

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL 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: The Professional Staff of the Committee on Appropriations

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BILL: PCS/SB 62 (545546)

INTRODUCER: Appropriations Committee (Recommended by Appropriations Subcommittee on Education); and Senator Stargel

SUBJECT: K-12 Education

DATE: February 4, 2020

REVISED: 3/2/20

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Sagues, Bouck, Brick</u>	<u>Sikes</u>	<u>ED</u>	<b>Favorable</b>
2.	<u>Underhill</u>	<u>Elwell</u>	<u>AED</u>	<b>Recommend: Fav/CS</b>
3.	<u>Underhill</u>	<u>Kynoch</u>	<u>AP</u>	<b>Pre-meeting</b>

**Please see Section IX. for Additional Information:**

COMMITTEE SUBSTITUTE - Substantial Changes

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**I. Summary:**

PCS/SB 62 modifies the dual enrollment and collegiate high school programs to ensure students have access to such programs and modifies a number of provisions related to education funding. Specifically, the bill:

- Specifies that the resolution required for voters to approve the levy of a discretionary sales surtax for school capital outlay must include a statement that the revenues collected will be shared with charter schools based on their proportionate share of the total school district enrollment.
- Modifies how school districts share capital outlay funding with charter schools.
- Modifies how charter schools may spend the surtax revenues.
- Prohibits charter schools from receiving capital outlay funds unless the charter school certifies that the funds will not be used for personal financial enrichment.
- Modifies the dual enrollment program to increase access for students by specifying that:
  - School districts or Florida College System institutions may not deny an eligible student from participating in dual enrollment and may not establish eligibility criteria in addition to those in law.
  - Instructional materials are free-of-charge for students in private schools and home education programs.
  - Private schools are exempt from the payment of tuition and fees for dual enrollment.

- Establishes a requirement for the Commissioner of Education to report to the Governor and Legislature regarding the status of dual enrollment programs for public and private school and home education program students.
- Creates the Dual Enrollment Scholarship Program in the Department of Education to reimburse eligible postsecondary institutions a specified amount for tuition and instructional materials for dual enrollment courses taken by private school and home education program students in the fall and spring terms, and by all students in the summer term, subject to appropriation in the General Appropriations Act.
- Expands the Florida Education Finance Program (FEFP) funding to incentivize school districts to offer secondary students access to advanced coursework through dual enrollment and early college programs. The bill:
  - Provides bonus full-time equivalent (FTE) funding to public school districts for each dual enrollment general education core course with an earned grade of “C” or better:
    - Students enrolled in an early college program generate a 0.16 FTE student membership bonus.
    - Students not enrolled in an early college program generate a 0.08 FTE student membership bonus.
  - Provides bonus funding of 0.3 FTE student membership for each student who completes an associate degree through the dual enrollment program with at least a 3.0 grade point average.
  - Requires school districts to allocate at least 50 percent of the bonus funds for dual enrollment and early college programs to the schools that generated the funds to support academic guidance and postsecondary related activities.
- Adds new requirements to the mental health plans that school districts and charter schools must submit in order to receive the mental health assistance allocation in the FEFP.
- Creates a new categorical in the FEFP to assist districts in increasing teacher salaries.
- Removes the July 1, 2020, expiration date for the funding compression allocation within the FEFP.
- Provides an exception that, if a new construction project is funded solely through local impact fees, such funds are exempt from the total cost per student station requirements.

The bill does not require appropriation of additional state funds, but it may provide additional FEFP funds to those school districts with more students successfully completing dual enrollment coursework. See Section V.

The bill takes effect on July 1, 2020.

## **II. Present Situation:**

The present situation for the relevant portions of the bill is discussed under the Effect of Proposed Changes of this bill analysis.

### III. Effect of Proposed Changes:

#### School Capital Outlay Surtax

##### *Present Situation*

The law authorizes school districts to levy discretionary sales surtaxes for school capital outlay. Each county school board may levy, pursuant to approval by a majority vote of the electors of the county voting in a referendum, a discretionary sales surtax at a rate not to exceed 0.5 percent.<sup>1</sup>

The resolution must include a statement that provides a brief and general description of the school capital outlay projects to be funded by the surtax.<sup>2</sup> The resolution must include a plan for the use of the surtax proceeds for fixed capital expenditures or fixed capital costs associated with the construction, reconstruction, or improvement of school facilities and campuses that have a useful life expectancy of five or more years, and any land acquisition, land improvement, design, and related engineering costs. The plan must also include the costs of retrofitting and providing for technology implementation, including hardware and software, for the various sites within the school district. Surtax revenues may be used for the purpose of servicing bond indebtedness to finance authorized projects, and any interest accrued may be held in trust to finance the projects.<sup>3</sup>

The Department of Revenue collects the surtax revenues and is required by law to distribute them to the district school board imposing the tax.<sup>4</sup> There is currently no provision in law requiring school districts to share the capital outlay surtax funds with charter schools.

##### *Effect of Proposed Changes*

The bill establishes an additional requirement for the resolution that is required for voters to approve the levy of a discretionary sales surtax at a rate that may not exceed 0.5 percent. Specifically, such resolution must include a statement that the revenues collected shall be shared with charter schools based on their proportionate share of the total school district enrollment.

The bill also requires that charter schools expend the surtax funds in a manner consistent with existing allowable uses for charter school capital outlay funding, as set forth in section 1013.62(4), Florida Statutes.

#### Funds for Comprehensive Educational Plant Needs

##### *Present Situation*

Current law prohibits a district school board from using funds from specified sources, including the nonvoted 1.5-mill levy of ad valorem property taxes, for any new construction of educational plant space with a total cost per student station exceeding:<sup>5</sup>

- \$23,275 for an elementary school;

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<sup>1</sup> Section 212.055, F.S.

<sup>2</sup> Section 212.055(6)(b), F.S.

<sup>3</sup> Section 212.055(6)(c), F.S.

<sup>4</sup> Section 212.055(6)(d), F.S.

<sup>5</sup> Section 1013.64(6)(b)1., F.S.

- \$25,135 for a middle school; or
- \$32,648 for a high school.<sup>6</sup>

Except for educational facilities and sites subject to a lease-purchase agreement financed with sales tax revenues, a district school board may not use funds from any source for the new construction of educational plant space with a total cost per student station exceeding the cost per student station limits unless a contract for architectural and design services or for construction management services was executed before July 1, 2017.<sup>7</sup>

***Effect of Proposed Changes***

The bill provides an additional exception by allowing new construction projects funded solely through local impact fees to be exempt from the total cost per student station requirements.

**Charter School Capital Outlay**

***Present Situation***

Charter school capital outlay funding may consist of state funds appropriated in the General Appropriations Act and revenue resulting from the discretionary millage authorized in s. 1011.71(2), F.S. The following table shows recent state appropriations for this purpose since 2016.

	State Appropriation for Charter School Capital Outlay
2016 <sup>8</sup>	\$75,000,000
2017 <sup>9</sup>	\$50,000,000
2018 <sup>10</sup>	\$145,286,200
2019 <sup>11</sup>	\$158,209,945

Beginning in 2019-2020, if the amount of state funds for charter school capital outlay is less than the average charter school capital outlay funds per unweighted full-time equivalent student for the 2018-2019 fiscal year, multiplied by the estimated number of charter school students for the applicable fiscal year and adjusted by changes in the Consumer Price Index, charter school capital outlay funding must also consist of revenue resulting from the discretionary 1.5 millage authorized in s. 1011.71(2), F.S.<sup>12</sup>

**Eligibility Criteria**

To be eligible for charter school capital outlay funding, a charter school must:<sup>13</sup>

<sup>6</sup> Florida Department of Education, *Cost Per Student Station (Jan. 2020)*, available at <http://edr.state.fl.us/Content/conferences/peco/studentstation.pdf>.

<sup>7</sup> Section 1013.64(6)(b)3., F.S.

<sup>8</sup> Specification Appropriation 19, s. 2, ch. 2016-66, L.O.F.

<sup>9</sup> Specification Appropriation 18, s. 2, ch. 2017-70, L.O.F.

<sup>10</sup> Specification Appropriation 21, s. 2, ch. 2018-9, L.O.F.

<sup>11</sup> Specification Appropriation 18, s. 2, ch. 2019-115, L.O.F.

<sup>12</sup> Section 1013.62(1), F.S.

<sup>13</sup> Section 1013.62(1)(a), F.S.

- Have been in operation for two or more years, be governed by a governing board established in the state for three or more years which operates both charter schools and conversion charter schools within the state, be an expanded feeder chain<sup>14</sup> of a charter school within the same school district that is currently receiving charter school capital outlay funds, have been accredited by the Commission on Schools of the Southern Association of Colleges and Schools, or serve students in facilities that are provided by a business partner for a charter school-in-the-workplace.
- Have an annual audit that does not reveal any of the financial emergency conditions provided in s. 218.503(1), F.S., for the most recent fiscal year for which such audits are available.
- Have satisfactory student achievement based on state accountability standards applicable to the charter school.<sup>15</sup>
- Have received final approval from its sponsor for operation during that fiscal year.
- Serve students in facilities that are not provided by the charter school's sponsor.

A charter school is not eligible for a funding allocation if it was created by the conversion of a public school and operates in facilities provided by the charter school's sponsor for a nominal fee, or at no charge, or if it is directly or indirectly operated by the school district.<sup>16</sup>

### *Effect of Proposed Changes*

The bill modifies the conditions by which the state appropriation for charter school capital outlay must also consist of revenue from the school district's discretionary 1.5 millage. The bill establishes a set appropriation amount of \$165 million that would trigger the inclusion of the discretionary millage. Beginning in 2020-2021, charter school capital outlay funding would only consist of the state appropriation unless the state appropriation was less than \$165 million.

The bill also expresses that a charter school is not eligible for a funding allocation unless the chair of the governing board and chief administrative officer of the charter school annually certify under oath that the funds will be used solely and exclusively for constructing, renovating, leasing, purchasing, financing, or improving charter school facilities that are:

- Owned by a school district, political subdivision of the state, municipality, Florida College System institution, or state university;
- Owned by an organization, qualified as an exempt organization under s. 501(c)(3) of the Internal Revenue Code, or a tax support organization under section 509 of the Internal Revenue Code,<sup>17</sup> whose articles of incorporation specify that upon the organization's dissolution, the subject property, subject to any indebtedness secured thereby and the satisfaction of the organization's other debts, will be transferred to another tax exempt organization, including one organized for educational purposes, or a school district, political

<sup>14</sup> Rule 6A-2.0020, F.A.C., provides that a charter school may be part of an expanded feeder chain if it either sends or receives a majority of its students directly to or from a charter school that is currently receiving capital outlay funding.

<sup>15</sup> Rule 6A-2.0020, F.A.C., provides that the eligibility requirement for student achievement must be determined by the school's most recent grade designation or school improvement rating from the state accountability system. A charter school receiving an "F", receiving two consecutive grade designations lower than a "C", or an "Unsatisfactory" school improvement rating shall not be eligible for capital outlay funding.

<sup>16</sup> Section 1013.62(1)(b), F.S.

<sup>17</sup> A tax support organization is defined in 26 U.S.C. s. 509(a)(3) and operates exclusively for the benefit of other specific tax-exempt organizations, including qualified educational organizations.

subdivision of the state, municipality, Florida College System institution, or state university;  
or

- Owned by and leased, at a fair market value in the school district in which the charter school is located, from a person or entity that is not an affiliated party of the charter school.

The bill defines “affiliated party of the charter school” to mean:

- The applicant for the charter school pursuant to s. 1002.33, F.S.;
- The governing board of the charter school or a member of the governing board;
- The charter school principal;
- An employee of the charter school; or
- A relative of a charter school governing board member, a charter school principal or a charter school employee.

## Dual Enrollment

### *Present Situation*

Florida law provides students in secondary schools access to advanced coursework. Such coursework is intended to shorten the time necessary for a student to complete the requirements associated with the conference of a high school diploma and a postsecondary degree, broaden the scope of curricular options available to students, or increase the depth of study available for a particular subject.<sup>18</sup>

Dual enrollment is the enrollment of an eligible secondary student or home education student in a postsecondary course creditable toward both a high school diploma and a career certificate or an associate or baccalaureate degree.<sup>19</sup>

### Eligibility Criteria

An eligible secondary student is a student who is enrolled in any of grades 6 through 12 in a Florida public school or in a Florida private school that is in compliance with the requirements specified in law<sup>20</sup> and provides a secondary curriculum pursuant to law.<sup>21</sup> Students who meet the eligibility requirements and who participate in dual enrollment programs are exempt from the payment of registration, tuition, and laboratory fees.<sup>22</sup>

The following table shows 2018-2019 academic year dual enrollment participation by public and private school and home education program students at Florida College System (FCS) institutions, state universities, and at eligible private colleges and universities.

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<sup>18</sup> Section 1007.27(1), F.S.

<sup>19</sup> Section 1007.271(1), F.S.

<sup>20</sup> Section 1002.42(2), F.S.

<sup>21</sup> Section 1007.271(2), F.S.

<sup>22</sup> Section 1007.271(16), F.S. Florida law specifies that the provisions of law which exempt dual enrolled and early admission students from payment of instructional materials and tuition and fees, including laboratory fees, do not apply to students who select the option of enrolling in an eligible independent institution. Section 1011.62(1)(i), F.S. An eligible independent institution is an independent college or university, which is not for profit, is accredited by a regional or national accrediting agency recognized by the United States Department of Education, and confers degrees as defined in s. 1005.02. *Id.*

	FCS Institutions <sup>23</sup>	State Universities <sup>24</sup>	Private Colleges and Universities <sup>25</sup>
Public School	73,408	9,250	6,908
Private School	2,607	688	
Home Education	3,818	113	

In general, about three times as many students take dual enrollment courses at an FCS institution during the fall and spring terms than in the summer term.<sup>26</sup> About ten times as many students take dual enrollment courses at a state university in the fall and spring compared to the summer term.<sup>27</sup>

Student eligibility requirements for initial enrollment in college credit dual enrollment courses include a 3.0 unweighted high school grade point average (GPA) and the minimum score on a common placement test<sup>28</sup> adopted by the State Board of Education (SBE) which indicates that the student is ready for college-level coursework. For continued enrollment in college credit dual enrollment courses, students must maintain a 3.0 unweighted high school GPA and the minimum postsecondary GPA established by the postsecondary institution. For initial and continued enrollment in career certificate dual enrollment courses, students must have a 2.0 unweighted high school GPA. Exceptions to the required GPA may be granted on an individual student basis if the educational entities agree and the terms of the agreement are contained within the dual enrollment articulation agreement. FCS institutions may establish additional student eligibility requirements, which may not arbitrarily prohibit or limit students who have demonstrated the ability to master advanced courses from participating in dual enrollment courses. Such additional eligibility requirements must be included in the dual enrollment articulation agreement.<sup>29</sup>

#### Notification of Dual Enrollment Option

Each district school board must inform all secondary students and their parents of dual enrollment as an educational option and mechanism for acceleration. Students and their parents must be informed of student eligibility requirements, the option for taking dual enrollment courses beyond the regular school year, and the minimum academic credits required for graduation.<sup>30</sup>

<sup>23</sup> Email, Florida Department of Education (Jan. 8, 2020).

<sup>24</sup> Email, Florida Board of Governors (Jan. 3, 2020).

<sup>25</sup> Email, Florida Department of Education (Jan 8, 2020).

<sup>26</sup> *Id.* In 2018-2019, 74,071 students dually enrolled at an FCS institution in the fall and spring terms, and 22,240 students dually enrolled in the summer term (students enrolled in fall/spring and summer are counted twice). *Id.*

<sup>27</sup> Email, Florida Board of Governors (Jan. 3, 2020). In 2018-2019, 14,658 students dually enrolled at a state university in the fall and spring terms, and 1,408 students dually enrolled in the summer term. *Id.*

<sup>28</sup> The Postsecondary Education Readiness Test (PERT) is Florida's customized common placement test. The purpose of the PERT is to determine accurate course placement based on the student's skills and abilities. The PERT is aligned with the Postsecondary Readiness Competencies identified by Florida faculty as necessary for success in entry-level college credit coursework. The PERT assessment system includes Placement and Diagnostic tests in mathematics, reading and writing. Rule 6A-10.0315, F.A.C. establishes the test scores used to determine whether a student is ready for college level coursework. Florida Department of Education, *Common Placement Testing*, <http://www.fldoe.org/schools/higher-ed/fl-college-system/common-placement-testing.stml> (last visited April 2, 2019). As an alternative to PERT, students may take the ACCUPLACER, SAT, and ACT to demonstrate readiness to perform college-level work. Rule 6A-10.0315(2), F.A.C.; see also Rule 6A-14.064(1)(b), F.A.C.

<sup>29</sup> Section 1007.271(3), F.S.

<sup>30</sup> Section 1007.271(8), F.S.

### Articulation Agreements

A dual enrollment articulation agreement establishes the guidelines for implementing the program for eligible students.<sup>31</sup> Specifically, Florida law requires:

- Each district school superintendent and each public postsecondary institution president to develop a comprehensive dual enrollment articulation agreement for the respective school district and postsecondary institution.<sup>32</sup>
- Each public postsecondary institution to enter into a home education articulation agreement with each home education student seeking enrollment in a dual enrollment course and the student's parent.<sup>33</sup>
- Each public postsecondary institution to enter into a private school articulation agreement with each eligible private school in its geographic service area seeking to offer dual enrollment courses to its students.<sup>34</sup>

• In addition, district school boards and FCS institutions may enter into additional dual enrollment articulation agreements with state universities, and school districts may also enter into dual enrollment articulation agreements with eligible independent colleges and universities.<sup>35</sup>

Dual enrollment articulation agreements are developed locally by the entities specified in law. Florida law specifies the information that must be addressed in the dual enrollment articulation agreements.<sup>36</sup> Such agreements must be submitted to the Florida Department of Education (DOE) by August 1 of each year.<sup>37</sup> District school boards may not refuse to enter into a dual enrollment articulation agreement with a local FCS institution if that institution has the capacity to offer dual enrollment courses.<sup>38</sup>

### Instructional Materials

Instructional materials assigned for use within dual enrollment courses must be made available to dual enrollment students from Florida public high schools free of charge. Florida law does not prohibit an FCS institution from providing instructional materials at no cost to a home education student or a student from a private school. Instructional materials purchased by a district school board or FCS institution board of trustees on behalf of dual enrollment students must be the property of the board against which the purchase is charged.<sup>39</sup>

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<sup>31</sup> Florida Department of Education, *Dual Enrollment Frequently Asked Questions*, available at <http://www.fldoe.org/core/fileparse.php/5421/urlt/DualEnrollmentFAQ.pdf>, at 13.

<sup>32</sup> Section 1007.271(21), F.S.

<sup>33</sup> Section 1007.271(13), F.S.

<sup>34</sup> Section 1007.271(24), F.S.

<sup>35</sup> Section 1007.271(23), F.S.

<sup>36</sup> Section 1007.271(13), (21), and (24), F.S.

<sup>37</sup> Section 1007.271(13), (21), (23), and (24), F.S.

<sup>38</sup> Section 1007.271(4), F.S.

<sup>39</sup> Section 1007.271(17), F.S.



*Effect of Proposed Changes*

The bill modifies s. 1007.271, F.S., regarding dual enrollment student eligibility, notification requirements, articulation agreements, and funding. Such changes may increase dual enrollment opportunities for students through programmatic and financial supports and provide additional information to parents and students about dual enrollment benefits and responsibilities.

The bill modifies student eligibility for and access to dual enrollment. Specifically, the bill:

- Clarifies that a student eligible for dual enrollment includes a student enrolled in a home education program specified in law.
- Specifies that the individual student exceptions to the required high school grade point average (GPA) in current law are only for career certificate dual enrollment.
- Authorizes an exception to the required GPA for college credit dual enrollment for students who achieve higher scores than the established minimum on the common placement test adopted by the State Board of Education (SBE). Such exception must be specified in the articulation agreement.
- Removes the authorization for an FCS institution to establish additional dual enrollment eligibility criteria, to specify that a postsecondary institution may not establish additional initial student academic eligibility requirements.
- Specifies that a district school board or FCS institution may not deny a student who has met the state eligibility requirements from participating in dual enrollment unless the institution documents that it does not have the capacity to accommodate all eligible students seeking to participate in the dual enrollment program. If the institution documents that it does not have the capacity to accommodate all eligible students, participation must be based on a first-come, first-served basis.
- Specifies that a home education student must meet the same minimum score requirement on a common placement test required of other dually enrolled students.

The bill expands the notification requirement to parents to include legal guardians, and requires that students and their parents or legal guardians be informed that dual enrollment course grades are included in the student's college GPA, become a part of the student's permanent academic record, and may affect the student's future financial aid eligibility. The bill also specifies that a school may not enroll a student in a dual enrollment course without an acknowledgment form on file, which must be signed by both the student and the student's parent or legal guardian.

The bill extends the deadline for annual reporting of articulation agreements to the DOE from August 1, to October 1, which may provide additional time for agreements to be negotiated and approved by the school district and postsecondary governing boards.

The bill modifies provisions relating to the cost of dual enrollment to students and to postsecondary institutions. Specifically, the bill:

- Specifies that instructional materials used in dual enrollment courses are free to students at private schools and home education programs.<sup>40</sup>

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<sup>40</sup> Section 27, ch. 2018-6, L.O.F., included a provision removing from the home education articulation agreement a provision that such students must be responsible for their own instructional materials.

- Specifies that the private school of a student's enrollment is exempt from the payment of tuition and fees to the postsecondary institution.
- Establishes the Dual Enrollment Scholarship Program as an additional funding source, for postsecondary institutions.

#### Dual Enrollment Scholarship Program

The bill creates s. 1009.31, F.S., to establish the Dual Enrollment Scholarship Program (program) within the DOE to support postsecondary institutions in providing dual enrollment to students in Florida secondary schools and home education programs.

For any student who meets the dual enrollment eligibility requirements established in law, the bill requires the program to:

- Beginning in the 2020 fall term, reimburse eligible postsecondary institutions for tuition and related instructional materials costs for dual enrollment courses taken by private school or home education program secondary students during the fall or spring terms.
- Beginning in the 2021 summer term, reimburse institutions for tuition and related instructional materials costs for dual enrollment courses taken by public school, private school, or home education program secondary students during the summer terms.

The specific reimbursements amounts are as follows:

- FCS institutions are reimbursed at the in-state resident tuition rate established in law.<sup>41</sup>
- State universities and independent postsecondary institutions are reimbursed at the standard tuition rate established in law.<sup>42</sup>
- Workforce education instruction leading to a career certificate or an applied technology diploma shall be reimbursed at the standard tuition rate established in law.<sup>43</sup>
- Institutions are reimbursed for instructional materials costs based on a rate as specified in the GAA.

The bill specifies that reimbursement for dual enrollment courses is contingent upon an appropriation in the GAA each year. If the statewide reimbursement amount is greater than the appropriation, the institutional reimbursement amounts must be prorated among the institutions that have reported eligible students to the DOE by the established deadlines.

Each participating institution must report to the DOE specified information about the student, postsecondary institution, course, and credits, and:

- Annually, by March 15, its eligible secondary students from private schools or home education programs who were enrolled during the previous fall or spring terms. For dual enrollment courses taken during the fall and spring terms, the DOE must reimburse institutions by April 15 of the same year.
- Annually, by July 15, its eligible public school, private school, or home education program students who were enrolled during the summer terms. For dual enrollment courses taken

<sup>41</sup> The standard in-state tuition rate at an FCS institution is \$71.98 per credit hour. Section 1009.23(3)(a), F.S.

<sup>42</sup> The standard in-state tuition rate at state universities is \$105.07 per credit hour. Section 1009.24(4)(a), F.S.

<sup>43</sup> The standard in-state tuition rate at state universities is \$2.33 per contact hour. Section 1009.22(4)(c), F.S.

during the summer terms, the DOE must reimburse institutions by August 15 of the same year, before the beginning of the next academic year.

## **Collegiate High School Program**

### ***Present Situation***

In 2014, the Legislature codified the collegiate high school program and specified related requirements.<sup>44</sup> Florida law requires each Florida College System (FCS) institution to work with each district school board in its designated service area<sup>45</sup> to establish one or more collegiate high school programs.<sup>46</sup> In fall 2018, there were 11,146 students enrolled in a collegiate high school or collegiate high school program.<sup>47</sup>

### **Purpose**

At a minimum, collegiate high school programs must include an option for public school students in grade 11 or grade 12 participating in the program, for at least one full school year, to earn Career and Professional Education (CAPE) industry certifications and to successfully complete 30 credit hours through dual enrollment toward the first year of college for an associate degree or baccalaureate degree while enrolled in the program.<sup>48</sup>

### **Program Contract**

Each district school board and its local FCS institution must execute a contract to establish one or more collegiate high school programs at a mutually agreed upon location or locations. If the FCS institution does not establish a program with a district school board in its designated service area, another FCS institution may execute a contract with that district school board to establish the program.<sup>49</sup>

In addition to executing a contract with the local FCS institution, Florida law authorizes a district school board to execute a contract to establish a collegiate high school program with a state university or an independent college or university that is eligible to participate in the William L. Boyd, IV, Effective Access to Student Education Grant Program, that is nonprofit and located and chartered in this state, and that is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools to grant baccalaureate degrees.<sup>50</sup>

Florida law specifies the information that must be addressed in the contract that must be executed by January 1 of each school year for implementation of the program during the next school year.<sup>51</sup>

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<sup>44</sup> Section 10, ch. 2014-184, L.O.F.

<sup>45</sup> Section 1000.21(3), F.S.

<sup>46</sup> Section 1007.273(1), F.S.

<sup>47</sup> Email, Florida Department of Education (Jan. 8, 2020).

<sup>48</sup> Section 1007.273(2), F.S.

<sup>49</sup> Section 1007.273(3), F.S.

<sup>50</sup> Section 1007.273(5), F.S.

<sup>51</sup> Section 1007.273(3), F.S.

### Student Performance Contract

Each student participating in a collegiate high school program must enter into a student performance contract that must be signed by the student, the parent, and a representative of the school district and the applicable FCS institution, state university, or independent college or university.<sup>52</sup> The performance contract must include the schedule of courses, by semester, and industry certifications to be taken by the student, student attendance requirements, and course grade requirements.

### *Effect of Proposed Changes*

The bill modifies s. 1007.273, F.S., and changes the name of the collegiate high school program to the early college program. In addition, the bill:

- Changes the purpose of the program to remove specified grade levels and credit thresholds to specify that an early college program means a structured high school acceleration program in which a cohort of students is enrolled full-time in postsecondary courses toward an associate degree. The bill requires that the early college program prioritize courses applicable as general education core courses<sup>53</sup> for an associate degree or a baccalaureate degree.
- Specifies that the early college program contract between a district school board and the local FCS institution, which includes a delineation of dual enrollment courses available, must include general education core courses.<sup>54</sup>
- Requires the student performance contract for the early college program include a provision describing the applicability of dual enrollment courses in the program to an associate degree or a baccalaureate degree.
- Specifies that a charter school may execute a contract directly with the local FCS institution or another institution to establish an early college program at a mutually agreed upon location.

The bill establishes a reporting requirement relating to early college programs. Specifically, by November 30, 2021, and annually thereafter, the commissioner of education must report to the Governor, President of the Senate, and the Speaker of the House of Representatives the status of early college programs, including, at a minimum, a summary of student enrollment and completion at public and private postsecondary institutions.

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<sup>52</sup> Section 1007.273(4), F.S. To participate in a collegiate high school program, an independent college or university must be an institution that is eligible to participate in the William L. Boyd, IV, Effective Access to Student Education Grant Program, that is a nonprofit independent college or university located and chartered in this state, and that is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools to grant baccalaureate degrees. Section 1007.273(5), F.S.

<sup>53</sup> Section 1007.25, F.S. and Rule 6A-14.0303, F.A.C.

<sup>54</sup> General education core course options consist of a maximum of five courses within each of the subject areas of communication, mathematics, social sciences, humanities, and natural sciences. Beginning with students initially entering an FCS institution or state university in 2015-2016 and thereafter, each student must complete at least one identified core course in each subject area as part of the general education course requirements. The general education core course options must be adopted in rule by the State Board of Education (SBE) and in regulation by the Board of Governors. Section 1007.25(3), F.S. See also Rule 6A-10.0303 and BOG Regulation 8.005.

In addition, the bill includes a conforming provision to change the name of the collegiate high school program to the early college program related to the requirements for a standard high school diploma for students with disabilities.<sup>55</sup>

### **Florida Education Finance Program (FEFP)**

The Florida Education Finance Program (FEFP) is the primary mechanism for funding the operating costs of Florida school districts. Under the FEFP, financial support for education is based on the full-time equivalent (FTE) student membership in public schools.<sup>56</sup> The number of FTE students in each of the funded education programs is multiplied by cost factors<sup>57</sup> relative to each program to obtain weighted FTE student values.<sup>58</sup> The base student allocation from state and local funds is determined annually by the Legislature in the General Appropriations Act (GAA) and is a component in the calculation of each school district's base funding.<sup>59</sup> In addition to the base funding, the Legislature may appropriate categorical funding for specified programs, activities or purposes, such as for mental health assistance, and funding compression.<sup>60</sup> School districts may also earn supplemental FTE funding through the FEFP for programs based on performance, such as College Board Advanced Placement bonus funding.<sup>61</sup>

### ***Incentive Funding for Acceleration Programs***

#### Present Situation

Dual enrollment funding for public schools is included in the calculation of FTE students within the FEFP.<sup>62</sup> There is no provision in law to allow for additional performance funding for students earning dual enrollment credit.

Florida schools offer high school acceleration programs such as Advanced Placement (AP), International Baccalaureate (IB), and Advanced International Certificate of Education (AICE) to shorten the time necessary for a student to earn a high school diploma and a postsecondary degree, broaden the scope of curricular options available, and increase the depth of study available for a particular subject.<sup>63</sup> The law provides the following benefits to schools and students engaged in these programs:

- Successful completion of a course examination in any of these programs qualifies for college credit.<sup>64</sup>

<sup>55</sup> Section 1003.4282(10)(c)2., F.S.

<sup>56</sup> Section 1011.62, F.S.

<sup>57</sup> Program cost factors are based on desired relative cost differences between the following programs as established in the annual General Appropriations Act: grades K-3; 4-8; 9-12; two program cost factors for exceptional students; secondary career education programs; and English for Speakers of Other Languages. Section 1011.62(1)(c), F.S.

<sup>58</sup> Section 1011.62, F.S.; Department of Education, *2019-20 Funding for Florida School Districts* available at <http://www.fldoe.org/core/fileparse.php/7507/urlt/Fefpdist.pdf> at 1.

<sup>59</sup> Department of Education, *2019-20 Funding for Florida School Districts* available at <http://www.fldoe.org/core/fileparse.php/7507/urlt/Fefpdist.pdf> at 17.

<sup>60</sup> Section 1011.62(6) F.S.

<sup>61</sup> Section 1011.62(1) F.S.

<sup>62</sup> Department of Education, *2019-20 Funding for Florida School Districts*, available at <http://www.fldoe.org/core/fileparse.php/7507/urlt/Fefpdist.pdf> at 11.

<sup>63</sup> Section 1007.27(1), F.S.

<sup>64</sup> Section 1003.4295, F.S.

- The percentage of a school's students eligible to earn college credit through any of these programs has a positive effect on the school's grade.<sup>65</sup>
- A grade earned in any of these programs is assigned additional weight for determining student eligibility for a Bright Futures Scholarship.<sup>66</sup>

The FEFP also provides a funding incentive for school districts with students in AP, IB, AICE courses who successfully complete AP, IB, and AICE examinations or earn an IB or AICE diploma.<sup>67</sup> The additional FTE is calculated as follows:

- A value of 0.16 FTE student membership is calculated for each student in each AP course who receives a score of 3 or higher on the College Board AP examination.<sup>68</sup>
- A value of 0.16 FTE student membership is calculated for each student enrolled in an IB course who receives a score of 4 or higher on a subject examination. A value of 0.3 FTE student membership is calculated for each student who receives an IB diploma.<sup>69</sup>
- A value of 0.16 FTE student membership is calculated for each student enrolled in a full-credit AICE course, and 0.08 FTE student membership for each student enrolled in a half-credit AICE course, for each student who receives a score of E or higher on a subject examination. A value of 0.3 FTE student membership is calculated for each student who receives an AICE diploma.<sup>70</sup>

#### Effect of Proposed Changes

The bill adds new provisions for FEFP funding for students enrolled in dual enrollment courses and early college programs that are similar to FTE student membership incentives districts earn for students who complete AP, IB, and AICE examinations. Specifically, for the 2020-2021 school year and thereafter, the bill:

- Provides bonus FTE funding to public school districts for any student who completes a general education core course through dual enrollment with an earned grade of "C" or better. Specifically:
  - Students enrolled in an early college program generate a 0.16 FTE student membership bonus.
  - Students not enrolled in an early college program generate a 0.08 FTE student membership bonus.
- Provides bonus FTE funding for each associate degree earned through the dual enrollment program with 3.0 GPA or better. Students earning an associate degree with the required GPA generate a 0.3 FTE student membership bonus. Courses taken prior to 2020-2021 may be included in the associate degree.
- Specifies that bonus funding will be added to the total FTE student membership in basic programs for grades 9-12 in the subsequent fiscal year and requires school districts to

<sup>65</sup> Section 1008.34(3)(b)2.b., F.S.

<sup>66</sup> Section 1009.531(3)(a), F.S.

<sup>67</sup> Section 1011.62, F.S. Accelerated mechanisms include, but are not limited to, dual enrollment and early admission, advanced placement, credit by examination, the International Baccalaureate Program, and the Advanced International Certificate of Education Program. Section 1007.27(1), F.S.

<sup>68</sup> Section 1011.62(1)(n), F.S.

<sup>69</sup> Section 1011.62(1)(l), F.S.

<sup>70</sup> Section 1011.62(1)(m), F.S.

allocate at least 50 percent of the bonus funds to the schools that generated the funds to support academic guidance and postsecondary readiness.

Adding performance funding incentives for students taking dual enrollment core courses may incentivize school districts to increase the number of students enrolled in dual enrollment core courses in both dual enrollment and early college programs.

### ***Mental Health Assistance Allocation***

#### Present Situation

The mental health assistance allocation is a categorical fund established to provide funding to assist school districts in establishing or expanding school-based mental health care; train educators and other school staff in detecting and responding to mental health issues; and connect children, youth, and families who may experience behavioral health issues with appropriate services.<sup>71</sup> A total of \$75 million was appropriated to school districts through the mental health assistance allocation for the 2019-2020 school year.<sup>72</sup> In order to receive the allocation, a school district must develop and submit a plan outlining the local program and planned expenditures to the district school board for approval. This plan must include all district schools, including charter schools, unless a charter school chooses to independently develop and submit a plan outlining the local program and planned expenditures.<sup>73</sup>

The plans must include elements such as:<sup>74</sup>

- Identification of strategies to increase the amount of time that school-based student services personnel spend providing direct services to students, which may include the review and revision of district staffing resource allocations based on school or student mental health assistance needs.
- Strategies or programs to reduce the likelihood of at-risk students developing certain mental health problems.
- Strategies to identify mental health problems more effectively, to improve the provision of early intervention services, and to assist students in dealing with trauma and violence.

School districts are required to annually submit a report to the DOE on program outcomes and expenditures for the previous fiscal year, by September 30.

#### Effect of Proposed Changes

The bill modifies s. 1011.62, F.S., effective July 1, 2020, to clarify and add new requirements for the mental health plans that must be submitted by school districts in order to receive the mental health assistance allocation. In addition to existing requirements, the bill requires plans to include input from school and community stakeholders and include mental health policies and procedures that implement and support:

- Universal supports to promote psychological well-being, and safe and supportive school environments.

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<sup>71</sup> Section 1011.62(16), F.S.

<sup>72</sup> Specific Appropriation 93, s. 2, ch. 2019-115, L.O.F.

<sup>73</sup> Section 1011.62(16), F.S.

<sup>74</sup> Section 1011.62(16)2.(b). F.S.

- Methods for responding to a student with suicidal ideation, including training in suicide risk assessment and the use of suicide awareness, prevention, and screening instruments developed as required for continuing education and inservice training for youth suicide awareness and prevention; adoption of guidelines for informing parents of suicide risk; and implementation of school board policies for initiating involuntary examination of students at risk of suicide.
- A school crisis response plan that includes strategies to prevent, prepare for, respond to, and recover from a range of school crises. The plan must establish or coordinate the implementation of district-level and school-level crisis response teams whose membership includes, but is not limited to, representatives of school administration and school-based mental health service providers.

The bill also modifies district reporting requirements to the DOE and requires the DOE to submit a state summary of the required information from the school district reports to the Governor, the President of the Senate, and the Speaker of the House of Representatives, by November 1 of each year. The bill requires the DOE report to include school district data required under current law and requires both reports to additionally include:

- Program outcomes and expenditures for all public schools in the district, including charter schools.
- District-level and school-level information, including multiple-year trend data, when available.
- The number and ratio of school social workers, school psychologists, and certified school counselors employed by the district or charter school and the total number of licensed mental health professionals employed directly by the district or charter school.

These changes may provide more suitable data to assist in the refinement of policies and improve the provision of school-based mental health services.

### ***Funding Compression Allocation***

#### **Present Situation**

The funding compression allocation is a categorical fund established to provide additional funding to school districts and developmental research schools whose total funds per FTE in the prior year were less than the statewide average. Florida law specifies that the Legislature may provide an annual funding compression allocation in the GAA.<sup>75</sup> In 2019, the Legislature appropriated \$54,190,616<sup>76</sup> for a funding compression allocation to school districts and developmental research schools whose total funds per FTE in the prior school year were less than the statewide average.<sup>77</sup> A district's allocation must not be greater than \$100 per FTE.<sup>78</sup> The funding compression allocation is scheduled to expire July 1, 2020.<sup>79</sup>

<sup>75</sup> Section 1011.62(17), F.S.

<sup>76</sup> Florida Department of Education, *2019-20 FEFP Second Calculation, Prekindergarten through Grade 12 Funding Summary-Page 3* (July 19, 2019), available at <http://www.fldoe.org/core/fileparse.php/7507/urlt/Fefpdist.pdf>, at 6.

<sup>77</sup> Specific appropriation 93, ch. 2019-115, L.O.F.

<sup>78</sup> *Id.*

<sup>79</sup> Section 1011.62(17), F.S.



### Effect of Proposed Changes

The bill removes the July 1, 2020 expiration date for the funding compression allocation within the FEFP.

### ***Teacher Salary Increase Allocation***

#### Present Situation

Currently, there is not a statewide minimum salary for instructional personnel, including teachers. The salaries of instructional personnel are set by each school district.<sup>80</sup> Salary schedules provide differentiated pay for instructional personnel based on district-determined factors including employee performance.<sup>81</sup>

The performance salary schedule provides the opportunity for annual salary adjustments for instructional personnel and school administrators based on performance.<sup>82</sup> Instructional personnel and school administrators hired on or after July 1, 2014,<sup>83</sup> and instructional personnel on annual contracts as of July 1, 2014,<sup>84</sup> must be placed on the performance salary schedule. Only teachers rated effective or highly effective may receive a salary adjustment under a performance salary schedule.<sup>85</sup>

A grandfathered salary schedule is a salary schedule adopted by a district school board for paying personnel hired before July 1, 2014, in which compensation is generally based on seniority and educational degree level. In determining the grandfathered salary schedule for instructional personnel, a district school board must base a portion of each employee's compensation on the performance evaluation. In addition, the district must provide differentiated pay for instructional personnel and school administrators based on district-determined factors including, but not limited to, additional responsibilities, school demographics, critical teacher shortage areas, and level of job performance difficulties.<sup>86</sup>

In 2013, the Legislature appropriated \$480 million in the GAA for the Teacher Salary Increase Allocation for salary increases for school district and charter school classroom teachers, guidance counselors, social workers, psychologists, librarians, principals, and assistant principals. The salary increases were based on performance evaluations and were required to be at least \$2,500 for personnel evaluated as "effective" and up to \$3,500 for personnel evaluated as "highly effective".<sup>87</sup>

Currently, the only component of the FEFP that directly addresses teacher compensation is the Florida Best and Brightest Teacher Scholarship Program. The Florida Best and Brightest Teacher Scholarship Program was established in 2015 to provide eligible classroom teachers with an bonus award based on the teacher's evaluation rating and performance on the SAT or ACT

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<sup>80</sup> Section 1012.22(1)(c), F.S.

<sup>81</sup> Section 1011.60(4), F.S.

<sup>82</sup> Section 1012.22(1)(c)5. Requirements for the performance evaluation are contained in s. 1012.34, F.S.

<sup>83</sup> Section 1012.22(1)(c)5., F.S.

<sup>84</sup> Section 1012.22(1)(c)4., F.S.

<sup>85</sup> Section 1012.22(1)(c)5.b., F.S.

<sup>86</sup> Section 1012.22(1)(c)4., F.S.

<sup>87</sup> Section 2, ch.2013-40, L.O.F.

standardized assessment.<sup>88</sup> In 2019, the Florida Best and Brightest Teacher Scholarship Program was revised to authorize three types of awards with distinct criteria for determining eligibility.<sup>89</sup> The funding for the program is provided through the Florida Best and Brightest Teacher and Principal Allocation categorical fund within the FEFP.<sup>90</sup> In 2018-2019, \$284.5 million was appropriated for the Florida Best and Brightest Teacher and Principal Allocation.<sup>91</sup>

#### Effect of Proposed Changes

The bill establishes a new teacher salary categorical fund to increase the minimum base salary for full-time classroom teachers or all instructional personnel, excluding substitute teachers. The bill:

- Specifies funds would be allocated based on each district's share of the base FEFP allocation.
- Specifies funds for the minimum base salary increases may be provided in multiple years.
- Defines "minimum base salary" as the base annual salary before payroll deductions and excluding additional supplements.
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The bill specifies that the new categorical is subject to an appropriation in the GAA each year. The establishment of a new categorical fund within the FEFP specifically for teacher salary increases may improve teacher compensation, which in turn may incentivize more people to choose the teaching profession and may improve teacher retention.

The bill takes effect on July 1, 2020.

#### **IV. Constitutional Issues:**

##### A. Municipality/County Mandates Restrictions:

None.

##### B. Public Records/Open Meetings Issues:

None.

##### C. Trust Funds Restrictions:

None.

##### D. State Tax or Fee Increases:

None.

##### E. Other Constitutional Issues:

None.

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<sup>88</sup> Section 2, ch.2015-232, L.O.F.

<sup>89</sup> Section 1012.731, F.S.

<sup>90</sup> Section 1011.62(18), F.S.

<sup>91</sup> Section 2, ch.2018-9, L.O.F.

**V. Fiscal Impact Statement:****A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

The financial supports for the dual enrollment and early college programs may increase opportunities for Florida secondary students to take college-credit courses that will count toward an associate or baccalaureate degree while still in high school, which may reduce costs for students and families.

**C. Government Sector Impact:**

The bill does not require the appropriation of additional state funds. However, beginning in the 2021-2022 fiscal year, the bill may reallocate funds within the Florida Education Finance Program (FEFP) to those school districts with relatively more students successfully completing dual enrollment coursework.

For the 2020-2021 fiscal year, the Dual Enrollment Scholarship Program is estimated to cost \$28.5 million. The estimate is based on tuition and instructional materials costs for the estimated number of private school and home education program students participating in dual enrollment in the fall and spring terms, and all dual enrollment students in the summer term.

The exception to the cost per student station requirements for projects funded solely through local impact fee may provide local school districts more flexibility regarding new construction projects.

If a county school board decides to levy a discretionary sales surtax, charter schools will receive a share of the revenue to assist with their capital outlay needs.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 212.055, 1007.271, 1007.273, 1011.62, 1013.62, 1003.4282, and 1003.436.

The bill creates section 1009.31 of the Florida Statutes.

**IX. Additional Information:**

- A. **Committee Substitute – Statement of Substantial Changes:**  
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

**Recommended CS by Appropriation Subcommittee on Education on January 29, 2020:**

The committee substitute makes the following changes to the bill:

- Removes the provision that provided bonus FTE funding for earning an AP Capstone Diploma.
- Makes changes to the dual enrollment program.
- Creates the Dual Enrollment Scholarship.
- Creates the Teacher Salary Increase Allocation within the FEFP.
- Aligns the changes made to the Mental Health Assistance Allocation with those made in SB 7040: Implementation of the Recommendations of the Marjory Stoneman Douglas High School Public Safety Commission.
- Modifies how school districts share capital outlay funding with charter schools.
- Modifies how charter schools may spend the surtax revenues.
- Prohibits charter schools from receiving capital outlay funds unless the charter school certifies that the funds will not be used for personal financial enrichment.
- Provides an exception that, if a new construction project is funded solely through local impact fees, such funds are exempt from the total cost per student station requirements.

- B. **Amendments:**

None.