The Florida Senate PROFESSIONAL STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: Education Pre-K - 12 Appropriations Committee						
BILL:	CS/SB 1046					
INTRODUCER:	Committee on Education Pre-K-12 Appropriations and Senator Wise					
SUBJECT: Prekindergarten Through Grade 12 Education						
DATE:	March 28, 20	007	REVISED:			
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I. Summary:

This bill amends several statutory changes necessary to implement the 2007-2008 General Appropriations Act. The bill:

- Allows slot machine revenues transferred to the Educational Enhancement Trust Fund to be appropriated as recurring funds.
- Defines exceptional students who have been determined to be eligible for a special program to include students who are gifted in grades K-8.
- Defines the following terms: Team Teaching; Co-teaching; and Inclusion Teaching.
- Prescribes the methodology to be used to calculate a supplemental allocation for juvenile justice education programs funded in the Florida Education Finance Program.
- Deletes obsolete provisions related to categorical funds and an expired time line relating to the expenditure of funds.

This bill amends ss. 551.106, 1003.01, 1003.03, 1011.62, and repeals paragraph (b) of subsection (5) of Section 1011.71, Florida Statutes

II. Present Situation:

Chapter 551, Florida Statutes, was enacted to implement slot machine gaming in Florida. This act established a tax rate on slot machine revenues and requires that these revenues be transferred to the Educational Enhancement Trust Fund to supplement public education funding statewide not to be used for recurring appropriations. The Revenue Estimating Conference regarding slot machine revenue, February 2007, estimated slot revenue transfers to the Educational

Enhancement Trust Fund in 2006-07 through 2010-11. The estimated transfers for each fiscal year are greater than the transfers in the previous year, increasing from \$55 million in 2006-07 to \$303 million in 2010-11.

Chapter 2006-27, Laws of Florida, amended s. 551.106, F.S., to provide that, if necessary, slot revenues transferred to the EETF shall first be available to pay debt service on lottery bonds issued to fund school construction subject to annual appropriation by the legislature.

Section 1003.01 (3) (a), F.S., defines "exceptional student" as follows:

• "Exceptional student" means any student who has been determined eligible for a special program in accordance with rules of the State Board of Education. The term includes students who are gifted and students with disabilities who are mentally handicapped, speech and language impaired, deaf or hard of hearing, emotionally handicapped, specific learning disabled, hospital and homebound, autistic, developmentally delayed children, ages birth through 5 years, or children, ages birth through 2 years, with established conditions that are identified in State Board of Education rules pursuant to s. 1003.21 (1) (e).

Students with disabilities need to be provided special programs and specific accommodations to enable them to effectively participate in public education programs. These special programs and services require funding above the amount required for students who do not have such disabilities.

The Florida Education Finance Program (FEFP) provides basic funding for all students. Additional funds are provided above the basic funds per student amount to fund special programs and services needed for "exceptional students." In the proposed 2007-2008 General Appropriations Act the funding for these students is as follows: for exceptional students who are eligible for ESE Level 4 and Level 5 services, the basic amount is multiplied by 3.625 and 5.062 respectively; the amount for exceptional students who are eligible for ESE Level 1, 2, or 3 services is the basic amount plus \$1.1 billion in the ESE Guaranteed Allocation. The ESE Guaranteed Allocation is an allocation of flexible funds provided to school districts to pay for special programs and services specifically designed to meet the specific needs of eligible "exceptional students."

Section 1003.01 (3) (a), F.S., is silent about what type of special program or accommodation is necessary to enable students in grades 9-12 who are gifted to participate in public school education that would require funding above the amount provided for the basic funds per student allocation. Generally, students in grades 9 through 12 who are gifted are able to participate in educational programs without the need for special accommodations such as those required for "exceptional students." An indication of this is that the individualized educational plan and matrix of services required for each "exceptional student" is not required for students who are gifted.

Even so, funds above the basic per student amount are provided to school districts to fund a variety of advanced and higher level courses for high-achieving and gifted students in grades 9 through 12. This includes funds above the basic per student amount for programs such as,

advanced placement courses, dual enrollment courses in community college and universities, international baccalaureate programs, and the advanced international certificate of education program. Gifted students in grades 9 through 12 can benefit from having access to these advanced and higher level courses. Providing more funding through the ESE Guaranteed Allocation for Gifted 9 to 12 students in these and other programs may be duplicative.

Section 1003.03, F.S., authorizes teaching strategies that include assigning more that one teacher to a classroom of students; however these strategies are not defined. In order for school districts and the state to determine compliance with minimum class size, a common definition is needed for statewide use and consistent application of the requirement.

Educational programs for students in Department of Juvenile Justice Programs are funded in the same manner as students enrolled in school district programs, except for the class size reduction allocation. DJJ educational programs that are not provided in public schools are not required to meet minimum class size requirements. During the past four years, substantial increases in funds through the FEFP have been provided for class size reduction in school districts. The increase in per student funding for class size reduction has not been required for students in DJJ educational programs, consequently increased funding for students in DJJ educational education programs has not kept pace with the increased funding for K-12 students in school district programs.

III. Effect of Proposed Changes:

Section 1 amends s. 551.106, F.S., to allow recurring slot machine tax revenues to be appropriated as recurring funds.

Section 2 amends s. 1003.01 (3) (a), F.S., to provide that the definition of "exceptional students" includes students who are gifted in grades K through 8 only and not those in grades 9 through 12 who already receive extra funding through other programs in the funding formula. With this revision, funding above the basic per student allocation will continue to be provided for advanced and higher level courses for gifted students in grades 9 through 12; however, these students will not be included in the calculation of the ESE Guaranteed Allocation. With this revision, funding for "exceptional students" and for students who are gifted in grades K through 8 will not be affected. In addition, in SPB 7096 on Pre-K-12 Education Appropriations, even with this revision, funds in the ESE Guaranteed Allocation were not reduced, but rather were increased by 3.12% or \$34.4 million.

Section 3 amends s. 1003.03 (5), F.S., to provide a common definition of team teaching, co-teaching, and inclusion for statewide use by school districts and the state.

Section 4 amends s. 1011.62, F.S., to create a supplement for students in juvenile justice education programs. As a result, funding will be provided in an amount that is equal to what these programs otherwise would have received if they were required to participate in class size reduction. This enables juvenile justice education programs to be funded more on par with similar programs in the school districts. In SPB 7096 on Pre-K-12 Education Appropriations, the DJJ supplemental allocation provides \$12.6 million or an additional \$943 per FTE for juvenile justice education programs.

In addition, s. 1011.62(6)(b), F.S. is amended to delete reference to the inservice educational personnel training and public school technology categorical programs which no longer receive a specific appropriation.

Section 5 repeals s. 1011.71, F.S. to eliminate old timelines for school district implementation of expenditure requirements for capital improvement millage.

Section 6 provides that the act is effective July 1, 2007.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note: Tax/Fee Issues:

A. Private Sector Impact:

None.

B. Government Sector Impact:

This bill allows recurring slot machine revenues transferred to the Educational Enhancement Trust Fund to be appropriated as recurring funds. It has no impact on the amount of revenue received or the amount the legislature appropriates.

This bill has no impact on the total state and local funds required for the Florida Education Finance Program (FEFP). Allocation of the juvenile justice supplemental funds within the FEFP formula would provide an increase in funds per student for students in Department of Juvenile Justice education programs that would be equal to the per student amount provided to school districts for class reduction.

Also, within the FEFP, the calculation of funding for the ESE Guaranteed Allocation would not include students in grades 9 through 12 who are gifted. Funds per student for gifted students in grades 9 through 12 that are above the basic amount per student for students in grades 9-12 will be provided in other appropriate allocations within the FEFP.

VI. Related Issues:

None.

This Senate Professional Staff Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

VII. Summary of Amendments:

None.

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