2007. This would mean that, absent a change in law by the Legislature, if this resolution is approved by the voters, districts would be required to meet school-level averages for class size for the 2006-2007 school year.

#### **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 joint resolution has an indeterminate fiscal impact on meeting class size reduction requirements. The Revenue Estimating Conference has estimated a range of approximately \$20 billion to \$27 billion in meeting class size requirements through 2010-2011. The Department of Education has estimated a range of approximately \$22 billion to \$26.5 billion in meeting class size requirements through 2010-2011. It is anticipated that the state would experience cost savings in not reducing class size to the school or classroom level. However, these savings may be mitigated by the minimum salary requirements.

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<sup>14</sup> *Id.*

The joint resolution has an indeterminate impact on the state in meeting the minimum salary threshold for teachers. The Governor's office has released an initial estimate with respect to implementing the \$35,000 beginning teacher salary and the \$2,000 elevation of remaining teacher salaries as provided in SB 2480. This initial estimate is approximately \$490 million per year. This figure does not take growth into consideration. Additionally, tying the Florida minimum beginning teacher salary to the national average beginning teacher salary may result in additional future funding requirements.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

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

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## **VIII. Summary of Amendments:**

None.

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