

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: SB 808

INTRODUCER: Senator Mayfield

SUBJECT: Maximum Class Size

DATE: April 24, 2017

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Androff</u>	<u>Graf</u>	<u>ED</u>	Favorable
2.	<u>Sikes</u>	<u>Elwell</u>	<u>AED</u>	Recommend: Favorable
3.	<u>Sikes</u>	<u>Hansen</u>	<u>AP</u>	Pre-meeting
4.	_____	_____	<u>RC</u>	_____

I. Summary:

SB 808 revises the maximum class size penalty calculation for public schools. Specifically, the bill:

- Modifies the penalty for exceeding maximum class size to be calculated at the school-wide average for all public schools, and
- Revises requirements for the compliance plan that noncompliant schools must submit to the Commissioner of Education.

The bill does not impact state revenues or expenditures.

The bill takes effect July 1, 2017.

II. Present Situation:

Florida law specifies maximum class size requirements for public schools.

Maximum Class Size

In 2002, Florida voters approved the Class Size Reduction Amendment (“CSRA”) to the Florida Constitution.¹ The amendment requires the Legislature to enact provisions implementing the amendment by the beginning of the 2010 school year.² Specifically, the provisions must ensure that the maximum number of students assigned to each teacher in a public school does not exceed:³

¹ Art. IX, s. 1(a), Fla. Const.

² *Id.*

³ *Id.*; see s. 1003.03(1), F.S.

- 18 students for prekindergarten through grade 3;
- 22 students for grades 4 through 8; and
- 25 students for grades 9 through 12.

Florida law expressly exempts extracurricular classes from the class size mandate.⁴ The class size requirements apply solely to core-curricular courses defined by law.⁵

Traditional Public Schools

Currently, traditional public school class size compliance requirements are calculated at the classroom level.⁶ Traditional public schools must meet class size limits for every core-curricula course.⁷ If a school district fails to comply with the specified class size requirements, the school district's class size reduction categorical funds are reduced.⁸

Other Public Schools

District school boards annually report the number of students attending various public schools of choice in accordance with rules adopted by the State Board of Education. In 2010, the compliance calculation for public charter schools was changed from a classroom level average to a school-level average.⁹ In 2013, the school-level average calculation was applied to district operated schools of choice.¹⁰ In 2016, the Legislature granted the same school-level treatment to schools participating in the Principal Autonomy Pilot Program Initiative (PAPPI).¹¹

Innovation schools of technology are schools that have adopted a blended learning strategy on a schoolwide basis.¹² A blended learning program is an education program in which a student learns in part through online delivery of content and instruction with some element of student control over time, place, path or pace and in part at a supervised brick-and-mortar location away from a student's home.¹³ The calculation for compliance with maximum class size requirements is the average at the school level for innovation schools of technology.¹⁴

⁴ Art. IX, s. 1(a), Fla. Const.; s. 1003.03, F.S.

⁵ *Id.*; s. 1003.01(14), F.S.

⁶ Each year, on or before the October student membership survey, the maximum number of students assigned to each teacher who is teaching core-curricula courses for prekindergarten through grade 3 may not exceed 18 students, school classrooms for grades 4-8 may not exceed 22 students, and core-curricula courses in grades 9-12 may not exceed 25 students. *See ss.* 1003.03(1), F.S. and 1002.33(16)(b)3., F.S.

⁷ Section 1003.01(14), F.S.

⁸ Section 1003.03(4), F.S.

⁹ Section 6, ch. 2010-154, L.O.F.

¹⁰ Section 1002.31(5), F.S. as amended by s. 9 ch. 2013-250, L.O.F.

¹¹ Section 1011.6202(3)(b)7., F.S.; s. 1, ch. 2016-223, L.O.F.

¹² Section 1002.451(1)(b), F.S.

¹³ *Id.*

¹⁴ *Id.* at (5)(a)3.

Funding

The CSRA requires that the Legislature provide sufficient funds for the school districts to reduce the number of students in each classroom by at least two students annually until the constitutionally prescribed maximum number of students is achieved.¹⁵ The implementing statute specified that the number of students per classroom be measured at the:¹⁶

- District level for each of the three grade groupings during fiscal years 2003-2006.
- School level for each of the three grade groupings in fiscal years 2006-2009.
- Individual classroom level for each of the three grade groupings in fiscal years 2009-2010 and thereafter.

To implement the CSRA, the Legislature annually appropriates class size reduction categorical funding for school district operating costs.¹⁷ Additionally, the Legislature has appropriated funds for capital outlay needs and granted bonding authority to fund classroom construction and other capital needs related to class size reduction.¹⁸

Noncompliance Penalty

The Florida Department of Education (DOE) is required to reduce class size categorical funding for school districts and charter schools that are out of compliance with class size requirements.¹⁹ The penalty is calculated at the classroom level for traditional public schools and at the school level for charter schools, district-operated schools of choice, innovation schools of technology, and schools enrolled in PAPPI.²⁰ The DOE calculates the penalty for traditional public schools that are out of compliance as follows:²¹

- Step 1: Identify, for each grade group, the number of classrooms which exceed the maximum and the total number of students which exceed the maximum for all classes.
- Step 2: Determine the number of full-time equivalent (FTE) students which exceed the maximum for each grade group.
- Step 3: Multiply the total number of FTE students over the maximum for each grade grouping by the district's FTE dollar amount of the class size reduction operating categorical allocation for that year and calculate the total for all three grade groupings.
- Step 4: Multiply the total number of FTE students over the maximum for all classes by an amount equal to 50 percent of the base student allocation adjusted by the district cost differential for the 2013-2014 fiscal year.

A school district's class size reduction operating categorical allocation is then reduced by an amount equal to the sum of the calculations in Steps 3 and 4.²² Beginning in the 2014-2015 fiscal year and thereafter, the total number of FTE students over the maximum for all classes must be

¹⁵ Art. IX, s. 1(a), Fla. Const.

¹⁶ Section 2, ch. 2003-391, L.O.F.

¹⁷ Florida Department of Education, *Class Size Implementation Budget*, <http://www.fldoe.org/finance/budget/class-size/index.shtml> (last visited March 20, 2017).

¹⁸ *Id.*

¹⁹ Section 1003.03(4)(a)5., F.S.

²⁰ Sections 1002.31(5), 1002.33(16)(b), 1002.451(5)(a)3., 1003.03(4)(a)1., and 1011.6202(3)(b)7., F.S.

²¹ Section 1003.03(4)(a), F.S.

²² *Id.* at (4)(a)5.

multiplied by 100 percent, rather than 50 percent, of the base student allocation adjusted by the district cost differential, thereby increasing the amount of the penalty (see Step 4).

The reduced amount is the lesser of the DOE's calculation or the undistributed balance of the school district's class size reduction operating categorical allocation. If a district made appropriate efforts to reduce class sizes, but still failed to achieve compliance or an emergency caused noncompliance, the Commissioner of Education is authorized to recommend an alternative transfer amount for approval by the Legislative Budget Commissioner.²³ Once the reduced amount is determined, after district appeals, the Commissioner of Education must prepare a reallocation of the funds made available as a bonus to districts that have fully met the class size requirements by calculating an amount that is up to 5 percent of the base student allocation, multiplied by the total district FTE students.²⁴ The reallocation total may not exceed 25 percent of the total funds reduced.

School districts that fail to comply with class size requirements must submit a plan certified by the district school board by February 1, which describes the actions the district will take in order to be in compliance by October of the following year.²⁵ For districts that submit the plan by the required deadline, the funds remaining after the reallocation calculation must be added back to the district's class size reduction operating categorical allocation based on each qualifying district's proportion of the total reduction for all qualifying districts for which a reduction was calculated.²⁶ The amount added back may not be greater than the amount that was reduced.²⁷

III. Effect of Proposed Changes:

This bill revises the maximum class size penalty calculations for public schools. Specifically:

- Sections 1, 2, and 3 remove the class size penalty calculation exemption to the school-wide average for charter schools, district-operated schools of choice, district innovation schools of technology, and schools participating in the Principal Autonomy Pilot Program Initiative because the penalty calculation for all schools will be calculated at the school-wide average. This means that the class size penalty calculation will be determined by using the same methodology for all public schools.
- Section 4 revises the method for calculating the penalty for schools that fail to comply with the class size requirements by calculating Steps 2, 3, and 4 of the formula (as described in the Present Situation of this Analysis) at the school average instead of at the classroom level. This may reduce the penalty for the public schools that are not in compliance with class size requirements.
- Section 4 repeals an increase in the penalty calculation that began with the 2014-2015 fiscal year, by returning the penalty calculation to 50 percent of the base student allocation rather than 100 percent. This may reduce the class size penalty for school districts that are out of compliance with the class size requirements.
- Section 4 exempts a school district that has not complied with the class size limits specified in law (based on the 2017-2018 October student survey) and has timely submitted their

²³ Section 1003.03(4)(c), F.S.

²⁴ *Id.* at (4)(d).

²⁵ *Id.* at (4)(e).

²⁶ *Id.*

²⁷ *Id.*

certified plan (that describes future actions that will be taken for compliance) from the class size penalty for the 2017-2018 and 2018-2019 fiscal years. Such school districts have until the 2018-2019 October student survey to comply with the class size limit requirements. Additionally, such school districts must provide an updated plan by February 1, 2019, to the Commissioner of Education.

The bill takes effect July 1, 2017.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

This bill does not impact state revenues or expenditures. The bill revises the class size penalty calculation for traditional public schools by performing the calculation at the school average instead of at the classroom level. The bill will likely reduce the penalty for school districts that fail to comply with the maximum class size requirements. The bill may also eliminate the penalty for a noncompliant school district in the 2017-2018 and 2018-2019 fiscal years if the school district submits its certified plan for compliance in a timely maner.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 1002.31, 1002.33, 1002.451, 1003.03, 1011.6202.

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.

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