

HOUSE OF REPRESENTATIVES FINAL BILL ANALYSIS

BILL #:	HB 5101	FINAL HOUSE FLOOR ACTION:	
SPONSOR(S):	Appropriations Committee; Education Appropriations Subcommittee and Fresen	107 Y's	8 N's
COMPANION BILLS:	SB 790, HB 5009; includes parts of SB 1148, SB 1710, HB 7165	GOVERNOR'S ACTION:	Approved

SUMMARY ANALYSIS

HB 5101 passed both chambers on May 2, 2014.

The bill includes portions of CS/CS/SB 790, CS/SB 1148, SB 1710, HB 5009, and CS/HB 7165. The bill conforms statute to the funding decisions in the 2014-2015 General Appropriations Act and addresses issues relating to the education system. Specifically, the bill:

- Requires the Department of Education to make monthly transfers from the Public Education Capital Outlay and Debt Service Trust Fund (PECO) into a separate sub-account to reserve funds for the purpose of paying debt service. This will ensure that sufficient cash balances within the fund are available to pay debt service for PECO bonds;
- Prohibits the State Board of Education from approving new baccalaureate degree programs at Florida College System institutions, and St. Petersburg College (SPC) Board of Trustees from approving baccalaureate degree programs at SPC, from March 31, 2014 through May 31, 2015;
- Increases the number of schools participating in the additional hour of intensive reading from 100 to 300;
- Establishes the Florida Digital Classrooms Allocation categorical in the Florida Education Finance Program (FEFP) and defines the eligible uses of the categorical and the process for school districts to receive their share of the categorical;
- Requires the Department of Education to develop a 5-year strategic plan for establishing Florida digital classrooms to assist schools in their efforts to integrate technology in classroom teaching and learning;
- Repeals the requirement that New College of Florida function solely as an undergraduate institution and authorizes the College to establish a 2-year master's degree in data science and analytics upon approval from the Board of Governors;
- Establishes the Florida Center for Cybersecurity at the University of South Florida;
- Increases the maximum number of scholarships available through the Rosewood Family Scholarship Program from 25 to 50 and increases the maximum annual award from \$4,000 to \$6,100;
- Creates the National Merit Scholar Incentive Program to provide merit-based financial aid awards to eligible Florida high school graduates who earn a National Merit Scholarship or National Achievement Scholarship and who enroll in a 4-year degree program at an eligible Florida public or independent postsecondary institution;
- Establishes the Complete Florida Plus Program at the University of West Florida (UWF) to facilitate the degree completion for the state's adult learners and provide information and access to distance learning courses and programs offered by our state's universities & colleges, and transfers the services and functions of the Florida Virtual Campus to UWF's Complete Florida Plus Program;
- Modifies the eligibility for lab schools to receive sparsity funds by extending the date before which the school must have been operating from 2002 to 2013 and clarifying that the lab school must be a permanent high school center in order to be eligible to receive the funds;
- Clarifies that school districts are only required to pay the standard rate of tuition to public postsecondary institutions for dual enrollment courses during spring and fall terms;
- Authorizes a public postsecondary institution to receive funding for dual enrollment courses taken during the summer term, subject to specific appropriation; and
- Requires the Pasco County Sheriff's Office and Pasco-Hernando State College to negotiate an interlocal agreement governing the operations of the Law Enforcement and Corrections Academy.

The bill has an estimated state funding fiscal impact of \$49,628,025 which is appropriated in the 2014-2015 General Appropriations Act (HB 5001). See Fiscal Comments section for explanation of the fiscal impact of the bill.

The bill was approved by the Governor on June 2, 2014, ch 2014-56, L.O.F., and became effective on July 1, 2014, except as otherwise provided.

I. SUBSTANTIVE INFORMATION

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME h5301z1.doc

DATE: July 14, 2014

A. EFFECT OF CHANGES:

Public Education Capital Outlay (PECO) Sinking Fund

Present Situation

Article XII, Section 9 (a) (2) of the Florida Constitution and sections 203.01 and 215.61, Florida Statutes, authorize the collection and bonding of gross receipts tax revenues for the purpose of funding education fixed capital.

The revenue source used to pay annual debt service payments on Public Education Capital Outlay (PECO) bonds is the revenue from Gross Receipts taxes (GRT) collected pursuant to s.203.01, Florida Statutes. Total GRT revenues have fallen in recent years from a high of \$1,126.2 million in Fiscal Year 2008-09 to the current estimate of \$994.8 million for FY 2013-2014. Monthly receipts of Gross Receipts taxes are fairly consistent throughout the year, averaging \$82.9 million each month during Fiscal Year 2013-2014 with monthly amounts ranging from a low of \$75 million to a high of \$89 million. The average for Fiscal Year 2014-2015 is expected to be \$83.8 million (February 28, 2014 Gross Receipts Tax Revenue Estimating Conference, Office of Economic and Demographic Research (EDR)).

Outstanding PECO bonds total \$10,226,555,000 as of March 2014. Total annual debt service payments for Fiscal Year 2014-2015 are estimated to be \$903.4 million (March 10, 2014 PECO Estimating Conference, Office of Economic and Demographic Research EDR) . Debt service payments are made twice annually. The first payment, for interest only, is due December 1st, and is approximately 25 to 30% of the total annual amount. The second payment, for principal and interest, is due June 1 and represents 70 to 75% of the total annual debt service payment. The Department of Education is required to transmit cash for the debt service payment to the State Board of Administration on the 20th of the month prior to the due date. For Fiscal Year 2014-2015, the annual total debt service of \$903.4 million, though due in two payments, on average, equates to 12 monthly payments of \$75.3 million (which will need to be paid from the \$83.8 million in average monthly Gross Receipts tax revenues).

Section 215.61, F.S., limits the amount of PECO bonds that may be issued to 90 percent of the amount which can be serviced by gross receipts tax revenues, based on the average annual amount of revenue collected in the most recent 24 months before the date of issuance of the bonds. As a result of falling Gross Receipts revenues, and the resulting inability to meet the requirements of s. 215.61, F.S., no bonds have been issued since Fiscal Year 2010-2011 (See chart below). In Fiscal Years 2011-2012 through 2013-2014 total PECO appropriations were funded from 100% cash rather than cash and bond proceeds. Smaller, all cash PECO appropriations have contributed to a greater majority of the recently funded projects being maintenance and renovation projects rather than new construction projects. Funds appropriated for maintenance and renovation projects tend to be expended more quickly than those for new construction projects which may be paid over a period of years. The accelerated nature of expenditures combined with falling revenues has contributed to historically lower cash balances within the PECO trust fund.

In Fiscal Year 2012-2013, interim cash flow projections showed that if expenditures for appropriated projects continued unrestricted, there could have been an insufficiency of cash needed to pay the May 2013 debt service, particularly if revenues fell below the levels estimated by the Office of Economic and Demographic Research (EDR). As a precaution, the Department of Education began to set aside a portion of monthly revenues in an amount approximately equal to one twelfth of the estimate for the next year's total annual debt service payment. In addition, the department delayed making expenditures for PECO projects, to ensure sufficient cash was available to pay debt service. Currently, there is no statutory requirement that revenues for debt service be set aside monthly to ensure that debt service payments can be made in each fiscal year.

Effect of Proposed Changes

The proposed change would place a higher priority on the payment of debt service by requiring the Department of Education to make a monthly deposit into a separate account, prior to making project expenditures. The monthly amount would approximately equal one twelfth of the subsequent year's total debt service. For Fiscal Year 2014-2015, the amount transferred into a separate account for debt service would average approximately \$75.3 million per month, or \$903.4 divided into twelve monthly amounts. The amounts for the May 2015 debt service would have to begin in May 2014 to ensure sufficient funds are transferred to the sub account by the May 20, 2014 due date for transferring the funds to the State Board of Administration.

Florida College System – Baccalaureate Degrees

Present Situation

The State Board of Education (SBE) is authorized to approve new Florida College System institution baccalaureate degree proposals.¹ Florida colleges may establish baccalaureate degree programs which meet district, regional, or statewide needs, if approved by the State Board of Education.² The approval process requires:

- The Florida college to submit a notice of intent to the Division of Florida Colleges at least 100 days before the submission of its proposal;
- The Chancellor of the State University System, the President of the Independent Colleges and Universities of Florida, and the Executive Director of the Commission for Independent Education have an opportunity to submit an objection or an alternative proposal to the baccalaureate degree program;
- The Florida college's proposal include a description of the planning process and implementation timeline, workforce demand analysis, identification of facilities and other resources required to deliver the program, a cost analysis and enrollment projections for the program, and other program specifics including admission requirements, curriculum, faculty credentials, and an accreditation plan;
- The Florida college obtain the necessary accreditation from the Commission on Colleges of the Southern Association of Colleges and Schools; and
- The Florida college to annually report its status on established performance and compliance indicators.³

In addition, the Board of Trustees of St. Petersburg College, the first college authorized to offer baccalaureate degrees in 2001,⁴ has statutory authority to establish baccalaureate programs if it determines a program is warranted and feasible without complying with the approval process described above.⁵

Since 2001, approximately 175 baccalaureate degree programs at 24 Florida College System institutions have been approved. St. Petersburg College has 25 baccalaureate programs.⁶ Colleges not approved to offer baccalaureate programs include: Florida Keys Community College, Hillsborough Community College, North Florida Community College, and Tallahassee Community College.

Between May 2013 and February 2014, the SBE approved 14 colleges' proposals to offer 18 new baccalaureate programs, and to transition two existing baccalaureate degree concentrations to stand-

¹ Section 1001.03(15), F.S.

² Section 1007.33(4)(c), F.S.

³ Section 1007.33(5), F.S.

⁴ Chapter 2001-170, Laws of Florida

⁵ Chapter 2009-228, Laws of Florida

⁶ http://www.fldoe.org/fcs/students/bach_degree.asp List of Approved Bachelor's Degree Programs by College

alone programs.⁷ Pending further action, notices of intent have been received by the Division of Florida Colleges from ten of the 28 colleges. Of these proposals, four colleges have provided the initial proposals to the SBE, and one college has submitted the completed proposal.⁸ Tallahassee Community College (TCC) has provided a notice of intent to create a new baccalaureate program in nursing. Upon approval from the SBE and accreditation by the Commission on Colleges of the Southern Association of Colleges and Schools, TCC would become the 25th FCS institution authorized as a baccalaureate degree granting institution.

In 2013-2014, the estimated state college upper division enrollment is 13,039 FTE, an increase of 1,640 FTE (14.4%) compared to 2012-2013 actual enrollment of 11,399 FTE. For all Lower Division programs, FTE enrollment is projected to decrease by 9,992 FTE (3%), from 338,709 FTE in Fiscal Year 2012-2013 to a projected 328,717 FTE in Fiscal Year 2013-2014. Upper division enrollment accounts for approximately 3.8% of total FTE enrollment.⁹

Effect of Proposed Changes

The bill prohibits the State Board of Education from approving new baccalaureate degree programs at Florida College System institutions from March 31, 2014 through May 31, 2015. Likewise, the St. Petersburg College Board of Trustees is prohibited from approving new baccalaureate degree programs at St. Petersburg College from March 31, 2014 through May 31, 2015.

Rosewood Family Scholarship Program

Present Situation

The Rosewood Family Scholarship Program was created in 1994 to provide annual scholarships of up to \$4,000 to “minority persons with preference given to the direct descendants of Rosewood families” affected by the incidents of January 1923.¹⁰ In 2009, the Legislature amended the student eligibility criteria to limit the Rosewood Family Scholarship Program only to the direct descendants of the Rosewood families.¹¹ The program provides for a maximum of 25 scholarships per year and requires that the award amount not exceed an amount in excess of tuition and registration fees.¹² The scholarship program is administered by the Florida Department of Education in accordance with the State Board of Education rules.¹³

Students must meet the following requirements to become eligible to receive the scholarship:¹⁴

- Meet the general requirements for student eligibility as provided in law,¹⁵ except as provided under the Rosewood Family Scholarship Program.
- File an application for the scholarship within the established time limits.
- Enroll as certificate-seeking or degree-seeking students at a state university, Florida College System (FCS) institution, or career center authorized by law.

Funding for the Rosewood Family Scholarship Program is provided in the General Appropriations Act. In 2013, the Legislature appropriated \$60,000 for the Rosewood Family Scholarships.¹⁶ If funds are

⁷ <http://edr.state.fl.us/Content/conferences/communitycolleges/index.cfm> New Baccalaureate Programs Approved 2013-14 (pdf)

⁸ Email correspondence with Division of Colleges, April 27, 2014.

⁹ <http://edr.state.fl.us/Content/conferences/communitycolleges/index.cfm> Education Estimating Conference Florida College System Enrollment Forecast March 6, 2014 Executive Summary (pdf)

¹⁰ Chapter 94-359, L.O.F.; *see also* s. 1009.55, F.S.

¹¹ Section 19, ch. 2009-60, L.O.F.

¹² Section 1009.55(1)-(2)(a), F.S.

¹³ Section 1009.55(2), F.S.

¹⁴ Section 1009.55(3), F.S.

¹⁵ Section 1009.40, F.S.

¹⁶ Specific Appropriations 66, ch. 2013-40, L.O.F.

insufficient to provide a full scholarship to each eligible applicant, DOE may prorate the available funds and make partial award to each applicant. Additionally, DOE must rank eligible initial applicants based on need as determined by the department. Award payments must be transmitted to the President of the state university or FCS institution, or his or her representative, or the director of the career center before the registration period each semester.

Effect of Proposed Changes

The bill increases the maximum number of scholarships available through the Rosewood Family Scholarship Program from 25 to 50, and increases the maximum annual award from \$4,000 to \$6,100.

National Merit Scholarship Program

Present Situation

National Merit Scholarship Program

The National Merit Scholarship Program is an academic competition for recognition and scholarship that began in 1955. High school students enter the National Merit Program by taking the Preliminary SAT/National Merit Scholarship Qualifying Test (PSAT/NMSQT), which serves as an initial screen of approximately 1.5 million entrants each year and meeting the program participation requirements.¹⁷

To participate in the National Merit Scholarship Program, a student must:¹⁸

- Take the PSAT/NMSQT in the specified year of the high school program and no later than the third year in grades 9 through 12, regardless of grade classification or educational pattern;
- Be enrolled as a high school student, progressing normally toward graduation or completion of high school, and planning to enroll full time in college no later than the fall following completion of high school; and
- Be a citizen of the United States; or be a U.S. lawful permanent resident (or have applied for permanent residence, the application for which has not been denied) and intend to become a U.S. citizen at the earliest opportunity allowed by law.

“Of the 1.5 million entrants, some 50,000 with the highest PSAT/NMSQT Selection Index scores (critical thinking + mathematics + writing skills scores) qualify for recognition in the National Merit Scholarship Program.”¹⁹ In February, approximately 15,000 Semifinalists are notified that they have advanced to finalist standing. Winners are chosen from the finalist group based on their abilities, skills, and accomplishments. From March through mid-June, the National Merit Scholarship Corporation (NMSC) notifies approximately, 8,000 finalists that they have been selected to receive a Merit Scholarship award. A variety of information is available for the selectors to evaluate: the finalist’s academic record, information about the school’s curricula and grading system, two sets of test scores, the high school official’s written recommendation, information about the student’s activities and leadership, and the finalist’s own essay.²⁰

Merit Scholarship awards are of three types:²¹

- \$2,500 National Merit Scholarships
- Corporate-sponsored Merit Scholarship awards
- College-sponsored Merit Scholarship awards

¹⁷ National Merit Scholarship Corporation, *National Merit Scholarship Program*, <http://www.nationalmerit.org/nmsp.php> (last visited May 5, 2014).

¹⁸ Ibid.

¹⁹ Ibid.

²⁰ Ibid.

²¹ Ibid.

National Achievement Scholarship Program

“The National Achievement Scholarship Program is an academic competition established in 1964 to provide recognition for outstanding Black American high school students. Black students may enter both the National Achievement Scholarship Program and the National Merit Scholarship Program by taking the PSAT/NMSQT and meeting other published requirements for participation.”²² The two annual programs are conducted concurrently but operated and funded separately.²³ Black American students can qualify for both the National Merit Scholarship Program and the National Achievement Scholarship Program, but can receive only one monetary award from the NMSC.²⁴

To participate in the National Achievement Scholarship Program, a student must:²⁵

- Take the PSAT/NMSQT in the specified year of the high school program and no later than the third year in grades 9 through 12, regardless of grade classification or educational pattern;
- Request entry to the National Achievement Program by marking section 14 on the PSAT/NMSQT answer sheet, thereby identifying himself or herself as a Black American who wishes to be considered in this competition as well as in the National Merit Scholarship Program;
- Be enrolled as a high school student, progressing normally toward graduation or completion of high school, and planning to enroll full time in college no later than the fall following completion of high school; and
- Be a citizen of the United States; or be a U.S. lawful permanent resident (or have applied for permanent residence, the application for which has not been denied) and intend to become a U.S. citizen at the earliest opportunity allowed by law.

Of the more than 160,000 students who currently enter the National Achievement Scholarship Program each year, over 4,700 are honored. About 1,600 high-scoring participants in each year’s National Achievement Scholarship Program are designated Semifinalists. In January, approximately 1,300 Semifinalists are notified that they qualify as finalists. All winners are selected from the group of finalists based on their abilities, skills, and accomplishments. The program notifies about 800 finalists that they have been selected to receive a National Achievement Scholarship.²⁶

Achievement Scholarship awards are of two types:²⁷

- \$2,500 National Achievement Scholarships
- Corporate-sponsored Achievement Scholarship awards

NMSC is a private, not-for-profit organization that operates without government assistance.²⁸ NMSC conducts the National Merit Scholarship Program and the National Achievement Scholarship Program annual competitions for recognition and college undergraduate scholarships.²⁹

Effect of Proposed Changes

The bill creates the Florida National Merit Scholar Incentive Program (Program) to reward Florida high school graduates who receive the National Merit Scholar recognition or the National Achievement

²² Ibid.

²³ Ibid.

²⁴ Ibid.

²⁵ Ibid.

²⁶ Ibid.

²⁷ Ibid.

²⁸ National Merit Scholarship Corporation, *2012-13 Annual Report*, available at http://www.nationalmerit.org/annual_report.pdf, at 3 of 56.

²⁹ National Merit Scholarship Corporation, *About National Merit Scholarship Corporation*, <http://www.nationalmerit.org/about.php> (last visited May 5, 2014).

Scholar designation and who, beginning with the 2014-2015 academic year, enroll in a baccalaureate degree program at an eligible public or private postsecondary educational institution in Florida.

The bill requires the Florida Department of Education (department) to administer the incentive program in accordance with the rules and procedures established by the State Board of Education (SBE). The department must advertise the program and notify students, teachers, parents, certified school counselors, and principals or relevant school administrators about the program criteria and application procedures.

Consistent with some of the eligibility requirements for the existing state financial aid programs (e.g., Florida Public Student Assistance Grant Program³⁰ and Florida Bright Futures Scholarship Program³¹), a student must meet the following criteria to become eligible for the program award:

- Be a state resident pursuant to current law³² and SBE rules;
- Earn a standard Florida high school diploma or its equivalent pursuant to current law,³³ unless the student;
 - Completes a home education program pursuant to current law,³⁴ or
 - Earns a high school diploma from a school outside Florida while living with a parent or guardian who is on military or public service assignment outside Florida;
- Be accepted by and enroll in a Florida public or private postsecondary educational institution that meets the eligibility requirements specified in law.³⁵
- Be enrolled for at least six semester credit hours or the equivalent in quarter hours or clock hours.

The program award for a student attending a public postsecondary institution must be equal to the institutional cost of attendance minus the sum of the student's Florida Bright Futures Scholarship and National Merit or National Achievement Scholarship. The program award for a student attending an independent postsecondary institution must be equal to the highest cost of attendance at a public university in this state, as reported by the Board of Governors of the State University System of Florida (BOG), minus the sum of the student's Florida Bright Futures Scholarship and National Merit Scholarship or National Achievement Scholarship.

To be eligible for a renewal award, a student must earn all credits for which he or she was enrolled and maintain a 3.0 or higher grade point average. A student may receive the incentive award for a maximum of 100 percent of the number of credit hours required to complete a baccalaureate degree program, or until completion of a baccalaureate degree program, whichever comes first.

The department must transmit award payments to the President or director of the postsecondary educational institution, or his or her representative, before the registration period each semester. However, DOE may withhold award payments if the receiving institution fails to comply with the specified requirements regarding reporting and refunding payments. Specifically, the bill requires institutions to certify to the department:

- The eligibility status of each student to receive a disbursement within 30 days before the end of its regular registration period that includes the drop and add period; and
- The amount of funds disbursed to each student

³⁰ Section 1009.50, F.S.

³¹ Section 1009.531, F.S.

³² Section 1009.40, F.S.

³³ Section 1002.41, F.S.

³⁴ Section 1002.41, F.S.

³⁵ Section 1009.533, F.S.

Any undisbursed advances to the institution must be remitted to the department within 60 days after the end of the regular registration period.

The postsecondary institutions are not required to reevaluate student eligibility for a program award after the end of the drop and add period. Additionally, the bill specifies that program awards must be prorated if the appropriated funds for the program are not sufficient to provide the maximum allowable award to each eligible student. Contingent on the availability of funds, a student may use the program award for a summer term. The bill prohibits the use of program funds to pay for remedial coursework or developmental education, which is consistent with the same prohibition under the Florida Bright Futures Scholarship Program.³⁶

The department must allocate funds to the appropriate institutions and collect and maintain program data within the student financial assistance database as specified in law.³⁷ The data collection component of the program is consistent with the other state financial aid programs. Florida law requires DOE to maintain a student financial assistance database to support all aspects of administration and delivery of state-funded student financial aid. The database includes financial assistance provided to Florida's students through the different state financial aid programs.

The bill requires SBE to adopt rules to administer the program provisions.

The 2014-2015 General Appropriations Act (HB 5001) provides an appropriation of \$2.9 million to provide the program awards for approximately 163 National Merit Scholars and 17 National Achievement Scholars. Appropriated funds are based on the estimated institutional cost of attendance minus the sum of the student's Florida Bright Futures Scholarship and National Merit Scholarship or National Achievement Scholarship.

Award Level Calculation

2013-2014 State University Average Cost of Attendance	\$21,039
2013-2014 Florida Academic Scholars (FAS) Award (Based on 30 hours)	(\$3,090)
Estimated National Merit Scholarship	(\$2,000)
Remaining Cost of Attendance = Award Level	\$15,949

Estimated Cost of the Florida National Merit Scholar Incentive Program

National Merit Scholars	
Number of Students	163
Total Estimated Cost	\$2,599,687
National Achievement Scholars	
Number of Students	17
Total Estimated Cost	\$271,133
Total Number of Students	180
Total Costs	\$2,870,820

Dual Enrollment

Payment to postsecondary institutions

³⁶ Section 1009.53(10), F.S.

³⁷ Section 1009.94, F.S.

In 2013-2014, the Legislature made statutory changes that required public schools to pay tuition costs from district Florida Education Finance Programs (FEFP) appropriations to compensate colleges and universities for dual enrollment (DE) FTE.³⁸ Schools are required to pay the standard tuition rate of tuition per credit hour for DE coursework taken by school district students if the instruction takes place on the college or university campus. If the student is provided the instruction on the high school campus by a college or university faculty member, the school districts are required to reimburse the college or university institution for costs associated with the proportion of salary and benefits and other actual costs incurred by the college or university to provide the instruction. Finally, when the instruction is provided at the high school by school district faculty, the school district must fund the college or university's costs associated with offering the program. School districts do not receive FEFP funds for summer term; thereby, requiring districts to pay from funds not received.

Effect of Proposed Changes

The bill clarifies that school districts shall pay public postsecondary institutions the standard rate of tuition per credit hour from funds provided in the FEFP when dual enrollment course instruction takes place on the postsecondary institution's campus and the course is taken during the fall or spring term. The bill provides that, subject to annual appropriation in the General Appropriations Act, a public postsecondary institution shall receive an amount of funding equivalent to the standard tuition rate per credit hour for dual enrollment courses taken by a student during the summer term.

Florida College System Summer Term 2013-2014 college records indicate 13,223 public school students took 66,548 credit hours. At the standard tuition rate of \$71.98, the estimated cost is \$4,790,125.

State University System Summer Term 2013-2014 records indicate 2,906 credit hours were taken at state universities. At the standard tuition rate of \$105.07, the estimated cost is \$305,333.

Student Support Services

Present Situation

Complete Florida Degree Program

Also in 2012, the Legislature established the Complete Florida Degree Program to recruit, recover, and retain the state's adult learners and assist them in completing an associate degree or a baccalaureate degree that is aligned to high-wage, high-skill workforce needs.³⁹ The program is administered by the University of West Florida (UWF), acting as the lead institution, in coordination with the FCS and SUS institutions and private postsecondary institutions, as appropriate.⁴⁰

The Complete Florida Degree Program is required to:

- Provide adult learners with a single point of access to information and links to innovative online and accelerated distance learning courses, student and library support services, and electronic resources that will aid them in completing a postsecondary degree;
- Develop and implement an advising and student support system that includes the use of degree completion specialists, is based upon best practices and processes, and includes academic and career support services designed specifically for the adult learner;

³⁸ Chapter 2013-45, Laws of Florida

³⁹ Section 15, ch. 2012-134, L.O.F.

⁴⁰ Section 1006.735(2), F.S.

- Use existing or develop new competency-based instructional and evaluation tools to assess prior performance, experience, and education to award college credit and reduce the time required for adults to complete degrees;
- Develop and implement an evaluation process to collect and analyze appropriate data in order to report on the effectiveness of the program;
- Develop and implement a statewide student recruitment campaign for the program;
- Identify proposed changes to the statewide computer-assisted student advising system developed by the FLVC to assist the adult learner in using the system;
- Use the online admissions application implemented by FLVC; and
- Use the distance learning catalog implemented by FLVC.⁴¹

Florida Virtual Campus

In 2012, the Legislature created the Florida Virtual Campus (FLVC) by consolidating the services and resources previously provided by the Florida Distance Learning Consortium, the Florida Higher Education Distance Learning Catalog, FACTS.org, the Florida Center for Library Automation, and the College Center for Library Automation. The FLVC was established to provide access to online student and library support services and to serve as a statewide resource and clearinghouse for public postsecondary education distance learning courses and degree programs.⁴² The primary purposes of FLVC are to:

- Establish a single library automation system and associated resources and services that all public postsecondary education institutions will use to support their learning, teaching, and research needs.
- Provide information and access to distance learning courses and degree programs offered by the state's public postsecondary education institutions.
- Coordinate with the Florida College System (FCS) and the State University System (SUS) to identify and provide online academic support services and resources when the multi-institutional provision of such services and resources is more cost or operationally effective.⁴³

The chancellors of the Florida College System and the State University System exercise joint oversight of the FLVC and establish its governance and reporting structure, administrative and operational guidelines and processes, staffing requirements, and operational budget.⁴⁴

The FLVC is required to:

- Develop and manage a library information portal and automated library management tools for use by FCS and SUS institutions;
- Develop and manage a statewide Internet-based catalog of distance learning courses, degree programs, and resources offered by public postsecondary education institutions to assist in the coordination and collaboration of articulation and access;
- Implement a streamlined, automated, online admissions application process for undergraduate transient students;
- Develop and manage a statewide computer-assisted student advising system that will support advising, registering, and certifying students for graduation and include a degree audit and articulation component;
- Coordinate the negotiation of statewide licensing of electronic library resources and preferred pricing agreements, issue purchase orders, and enter into contracts for the acquisition of distance learning resources, student and library support services, electronic resources, and other goods and services necessary to carry out its duties;

⁴¹ Section 1006.735(4) & (5), F.S.

⁴² Section 14, ch. 2012-134, L.O.F.

⁴³ Section 1006.73(1), F.S.

⁴⁴ Section 1006.73(2), F.S.

- Promote and provide recommendations concerning the use and distribution of open-access textbooks and education resources in order to reduce costs and develop a standardized process for reviewing and approving open-access textbooks;
- Provide appropriate help desk support and training and consultation services to institutions and students using FLVC services;
- Identify and evaluate new technologies and instructional methods that can be used to improve distance learning instruction, student learning, the efficient delivery of student support services, and the overall quality of undergraduate distance learning courses and degree programs; and
- Develop and implement a plan that describes the services and resources available at FLVC to encourage student use of the services.

It was anticipated that the consolidation of services and resources provided by the five entities would result in a cost savings.⁴⁵ According to the Office of Program Policy and Government Accountability (OPPAGA), as of February 2013, FLVC had made progress toward functioning as a cohesive unit and saved \$1,563,782 by reducing positions and saved an additional \$116,586 by renegotiating leases; however, the FLVC still maintained three separate locations, one in which the lease agreement obligates FLVC to pay for unused space. Additionally, FLVC maintained an \$8 million reserve balance for which the obligations were unclear.⁴⁶

OPPAGA also noted that FLVC did not have a process that ensured its core services met legislative expectations and user needs and lacked a plan for how and when it would focus its resources on priority issues. Specific findings include:

- FLVC had not taken adequate steps to ensure students are aware of and can easily use FLVC services;
- The FLVC Website is difficult to navigate and use;
- The FLVC advising system is out of date and used by relatively few students;
- The distance learning catalog is functional but does not incorporate an online analytical tool to provide usage and course request data required by law;
- The FCS and SUS integrated library systems still operate separately; and
- There is no discovery tool incorporating university and college libraries.⁴⁷

Licensing Electronic Library Resources

Current law provides parameters for cost efficient and cost effective licensing of electronic library resources. The law outlines a process for identifying shared core resources among institutions that must be made available to all public postsecondary education students. The FCS and SUS must annually report to the Governor and the chairs of the legislative appropriations committee the cost savings realized as a result of the collaborative licensing process.

Effect of Proposed Changes

Complete Florida Plus Program

The bill creates the Complete Florida Plus Program at the University of West Florida and transfers the requirements and responsibilities related to online student support services currently administered through the Florida Virtual Campus (FLVC) to this program.

The bill renames the Complete Florida Degree Program⁴⁸ to the Complete Florida Degree Initiative and provides that UWF will continue to administer the initiative under the Complete Florida Plus Program.

⁴⁵ OPPAGA Presentation, *Progress of Florida Virtual Campus*, Feb. 13, 2014, available at <http://www.oppaga.state.fl.us/Presentations.aspx>.

⁴⁶ *Id.*

⁴⁷ *Id.*

In addition to the Complete Florida Degree Initiative, the bill stipulates that the other primary purposes of Complete Florida Plus are to:

- Provide information and access to distance learning courses and degree programs offered by the state's public postsecondary education institutions;
- Coordinate with the FCS and the SUS to identify and provide online academic support services and resources when multi-institutional provision of such services and resources is more cost or operationally effective; and
- Administer the Florida Academic Library Services Cooperative (FALSC) in consultation with the chancellors of the FCS and SUS regarding implementation and operations of FALSC.

The bill transfers responsibility for implementation of the following services and resources currently assigned to the FLVC to the Complete Florida Plus Program, and requires the program to:

- Develop and manage a statewide Internet-based catalog of distance learning courses, degree programs, and resources offered by public postsecondary education institutions to assist in the coordination and collaboration of articulation and access;
- Implement a streamlined online admissions application process for undergraduate transient students;
- Develop and manage a statewide computer-assisted student advising system that will support advising, registering, and certifying students for graduation and include a degree audit and articulation component;
- Provide appropriate help desk support and training and consultation services to institutions and students using Complete Florida Plus services;
- Coordinate the negotiation of statewide licensing of resources and preferred pricing agreements, issue purchase orders, and enter into contracts for the acquisition of distance learning resources, student support services, electronic resources, and other goods and services necessary to carry out its duties;
- Identify and evaluate new technologies and instructional methods that can be used to improve distance learning instruction, student learning, the efficient delivery of student support services, and the overall quality of undergraduate distance learning courses and degree programs; and
- Develop and implement a plan in consultation with public postsecondary institutions that describes the services and resources available at Complete Florida Plus to encourage student use of the resources and services.

The Northwest Regional Data Center is required to provide data center services for the online student support services being transferred to the Complete Florida Plus Program at the University of West Florida.

Florida Academic Library Services Cooperative

The bill establishes the Florida Academic Library Services Cooperative (FALSC) and reassigns all the duties and resources related to online library support services currently administered by the FLVC to the cooperative, and requires the cooperative to obtain data center services from the Northwest Regional Data Center. The cooperative shall be administered by a director who will report to the director of the Complete Florida Plus Program.

The bill requires the director of FALSC to:

- Exercise all powers, duties, and functions of the cooperative prescribed by law;
- Administer the operational requirements of the cooperative;

⁴⁸ Section 1006.735, F.S.

- Hire professional and administrative staff necessary to administer the duties of the cooperative; and
- Keep administrative staff to the minimum necessary to administer the duties of the cooperative.

The bill transfers all records, personnel, property, existing contracts, and unexpended balances of appropriations, allocations, grants, and other funds of the FLVC to UWF and designates UWF as the successor in interest to the FLVC that is responsible for the provision of all services authorized. The bill requires the University of West Florida to submit an annual report regarding the implementation and operation of the Complete Florida Plus Program and the Florida Library Automation Cooperative, by December 31 each year, to the President of the Senate and the Speaker of the House of Representatives.

In order for the required changes to be accomplished with minimal disruption of services to the FCS institutions, SUS institutions, and their staff and students, the bill establishes a transition period between the effective date of the act and December 31, 2014. The bill directs the Board of Governors, on behalf of the UWF, to develop and submit to the Legislative Budget Commission a budget amendment that includes a transition plan for absorbing the transfer of FLVC resources to the UWF.

The bill repeals section 1006.72 and incorporates provisions relating to licensing of electronic library resources into the FALSC.

Transfer of Credit

The bill requires the Articulation Coordinating Committee⁴⁹ (ACC) to make recommendations to the Legislature regarding the costs and requirements to develop and implement an online system for collecting and analyzing data regarding requests for transfers of credit by postsecondary education students. The ACC must report recommendations to the Speaker of the House of Representatives and the President of the Senate no later than January 31, 2015.

The bill expedites the process by which the ACC receives industry certification statewide articulation agreement proposals for review and recommendation to the State Board of Education by requiring the Chancellor of Career and Adult Education to submit proposals for articulation of credit no less than 90 days after the State Board of Education adopts an industry certification for inclusion on the industry certification funding list.

New College of Florida – Master in Data Science and Analytics

Present Situation

New College of Florida is statutorily established as the residential liberal arts honors college of the State of Florida with the mission of providing quality 4-year undergraduate education. The student body is comprised of approximately 830 primarily Floridian students enrolled full time and seeking undergraduate degrees. Degree programs with the highest enrollment are psychology, biology, and anthropology.

Effect of Proposed Changes

The bill amends s. 1004.32, F.S., to expand the mission of New College to allow for the establishment of a 2-year master's degree program in data science and analytics. Prior to implementation, this program must be proposed and approved by the Board of Governors and funded in the GAA.

⁴⁹ Section 100.01, F.S.

University of South Florida – Florida Center for Cybersecurity

Present Situation

In 2013, the legislature required the Board of Governors to submit a report to the Legislature and the Governor that provided a plan for the creation of a Florida Center for Cybersecurity to be located at the University of South Florida. The goals of the Florida Center for Cybersecurity were outlined in the General Appropriations Act.⁵⁰ The resulting report included proposed operational and capital startup costs as well as a budget to support the ongoing operations of the proposed Florida Center for Cybersecurity.

Effect of Proposed Changes

The bill creates s. 1004.444, to establish the Florida Center for Cybersecurity in statute at the University of South Florida. The bill specifies the goals of the center as identified in the Board of Governor's report.⁵¹

Developmental Research (Laboratory) Schools Sparsity Supplement Eligibility

Present Situation

Section 1011.62(7), F.S., creates a sparsity supplemental allocation within the FEFP. The sparsity supplement provides additional funding to districts with 20,000 or fewer FTE⁵² and 3 or fewer high school centers. The supplement compensates districts for diseconomies of scale, or their inability to realize the efficiencies that larger districts can achieve due to their smaller student population. The sparsity supplement is allocated based on the total number of FTE in a district per high school center (capped at 3 high school centers) and adjusted for the wealth of the school district based on the district's total potential funds per FTE. If a district's sparsity supplement is less than \$100 per FTE, the supplement is increased to equal \$100 per FTE. Roughly half of the 67 school districts (33 in the 4th calculation) and three developmental research (laboratory) schools receive a sparsity supplement in the 2013-2014 fiscal year.⁵³

Section 1002.32, F.S., creates a category of public schools known as developmental research (laboratory) schools (lab schools). Each lab school provides sequential instruction and is affiliated with the college of education within the state university of closest geographic proximity. A lab school to which a charter has been issued must be affiliated with the college of education within the state university that issued the charter, but is not subject to the requirement that the state university be of closest geographic proximity. Lab schools are eligible for the sparsity supplement if the lab school was established prior to September 1, 2002 and is established as a high school center (serves students in grades 9-12).

There were four developmental research lab schools established in law effective July 1, 1991:

- P.K. Yonge Developmental Research School located in Alachua County serves K-12 students and is affiliated with the University of Florida (UF).

⁵⁰ Chapter 2013-41, Laws of Florida

⁵¹ State University System of Florida Board of Governors meeting packet for the Strategic Planning Committee, November 20, 2013, http://www.flbog.edu/documents_meetings/0184_0752_5480_399%20SPC%20Packet.pdf.

⁵² Section 1011.62(7), F.S., states that a qualified district's full-time equivalent student membership shall be no less than 17,000 but no more than 24,000 FTE as prescribed annually by the Legislature in the GAA. Specific Appropriation 87, ch. 2013-40, L.O.F., prescribes 20,000 FTE as the maximum number of students a qualified district may have.

⁵³ Florida Education Finance Program 2013-14 4th calculation, Florida Department of Education, Office of Funding and Financial Reporting, <http://www.fldoe.org/feffp/pdf/1314-Fourth.pdf>

- Florida Agricultural and Mechanical University (FAMU) Developmental Research School located in Leon County serves K-12 students.
- Florida State University School located in Leon County is a K-12 charter school.
- Alexander D. Henderson University School located in Palm Beach County is an elementary-middle school serving K-8 students on the campus of Florida Atlantic University in Boca Raton.

In addition, there are also three charter lab schools:

- Florida Atlantic University High School (FAU HS) located in Palm Beach County is a dual enrollment high school on the campus of Florida Atlantic University in Boca Raton which began serving grade 9-12 students in the 2004-2005 school year.
- The Pembroke Pines-Florida State University Charter Elementary School located in Broward County began serving students in grades K-5 in the 2003-2004 school year and is affiliated with Florida State University.
- Palm Pointe Educational Research School located in St. Lucie County began serving grade K-8 students in the 2008-2009 school year and is affiliated with Florida Atlantic University.

These schools are funded through the Florida Education Finance Program (FEFP) which includes a proportional share of the sparsity supplement for each eligible lab school in operation as of September 1, 2002 that also serves students in grades 9-12. Currently, only P.K. Yonge (UF), FAMU and FSU Leon are eligible to receive sparsity funds.

Effect of Proposed Changes

The bill modifies the eligibility for lab schools to receive sparsity funds by extending the date before which the school must have been operating from 2002 to 2013 and clarifying that the lab school must be a permanent high school center to be eligible. The change would allow Florida Atlantic University High School to be eligible for the sparsity supplement and receive approximately \$580,000 in sparsity funds.

Additional Hour of Reading

Present Situation

Currently, in the Florida Education Finance Program (FEFP) there is \$15 million from the reading program and \$15 million from the Supplemental Academic Instruction (SAI) allocations used to provide an additional hour of intensive reading instruction beyond the normal school day for each day of the entire school year for the students in the 100 lowest performing elementary schools based on the state reading assessment pursuant to sections 1008.22(3) and 1011.62(9), F.S. This additional hour of instruction must be provided by teachers or reading specialists who are effective in teaching reading. Students enrolled in these schools who have level 5 reading assessment scores may choose to participate in the additional hour of instruction on an optional basis. ESE centers shall not be included in the 100 schools.

Effect of Proposed Changes

The bill expands the additional hour of intensive reading from the 100 to the 300 lowest performing elementary schools and requires at least \$15 million from the reading program and \$75 million from the SAI to be used for an additional hour of intensive reading.

Florida Digital Classrooms

Effect of Proposed Changes

Florida Digital Classrooms Plan

The bill requires the State Board of Education (SBE) to adopt a targeted and purposeful Florida digital classrooms plan, which must establish the minimum protocols, parameters, and requirements, pursuant to Florida law, for district-level infrastructure, school-level infrastructure, and digital tools that accommodate statutory requirements and timelines for instruction, learning, assessments, and accountability. The department may consult with qualified experts to develop the Florida digital classrooms plan. The Florida digital classrooms plan must be updated annually, and must encompass the current academic year and the subsequent five academic years. The Florida digital classrooms plan must also specify the criteria for annual approval of the districts' digital classrooms plan, thus providing the school districts long-term goals and expectations within statewide technology and accountability frameworks and timelines.

District Digital Classrooms Plan

The bill requires each district school board to use the general parameters established in the Florida digital classrooms plan to adopt a district digital classrooms plan that may include unique components specific to the needs of individual schools and school districts. By permitting the customization of district digital classrooms plan to local needs, the bill promotes local control of targeted and purposeful technology enhancements in Florida's classrooms. However, to receive the Florida digital classrooms allocation funds, each school district must fulfill certain requirements. Each school district must:

- Attach to the district's digital classrooms plan, an independent evaluation of the district's student performance outcomes, technology inventory, and infrastructure needs.
- Submit to the Department of Education (DOE or department), the district digital classrooms plan in a format prescribed by the department, by October 1, 2014 (for implementation of the 2014-2015 fiscal year budget) and by March 1 (prior to legislative session) of each year thereafter, for approval. At a minimum, the district digital classrooms plan must be updated annually to include the following:
 - Measurable student performance outcomes which must be tied to improving student performance outcomes, including outcomes for students with disabilities, through the implementation of the district's digital classrooms plan for the current school year and subsequent three years. Results of the outcomes must be verified by an independent evaluation and reported at least annually.
 - Digital learning and technology infrastructure purchases and operational activities which must be tied to the measurable student performance outcomes. The purchases and activities, which must include, but not be limited to, connectivity, broadband access, wireless capacity, Internet speed, and data security, must meet the minimum requirements and protocols established by the department. If a school district uses Florida digital classrooms allocation funds for infrastructure, the district's technology inventory and infrastructure must be verified by an independent evaluation annually and submitted to the department along with the district's digital classrooms plan.
 - Professional development purchases and operational activities which must be tied to the measurable student performance outcomes. The purchases and activities must include, but not be limited to, using technology in the classroom and improving digital literacy and competency.
 - Digital tool purchases and operational activities which must be tied to the measurable student performance outcomes. The purchases and activities, which must include, but not be limited to:
 - Competency-based credentials, which must measure and demonstrate digital competency and certifications;
 - Third-party assessments, which demonstrate acquired knowledge and use of digital applications; and
 - Devices that meet or exceed the minimum requirements and protocols established by the department.

- Online assessment-related purchases and operational activities which must be tied to measurable student performance outcomes. The purchases and activities, which must include, but not be limited to, expanding capacity to administer assessments and compatibility with the minimum requirements and protocols established by the department.

Each district school board must seek input from, at a minimum, the district's instructional, curriculum, and information technology staff to develop the district digital classrooms plan. If a school district participates in federal technology initiatives and grant programs, the district digital classrooms plan must include the plan for meeting requirements of such initiatives and grant programs.

Florida Digital Classrooms Allocation Funding

The bill creates a new categorical funding allocation in the Florida Education Finance program for the implementation of digital classrooms plans. The new Florida digital classrooms allocation will be provided annually in the General Appropriations Act (GAA) in an amount up to one percent of the base student allocation multiplied by the total K-12 full-time equivalent student enrollment or as provided in the GAA. From the Florida digital classrooms allocation, a minimum of \$100,000 is to be provided to each school district and the remaining balance is to be distributed based on each school district's proportion of the total K-12 full-time equivalent student enrollment.

Distribution of Florida digital classrooms allocation funds to a school district is contingent upon approval of the district's digital classrooms plan by the department. The district digital classrooms plan must include a formal verification of the district superintendent's approval of the digital classrooms plan of each charter school within the district. Prior to the distribution of the Florida digital classrooms allocation funds, each district school superintendent must certify to the Commissioner of Education (commissioner) that the district digital classrooms plan supports the fidelity of implementation of the Florida digital classrooms allocation. District allocations must be recalculated during the fiscal year consistent with the periodic recalculation of the Florida Education Finance Program. School districts must provide a proportionate share of the Florida digital classrooms allocation to each charter school in the district as required for categorical programs under Florida law. District digital classrooms plans will vary across districts based on each district's unique needs, and the bill further promotes local control by authorizing each school district to use a competitive process to distribute the Florida digital classrooms allocation funds to the schools within the district.

The bill also requires each school district to report to the department, beginning with the 2015-2016 fiscal year, student performance outcomes and the district's use of the Florida digital classrooms allocation funds in accordance with the DOE-approved district digital classrooms plan. Additionally, the bill requires that the Auditor General verify compliance of the use of Florida digital classrooms allocation funds by the school districts in accordance with the DOE-approved district digital classrooms plan. By October 1, beginning with the 2015-2016 fiscal year, the commissioner must provide to the Governor, the President of the Senate, and the Speaker of the House of Representatives, a summary of each district's use of the Florida digital classrooms allocation funds, student performance outcomes, and progress toward meeting the statutory requirements and timelines. The content and timing of the annual report is intended as a tool to help monitor program performance and inform necessary legislative policy discussions and funding adjustments.

Pasco Sheriff / Pasco-Hernando State College Law Enforcement Training

Effect of Proposed Changes

The bill provides that the Pasco County Sheriff's Office and Pasco-Hernando State College must negotiate an interlocal agreement governing the operation of the Law Enforcement and Corrections Academy at Pasco-Hernando State College for the training of officers and employees of the Pasco Sheriff's Office. If a final and enforceable interlocal agreement has not been entered between the

Pasco County Sheriff's Office and Pasco-Hernando State College before October 1, 2014, the criminal Justice Standards and Training Commission must immediately revoke certification of the criminal justice training school associated with Pasco-Hernando State College. A revocation of certification under this section does not affect the certification of any officer training prior to the revocation. In the event of program termination, Pasco-Hernando State College shall adhere to the teach-out procedures as established by the Southern Association of Colleges and Schools Commission on Colleges to ensure current students are not adversely affected.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

a. The bill requires approximately \$1,054.0 million PECO be transferred to the reserve account by the end of Fiscal Year 2014-2015 (12 monthly payments of \$75.3M for 2014-2015 total debt service plus two payments of \$75.2 million for the May and June 2015 amounts for Fiscal Year 2015-2016 debt service). Since this represents acceleration in the reserve of funds for debt service, there will be a one-time \$150 million reduction in the amount of cash available to be included in the maximum PECO appropriation estimate by the Office of Economic and Demographic Research. The 2014-2015 Budget reserves \$150 million of PECO trust funds in order to provide two twelfths (transfers associated with May and June 2014) of the total annual debt service amount due in full by May 2015. The remaining ten monthly transfers will be made from July 2014 through April 2015.

b. Subsequent expenditures of PECO appropriations for fixed capital outlay improvements to Florida Colleges, State Universities, Public Schools and other entities which receive PECO funds may be delayed, as set-aside of a monthly amount (approximately \$75.3 million monthly in FY 2014-2015) to pay debt service is elevated to first priority. Given that monthly Gross Receipts revenues are expected to average \$83.8 million in FY 2014-2015, approximately \$8 to 9 million on average per month would be available for project expenditures.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

D. FISCAL COMMENTS:

The bill provides that, subject to appropriation, public postsecondary institutions shall receive an amount of funding equivalent to the standard tuition rate per credit hour for each dual enrollment course taken by a student during the summer term. The calculated cost for colleges is \$4,790,125, and for

state universities is \$305,333. These funds have been appropriated in the 2014-2015 General Appropriations Act.

The bill requires an appropriation of \$2,870,820 for the newly created Florida National Merit Scholar Incentive Program. These funds have been appropriated in the 2014-2015 General Appropriations Act.

The bill requires an appropriation of \$196,747 to expand the number of Rosewood Family Scholarships from 25 to 50 and increases the current award level from \$4,000 to \$6,100. These funds have been appropriated in the 2014-2015 General Appropriations Act.

The bill repeals the undergraduate limitation on New College of Florida and establishes a Master's Degree in Data Science and Analytics. The estimated increased cost of operations for New College to implement and operate the new degree program is \$885,000. These funds are subject to annual appropriation and are accounted for in the 2014-2015 General Appropriations Act.

The bill modifies the eligibility for lab schools to receive sparsity funds by changing the operation date from 2002 to 2013 and limiting the funds to existing high school centers. The change would allow Florida Atlantic University High School to receive approximately \$580,000 in sparsity funds. If the sparsity allocation remains unchanged in the FEFP, the funds generated by Florida Atlantic High School would result in a proportionate reduction to the funds generated by any other sparsity eligible district. The additional funding necessary for FAU high school to receive a sparsity supplement is accounted for in the 2014-2015 General Appropriations Act.

The bill requires the Legislature to appropriate an amount annually in the General Appropriations Act for digital classrooms. The 2014-2015 General Appropriations Act allocates \$40 million for Florida Digital Classrooms. Each school district shall be provided with a minimum of \$250,000, with the remaining balance allocated based on the district's proportion of the total K-12 full-time equivalent student enrollment.