

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HJR 213
SPONSOR(S): Brummer
TIED BILLS:

Authorizing the Division of a County into Two or More School Districts
IDEN./SIM. BILLS: SJR 532 Identical

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) PreK-12 Committee	8 Y, 3 N	Beagle	Mizereck
2) Education Appropriations Committee		Eggers	Hamon
3) Education Council			
4) _____			
5) _____			

SUMMARY ANALYSIS

House Joint Resolution 213 proposes an amendment to Section 4 of Article IX of the Florida Constitution, permitting a county with more than 45,000 students to be divided into multiple school districts of no less than 20,000 students. The resolution will be subject to voter approval via a statewide referendum at the November 2006 election or an earlier special election.

In order to divide a county under this provision, the resolution provides that a commission be created by special law to draw school district boundary lines, allocate assets, and provide for the contractual obligations, debts, and bonded indebtedness of the school district. Commission decisions are subject to circuit court review for compliance with state and federal law and voter approval by county referendum.

Funding for operations and capital outlay in school districts divided pursuant to this resolution will be calculated on a county-wide basis and distributed to the school districts on a per student basis as provided by law. Funds raised by voted millage for bonded indebtedness or local option sales taxes shall be levied on a countywide basis and may be distributed per interlocal agreement between the school districts.

The HJR raises fiscal issues that would have to be addressed in subsequent implementing legislation. Please see FISCAL COMMENTS.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Provide Limited Government-- The resolution allows voters in counties with large student populations to establish multiple, smaller school districts.

Safeguard Individual Liberty-- The resolution allows voters in counties with large student populations to establish multiple, smaller school districts, thereby increasing local control.

Empower Families-- The resolution allows voters in counties with large student populations to establish multiple, smaller school districts, potentially increasing families' access to school district decision makers.

B. EFFECT OF PROPOSED CHANGES:

Present Situation--

Section 4 of Article IX of the Florida Constitution currently provides that each county constitutes a school district. However, the voters of two or more counties may decide to join together to form one school district. No districts have exercised this option.

Section 4 of Article IX of the Florida Constitution requires each school district to have a board composed of five or more members chosen by vote of the electors. Section 5 of Article IX requires each district to have a superintendent of schools who may be appointed or elected.

Section 1011.62, F.S., governs the Florida Education Finance Program (FEFP) which is designed to provide equitable funding for students across the state. The program combines state dollars and local revenue in a formula to allocate funds to school districts according to student population and cost of educational programs.

Effect of Proposed Changes--

If approved by the electors of the State of Florida at the November 2006 general election or at an earlier special election, House Joint Resolution 213 will amend Section 4 of Article IX of the Florida Constitution to permit school districts with more than 45,000 students to be divided into more than one school district. The voters in eligible school districts may elect to divide into more than one school district, provided that each district created serves no less than 20,000 students.

In order to divide a school district under this provision, the resolution requires that a commission be created by special law to draw school district boundary lines, allocate assets, and provide for the contractual obligations, debts, and bonded indebtedness of the school district. Commission decisions are subject to circuit court review for compliance with state and federal law and voter approval by county referendum.

Funding for operations and capital outlay in school districts divided pursuant to this resolution will be calculated on a county-wide basis and distributed to the school districts on a per student basis as provided by law. Funds raised by voted millage for bonded indebtedness or local option sales taxes shall be levied on a countywide basis and may be distributed per interlocal agreement between the school districts.

If the proposed amendment is approved by the voters, implementing legislation will be needed to establish specific requirements and processes.

According to the most recent estimate of K-12 unweighted full-time equivalent students for the 2006-07 school year, there are fourteen school districts large enough to be affected by the resolution.¹

Florida School Districts Potentially Affected by HJR 213

School District	Student Population based on 2006-2007 Estimated K-12 Unweighted FTE Students	Number of Potential New Districts (FTE Count divided by 20,000)
Brevard County	75,071	3
Broward County	266,664	13
Duval County	126,865	6
Hillsborough County	195,679	9
Lee County	80,200	4
Miami-Dade County	356,549	17
Orange County	180,318	9
Osceola County	52,894	2
Palm Beach County	175,842	8
Pasco County	64,658	3
Pinellas County	111,038	5
Polk County	92,464	4
Seminole County	68,701	3
Volusia County	66,284	3

Under the provisions of the HJR, 75 additional school districts could potentially be created. Dade could divide into 17 school districts; Broward could divide into 13 districts; Hillsborough and Orange each could divide into 9 districts; Palm Beach could divide into 8 districts; Duval could divide into 6 districts; Pinellas could divide into 5 districts; Lee and Polk each could divide into 4 districts; Brevard, Pasco, Seminole, and Volusia each could divide into 3 districts; and Osceola could divide into 2 districts.

In addition to the 14 districts listed above, 6 more districts are projected to surpass the 45,000 FTE student threshold within 3 years. The districts are Collier, Lake, Manatee, Marion, St. Lucie, and Sarasota.

C. SECTION DIRECTORY:

Not applicable.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

This bill does not appear to have a fiscal impact on state government revenues.

2. Expenditures:

This bill does not appear to have a fiscal impact on state government expenditures.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

¹K-12 Public School Student Enrollment Estimating Conference, March 6, 2006.
STORAGE NAME: h0213b.EDAS.doc
DATE: 1/13/2006

1. Revenues:

This bill does not appear to have a fiscal impact on local government revenues.

2. Expenditures:

This bill does not appear to have a fiscal impact on local government expenditures.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

This bill does not appear to have a direct fiscal impact on the private sector.

D. FISCAL COMMENTS:

The complexity of financial issues involved with dividing Florida's school districts into smaller districts may pose challenges when implementing the joint resolution. Examples of issues that would need to be addressed are:

- Agreement on the division of existing bond debt service obligations, the distribution of revenue from future bond referendums and voter approved operating millage revenue, and the distribution of current and future capital outlay sales taxes and intra-governmental capital outlay sales taxes.
- Agreement on the specific millage rate for each of the two authorized discretionary operating millage levies and the discretionary two mill capital outlay levy.
- Agreement on the allocation of Public Capital Outlay (PECO) funds. Provision may be made for a divided district with older buildings or a higher rate of student growth.
- The determination of class size reduction compliance.
- The Florida Education Finance Program (FEFP) contains several funding formulas and allocation models which may need to be altered to address new divided districts. For example, distribution formulas at the divided district level, that incorporate student demographics, may have to be developed for certain categorical funding programs, including the Supplemental Academic Instruction categorical, the Exceptional Student Guarantee, the Reading categorical, the Transportation categorical and the Safe Schools categorical. The funds for each of these categorical programs must be spent for specific purposes. To the extent a divided district serves a higher proportion of students requiring these services, the district may require a larger portion of these funds.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The bill does not require a municipality or county to spend funds or to take any action requiring the expenditure of funds.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES