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 ${f By}$ the Committee on Education Pre-K - 12 Appropriations and Senator Wise

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A bill to be entitled

An act relating to education funding; amending s. 218.503, F.S.; providing for a reduction in salary for certain school district employees when a state of financial emergency within the district continues beyond a specified period; amending ss. 1001.42 and 1001.50, F.S.; prohibiting a district school board from entering into an employment contract that provides for payment of an amount greater than 1 year of an employee's or superintendent's annual salary for termination, buy-out, or other type of settlement; amending s. 1002.53, F.S., relating to the Voluntary Prekindergarten Education Program; conforming provisions to changes made by the act; amending s. 1002.61, F.S.; increasing the number of students authorized for a summer prekindergarten class; conforming cross-references; amending s. 1002.63, F.S.; eliminating certain eligibility requirements for delivering a prekindergarten program during the school year; amending s. 1002.71, F.S.; providing for separate base student allocations for school-year and summer prekindergarten programs; revising the formula for calculating and reporting full-time equivalent student enrollment; providing certain restrictions with respect to a child who reenrolls in a prekindergarten program; requiring that certain administrative procedures be automated; decreasing the amount that an early learning coalition may expend for administrative purposes; amending s. 1002.73, F.S.;

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revising duties of the Department of Education, to conform; amending s. 1006.40, F.S.; waiving, for the adoption cycle of the 2008-2009 academic year, the requirement that district school boards purchase instructional materials in core courses; creating s. 1011.051, F.S.; requiring that district school boards maintain an unreserved general fund balance sufficient to address contingencies; specifying procedures for the district to follow if the operating budget falls below specified percentages or projected general fund revenues; requiring that collective bargaining agreements make adequate provisions for maintaining the required general fund balances; providing that a collective bargaining agreement entered into after the effective date of the act which fails to comply with the act is void and unenforceable; requiring modification of collective bargaining agreements under circumstances involving financial urgency; amending s. 1011.71, F.S.; authorizing the purchase of certain enterprise resource software applications with proceeds of the district school tax; eliminating certain restrictions on the expenditure of revenues from the district school tax levy; providing for future expiration of such provisions; amending s. 1013.64, F.S., relating to funds for constructing educational plant space; conforming provisions; providing for a reduction in salary of district school board members for a specified period, notwithstanding certain provisions; providing for awards for

instructional personnel and school-based administrators under the Merit Award Program to be paid only to the extent funded in the 2009-2010 fiscal year; incorporating by reference certain calculations of the Florida Education Finance Program for the 2008-2009 fiscal year; providing for contingent retroactive application of specified provisions of the act; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Present subsections (4) and (5) of section 218.503, Florida Statutes, are renumbered as subsections (5) and (6), respectively, and a new subsection (4) is added to that section, to read:

218.503 Determination of financial emergency.-

(4) Notwithstanding ss. 1001.395 and 1001.47, if the

Commissioner of Education determines that the measures imposed

pursuant to subsection (3) have not eliminated a state of

financial emergency in a school district within 30 days after

the date the condition was declared to exist, the salary of each

district school board member, the district superintendent, and

each district employee shall be reduced proportionately in an

amount necessary to prevent a deficit in the unreserved general

fund of the district's operating budget during the remainder of

the fiscal year.

Section 2. Present subsection (25) of section 1001.42, Florida Statutes, is renumbered as subsection (26), and a new subsection (25) is added to that section, to read:

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1001.42 Powers and duties of district school board.—The district school board, acting as a board, shall exercise all powers and perform all duties listed below:

- (25) EMPLOYMENT CONTRACTS.—On or after February 1, 2009, a district school board may not enter into an employment contract that is funded from state funds and that requires the district to pay an employee an amount in excess of 1 year of the employee's annual salary for termination, buy-out, or any other type of contract settlement.
- Section 3. Subsection (2) of section 1001.50, Florida Statutes, is amended to read:
- 1001.50 Superintendents employed under Art. IX of the State Constitution.—
- (2) The district school board of each of such districts shall enter into contracts of employment with the district school superintendent and shall adopt rules relating to his or her appointment; however, on or after February 1, 2009, the district school board may not enter into an employment contract that is funded from state funds and that requires the district to pay a superintendent an amount in excess of 1 year of the superintendent's annual salary for termination, buy-out, or any other type of contract settlement.
- Section 4. Paragraph (c) of subsection (3) of section 1002.53, Florida Statutes, is amended to read:
- 1002.53 Voluntary Prekindergarten Education Program; eligibility and enrollment.—
- (3) The parent of each child eligible under subsection (2) may enroll the child in one of the following programs:
 - (c) A school-year prekindergarten program delivered by a

public school, if offered by a school district that is eligible under s. 1002.63.

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Except as provided in s. 1002.71(4), a child may not enroll in more than one of these programs.

Section 5. Subsections (4) and (7) of section 1002.61, Florida Statutes, are amended to read:

1002.61 Summer prekindergarten program delivered by public schools and private prekindergarten providers.—

- (4) Notwithstanding ss. 1002.55(3)(c)1. and $\underline{1002.63(4)}$ $\underline{1002.63(5)}$, each public school and private prekindergarten provider must have, for each prekindergarten class, at least one prekindergarten instructor who:
 - (a) Is a certified teacher; or
- (b) Holds one of the educational credentials specified in s. 1002.55(4)(a) or (b).

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As used in this subsection, the term "certified teacher" means a teacher holding a valid Florida educator certificate under s. 1012.56 who has the qualifications required by the district school board to instruct students in the summer prekindergarten program. In selecting instructional staff for the summer prekindergarten program, each school district shall give priority to teachers who have experience or coursework in early childhood education.

(7) Notwithstanding ss. 1002.55(3)(f) and 1002.63(7)
1002.63(8), each prekindergarten class in the summer
prekindergarten program, regardless of whether the class is a
public school's or private prekindergarten provider's class,

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must be composed of at least 4 students but may not exceed $\underline{12}$ $\underline{10}$ students $\underline{\text{beginning with the 2009 summer session}}$. In order to protect the health and safety of students, each public school or private prekindergarten provider must also provide appropriate adult supervision for students at all times. This subsection does not supersede any requirement imposed on a provider under ss. 402.301-402.319.

Section 6. Section 1002.63, Florida Statutes, is amended to read:

1002.63 School-year prekindergarten program delivered by public schools.—

- (1) Each school district eligible under subsection (4) may administer the Voluntary Prekindergarten Education Program at the district level for students enrolled under s. 1002.53(3)(c) in a school-year prekindergarten program delivered by a public school.
- (2) Each school-year prekindergarten program delivered by a public school must comprise at least 540 instructional hours.
- (3) The district school board of each school district eligible under subsection (4) shall determine which public schools in the district may are eligible to deliver the prekindergarten program during the school year.
- (4) To be eligible to deliver the prekindergarten program during the school year, each school district must meet both of the following requirements:
- (a) The district school board must certify to the State

 Board of Education that the school district:
- 1. Has reduced the average class size in each classroom in accordance with s. 1003.03 and the schedule in s. 1(a), Art. IX

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of the State Constitution; and

2. Has sufficient satisfactory educational facilities and capital outlay funds to continue reducing the average class size in each classroom in the district's elementary schools for each year in accordance with the schedule for class size reduction and to achieve full compliance with the maximum class sizes in s. 1(a), Art. IX of the State Constitution by the beginning of the 2010-2011 school year.

(b) The Commissioner of Education must certify to the State Board of Education that the department has reviewed the school district's educational facilities, capital outlay funds, and projected student enrollment and concurs with the district school board's certification under paragraph (a).

(4) (5) Each public school must have, for each prekindergarten class, at least one prekindergarten instructor who meets each requirement in s. 1002.55(3)(c) for a prekindergarten instructor of a private prekindergarten provider.

(5)(6) Each prekindergarten instructor employed by a public school delivering the school-year prekindergarten program must be of good moral character, must be screened using the level 2 screening standards in s. 435.04 before employment and rescreened at least once every 5 years, must be denied employment or terminated if required under s. 435.06, and must not be ineligible to teach in a public school because his or her educator certificate is suspended or revoked. This subsection does not supersede employment requirements for instructional personnel in public schools which are more stringent than the requirements of this subsection.

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(6) (7) A public school prekindergarten provider may assign a substitute instructor to temporarily replace a credentialed instructor if the credentialed instructor assigned to a prekindergarten class is absent, as long as the substitute instructor is of good moral character and has been screened before employment in accordance with level 2 background screening requirements in chapter 435. This subsection does not supersede employment requirements for instructional personnel in public schools which are more stringent than the requirements of this subsection. The Agency for Workforce Innovation shall adopt rules to implement this subsection which shall include required qualifications of substitute instructors and the circumstances and time limits for which a public school prekindergarten provider may assign a substitute instructor.

(7) (8) Each prekindergarten class in a public school delivering the school-year prekindergarten program must be composed of at least 4 students but may not exceed 18 students. In order to protect the health and safety of students, each school must also provide appropriate adult supervision for students at all times and, for each prekindergarten class composed of 11 or more students, must have, in addition to a prekindergarten instructor who meets the requirements of s. 1002.55(3)(c), at least one adult prekindergarten instructor who is not required to meet those requirements but who must meet each requirement of subsection (5) (6).

- (8)(9) Each public school delivering the school-year prekindergarten program must:
- (a) Register with the early learning coalition on forms prescribed by the Agency for Workforce Innovation; and

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(b) Deliver the Voluntary Prekindergarten Education Program in accordance with this part.

Section 7. Subsections (3) and (4), paragraph (d) of subsection (6), and subsection (7) of section 1002.71, Florida Statutes, are amended to read:

1002.71 Funding; financial and attendance reporting.-

- (3) (a) A separate The base student allocation per full-time equivalent student in the Voluntary Prekindergarten Education Program shall be provided in the General Appropriations Act for a school-year prekindergarten program and for a summer prekindergarten program. The base student allocation for a school-year program and shall be equal for each student, regardless of whether the student is enrolled in a school-year prekindergarten program delivered by a private prekindergarten provider or a public school. The base student allocation for, a summer prekindergarten program shall be equal for each student, regardless of whether the student is enrolled in a summer prekindergarten program delivered by a public school or private prekindergarten provider, or a school-year prekindergarten provider, or a school-year prekindergarten provider, or a school-year prekindergarten program delivered by a public school.
- (b) Each county's allocation per full-time equivalent student in the Voluntary Prekindergarten Education Program shall be calculated annually by multiplying the base student allocation provided in the General Appropriations Act by the county's district cost differential provided in s. 1011.62(2). Each private prekindergarten provider and public school shall be paid in accordance with the county's allocation per full-time equivalent student.
 - (c) The initial allocation shall be based on estimated

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student enrollment in each coalition service area. The Agency for Workforce Innovation shall reallocate funds among the coalitions based on actual full-time equivalent student enrollment in each coalition service area.

- (d) For programs offered by school districts pursuant to s. 1002.61 and beginning with the 2009 summer program, each district's funding shall be based on a full-time equivalent student enrollment that is evenly divisible by $\underline{12}$ $\underline{10}$. If the result of dividing a district's full-time equivalent student enrollment by $\underline{12}$ $\underline{10}$ is not a whole number, the district's enrollment calculation shall be adjusted by adding the minimum number of full-time equivalent students to produce a full-time equivalent student student hat is evenly divisible by $\underline{12}$ $\underline{10}$.
 - (4) Notwithstanding s. 1002.53(3) and subsection (2):
- (a) A child who, for any of the prekindergarten programs listed in s. 1002.53(3), has not completed more than 10 percent of the hours authorized to be reported for funding under subsection (2) may withdraw from the program for good cause, reenroll in one of the programs, and be reported for funding purposes as a full-time equivalent student in the program for which the child is reenrolled. The total funding for a child who reenrolls in the same program shall not exceed one full-time equivalent student.
- (b) A child who has not substantially completed any of the prekindergarten programs listed in s. 1002.53(3) may withdraw from the program due to an extreme hardship that is beyond the child's or parent's control, reenroll in one of the summer programs, and be reported for funding purposes as a full-time

equivalent student in the $\underline{\text{summer}}$ program for which the child is reenrolled.

A child may reenroll only once in a prekindergarten program under this section. A child who reenrolls in a prekindergarten program under this subsection may not subsequently withdraw from the program and reenroll. The Agency for Workforce Innovation shall establish criteria specifying whether a good cause exists for a child to withdraw from a program under paragraph (a), whether a child has substantially completed a program under paragraph (b), and whether an extreme hardship exists which is beyond the child's or parent's control under paragraph (b).

(6)

- (d) The Agency for Workforce Innovation shall adopt, for funding purposes, a uniform attendance policy for the Voluntary Prekindergarten Education Program. The attendance policy must apply statewide and apply equally to all private prekindergarten providers and public schools. The attendance policy must establish a minimum requirement for student attendance and include the following provisions:
- 1. Beginning with the 2009-2010 fiscal year for school-year programs and the 2009 summer program, a student who meets the minimum requirement of 80 percent of the total number of hours for the program may be reported as a full-time equivalent student for funding purposes.
- 2. A student who does not meet the minimum requirement may be reported only as a fractional part of a full-time equivalent student, reduced pro rata based on the student's attendance.
 - 3. A student who does not meet the minimum requirement may

be reported as a full-time equivalent student if the student is absent for good cause in accordance with exceptions specified in the uniform attendance policy.

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The uniform attendance policy shall be used only for funding purposes and does not prohibit a private prekindergarten provider or public school from adopting and enforcing its attendance policy under paragraphs (a) and (c).

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(7) The Agency for Workforce Innovation shall require that administrative expenditures be kept to the minimum necessary for efficient and effective administration of the Voluntary Prekindergarten Education Program. Administrative policies and procedures shall be revised, to the maximum extent practicable, to incorporate the use of automation and electronic submission of forms, including those required for child eligibility and enrollment, provider and class registration, and monthly certification of attendance for payment. Beginning with the 2008-2009 fiscal year, each early learning coalition may retain and expend no more than 4.85 ± 9 percent of the funds paid by the coalition to private prekindergarten providers and public schools under paragraph (5)(b). Funds retained by an early learning coalition under this subsection may be used only for administering the Voluntary Prekindergarten Education Program and may not be used for the school readiness program or other programs.

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Section 8. Paragraphs (c) and (d) of subsection (2) of section 1002.73, Florida Statutes, are amended to read:

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1002.73 Department of Education; powers and duties; accountability requirements.—

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(2) The department shall adopt procedures for the department's:

- (c) Certification of school districts that are eligible to deliver the school-year prekindergarten program under s. 1002.63.
- (c) (d) Administration of the statewide kindergarten screening and calculation of kindergarten readiness rates under s. 1002.69.
- Section 9. Paragraph (a) of subsection (2) of section 1006.40, Florida Statutes, is amended to read:
- 1006.40 Use of instructional materials allocation; instructional materials, library books, and reference books; repair of books.—
- (2) (a) Each district school board must purchase current instructional materials to provide each student with a textbook or other instructional materials as a major tool of instruction in core courses of the appropriate subject areas of mathematics, language arts, science, social studies, reading, and literature for kindergarten through grade 12. Such purchase must be made within the first 2 years after of the effective date of the adoption cycle; however, this requirement is waived for the adoption cycle occurring in the 2008-2009 academic year. Unless specifically provided for in the General Appropriations Act, the cost of instructional materials purchases required by this paragraph shall not exceed the amount of the district's allocation for instructional materials, pursuant to s. 1011.67, for the previous 2 years.
- Section 10. Section 1011.051, Florida Statutes, is created to read:

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1011.051 Guidelines for general funds.—The district school board shall maintain an unreserved general fund balance that is sufficient to address normal contingencies.

- (1) If at any time the unreserved general fund in the district's approved operating budget is projected to fall during the current fiscal year below 5 percent of projected general fund revenues, the superintendent shall provide written notification to the district school board and the Commissioner of Education.
- (a) With respect to a collective bargaining agreement executed on or after the effective date of this act, if the unreserved general fund in the district's approved operating budget is projected to fall during the current fiscal year below 2 percent of projected general fund revenues, the provisions of s. 447.4095 shall be followed for the purpose of modifying the agreement as necessary to avoid a financial emergency within the school district as provided under part V of chapter 218. If the parties fail to reach agreement and proceed to implement the provisions of s. 447.403, the superintendent shall provide written notification to the Commissioner of Education, the dispute shall be resolved through an expedited impasse hearing, and the timelines prescribed in s. 447.403(2)(c) shall apply.
- (b) With respect to a collective bargaining agreement executed before the effective date of this act, if the unreserved general fund in the district's approved operating budget is projected to fall during the current fiscal year below projected general fund revenues, the provisions of s. 447.4095 shall be followed for the purpose of modifying the agreement as necessary to avoid a financial emergency within the school

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district as provided under part V of chapter 218. If the parties fail to reach agreement and proceed to implement the provisions of s. 447.403, the superintendent shall provide written notification to the Commissioner of Education, the dispute shall be resolved through an expedited impasse hearing, and the timelines prescribed in s. 447.403(2)(c) shall apply.

- (2) (a) Each collective bargaining agreement entered into by a school board on or after the effective date of this act must make adequate provision to allow the school board to maintain an unreserved general fund balance as required by this section.
- (b) Any collective bargaining agreement entered into by a school board on or after the effective date of this act which does not meet the requirements of this section is void, is contrary to public policy, and may not be enforced.
- (c) Any collective bargaining agreement entered into by a school board before the effective date of this act is subject to the provisions of s. 447.4095 if the school district projects that, at any point in the fiscal year, it will have insufficient funds to continue normal operations and address normal contingencies. Projection of such conditions by the school board constitutes "financial urgency" for purposes of s. 447.4095, but this paragraph does not limit the meaning of "financial urgency" to such projection.

Section 11. Paragraph (d) of subsection (2) and subsection (4) of section 1011.71, Florida Statutes, as amended by chapters 2007-328, 2008-2, 2008-142, and 2008-213, Laws of Florida, are amended to read:

- 1011.71 District school tax.-
- (2) In addition to the maximum millage levy as provided in

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subsection (1), each school board may levy not more than 1.75 mills against the taxable value for school purposes for district schools, including charter schools at the discretion of the school board, to fund:

- (d) The purchase, lease-purchase, or lease of new and replacement equipment, and enterprise resource software applications that are classified as capital assets in accordance with definitions of the Governmental Accounting Standards Board, have a useful life of at least 5 years, and are used to support district-wide administration or state-mandated reporting requirements.
- (4) A school district that has met the reduction requirements regarding class size for the 2008-2009 fiscal year pursuant to s. 1003.03 for K-12 students for whom the school district provides the educational facilities and governs operations and certifies to the Commissioner of Education that the district does not need all of its discretionary 1.75-mill capital improvement revenue for capital outlay purposes and all of the district's instructional space needs for the next 5 years can be met from capital outlay sources that the district reasonably expects to receive during the next 5 years from local revenues and from currently appropriated state facilities funding or from alternative scheduling or construction, leasing, rezoning, or technological methodologies that exhibit sound management may expend, subject to the provisions of s. 200.065, up to \$65 per unweighted full-time equivalent student from the revenue generated by the 2008-2009 millage levy authorized by subsection (2) to fund, in addition to expenditures authorized in paragraphs (2)(a)-(j), 2008-2009 expenses for the following:

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(a) The purchase, lease-purchase, or lease of driver's education vehicles; motor vehicles used for the maintenance or operation of plants and equipment; security vehicles; or vehicles used in storing or distributing materials and equipment.

(b) Payment of the cost of premiums for property and casualty insurance necessary to insure school district educational and ancillary plants. Operating revenues that are made available through the payment of property and casualty insurance premiums from revenues generated under this subsection may be expended only for nonrecurring operational expenditures of the school district.

Section 12. The amendments made by this act to subsection (4) of section 1011.71, Florida Statutes, as carried forward by this act from chapters 2007-328, 2008-2, 2008-142, and 2008-213, Laws of Florida, shall expire July 1, 2009, and the text of that subsection shall revert to that in existence on the day before the effective date of chapter 2007-328, Laws of Florida, except that any amendments to such text enacted other than by this act and chapters 2007-328, 2008-2, 2008-142, and 2008-213, Laws of Florida, shall be preserved and continue to operate to the extent that the amendments are not dependent upon the portions of such text which expire pursuant to this section.

Section 13. Paragraph (b) of subsection (6) of section 1013.64, Florida Statutes, is amended to read:

1013.64 Funds for comprehensive educational plant needs; construction cost maximums for school district capital projects.—Allocations from the Public Education Capital Outlay and Debt Service Trust Fund to the various boards for capital

outlay projects shall be determined as follows:

(6)

- (b) 1. A district school board, including a district school board of an academic performance-based charter school district, must not use funds from the following sources: Public Education Capital Outlay and Debt Service Trust Fund; School District and Community College District Capital Outlay and Debt Service Trust Fund; Classrooms First Program funds provided in s. 1013.68; effort index grant funds provided in s. 1013.73; nonvoted 1.75-mill 2-mill levy of ad valorem property taxes provided in s. 1011.71(2); Classrooms for Kids Program funds provided in s. 1013.735; District Effort Recognition Program funds provided in s. 1013.736; or High Growth District Capital Outlay Assistance Grant Program funds provided in s. 1013.738 for any new construction of educational plant space with a total cost per student station, including change orders, that equals more than:
 - a. \$17,952 for an elementary school,
 - b. \$19,386 for a middle school, or
 - c. \$25,181 for a high school,

(January 2006) as adjusted annually to reflect increases or decreases in the Consumer Price Index.

- 2. A district school board must not use funds from the Public Education Capital Outlay and Debt Service Trust Fund or the School District and Community College District Capital Outlay and Debt Service Trust Fund for any new construction of an ancillary plant that exceeds 70 percent of the average cost per square foot of new construction for all schools.
 - Section 14. Notwithstanding the provisions of s. 1001.395,

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Florida Statutes, between February 1 through June 30, 2009, the salary of each member of each district school board shall be reduced by 5 percent.

Section 15. Merit awards for instructional personnel and school-based administrators selected for the Merit Award Program in 2008-2009 shall be paid in the 2009-2010 fiscal year only to the extent that funds are available and specifically appropriated in the 2009-2010 fiscal year.

Section 16. In order to implement Specific Appropriations 2, 3, and 41 through 44 of the Special Appropriations Act for the 2008-2009 fiscal year, the calculations of the Florida Education Finance Program for the 2008-2009 fiscal year in the document entitled "Public School Funding - The Florida Education Finance Program," dated January 8, 2009, and filed with the Secretary of the Senate are incorporated by reference for the purpose of displaying the calculations used by the Legislature, consistent with requirements of the Florida Statutes, in making appropriations and reductions in appropriations for the Florida Education Finance Program.

Section 17. This act shall take effect February 1, 2009, or upon becoming a law, whichever occurs later; however, if this act becomes a law after February 1, 2009, the provisions of s. 1002.71, Florida Statutes, as amended by this act, shall operate retroactively to February 1, 2009.