HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL#: HB 7093 PCB SLC 07-07 Option to Divide School Districts

SPONSOR(S): Schools & Learning Council and Representative Pickens

TIED BILLS: IDEN./SIM. BILLS:

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
Orig. Comm.: Schools & Learning Council	10 Y, 3 N	Barnhill	Cobb
1)			
2)			
3)		· -	
4)		·	
5)			

SUMMARY ANALYSIS

This joint resolution proposes a constitutional amendment to allow counties to divide their school districts into smaller school districts, provided each smaller school district has at least 25,000 students. Although an affected school district will not be required to divide, that district can divide if the county electors, by referendum, approve the division of the school district. The joint resolution also requires that general law authorize more than one method by which the question of dividing the school district into two or more school districts is placed on the ballot, including voter initiative.

This joint resolution provides for the creation of a board comprised of an equal number of members from each school district in the county. The board must determine the rate of school district taxes. Taxes are to be calculated on a countywide basis and distributed to the school districts in an equitable and nondiscriminatory manner.

The Division of Elections within the Department of State estimates that the non-recurring cost of compliance with the publication requirements would be approximately \$60,000 in the 2007-2008 fiscal year. Please see FISCAL COMMENTS section II.A.2. There are potential fiscal issues relating to this amendment. Please see FISCAL COMMENTS section II.D.

This is a joint resolution, requiring passage by 3/5 vote of each chamber. If passed by each chamber, the proposed constitutional amendment would be placed before the electorate at the 2008 general election (unless placed before the electorate in a special election), and if adopted, will take effect January 6, 2009.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives. h7093.SLC.doc STORAGE NAME: 3/29/2007

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FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Provide Limited Government: This joint resolution allows school districts to divide into multiple school districts, when approved by the county's voters. If the county voters approve a school district subdivision, this proposed constitutional amendment requires the creation of a new board to determine the rate of school district taxes.

Safeguard Individual Liberty: This joint resolution allows county voters to approve smaller school districts, thereby providing greater local control.

Empower Families: This joint 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--

Article IX, Section 4 of the Florida Constitution provides that each county constitutes a school district. However, two or more contiguous counties may be combined, upon approval of the electors of each county, to form one school district, although no counties have exercised this option.

Each district is required to have a school board composed of five or more members elected by the county's voters in a nonpartisan election. The board members serve staggered four year terms. The constitution further requires that the school board operate, control and supervise all free public schools within the school district, and determine the rate of school district taxes.

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--

This joint resolution proposes an amendment to the Florida Constitution to allow counties with large student populations to divide into smaller school districts, if approved by the county's voters. Each subdivided school district must have no fewer than 25,000 students. Although an affected school district will not be required to divide, that district can divide if the county electors, by referendum, approve the division of the school district.

If the proposed amendment is approved by the voters, implementing legislation will be needed to establish specific requirements and processes. This joint resolution provides that general law must include more than one method in which the question of dividing the school district into two or more school districts is placed on the ballot, including voter initiative.

This joint resolution requires the creation of a board consisting of an equal number of board members from each school district in the county. This board will be responsible for determining school district taxes. These school district taxes will be imposed countywide and distributed to the school districts in an equitable and nondiscriminatory manner, as provided by law.

According to the most recent estimate¹ of K-12 unweighted full-time equivalent students for the 2007-2008 school year, there are fourteen school districts large enough to be affected by the resolution. In

¹ K-12 Public School Student Enrollment Estimating Conference, February 12, 2007.

addition to these fourteen school districts, Collier County is projected to surpass the 50,000 FTE student threshold within the next three years.

Florida School Districts Potentially Affected by HJR 213

School District	Student Population based on 2007-2008 Estimated K-12 Unweighted FTE Students	Number of Potential New Districts (FTE Count divided by 25,000)
Brevard County	73,338	2
Broward County	255,491	10
Duval County	124,899	4
Hillsborough County	191,618	7
Lee County	82,100	3
Miami-Dade County	341,644	13
Orange County	175,985	7
Osceola County	53,070	2
Palm Beach County	166,452	6
Pasco County	65,058	2
Pinellas County	107,569	4
Polk County	95,500	3
Seminole County	65,916	2
Volusia County	65,221	2

The districts listed above would not have to divide into smaller school districts, as this joint resolution provides districts the *option* to divide.

Revision or Amendment to the State Constitution

Amendments to Florida's Constitution can be proposed by five distinct methods: 1) joint legislative resolution, 2) the Constitutional Revision Commission, 3) citizen's initiative, 4) a constitutional convention, or 5) the Taxation and Budget Reform Commission.²

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.

Once in the tenth week, and once in the sixth week immediately preceding the week in which the election is held, the proposed amendment or revision, with notice of the date of election at which it will be submitted to the electors, must be published in one newspaper of general circulation in each county in which a newspaper is published.³ If the joint resolution is passed in this session, the proposed amendment would be placed before the electorate at the next general election, unless it is submitted at an earlier special election pursuant to a law enacted by an affirmative vote of three-fourths of the membership of each house of the Legislature and is limited to a single amendment or revision.

The Florida Constitution provides that if the proposed amendment or revision is approved by the vote of electors, it is effective as an amendment to or revision of the Constitution of the state on the first Tuesday after the first Monday in January following the election, or on such other date as may be specified in the amendment or revision.

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² See Art. XI, ss. 1-4, and 6, Fla. Const.

³ Art. XI, s. 5(d), Fla. Const.

This proposed constitutional amendment would be placed before the electors of Florida in the general election of 2008, unless a special election is authorized by law, requiring a passage by 3/4 vote of each chamber. If approved by the electors of Florida in the general election, the constitutional amendment would take effect January 6, 2009.

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:

The Division of Elections within the Department of State estimates that the non-recurring cost of compliance with the publication requirements would be approximately \$60,000 in 2007-2008 fiscal year.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

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:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This joint resolution does not appear to require a city or county to expend funds or to take any action requiring the expenditure of funds.

This joint resolution does not appear to reduce the authority that municipalities or counties have to raise revenues in the aggregate.

This joint resolution does not appear to reduce the percentage of state tax shared with counties or municipalities.

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2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

Comments

Florida has 7 of the top 25 and 13 of the top 100 largest school districts in the nation.⁴ Studies show that large school districts have the lowest school achievement and highest dropout rates.⁵ Research would support that Florida could increase its graduation rate by 5% by reducing the size of school districts.6

Dade County, the fourth largest school district in the nation, and Orange County, the 15th largest school district in the nation, had twice the state average for failing schools. Duval County, the 19th largest school district in the nation, had three times the state average for failing schools.

Large schools are found predominantly in large school districts, and research shows that the students most adversely affected by large schools are members of racial minority groups and those from low socioeconomic backgrounds. Therefore, reducing school district size could help bridge the achievement gap between white and minority students.

Potential Issues regarding School District Division

If this joint resolution is approved by both chambers by 3/5 vote and if the electors of this state approve the constitutional amendment, then the legislature will have to draft implementing legislation. Implementing legislation will need to address, among other things, what processes are to be used to put the initiative before the county electors.

If the county electors vote to divide, districts will need to address socioeconomic and racial diversity, as well as how to divide school buildings, administrative service buildings, land, buses, vehicles, and other property. Districts will also have to determine the status of charter schools currently authorized by a unified school district.

If the constitution is amended and county electors choose to divide their school district, then issues arise, such as:

- Dividing existing bond debt service obligations, certificates of participation obligations, and other debt the district may have.
- Distributing the revenue from future bond referendums, voter approved operating millage revenue, current and future capital outlay sales taxes and intra-governmental capital outlay sales taxes, and impact fees.
- Determining allocation of federal funds that flow through the Department of Education, e.g., Individuals with Disabilities Act, Title I.

D. STATEMENT OF THE SPONSOR: Not applicable

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⁴ List of 100 Largest US Sch. Dists. (based on 2001-2002 Sch. Dist. Information System Data)

⁵ R.S. Jewell, School and School District Size Relationships: Costs, Results, Minorities, and Private School Enrollments

⁶ J.P. Greene. The Effect of Residential School Choice on Public High School Graduation Rates

^{. .}S. Jewell, School and School District Size Relationships: Costs, Results, Minorities, and Private School Enrollments STORAGE NAME: h7093.SLC.doc

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES

On March 27, 2007, the Schools and Learning Council adopted one amendment and reported the proposed council bill favorably. The amendment clarifies that the division of school districts is only an option, not a requirement. The amendment also requires general law to authorize more than one method by which the question of dividing the school district into two or more school districts is placed on the ballot, including voter initiative.

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