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DATE: March 19, 1999

HOUSE OF REPRESENTATIVES
COMMITTEE ON
EDUCATION K-12
ANALYSIS

BILL #: CS/HB 837

RELATING TO: Natural Disaster Relief for the Monroe County School District

SPONSOR(S): Committee on Education K-12 and Representative Sorensen

COMPANION BILL(S): SB 1454

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:
(1) EDUCATION K-12 YEAS 9 NAYS 0
(2) COMMUNITY AFFAIRS
(3) EDUCATION APPROPRIATIONS
(4)
(5)

I. SUMMARY:

The committee substitute provides disaster relief for the Monroe County School District in the form of hold harmless language with respect to the 1998-99 Florida Education Finance Program (FEFP) appropriation. It will require a change to the formula allocation of FEFP funds so that the Monroe County School District state funds from the FEFP remain constant. Based on the third FEFP calculation, $1,502,158 in FEFP moneys would be available to the district that would otherwise not be disbursed.

The committee substitute provides $1.8 million in general revenue funding for demonstrated losses as a result of natural disasters occurring in Monroe County in 1998. It adds damage to facilities as an item that the funds can be used to remediate.

II. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

The FEFP is the funding formula adopted by the Florida Legislature in 1973 to allocate funds appropriated by the Legislature for public school operations. The FEFP implements the constitutional requirement of a uniform system of free public education and is an allocation model based on individual student participation in educational programs. In order to assure equalized funding, the FEFP takes the following into account:

- the local property tax base
- cost of education programs
- cost of living (district cost differential or DCD)
- sparsity of student population

The FEFP funding formula uses a "full-time equivalent" or FTE number of students as a basis for allocating funds to the various districts. Surveys are taken four times per year in each school to determine how many students are enrolled in any of several programs. Most children are enrolled in basic programs (Group 1), and others are enrolled in weighted Group 2 programs, including dropout prevention and teen parent programs, English for speakers of other languages (ESOL), and exceptional student education (ESE).

In addition to the FEFP, districts are also allocated funds from Lottery proceeds, categorical funds, and special allocations. For example, the General Appropriations Act contains a categorical specifically for the purchase of instructional materials.

B. EFFECT OF PROPOSED CHANGES:

The committee substitute provides disaster relief for the Monroe County School District in the form of hold harmless language with respect to the 1998-99 Florida Education Finance Program (FEFP) appropriation. It will require a change to the formula allocation of FEFP funds so that the Monroe County School District state funds from the FEFP remain constant. Based on the third FEFP calculation, $1,502,158 in FEFP moneys would be available to the district that would otherwise not be disbursed.

The committee substitute provides $1.8 million in general revenue funding for demonstrated losses as a result of natural disasters occurring in Monroe County in 1998. It adds damage to facilities as an item that the funds can be used to remediate.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

No.

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

No.

(3) any entitlement to a government service or benefit?

No.

b. If an agency or program is eliminated or reduced:

An agency or program is not eliminated or reduced.

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

No.

b. Does the bill require or authorize an increase in any fees?

No.

c. Does the bill reduce total taxes, both rates and revenues?

No.

d. Does the bill reduce total fees, both rates and revenues?

No.

e. Does the bill authorize any fee or tax increase by any local government?

No.

3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

No.

b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

No.

4. Individual Freedom:

a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

No.

b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

No.

5. Family Empowerment:

a. If the bill purports to provide services to families or children:

The bill does not purport to provide services to families or children.

(1) Who evaluates the family's needs?

N/A

(2) Who makes the decisions?

N/A

(3) Are private alternatives permitted?

N/A

(4) Are families required to participate in a program?

N/A

(5) Are families penalized for not participating in a program?

N/A

b. Does the bill directly affect the legal rights and obligations between family members?

No.

c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

The bill does not create or change a program providing services to families or children.

(1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

D. STATUTE(S) AFFECTED:

None.

E. SECTION-BY-SECTION ANALYSIS:

Section 1 provides disaster relief for the Monroe County School District in the form of hold harmless language with respect to the 1998-99 FEFP appropriation.

Section 2 provides $1.8 million in general revenue funding for demonstrated losses as a result of natural disasters occurring in the area in 1998. It adds damage to facilities as an item that the funds can be used to remediate.

Section 3 specifies an effective date of upon becoming a law.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

The 1998-99 estimated enrollment in the Monroe County School District was 9,510.59 with a corresponding FEFP allocation of $4,187,304. The third quarter calculated enrollment was 9262.26 with a corresponding allocation of $2,685,146. The net difference for which the district would be held harmless is a drop of 248.33 students with a corresponding FEFP reduction of $1,502,158.

The general revenue allocation specified for uncovered expenses is $1.8 million.

2. Recurring Effects:

None.

3. Long Run Effects Other Than Normal Growth:

None.

4. Total Revenues and Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

The committee substitute will afford disaster relief as described above for the Monroe County School District.

2. Recurring Effects:

None.

3. Long Run Effects Other Than Normal Growth:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

   None.

2. Direct Private Sector Benefits:

   None.

3. Effects on Competition, Private Enterprise and Employment Markets:

   None.

D. FISCAL COMMENTS:

See above.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds or take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

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

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of a state tax shared with counties or municipalities.

V. COMMENTS:

None.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

The committee substitute differs from the original bill in that it specifies a general revenue allocation of $1.8 million for uncovered expenses. It clarifies that in addition to the uses specified in the original bill, the money can be used to repair damage to facilities.

VII. SIGNATURES:

COMMITTEE ON EDUCATION K-12:

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