

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.)

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: SPB 2516

INTRODUCER: For consideration by the Appropriations Committee

SUBJECT: Education

DATE: January 30, 2024

REVISED: 1/30/24

ANALYST

Gray

STAFF DIRECTOR

Sadberry

REFERENCE

Pre-meeting

ACTION

I. Summary:

SPB 2516 conforms statutes to the funding decisions related to Education in the Senate proposed General Appropriations Act for Fiscal Year 2024-2025. The bill:

- Modifies statute to allow Florida College System institutions to participate in the State Group Insurance Program and sets parameters for the participating institutions.
- Creates the Graduation Alternative to Traditional Education (GATE) Program, GATE Scholarship Program, and GATE Student Success Incentive Fund. All three programs are aimed at providing high school students the opportunity to earn postsecondary course credits at no cost to the student while pursuing the completion of a standard high school diploma or equivalent credential.
- Authorizes the Department of Juvenile Justice (DJJ), the Department of Education (DOE) and the Department of Children and Families to contract with AMIkids, Inc., to provide alternatives to institutionalization or commitment.
- Modifies the funding methodology related to charter schools sponsored by a state university or Florida College System institution.
- Establishes the Bridge to Speech program as an auditory-oral education program.
- Modifies the Family Empowerment and Florida Tax Credit transportation scholarship by setting a flat rate of \$750, establishing an income eligibility requirement, and limits scholarships to one per household.
- Increases the percentage each early learning coalition (ELC) may retain and expend for administrative costs to no more than five percent of funding paid by the ELCs to private prekindergarten providers and public schools for the Voluntary Prekindergarten Program.
- Creates the Charity for Change program to implement the required character education standards and authorizes the program to use third-party providers to deliver after school and summer services that empower students with an evidence-based character education curriculum.
- Modifies the calculation for the supplemental allocation for juvenile justice education programs by requiring that the supplemental allocation be the sum of the class-size reduction allocation and a calculated student allocation.

The bill has an indeterminate fiscal impact. See Section V. Fiscal Impact Statement.

The bill takes effect on July 1, 2024.

II. Present Situation:

High School Graduation in Florida

Florida's High School Graduation Requirements

To earn a standard high school diploma a student must complete a specified 24 credit option, an International Baccalaureate curriculum, or an Advanced International Certificate of Education curriculum.¹

All students must pass the statewide, standardized grade 10 ELA assessment, or earn a concordant score, and must pass the statewide, standardized Algebra I end-of-course (EOC) assessment, or earn a comparative score, in order to earn a standard high school diploma.² A student enrolled in an Advanced Placement (AP), International Baccalaureate (IB), or Advanced International Certificate of Education (AICE) course who takes the respective AP, IB, or AICE assessment and earns a specified score is not required to take the corresponding EOC assessment.³

Students who earn the required credits to graduate, but fail to pass the required assessments or achieve a 2.0 grade point average (GPA) are awarded a certificate of completion in a form prescribed by the State Board of Education (SBE). In the 2021-2022 graduation cohort, 5,818 students earned a certificate of completion.⁴

High School Equivalency Diploma Program

The high school equivalency diploma offers students who are no longer enrolled in high school an opportunity to earn a high school diploma by successfully passing the standard GED tests. To be eligible for the high school equivalency diploma program students must meet the following criteria:

- At least 16 years old and currently enrolled in a prekindergarten-12 program.
- Enrolled in and attending high school courses that meet high school graduation requirements.
- In jeopardy of not graduating with their kindergarten cohort because they are overage for grade, behind in credits, or have a low GPA.
- Assessed at a seventh grade reading level or higher at the time of selection as documented by the Test of Adult Basic Education (TABE) reading component or other assessment to determine grade level proficiency.⁵

¹ Section 1003.4282, F.S.

² Section 1003.4282(3), F.S. Section 1008.22(3)(b)6., F.S.

³ Section 1008.22(3), F.S.

⁴ Florida Department of Education, *Florida's High School Cohort 2021-22 Graduation Rate*, <https://www.fldoe.org/core/fileparse.php/7584/urlt/GradRates2122.pdf>, (last visited Jan. 19, 2023).

⁵ Rule 6A-6.0212, F.A.C

Each school district is required to offer and administer the high school equivalency diploma examinations and the subject area examination to candidates. A candidate for a high school equivalency diploma must be at least 18 years of age on the date of the examination, except that in extraordinary circumstances, as provided for in rules of the district school board of the district in which the candidate resides or attends school, a candidate may take the examination after reaching the age of 16. School districts may not require a student who has reached the age of 16 to take any course before taking the examination unless the student fails to achieve a passing score on the GED practice test.⁶

In 2022-2023, there were 8,888 students enrolled in a school district GED program, of whom 5,330 were 21 years of age or less. During that same time, there were 1,166 students enrolled in a Florida College System (FCS) institution GED program, of whom 552 were 21 years of age or less.⁷

Florida's High School Graduation Rate

SBE rule provides that the 4-year graduation rate used in the school grades model be based on the “uniform or federal graduation rate” or the four-year adjusted cohort graduation rate outlined in the Elementary and Secondary Education Act (ESEA).⁸ The ESEA defines the cohort for graduation in four years is the number of students in the adjusted cohort for the graduating class that formed based on first time ninth graders that entered in the fall four years prior.⁹ The following adjustments are made to the graduation cohort over time to:

- Add incoming transfer students based on their grade level and year of entry;
- Remove deceased students; and
- Remove students who withdrew to attend school in another state, private school, or a home-education program.¹⁰

Each student in the graduation cohort receives a final classification as a graduate, dropout, or non-graduate. Students who earned a GED-based diploma are counted as non-graduates in the high school graduation rate, because the GED-based diploma is not recognized as a standard diploma.¹¹ In the 2021-2022 graduation cohort, 392 students earned a GED-based diploma and 4,837 were enrolled in an Adult Education program.¹²

⁶ Section 1003.435, F.S.

⁷ Email, Florida Department of Education, Governmental Relations (Dec. 8, 2023) (On file with the Senate Appropriations Committee on Education).

⁸ Rule 6A-1.09981, F.A.C.

⁹ Section 8101(25) of the Elementary and Secondary Education Act.

¹⁰ Florida Department of Education, *2021-22 Information Guide for the 4-year Graduation Rate Cohort*, <https://www.fldoe.org/core/fileparse.php/7584/urlt/2122GradRateInfoGuide.pdf>, (last visited Jan. 19, 2023).

¹¹ Section 8101(43) of ESEA defines a “regular high school diploma” and specifies that it may not be aligned to a State’s alternate academic achievement standards and does not include a general equivalency diploma, certificate of completion, certificate of attendance, or any other similar or lesser credential.

¹² Florida Department of Education, *Florida’s High School Cohort 2021-22 Graduation Rate*, <https://www.fldoe.org/core/fileparse.php/7584/urlt/GradRates2122.pdf>, (last visited Jan. 21, 2023).

School Grades

School grades are used to explain a school's performance in a familiar, easy-to-understand manner for parents and the public.¹³ School grades are also used to determine whether a school must select or implement a turnaround option¹⁴ or whether a school is eligible for school recognition funds as appropriated by the Legislature.¹⁵

Each school must receive a school grade based on the school's performance on the following components:

- The percentage of eligible students passing statewide, standardized assessments in ELA, mathematics, science, and social studies.
- The percentage of eligible students who make learning gains in ELA and mathematics as measured by statewide, standardized assessments.
- The percentage of eligible students in the lowest 25 percent in ELA and mathematics, as identified by prior year performance on statewide, standardized assessments, who make learning gains as measured by statewide, standardized ELA assessments.
- For schools comprised of grade levels that include grade 3, the percentage of eligible students who score an achievement level 3 or higher on the grade 3 statewide, standardized ELA assessment.
- For schools comprised of middle grades 6 through 8 or grades 7 and 8, the percentage of eligible students passing high school level statewide, standardized end-of-course assessments or attaining national industry certifications identified in the CAPE Industry Certification Funding List pursuant to SBE rule.¹⁶

For a school comprised of grades 9-12, or 10-12 the school's grade is based on the following components:

- The 4-year high school graduation rate of the school.
- The percentage of students who were eligible to earn college and career credit in a specified acceleration mechanism, who earn a specified industry certification, or who participate in Junior Reserve Officers' Training Corps courses and earn a qualifying score on the Armed Services Vocational Aptitude Battery.¹⁷

Federal Adult Secondary and Career Education Programs

Florida Workforce Education

At the postsecondary level, the terms "workforce education" and "workforce education program" include:

- Adult general education programs designed to improve the employability skills of the state's workforce.

¹³ Section 1008.34(1), F.S.

¹⁴ Section 1008.33(4), F.S.

¹⁵ Section 1008.36, F.S.

¹⁶ Section 1008.34(3), F.S.

¹⁷ *Id* and Rule 6A-1.09981 defines the four-year high school graduation rate as measured according to 34 CFR §200.19, Other Academic Indicators.

- Career certificate programs, which are defined as a course of study that leads to one completion point.
- Applied technology diploma programs.
- Continuing workforce education courses.
- Degree career education programs.
- Apprenticeship and preapprenticeship programs.¹⁸

Adult Education programs in Florida were established to encourage the provision of educational services that will enable adults to acquire.

- The basic skills necessary to attain basic and functional literacy.
- A high school diploma or successfully complete the high school equivalency examination.
- An educational foundation that will enable them to become more employable, productive, and self-sufficient citizens.
- Knowledge and skills they need to enter and succeed in postsecondary education.¹⁹

An “applied technology diploma program” (ATD) is a course of study that is part of a technical degree program consisting of either technical or college credit, and leads to employment in a specific occupation.²⁰ A public school district may offer an ATD program only as technical credit, with college credit awarded to a student upon articulation to an FCS institution. Statewide articulation among public schools and FCS institutions is guaranteed.²¹

To qualify for admission to an ATD program, a student must:²²

- Have a high school diploma, a high school equivalency diploma, or a certificate of completion; or
- Submit a signed affidavit by the student's parent or legal guardian attesting that the student has completed a home education program that satisfies school attendance requirements.²³

A “career certificate program” is a course of study that leads to at least one occupational completion point. An “occupational completion point” means the occupational competencies that qualify a person to enter an occupation that is linked to a career and technical program. The career certificate program may also confer credit that may articulate with a diploma or career degree education program.²⁴ The DOE has established 29 statewide articulation agreements for career certificate programs to career degree education programs.²⁵

¹⁸ Section 1011.80(1), F.S.

¹⁹ Section 1004.93(1) and Florida Department of Education, *Adult Education*, <https://www.fldoe.org/academics/career-adult-edu/adult-edu/>, (last visited Jan. 21, 2024).

²⁰ Section 1004.02(7), F.S.

²¹ Section 1007.23(5), F.S.

²² Rule 6A-10.024(7), F.A.C.

²³ Section 1002.41, F.S.

²⁴ Section 1004.02, F.S.

²⁵ Florida Department of Education, *Statewide Articulation Agreements: Statewide Career Pathways*, <https://www.fldoe.org/academics/career-adult-edu/career-technical-edu-agreements/psav-to-aas-as-degree.shtml> (last visited Jan. 21, 2024).

Funds for Operation of Workforce Education Programs

State funding for workforce education programs is calculated based on weighted student enrollment and program costs, minus tuition and fee revenues, and including various supplemental cost factors.²⁶

Annual performance funding distributions to district school boards and state colleges are based on student attainment of the credentials included in the CAPE Industry Certification Funding List.²⁷ Performance funding for industry certifications for school district workforce education programs is contingent upon specific appropriation in the General Appropriations Act.²⁸

Each district school board or FCS institution is provided \$1,000 for each industry certification earned by a workforce education student, or prorated if funds are insufficient to fully fund the calculated total award.²⁹

Workforce Education Tuition and Fees

For programs leading to a career certificate or an ATD, the standard tuition is \$2.33 per contact hour for residents. A block tuition of \$45 per half year or \$30 per term is assessed for students enrolled in adult general education, which includes adult secondary education programs. Each district school board and FCS institution may adopt tuition that is within the range of five percent below to five percent above the standard tuition. Institutions may also adopt student financial aid, capital improvement, and technology fees for students that are not enrolled in adult general education programs. The student financial aid fee is capped at ten percent of tuition, while the capital improvement and technology fees are capped at five percent of tuition.³⁰

FCS institution boards of trustees and district school boards are also authorized to establish fee schedules for the following user fees and fines: laboratory fees; parking fees and fines; library fees and fines; fees and fines relating to facilities and equipment use or damage; access or identification card fees; duplicating, photocopying, binding, or microfilming fees; standardized testing fees; diploma replacement fees; transcript fees; application fees; graduation fees; and late fees related to registration and payment. Such user fees and fines may not exceed the cost of the services provided and may only be charged to persons receiving the service.³¹

Workforce Education Funding for Co-enrollment

School districts and FCS institutions are permitted to allow students currently enrolled in high school to co-enroll in their Adult High School program.³² A student who is co-enrolled in a K-12

²⁶ Section 1011.80(6)(b), F.S.

²⁷ Section 1008.44(2), F.S.

²⁸ Section 1011.80(7), F.S.

²⁹ *Id.* and 1011.81(2)(b), F.S.

³⁰ Section 1009.22, F.S. and Florida Department of Education, *State Funding for Districts: 2023-24 District Workforce Education Tuition and Fees (Attachment)*, available at <https://www.fldoe.org/core/fileparse.php/7529/urlt/2023-24-Workforce-Education-Tuition-and-Fees-Attachment.pdf> at 1 (last visited Jan. 21, 2024).

³¹ Section 1009.22(10), F.S.

³² Florida Department of Education, *Memorandum: 2022-23 Adult High School Co-Enrollment Program Eligible Course List* (July 12, 2022), available at <https://www.fldoe.org/core/fileparse.php/7671/urlt/2223-AdultHighCoEnroll-Memo.pdf> (last visited Jan. 21, 2024).

education program and an adult education program may be reported for purposes of funding in an adult education program. If a student is co-enrolled in core curricula courses for credit recovery or dropout prevention purposes and does not have a pattern of excessive absenteeism or habitual truancy or a history of disruptive behavior in school, the student may be reported for funding for up to two courses per year. Such a student is exempt from the payment of the block tuition for adult general education programs. The Department of Education (DOE) is required to develop a list of courses to be designated as core curricula courses for the purposes of co-enrollment.³³

State Financial Aid and Grants

The general requirements for eligibility of students for state financial aid awards and tuition assistance grants consist of the following:

- Achievement of the academic requirements of and acceptance at a state university or state college; a nursing diploma school approved by the Florida Board of Nursing; a Florida college or university which is accredited by an accrediting agency recognized by the SBE; a Florida institution the credits of which are acceptable for transfer to state universities; a career center; or a private career institution accredited by an accrediting agency recognized by the SBE.
- Residency in this state for no less than one year preceding the award of aid or a tuition assistance grant.³⁴ Residency in this state must be for purposes other than to obtain an education.
- Submission of certification attesting to the accuracy, completeness, and correctness of information provided to demonstrate a student's eligibility to receive state financial aid awards or tuition assistance grants.³⁵

AMIkids

AMIkids, Inc., is a nonprofit organization dedicated to helping youth develop into responsible and productive citizens. AMIkids' mission is to protect public safety and positively impact as many youth as possible through the efforts of a diverse and innovative staff. AMIkids works in partnership with youth agencies, local communities, and families.³⁶

AMIkids offers a wide variety of programs and models, built to address each student's needs and strengths on an individual basis. All of AMIkids' programs implement the AMIkids Personal Growth Model to separate their troubled past from a bright future. In addition to providing services during a youth's normal school day, most AMIkids programs provide treatment, enrichment, and support activities during after-school hours in the afternoon, evening, and weekend. Mentoring and career and technical education programs are also provided as stand-alone or supplementary programs. AMIkids can be found providing programs and services to

³³ Section 1011.80(10), F.S.

³⁴ The residency requirement is specific to awards under ss. 1009.50, 1009.505, 1009.51, 1009.52, 1009.53, 1009.60, 1009.62, 1009.72, 1009.73, 1009.75, 1009.77, 1009.89, and 1009.894, F.S.

³⁵ Section 1009.40, F.S.

³⁶ AMIkids, About, *Our Story*, <https://amikids.org/about-ami-kids/our-story> (last visited Jan. 21, 2024).

140,000 kids across 10 states.³⁷ There are currently 11 active AMIkids schools across 10 Florida public school districts.³⁸

Charter Schools

Charter schools are tuition-free public schools created through an agreement or "charter" typically between the school and the local district school board. This agreement gives the charter school a measure of expanded freedom relative to traditional public schools in return for a commitment to higher standards of accountability. Since 1996, Florida charter schools have played a key role in increasing parental options in public education and providing innovative learning opportunities for students and providing innovative learning opportunities for students.³⁹

During the 2022-2023 school year, over 382,367 students were enrolled in 726 charter schools in 46 Florida districts. Many charter schools in Florida have innovative missions. Some charter schools include themed learning approaches focusing on areas such as arts, sciences, and technologies. Other charter schools provide services to special populations such as students at risk of academic failure or students with disabilities.⁴⁰

Since needs relating to educational capacity, workforce qualifications, and career education opportunities are constantly changing and extend beyond school district boundaries:

- A state university, with approval of the DOE, is permitted to solicit applications and sponsor a charter school to meet regional education or workforce demands by serving students from multiple school districts.
- An FCS institution may, with approval of the DOE, solicit applications and sponsor a charter school within its service area to meet workforce demands and may offer postsecondary programs leading to industry certifications to eligible charter school students.⁴¹

Tallahassee Community College is the first FCS institution to operate as a charter school sponsor. The Tallahassee Collegiate Academy was created to prepare students for career and higher education opportunities through rigorous coursework leading to professional certification in a wide variety of science, technology, engineering, and mathematics (STEM) fields leading to high-demand, high-wage career opportunities.⁴²

Students enrolled in a charter school, regardless of the sponsorship, are funded as if they are in a basic program or a special program, the same as students enrolled in other public schools in a school district.⁴³

³⁷ AMIkids, Programs and Services, *Types of Programs*, <https://amikids.org/programs-and-services> (last visited Jan. 21, 2024).

³⁸ Florida Department of Education, *Master School ID 2023-2024*, <https://eds.fldoe.org/EDS/MasterSchoolID/> (last visited Jan 11, 2024).

³⁹ Florida Department of Education, *Florida's Charter Schools*, Oct. 2023, available at <https://www.fldoe.org/core/fileparse.php/7778/urlt/Charter-Sept-2022.pdf> (last visited Jan. 21, 2024).

⁴⁰ *Id.*

⁴¹ Section 1002.33(5), F.S.

⁴² Tallahassee Collegiate Academy, *About Us*, <https://www.tca.fl.edu/about-us/> (last visited Jan. 21, 2024)

⁴³ Section 1002.33(17), F.S.

Students enrolled in a charter school sponsored by a state university or college institution are funded as if they are in a basic program or a special program in the school district. The basis for funding these students is the sum of the total operating funds from the Florida Education Finance Program (FEFP) for the school district in which the school is located in statute and the General Appropriations Act (GAA), including gross state and local funds, discretionary lottery funds, and funds from each school district's current operating discretionary millage levy, divided by total funded weighted full-time equivalent students in the district, and multiplied by the full-time equivalent membership of the charter school. The DOE is required to develop a tool that each state university or college system institution sponsoring a charter school is required to use to calculate the funding amount for each eligible charter school student. The total amount obtained from the calculation must be appropriated from state funds in the GAA to the charter school. Capital outlay funding for a charter school sponsored by a state university or college system institution is required to be determined under s. 1013.62, F.S., and the GAA.⁴⁴

Auditory Oral Education Programs

About two to three of every thousand children in the United States are born deaf or hard of hearing. It is recommended that all newborns are screened by the age of one month, receive a confirmation of hearing status by three months, and be enrolled in an early prevention program for deaf and hard of hearing babies by six months.⁴⁵ Auditory-oral therapy is most successful when started early, as young as two to three months old. Auditory-oral therapy stimulates the cortex of the brain and develops the auditory portion, which is their ability to listen and talk. A child's brain has optimal neural plasticity in his or her first three and a half years. This means it is easier for the brain to adapt and change learning and early stimulation.⁴⁶

Florida families have multiple options for educational choice such as home, private, and public education. Children who are blind or deaf have the same education choices. In addition, these students may attend the Florida School for the Deaf and Blind (FSDB)⁴⁷ or an auditory-education program.⁴⁸

Auditory-oral education programs rely solely on listening skills and use implants or assistive hearing devices for the purpose of relying on speech and spoken language skills as a method of communication, whereas other programs for hearing loss use sign language. Families of a child who is deaf or hard of hearing can enroll their children in an auditory-oral education program as one of the school of choice options. The child can continue attending the school and complete the development of listening and spoken language skills at the school.

In order to enroll and attend an auditory-oral program, the child must:

- Have received an implant or assistive hearing device;

⁴⁴ *Id.*

⁴⁵ National Association of Deaf, *Early Intervention for Infants and Toddlers*, <https://www.nad.org/resources/early-intervention-for-infants-and-toddlers/> (last visited Jan. 24, 2024).

⁴⁶ The Cleveland Clinic, *Auditory-Verbal Therapy*, <https://my.clevelandclinic.org/health/treatments/16767-auditory-verbal-therapy> (last visited Jan. 24, 2024).

⁴⁷ Section 1002.20(6), F.S.

⁴⁸ Section 1002.391, F.S.

- Be between the ages of three and seven years, or between the ages of two and seven years when the district elects to serve children with disabilities who are under the age of three years; and
- Be a resident of the state.⁴⁹

In Florida, there are Listening and Spoken Language Specialist providers that offer services at no charge to families. These organizations serve students starting at birth.⁵⁰ These providers rely on grants from private entities or state funds from the Florida Department of Health (DOH) for children age birth to three. Children age three to seven may receive funds from state, local, and private sources such as the Family Empowerment Scholarship for Students with Unique-Abilities (FES-UA).⁵¹

School Choice Scholarship Transportation

Parents may enroll and transport their child to any public school that has not reached capacity in the district through the process of controlled open enrollment. School districts shall make school assignments using the parents' preferred educational choice as a significant factor. A school district or charter school may provide transportation to these students.⁵² Should the district be unable to provide transportation, a family could receive a transportation scholarship, as long as the family met the program requirements.

In 2021, the Florida Tax Credit (FTC) Scholarship⁵³ program and the Family Empowerment Scholarship (FES)⁵⁴ were expanded to include transportation. The amount of the transportation scholarship was set as a flat amount of \$750 per student for a family who could meet the income eligibility requirement.⁵⁵

In 2022, the amount of the scholarship was adjusted to provide \$750 or an amount equal to the school district expenditure per student riding a school bus, as determined by the Department of Education, whichever is greater.⁵⁶ In order to receive the scholarship the family had to meet the income eligibility requirement.

In 2023, the scholarship eligibility parameters were revised to allow a parent to request a scholarship if their student is a resident of this state and is eligible to enroll in kindergarten through grade 12 in a public school in this state.⁵⁷ This change removed the income eligibility, thus allowing more students the ability to qualify for the transportation scholarship. While the eligibility requirements were revised, the award funding guidelines remained the same as those for 2022.

⁴⁹ *Id.*

⁵⁰ Deaf Kids Can, *Direct Service Providers*, <https://www.deafkidscan.org/direct-service-providers> (last visited Jan. 24, 2024).

⁵¹ Clarke School, *How Students are Funded*, <https://www.clarkeschools.org/florida/> (last visited Jan. 24, 2024).

⁵² Section 1002.31(1)-(2), F.S.

⁵³ Section 1002.395, F.S.

⁵⁴ Section 1002.394, F.S.

⁵⁵ Ch. 2021-27 s. 1, Laws of Fla.

⁵⁶ Ch. 2022-154 s. 12, Laws of Fla.

⁵⁷ Sections 1002.394(3) and 1002.395(3), F.S.

Due to the 2023 change in the transportation scholarship eligibility requirements, the January 2024 K-12 Enrollment Estimating Conference, estimated that 6,306 public school transportation scholarships could be awarded for 2023-2024, and 17,557 awarded for 2024-2025.⁵⁸ For 2023-2024, the transportation scholarship amounts for students ranged from \$750 in counties such as Hendry and Gilchrist to \$2,232 in Miami-Dade.⁵⁹

Administrative Funding for the Voluntary Prekindergarten (VPK) Program

Administrative expenditures for the Voluntary Prekindergarten (VPK) program must be kept to the minimum necessary for efficient and effective administration of the program. Florida's 30 early learning coalitions (ELCs) are allowed to retain and expend no more than 4.0 percent of the funds paid by the ELC to private prekindergarten providers and public schools for the VPK program. The funds retained by an ELC can only be used only for administering the VPK program and cannot be used for the school readiness program or other programs.⁶⁰

In 2022-2023, Florida's 30 ELCs administered the VPK program to 158,408 children enrolled in 6,237 private and public providers. For the same year, direct expenditures totaled \$396,563,661 and ELCs collectively withheld \$13,907,380 in total administrative expenditures or 3.51 percent of expenditures. The ELC of Northwest Florida withheld the lowest percentage at 2.3 percent while the ELC of Marion County withheld the highest percentage at 4.51 percent.⁶¹ All but seven ELCs withheld less than the 4.0 percent allowed in statute.

At the inception of the VPK program, ELCs were allowed to retain 5.0 percent in administrative expenses for the 2005-2006 program year.⁶² In 2009 the percentage was dropped to 4.85 percent effective for the 2008-2009 program year.⁶³ For the 2020-2011 program year the percentage was reduced again to 4.5 percent.⁶⁴ Finally, in 2011 the percentage was further reduced to 4.0 percent for the 2011-2012 program year where it has remained until present.⁶⁵

Charity for Change

Charity for Change is a non-profit organization dedicated to providing affordable educational tools through the Giver Program.⁶⁶ Since 2008, the Charity for Change program has engaged more than 120,000 students by building resiliency, strong life-skill competencies, and improving

⁵⁸ Office of Economic & Demographic Research, *Supplemental Conference Materials Scholarship Summary*, http://edr.state.fl.us/Content/conferences/publicschools/prek-12_scholarshipsummary.pdf (last visited Jan. 23, 2024).

⁵⁹ Step Up for Children, *Transportation Scholarship Program* <https://go.stepupforchildren.org/hubfs/Scholarship%20Info/23-24%20Transportation%20Award%20Amounts.pdf> (last visited Jan. 22, 2024).

⁶⁰ Section 1007.21(7), F.S.

⁶¹ FDOE, *Division of Early Learning, Annual Report 2023-2023*, available at: <https://www.fdoe.org/core/fileparse.php/20628/urlt/2223-DEL-AnnualReport.pdf> (last visited Jan. 22, 2024).

⁶² Chapter 2004-484, s. 1, Laws of Fla.

⁶³ Chapter 2009-3, s. 7, Laws of Fla.

⁶⁴ Chapter 2010-154, s. 10, Laws of Fla.

⁶⁵ Chapter 2011-55, s. 13, Laws of Fla.

⁶⁶ Charity for Change, *Home*, <https://charityforchange.org/> (last visited Jan. 22, 2024).

academic performance. The program serves elementary school-aged students in afterschool, summer, and in-school settings in both face-to-face and virtual learning environments.⁶⁷

The Charity for Change curriculum is designed to be inclusive, relevant, and accessible for all children, particularly those most systemically marginalized. The content is affirming, encouraging, and designed to build self-esteem and self-efficacy. During the program students will:

- Research and vote on a charity they want to support with their activities.
- Learn more about the character traits and the charity.
- Complete the curriculum in a cooperative learning setting which earns money for the selected charity.⁶⁸

Third-party studies of the Charity for Change program have shown significant improvements in student's academic performance, character trait knowledge, positive behavior, and charitable and community involvement.⁶⁹ The scientifically proven elements of the Charity for Change program bring character education, STEAM, and service learning to life with a comprehensive approach that includes a variety of activities.⁷⁰

Funding for Juvenile Justice Programs

The DOE is the lead agency for juvenile justice education programs, curriculum, support services, and resources. Eligible students enrolled in juvenile justice education programs are funded the same as students enrolled in traditional public schools funded in the Florida Education Finance Program and the General Appropriations Act (GAA) and each juvenile justice education program must receive all federal funds for which the program is eligible.⁷¹

The supplemental allocation for juvenile justice education programs is calculated by multiplying the kindergarten through grade 12 weighted full-time equivalent student membership in juvenile justice education programs in each school district by the amount of the state average class-size-reduction factor multiplied by the comparable wage factor for the school district for the comparable wage factor. Funds allocated for the supplemental allocation for juvenile justice education programs is required to be used to provide the juvenile justice education programs and may be used to pay for the high school equivalency examination fees for juvenile justice students who pass the high school equivalency examination in full, or in part, while in a juvenile justice education program, the industry credentialing testing fees for such students, and the costs associated with such juvenile justice students enrolled in career and technical education courses that lead to industry-recognized certifications.⁷²

⁶⁷ Charity for Change, Program, *Character and Citizenship Education*, <https://charityforchange.org/character-and-citizenship-education/> (last visited Jan. 22, 2024).

⁶⁸ *Id.*

⁶⁹ *Id.*

⁷⁰ Charity for Change, *Afterschool Giver Program*, <https://charityforchange.org/afterschool-giver-program/> (last visited Jan. 22, 2024).

⁷¹ Section 1003.52, F.S.

⁷² Section 1011.62(9), F.S. The Commissioner of Education annually computes for each district the current year's comparable wage factor. The comparable wage factor is calculated by adding each district's price level index as published in the Florida Price Level Index for the most recent 3 years and dividing the resulting sum by 3.

Maximum Class Size Requirements

In November 2002, Florida voters approved a state constitutional amendment setting the limits on the number of students in a class attending public schools.⁷³ The amendment required the Legislature, by the beginning of the 2010 school year, to make adequate provisions to ensure that there are a sufficient number of classrooms in Florida so that the maximum number of students assigned to each teacher, who is teaching core-curricula courses, does not exceed:

- 18 students in prekindergarten through grade 3;
- 22 students in grades 4 through 8; and
- 25 students in grades 9-12.⁷⁴

Class Size Reduction Funding

To implement the class size amendment, the Legislature annually appropriates class size reduction categorical funding for school district operating costs. Additionally, the Legislature has appropriated funds for capital outlay (facility) needs and granted bonding authority to fund classroom construction and other capital needs related to class size reduction.⁷⁵ Since 2003, the Legislature has appropriated more than \$52 billion for operational expenses and over \$2.5 billion in facilities funding to implement the Class Size Reduction Amendment. In 2022-2023 total funding under class size reduction was approximately \$54.8 million.⁷⁶

Florida College System

There are 28 member colleges in the Florida College System. Each college is governed by district boards of trustees and are under the jurisdiction of the State Board of Education.⁷⁷ To strengthen faculty recruitment and retention, the Florida College System (FCS) requested inclusion into the State of Florida's Group Health Insurance Program.⁷⁸

The Fiscal Year 2023-2024 General Appropriations Act directed the Department of Management Services to contract for a comprehensive analysis to determine the fiscal impact of inclusion of employees of the Florida College System in the State Group Health Insurance Program (SGHI Program). The analysis provided an estimated fiscal impact to both the Florida College System and the SGHI Program based upon estimated enrollment numbers for employees and their dependents.⁷⁹

⁷³ FLA. CONST. Art. IX, s. 1.

⁷⁴ Section 1003.03, F.S. See Florida Department of Education, *2022-2023 Course Code Directory Class Size Core Courses*, available at <https://www.fldoe.org/core/fileparse.php/7746/urlt/2223ClassSizeCore.pdf>.

⁷⁵ Sections 1013.735 and 1013.737, F.S.

⁷⁶ Florida Department of Education, Finance, Budget, *Class Size*, <https://www.fldoe.org/finance/budget/class-size/> (last visited Jan. 22, 2024).

⁷⁷ Section 1000.21, F.S.

⁷⁸ The Florida College System Council of Presidents, *Accelerate Florida's Future through the Florida College System* (on file with the Senate Committee on Appropriations).

⁷⁹ Department of Management Services, *Comprehensive Fiscal Analysis of Adding Florida College System to State Group Insurance*, Dec. 1, 2023 (on file with the Senate Committee on Appropriations).

State Group Health Insurance Program

Overview

The SGHI Program is administered by the Division of State Group Insurance (DSGI) within the Department of Management Services (DMS). The SGHI Program is an optional benefit for full-time state employees, part-time state employees, and eligible former employees of the state, including state university employees. The SGHI Program administers health, life, dental, vision, disability, and other supplemental insurance benefits.⁸⁰

State Health Insurance Plans

The SGHI Program provides four options for employees and retirees to choose as their health plan:

- The standard Preferred Provider Organization (PPO) plan.
- The high deductible PPO plan.
- The standard health maintenance organization (HMO) services.
- The high deductible HMO.⁸¹

Pharmacy Benefit

The SGHI Program also has a pharmacy benefit for members of the plan. DMS contracts with OptumRx, a pharmacy benefits manager, to administer the Prescription Drug Plan.⁸²

Eligible Groups

The SGHI Program is open to state agencies. The term “state agency” is defined to mean “any branch, department, or agency of state government” and includes “any state university and the Division of Rehabilitation and Liquidation.”⁸³ The following individuals of a state agency are authorized to enroll in the program:

- All state officers.
- All state employees paid from “salaries and benefits” appropriation categories, regardless of the number of hours worked.
- Retired state officers and state employees.
- Surviving spouses of deceased state officers and state employees.
- Certain terminated state officers and state employees.
- Certain state employees paid from “other-personal-services” (OPS) appropriation categories.⁸⁴

For OPS employees to be eligible to participate in the health insurance program, the employee must work or be expected to work an average of at least 30 hours per week, and have worked an

⁸⁰ Section 110.123, F.S.

⁸¹ Department of Management Services, myBenefits, Health Insurance Plans, https://www.mybenefits.myflorida.com/health/health_insurance_plans (last visited Jan. 23, 2024).

⁸² Department of Management Services, myBenefits, Prescription Drug Plan, https://www.mybenefits.myflorida.com/health/prescription_drug_plan (last Jan 23, 2024).

⁸³ Section 110.123, F.S.

⁸⁴ Department of Management Services, myBenefits, Eligibility and Enrollment, https://www.mybenefits.myflorida.com/health/eligibility_and_enrollment (last visited February 20, 2022).

average of at least 30 hours per week during the person's measurement period (which is 12 consecutive months⁸⁵ of employment).⁸⁶

Additionally, small counties, small municipalities and district school boards located in small counties are eligible to apply to DMS for participation in the SGHI program and the prescription drug program.⁸⁷

III. Effect of Proposed Changes:

Section 1 amends s. 110.123, F.S., to allow Florida College System institutions to participate in the State Group Health Insurance (SGHI) Program. The bill defines the term "participating college" to mean a Florida College Institution that enrolls in the state group insurance program and adds employees of participating colleges to the list of eligible enrollees.

Section 2 creates s. 110.1229, F.S., to specify the requirements for the colleges if they chose to apply for participation in the SGHI program. The district board of trustees of a college to participate must apply to the Department of Management Services (DMS) by August 1, 2024.

If the DMS determines the college is eligible, it must agree to the following minimum terms and conditions:

- The minimum enrollment or contractual period must be 3 years.
- Termination of participation of a college requires written notice 1 year before the termination date and if participation is terminated, a college may not reapply for participation for a period of 2 years.
- If a college employer fails to make the payments required by this section to fully reimburse the state, the Department of Revenue or the Department of Financial Services shall, upon the request of the Department of Management Services, deduct the amount owed by the employer from any funds not pledged to bond debt service satisfaction which are to be distributed by it to the college. The amounts to be deducted must be transferred to the Department of Management Services for further distribution to the trust funds in accordance with this chapter.
- The college shall furnish the department any information requested by the department which the department considers necessary to administer the state group health insurance program and the prescription drug coverage program.
- The college shall adopt the state's eligibility rules.
- The college shall pay monthly premiums in amounts sufficient to cover claims costs and administrative costs.

The enrollment period for colleges determined eligible must begin before July 31, 2025.

Section 3 creates s. 985.176, F.S., to authorize the Department of Education (DOE) and the Department of Children and Families to contract with AMI Kids, Inc., to provide alternatives to

⁸⁵ Section 110.123, F.S.

⁸⁶ Section 110.123(2)(c)2., F.S.

⁸⁷ Section 110.1228, F.S.

institutionalization or commitment for young men and women by providing services including, but not limited to, education, behavior modification, skills development, mental health, workforce development, family functioning, and advocacy.

Section 4 amends s. 1002.33 F.S., regarding the funding for students enrolled in a charter school sponsored by a state university or Florida College System institution. The bill also removes a requirement that the DOE develop a tool for the sponsoring institution to use to calculate the funding amount for each eligible charter school student.

The bill replaces the existing funding methodology to specify the following provisions, which align with the funding methodology used for the developmental research (laboratory) schools. The bill requires that:

- Each charter school receive state funds for operating purposes provided in the Florida Education Finance Program (FEFP) and as specified in the General Appropriations Act (GAA).
- Each charter school receive from state funds the nonvoted required local effort millage (school district tax) established pursuant to s. 1011.71(1), F.S., which would otherwise be required for charter schools.
- Each charter school be allocated an equivalent amount of funds for the operating discretionary millage authorized pursuant to s. 1011.71(1), F.S., through the state-funded discretionary contribution established in law.

For each fund source, the funding calculation must be made based on actual enrollment of the charter school rather than an average of what is funded for the school district in which the charter school is located.

The bill requires that all operating funds provided to charter schools under s. 1002.33, F.S., must be expended for the purposes of the charter school operations. Additionally, the state university or FCS institution sponsoring a charter school is the fiscal agent for the operating funds, rather than the local school district. Additionally, the section requires that all rules of the institution governing the budgeting and expenditure of state funds apply to the funds, unless otherwise provided by law or rule of the State Board of Education (SBE).

Section 5 modifies s. 1002.391 F.S., to establish the Bridge to Speech program as an auditory-oral program, specifying the rate at which tuition shall be provided and sets the dates by which the DOE must award the funds.

Section 6 modifies s. 1002.394 F.S., revising the Family Empowerment Scholarship transportation scholarship funding and eligibility requirements. The bill specifies:

- Funding shall be a flat rate of \$750
- Shall be awarded to a student whose household income level does not exceed 185 percent of the federal poverty level or who was or is currently placed in foster care or in out-of-home care as defined in s. 39.01.
- Only one scholarship may be awarded per household.

Section 7 modifies s. 1002.39 F.S., revising the Florida Tax Credit Scholarship transportation scholarship funding and eligibility requirements. The bill specifies:

- Funding shall be a flat rate of \$750
- Shall be awarded to a student whose household income level does not exceed 185 percent of the federal poverty level or who was or is currently placed, in foster care or in out-of-home care as defined in s. 39.01.
- Only one scholarship may be awarded per household.

Section 8 modifies s. 1002.71, F.S., to increase the administration percentage factored in by the county for the early learning coalitions from 4 to 5 percent.

Section 9 creates s. 1003.4206, F.S., to establish the Charity for Change program to implement the character education standards as specified in law.⁸⁸ The bill authorizes the Charity for Change program to use third-party providers to deliver after school and summer services that empower students with an evidence-based curriculum that integrates character education, services learning, charitable and community engagement, and academics.

Section 10 modifies s. 1003.435, F.S., to require district school boards to notify each candidate for the high school equivalency diploma of the adult secondary and postsecondary education options available in or near the district. Additionally, the candidate must be informed of the eligibility requirements and any minimum academic requirements for each available option.

Section 11 creates s. 1004.933, F.S., to establish the Graduation Alternative to Traditional Education (GATE) Program within the DOE. In regards to the GATE Program, the bill specifies the intent of the Legislature:

- For each high school student to have the opportunity to earn postsecondary course credits at no cost to the student while pursuing the completion of a standard high school diploma or equivalent credential.
- That high school students have access to high-quality workforce education programs that can help them build their basic education abilities and attain industry-recognized postsecondary credentials.
- To assist students who may have challenges in completing the requirements for a standard high school diploma in a traditional setting.
- To create an alternative education pathway that supports this state's commitment to educational accessibility for all students by providing additional opportunities for students 16 to 21 years of age who have discontinued enrollment in traditional high school programs.
- To increase the number of students who successfully earn a high school credential in this state.
- To increase the interest and participation of students in career and technical education (CTE) programs.

To be eligible to participate in the GATE Program, the bill specifies that a student must:

- Not have earned a standard high school diploma or a high school equivalency diploma.
- Be a resident of this state for tuition purposes.

⁸⁸ Section 1003.42(2)(t), F.S. Public schools are required to teach civic and character education on the qualities and responsibilities of patriotism and citizenship, including kindness; respect for authority, life, liberty, and personal property; honesty; charity; racial, ethnic, and religious tolerance; and cooperation and, for grades 11 and 12, voting using the uniform primary and general election ballot.

- Be concurrently enrolled in an adult secondary education program and a career education program at a FCS institution, a career center, or a charter technical career center.
- Be 16 to 21 years of age at the time of initial enrollment.
- Select the CTE pathway or program of his or her choice at the time of enrollment. The student may not change the requested pathway after enrollment.
- Maintain a 2.0 grade point average (GPA) for CTE coursework.
- Complete the adult secondary education program and the career education program within three years unless the institution determines that an extension is warranted due to extenuating circumstances.

The bill provides that students enrolled in the GATE Program are exempt from the payment of registration, tuition, laboratory, and examination fees to a participating institution. Additionally, instructional materials assigned for use under the GATE Program must be made available to GATE Program students free of charge. The bill prohibits an institution from:

- Imposing additional criteria to determine a student's eligibility to receive a fee waiver under the GATE Program.
- Requiring students to pay for instructional materials costs that are eligible for reimbursement under the GATE Scholarship Program.

Section 12 modifies s. 1008.34, F.S., to provide that students enrolled in high school, who choose to enroll in the GATE Program may not be included in the graduation rate used in the school grades model. By removing high school students who choose to enroll in the GATE program from the graduation rate in the school grades model, high schools will not have their school grade impacted by students enrolling in the GATE program.

Section 13 creates 1009.711, F.S., to implement the GATE Scholarship Program, which is created to financially support institutions in providing the GATE Program.

Under the bill, the GATE Scholarship Program will reimburse eligible institutions for registration, tuition, laboratory, and examination fees and related instructional materials costs for students enrolled in the GATE Program. The bill requires the GATE Scholarship Program to reimburse career centers and Florida College System institutions at their respective in-state resident tuition rates.

Each participating institution is required to report to the DOE all students enrolled in the GATE Program during the fall, spring, or summer terms within 30 days after the end of regular registration. For each eligible student, the institution is required to report the total reimbursable expenses by category, which the DOE must consider in determining an institution's GATE Scholarship Program award. The bill requires the DOE to reimburse each participating institution no later than 30 days after the institution has reported enrollment for that term.

The bill provides that reimbursements from the GATE Scholarship Program are contingent upon an annual appropriation in the General Appropriations Act (GAA). If the statewide reimbursement amount is greater than the appropriation, the institutional reimbursement amounts must be prorated among the institutions that have timely reported eligible students.

The bill requires the SBE to adopt rules to implement the GATE Program and the GATE Scholarship Program.

Section 14 amends s. 1011.62, F.S., to provide supplemental funding to support the education of students in juvenile justice education programs. The bill requires that the supplemental allocation for juvenile justice education programs is the sum of the class-size-reduction allocation and the student allocation.

The bill requires that the student allocation shall be calculated based on the number of students reported in a juvenile justice education program. Specifically:

- The total kindergarten through grade 12 unweighted full-time equivalent student membership in juvenile justice education programs in each school district, excluding students with disabilities, multiplied by a percentage of the base student allocation as provided in the GAA.
- The total kindergarten through grade 12 unweighted full-time equivalent student membership in juvenile justice education programs in each school district, for students with disabilities, multiplied by an additional percentage of the base student allocation as provided in the GAA.

The base amount and the amount for students with disabilities must be summed to provide the student allocation.

Section 15 modifies s. 1011.80, F.S., to increase from two to four the number of courses that may be reported for funding for a student who is co-enrolled in a K-12 education program and adult education program. The bill also removes the requirement that the courses funded must be core curricula.

Section 16 creates s. 1011.804, F.S., to establish the GATE Program Student Success Incentive fund to reward school districts and FCS institutions for the documented success of students participating in the GATE Program. Subject to legislative appropriation, each participating institution may receive an allocation based on the performance of students in its GATE Program according to the following metrics:

- The number of students obtaining a standard high school diploma or high school equivalency diploma while participating in the program.
- The number of postsecondary industry certifications or other program completion credentials earned by students participating in the program. Eligible industry certifications must be identified on the CAPE Industry Certification Funding List.

The bill requires that unless otherwise specified in the GAA, each institution must be provided:

- An amount of \$750 per student who obtains a standard high school diploma or high school equivalency diploma.
- An amount of \$1,000 per student earning career certificates or credentials.

The bill provides that if funding is insufficient to fully fund the calculated total award, such funds must be prorated among the institutions.

Section 17 provides an effective date of July 1, 2024.

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.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The bill changes the funding methodology for charter schools sponsored by a college or university, making the sponsor the fiscal agent. This change does not require any additional allocations.

Based on the current law and most recent forecast, an estimated \$23.1 million is appropriated in SPB 2500 to provide 17,557 students a transportation scholarship for fiscal year 2024-2025. The bill revises the eligibility requirements for the transportation scholarship within the Family Empowerment Scholarship and the Florida Tax Credit Scholarship. The changes will have an indeterminate fiscal impact.

The bill establishes the Charity for Change Program, SPB 2500 appropriates \$4.7 million to the Department of Education (DOE) to support the program.

The bill establishes the Bridge to Speech program as an auditory-oral education program. SPB 2500 appropriates \$1.75 million to this program.

The bill allows for an increase from four to five percent for administrative costs for Early Learning Coalitions. SPB 2500 includes the \$4.2 million needed to fund this increase.

The bill amends the calculation for the juvenile justice supplemental allocation in the Florida Education Finance Program (FEFP). SPB 2500 provides \$5.5 million for the juvenile justice supplemental allocation in the FEFP, which includes the estimated amount of \$2.6 million to fund this allocation adjustment.

The bill creates Graduation Alternative to Traditional Education (GATE) Program, as well as the GATE Scholarship Program and the GATE Program Student Success Incentive. SPB 2500 appropriates \$16.4 million to implement the program and fund the scholarship and incentive programs.

The bill allows for the inclusion of Florida College System institutions into the state group insurance program. SPB 2500 appropriates \$80 million to be distributed to participating colleges based on increased costs compared to their current health insurance plans. SPB 2500 also provides \$4.5 million to the Department of Management Services for associated administrative costs.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 1002.33, 1002.71, 1003.435, 1008.34, 1011.62, and 1011.80.

This bill creates the following sections of the Florida Statutes: 985.176, 1003.4206, 1004.933, 1009.711, and 1011.804.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.