

**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.)

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Prepared By: The Professional Staff of the Appropriations Subcommittee on Education

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BILL: SB 190

INTRODUCER: Senator Stargel

SUBJECT: Education

DATE: March 19, 2019

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Graf</u>	<u>Sikes</u>	<u>ED</u>	<b>Favorable</b>
2.	<u>Underhill</u>	<u>Elwell</u>	<u>AED</u>	<b>Pre-meeting</b>
3.	_____	_____	<u>AP</u>	_____

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**I. Summary:**

SB 190 modifies the requirements associated with the Florida Bright Futures Scholarship Program (Bright Futures program), and removes restrictions in current law regarding funding for the operation of schools and performance funding for industry certifications. Specifically:

- Regarding the Bright Futures program, the bill:
  - Removes the requirement that students enroll in a Florida postsecondary education institution within 2 years of graduation from high school.
  - Eliminates the 45-credit hour annual restriction in the award of a scholarship.
  - Specifies the eligibility of a student, who enrolls in the pilot program at the University of Florida, to receive an award during the fall term.
  - Codifies the existing State Board of Education rule that allows Florida private school graduates to meet the high school credential-specific eligibility criterion.
  - Extends the annual deadline, from August 31 to December 31, for when a student who graduates from high school midyear must apply for the scholarship.
  - Revises the examination score requirements for award eligibility to align the SAT and ACT examination scores with the SAT national percentile rank specified in law; and requires the Florida Department of Education (DOE) to publish ongoing updates to the examination scores.
- Regarding school funding in the Florida Education Finance Program, the bill:
  - Removes the requirement to prorate the federally connected supplement so that eligible districts may be provided the full amount.
  - Modifies the safe school allocation formula to require the remaining balance be calculated based on two-thirds allocated from each school district's proportionate share of the state's total unweighted full-time equivalent student enrollment and one-third allocated based on the most recent official Florida Crime Index to be align the funding with school district security needs.
  - Places the funding compression allocation in permanent law.

- Regarding industry certification performance funding, the bill removes the \$15 million annual cap for both Florida College System institutions and school district workforce education programs.

The bill revises funding limitations, criteria and methodologies, which are subject to appropriation. As such, the fiscal impact on state expenditures is indeterminate. See Section V.

The bill takes effect July 1, 2019.

## II. Present Situation:

The present situation for the relevant portions of the bill is discussed under the Effect of Proposed Changes of this bill analysis.

## III. Effect of Proposed Changes:

The Florida Legislature has established mechanisms to fund the operation of schools and programs such as workforce education, and student financial assistance.

### **Florida Bright Futures Scholarship Program**

#### *Awards and General Conditions*

##### Present Situation

The Florida Bright Futures Scholarship Program (Bright Futures program) was established in 1997<sup>1</sup> as a lottery-funded scholarship program to reward a Florida high school graduate who merits recognition for high academic achievement and who enrolls in a degree program, certificate program, or applied technology program at an eligible Florida public or private<sup>2</sup> postsecondary education institution within three years of graduation from high school.<sup>3</sup> However, this 3-year timeframe is inconsistent with the 2-year timeframe specified in law regarding student eligibility requirements for initial awards.<sup>4</sup> The Bright Futures program consists of three awards:<sup>5</sup>

- Florida Academic Scholarship (FAS);<sup>6</sup>
- Florida Medallion Scholarship (FMS);<sup>7</sup> and
- Florida Gold Seal Vocational Scholarship (FGSV) and Florida Gold Seal CAPE Scholarship.<sup>8</sup>

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<sup>1</sup> Section 2, ch. 1997-77, L.O.F.

<sup>2</sup> A student who receives any award under the Bright Futures program and is enrolled in a nonpublic postsecondary education institution receives a fixed award calculated by using the average tuition and fee calculation as prescribed by the Department of Education for full-time attendance at a public postsecondary education institution at the comparable level. Section 1009.538, F.S.

<sup>3</sup> Section 1009.53(1), F.S.

<sup>4</sup> Section 1002.531(2)(c), F.S.

<sup>5</sup> Section 1009.53(2), F.S.

<sup>6</sup> Section 1009.534, F.S.

<sup>7</sup> Section 1009.535, F.S.

<sup>8</sup> Section 1009.536, F.S.

The DOE is responsible for issuing awards from the Bright Futures program annually.<sup>9</sup> Annual awards may be for up to 45 semester credit hours or the equivalent.<sup>10</sup>

An institution that receives funds from the Bright Futures program must certify to the DOE the amount of funds disbursed to each student and must remit to the department any undisbursed advances within 60 days after the end of regular registration.<sup>11</sup>

#### Effect of Proposed Changes

The bill updates Florida law to indicate FGSV and Florida Gold Seal CAPE scholarships as two distinct Bright Futures program scholarships. Accordingly, the bill reflects four Bright Futures program awards:

- FAS;
- FMS;
- FGSV; and
- Florida Gold Seal CAPE Scholarship (FGSC).

The bill also removes obsolete provisions that applied to students who were initially eligible for an FGSV award before the 2012-2013 academic year.

The bill also eliminates the 45-credit hour annual restriction in the award of Bright Futures program scholarships. As a result, eligible students would receive Bright Futures funding for all credit hours enrolled during the academic year, which may reduce the total time for such students to earn a degree or credential.

Finally, the bill specifies that the 60-day timeframe for the institutions to remit to the DOE any undisbursed advances applies only to the fall and spring terms. For the summer term, the bill specifies a 30-day timeframe after the end of the term for the institutions to remit any undisbursed advances to the department.

#### ***Summer Term Award***

##### Present Situation

A student may use a Bright Futures Program FAS award for summer term enrollment beginning in the 2018 summer term, as funded by the Legislature.<sup>12</sup> A student may use a Bright Futures Program FMS award for summer term enrollment beginning in the 2019 summer term, as funded by the Legislature.<sup>13</sup> A student may use other Bright Futures program awards for summer term enrollment, if funded by the Legislature.<sup>14</sup> In the 2018-2019 fiscal year, the Legislature appropriated \$41,202,767 for 2019 summer term Bright Futures Program FAS awards at an

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<sup>9</sup> Section 1009.53(5), F.S.

<sup>10</sup> *Id.*

<sup>11</sup> *Id.*, at (b).

<sup>12</sup> Section 1009.53(9), F.S.

<sup>13</sup> *Id.*

<sup>14</sup> *Id.*

amount equal to 100 percent of tuition and applicable fees.<sup>15</sup> Additionally, the Legislature appropriated \$28,416,515 for 2019 summer term Bright Futures Program awards for FMS.<sup>16</sup>

Subject to approval by the Board of Governors of the State University System of Florida (BOG), the University of Florida may plan and implement a student enrollment pilot program for the spring and summer terms for the purpose of aligning on-campus student enrollment and the availability of instructional facilities.<sup>17</sup> In 2018, the Legislature clarified in the Implementing Bill<sup>18</sup> that students who are enrolled in the pilot program and who are eligible to receive Bright Futures program awards must be eligible to receive the scholarship award for attendance during the spring and summer terms.<sup>19</sup> This student cohort must also be eligible to receive Bright Futures program awards for the fall semester term to be used for off-campus or online coursework, if Bright Futures program funding is provided by the Legislature for three terms for that academic year for other eligible students.<sup>20</sup> In the 2018-2019 fiscal year, the Legislature appropriated \$636,712 for these students.<sup>21</sup>

### Effect of Proposed Changes

The bill codifies the 2018 Implementing Bill provision to specify that a Bright Futures recipient who enrolls in the pilot program at the University of Florida is eligible to receive a Bright Futures award during the fall term for expenses associated with off-campus or online coursework, in addition to the spring and summer terms, if funding is provided by the Legislature for three terms for other eligible students during that academic year. Accordingly, subject to funding by the Legislature, the bill allows students who enroll in the pilot program at the University of Florida to receive Bright Futures program awards during the three academic terms, similar to other students eligible for such awards.

### ***Initial Award Eligibility Criteria***

#### Present Situation

To be eligible for an initial Bright Futures award, a student must:<sup>22</sup>

- Be a Florida resident in accordance with the law<sup>23</sup> and rules of the State Board of Education (SBE).
- Earn a standard Florida high school diploma<sup>24</sup> or a high school equivalency diploma<sup>25</sup> unless:
  - The student completes a home education program,<sup>26</sup> or

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<sup>15</sup> Specific Appropriation 4, 2018-9, L.O.F. and s. 27, ch. 2018-4, L.O.F.

<sup>16</sup> Section 27, ch. 2018-4, L.O.F.

<sup>17</sup> Section 1009.215(1), F.S.

<sup>18</sup> Section 12, ch. 2018-10, L.O.F. The Implementing Bill is effective for one fiscal year only. The Florida Senate, *Glossary*, <https://www.flsenate.gov/Reference/Glossary> (last visited March 2, 2019).

<sup>19</sup> Section 1009.215(3), F.S., as amended by s.12, ch. 2018-10, L.O.F.

<sup>20</sup> *Id.*

<sup>21</sup> Specific Appropriation 66D, ch. 2018-9, L.O.F.

<sup>22</sup> Section 1009.531(1), F.S.

<sup>23</sup> Sections 1009.531(1)(a) and 1009.40, F.S.

<sup>24</sup> The standard high school diploma must be earned pursuant to ss. 1002.3105(5), 1003.4281, or 1003.4282, F.S. Section 1009.531(1)(b), F.S.

<sup>25</sup> The high school equivalency diploma must be earned pursuant to s. 1003.435, F.S. Section 1009.531(1)(b), F.S.

<sup>26</sup> The home education program must be completed in accordance with s. 1002.41, F.S. Section 1009.531(1)(b)1., F.S.

- The student earns a high school diploma from a non-Florida school while living with a parent or guardian who is on military or public service assignment away from Florida.
- Be accepted by and enroll in an eligible Florida public or independent postsecondary education institution.
- Be enrolled for at least 6 semester credit hours or the equivalent in quarter hours or clock hours.
- Not have been found guilty of, or entered a plea of nolo contendere to, a felony charge, unless the student has been granted clemency by the Governor and Cabinet sitting as the Executive Office of Clemency.
- Apply for a scholarship from the program by high school graduation. However, a student who graduates from high school midyear must apply no later than August 31 of the student's graduation year in order to be evaluated for and, if eligible, receive an award for the current academic year.

### Effect of Proposed Changes

The bill codifies the existing SBE rule<sup>27</sup> that allows students who earn a high school diploma from a Florida private high school, operating in accordance with the law,<sup>28</sup> to meet the high school credential-specific eligibility criterion.

In addition, the bill extends the annual deadline, from August 31 to December 31, for when a student who graduates from high school midyear must apply for the Bright Futures program scholarships. A midyear graduate is a student who graduates September 1 through January 31 of an academic year and seeks a Bright Futures Program scholarship disbursement for the spring academic term after graduation.<sup>29</sup> Accordingly, the bill provides more time for midyear graduates to apply for the Bright Futures program award.

The bill also removes obsolete provisions that applied to students who graduated from high school before the 2010-2011 academic year and students who graduated from high school during the 2010-2011 and 2011-2012 academic years.

### ***Initial Award Term***

#### Present Situation

A student graduating from high school in the 2012-2013 academic year and thereafter is eligible to accept an initial award for two years following high school graduation and to accept a renewal award for five years following high school graduation.<sup>30</sup> A student who applies for an award by high school graduation and who meets all other eligibility requirements, but who does not accept his or her award, may reapply during subsequent application periods up to two years after high school graduation.<sup>31</sup>

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<sup>27</sup> Rule 6A-20.028, F.A.C

<sup>28</sup> Section 1002.42, F.S.

<sup>29</sup> Florida Department of Education, *2018-19 Bright Futures Student Handbook* (Nov. 5, 2018), available at <https://www.floridastudentfinancialaidsg.org/PDF/BFHandbookChapter1.pdf>, at 11.

<sup>30</sup> Section 1009.531(2)(c), F.S.

<sup>31</sup> *Id.*

Additionally, Florida law specifies that:<sup>32</sup>

- For a student who enlists in the U.S. Armed Forces immediately after completion of high school, the 2-year eligibility period for his or her initial award and the 5-year renewal period must begin upon the date of separation from active duty.
- For a student who is receiving a Bright Futures program award and discontinues his or her education to enlist in the U.S. Armed Forces, the remainder of his or her 5-year renewal period must commence upon the date of separation from active duty.
- For a student who is unable to accept an initial award immediately after completion of high school due to a full-time religious or service obligation lasting at least 18 months, the 2-year eligibility period for his or her initial award and the 5-year renewal period begin upon the completion of his or her religious or service obligation.

A student who wishes to qualify for a Bright Futures program award, but who does not meet all of the requirements for that level of award, may, nevertheless, receive the award if the student's school principal or the district school superintendent verifies that the deficiency is caused by the fact that school district personnel provided inaccurate or incomplete information to the student.<sup>33</sup>

#### Effect of Proposed Changes

The bill changes the 2-year timeframe for the eligibility to receive a Bright Futures program initial award to specify student eligibility to receive an award for five years following high school graduation. Specifically, the bill:

- Specifies that a student who earns the award may accept funding at any time during the five year eligibility period.
- Maintains current law for a student who enlists in the U.S. Armed Forces immediately after completion of high school, the 5-year timeframe for the eligibility to receive a Bright Futures program award must begin after the date of separation from active duty.
- Specifies that for a student who is unable to accept an initial award owing to a full-time religious or service obligation lasting at least 18 months, the obligation must begin within one year after completion of high school. The bill maintains current law that specifies that the 5-year timeframe for the eligibility to receive a Bright Futures program award must begin after the completion of the student's religious or service obligation.

The bill clarifies that a student who is permitted additional time to meet eligibility criteria may receive funding for the full academic year, including the fall term, only after the student completes the requirements.

#### ***Renewal Award Eligibility Criteria***

##### Present Situation

To be eligible to renew a Bright Futures program award, a student must:<sup>34</sup>

- Earn at least 24 semester credit hours or the equivalent in the last academic year in which the student earned a scholarship if the student was enrolled full time, or a prorated number of

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<sup>32</sup> *Id.*

<sup>33</sup> Section 1009.531(5), F.S.

<sup>34</sup> Section 1009.532(1), F.S.

credit hours as determined by the Department of Education (DOE or department) if the student was enrolled less than full time for any part of the academic year.

- Maintain the cumulative grade point average required by the scholarship program, with some exceptions.<sup>35</sup>
- Reimburse or make satisfactory arrangements to reimburse the institution for the award amount received for courses dropped after the end of the drop and add period or courses from which the student withdraws after the end of the drop and add period, unless the student has received an exception pursuant to Florida law.<sup>36</sup>

A student who receives an initial award during the spring term must be evaluated for scholarship renewal after the completion of a full academic year, which begins with the fall term.<sup>37</sup> A student who lost eligibility for the Bright Futures program award but earned the requirements in a subsequent academic year may restore the award.<sup>38</sup>

#### Effect of Proposed Changes

The bill modifies the eligibility criteria for renewing a Bright Futures program award by:

- Specifying for the Florida Gold Seal CAPE award, a student must maintain the equivalent of a cumulative grade point average of 2.75 on a 4.0 scale with an opportunity for restoration one time pursuant to law. This provision is consistent with the Florida Gold Seal Vocational award.
- Adding a criterion that specifies that a student who receives an award and is subsequently determined ineligible due to updated grade or hour information, may not receive a disbursement for a subsequent term, unless the student successfully restores the award.

Additionally, the bill removes obsolete provisions that applied to students who were initially eligible for a Bright Futures program award before the 2010-2011 academic year.

#### ***School District Responsibility***

##### Present Situation

Each school district must annually provide to each high school student a complete and accurate Bright Futures program Evaluation Report and Key.<sup>39</sup> The report must be disseminated at the beginning of each school year.<sup>40</sup>

##### Effect of Proposed Changes

The bill modifies school districts' responsibilities to specify that the requirement associated with providing Bright Futures program Evaluation Report and Key to high school students applies only to students in grades 11 and 12. Typically, students entering grade 9 or 10 do not have SAT or ACT scores and sufficient volunteer service work hours. By focusing responsibilities

<sup>35</sup> *Id.*, at (b), F.S.

<sup>36</sup> Section 1009.53(11), F.S.

<sup>37</sup> Section 1009.532(4), F.S.

<sup>38</sup> Rule 6A-20.028(5), F.A.C.

<sup>39</sup> Section 1009.531(4), F.S.

<sup>40</sup> *Id.*

regarding transcript evaluations for students in grades 11 and 12, the bill may reduce the administrative costs for school districts and the DOE.

### ***State Board of Education Responsibility***

#### Present Situation

The SBE must publicize the examination score required for a student to be eligible for a Bright Futures Program FAS and FMS award. The required scores are specified in Florida statute as follows:<sup>41</sup>

- For an FAS award, high school students must earn an SAT score of 1290 which corresponds to the 89th SAT percentile rank or a concordant ACT score of 29.
- For an FMS award, high school students must earn an SAT score of 1170 which corresponds to the 75th SAT percentile rank or a concordant ACT score of 26.

Florida law specifies that the SAT percentile ranks and corresponding SAT scores specified in law are based on the SAT percentile ranks for 2010 college-bound seniors in critical reading and mathematics as reported by the College Board.<sup>42</sup> The next highest SAT score is used when the percentile ranks do not directly correspond.<sup>43</sup>

The College Board redesigned the SAT in March 2016. The first administration of the redesigned SAT was in spring 2016.<sup>44</sup> The SAT scores specified in law no longer correspond to the SAT percentile ranks for the Bright Futures Program FAS and FMS awards, which were updated in 2010<sup>45</sup> and 2011,<sup>46</sup> respectively, and are not concordant to the ACT examination scores.

#### Effect of Proposed Changes

The bill maintains the SBE responsibilities regarding publicizing the examination scores required for a student to be eligible for a Bright Futures Program FAS and FMS award. However, the bill revises the examination scores to align the new redesigned SAT examination scores with the statutory percentile ranks and the ACT examination scores. The bill specifies that:

- To be eligible for an FAS award, a high school student who graduates:
  - In the 2018-2019 academic year or in the 2019-2020 academic year, must achieve an SAT combined score of 1290 or an ACT composite score of 29.
  - In the 2020-2021 academic year and thereafter, must achieve the required examination scores published by the DOE, which must not be set lower than the 89<sup>th</sup> national percentile on the SAT.
- To be eligible for an FMS award, a high school student who graduates:
  - In the 2018-2019 academic year or in the 2019-2020 academic year, must achieve an SAT combined score of 1170 or an ACT composite score of 26.

<sup>41</sup> Section 1009.531(6)(a)-(b), F.S.

<sup>42</sup> Section 1009.531(6)(c), F.S.

<sup>43</sup> *Id.*

<sup>44</sup> College Board. *The Redesigned SAT*, available at <https://www.collegeboard.org/pdf/redesigned-sat/sat-presentation-campus-colleagues>, at 2.

<sup>45</sup> Section 13, ch. 2010-155, L.O.F.

<sup>46</sup> Section 17, ch. 2011-63, L.O.F.



- In the 2020-2021 academic year and thereafter, must achieve the required examination scores published by the DOE, which must not be set lower than the 75<sup>th</sup> national percentile on the SAT.

### *Department of Education Responsibility*

#### Present Situation

Florida law currently specifies the required SAT and ACT scores and the corresponding SAT percentile ranks for Bright Futures Program FAS and FMS eligibility. The DOE must administer the Bright Futures program in accordance with the SBE rules and procedures.<sup>47</sup> However, such responsibilities do not include adjusting the alignment with the minimum SAT and ACT scores and the corresponding SAT percentile ranks specified in law.

#### Effect of Proposed Changes

SAT percentile ranks may change from one year to another based on student performance. Accordingly, the bill adds to the DOE's responsibilities regarding initial eligibility determination for a Florida Bright Futures Scholarship to require the department to develop a method for determining the required examination scores which incorporates all of the following:

- The minimum required SAT score for the FAS must be set no lower than the 89<sup>th</sup> national percentile on the SAT. The DOE may adjust the required SAT score only if the required score drops below the 89<sup>th</sup> national percentile, and any such adjustment must be applied to the bottom of the SAT score range that is concordant to the ACT.
- The minimum required SAT score for the FMS must be set no lower than the 75<sup>th</sup> national percentile on the SAT. The DOE may adjust the required SAT score only if the required score drops below the 75<sup>th</sup> national percentile, and any such adjustment must be made to the bottom of the SAT score range that is concordant to the ACT.
- The required ACT scores must be made concordant to the required SAT scores, using the latest published national concordance table developed jointly by the College Board and ACT, Inc.

Additionally, the bill requires the DOE to publish, before the beginning of each school year, any changes to the examination score requirements that apply to students graduating in the next two years.

The ongoing updates to the SAT and ACT examination scores may assist with aligning:

- The SAT examination score with the ACT examination score; and
- The SAT and ACT examination score with the SAT national percentile ranks specified in Florida law.

The alignment of the examination scores with the percentile ranks may help with avoiding confusion about any inconsistency between examination scores and percentile ranks.

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<sup>47</sup> Section 1009.53(3), F.S.

## **Funds for the Operation of Schools**

Within the Florida Education Finance Program, there are a number of categorical programs that provide funding designated for a specific purpose, program or fiscal adjustment.

### ***Federally Connected Student Supplement***

#### Present Situation

The federally connected student supplement provides supplemental funding for school districts to support the education of students connected with federally owned military installations, National Aeronautics and Space Administration (NASA) real property, and Indian lands.<sup>48</sup> To be eligible for this supplement, the district must be eligible for federal Impact Aid Program funds under s. 8003 of Title VIII of the Elementary and Secondary Education Act of 1965.<sup>49</sup> The supplement is allocated annually to each eligible school district in the General Appropriations Act (GAA).<sup>50</sup> The supplement is calculated by summing the student allocation and the exempt property allocation.<sup>51</sup>

The amount allocated for each eligible school district is recalculated during the year using actual student membership, as amended, from the most recent February survey and the tax-exempt valuation from the most recent assessment roll.<sup>52</sup> Upon recalculation, if the total allocation is greater than the amount provided in the GAA, it must be prorated to the level of the appropriation based on each district's share of the total recalculated amount.<sup>53</sup>

In 2018, the Legislature appropriated \$12,998,722 for the federally connected student supplement.<sup>54</sup>

#### Effect of Proposed Changes

The bill removes the requirement related to prorating to the level of the appropriation so that the school districts can be fully funded for the supplement.

### ***Safe Schools Allocation***

#### Present Situation

The Legislature created the safe schools allocation to provide funding to assist school districts in their compliance with Florida law,<sup>55</sup> with priority given to implementing the district's school resource officer program pursuant to Florida law.<sup>56</sup> Each school district must receive a minimum safe schools allocation in an amount provided in the GAA.<sup>57</sup>

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<sup>48</sup> Section 1011.62(13), F.S.

<sup>49</sup> Section 1011.62(13), F.S.

<sup>50</sup> *Id.*

<sup>51</sup> *Id.*

<sup>52</sup> Section 1011.62(13)(d), F.S.

<sup>53</sup> *Id.*

<sup>54</sup> Specific appropriation 92, ch. 2018-9, L.O.F.

<sup>55</sup> Section 1006.07, F.S.

<sup>56</sup> Sections 1006.12(1) and 1011.62(15), F.S.

<sup>57</sup> Section 1011.62(15), F.S.

Of the remaining balance of the safe schools allocation, two-thirds must be allocated to school districts based on the most recent official Florida Crime Index provided by the Department of Law Enforcement (FDLE) and one-third must be allocated based on each school district's proportionate share of the state's total unweighted full-time equivalent student enrollment.<sup>58</sup> Any additional funds appropriated to this allocation in the 2018-2019 fiscal year to the school resource officer program must be used exclusively for employing or contracting for school resource officers, which must be in addition to the number of officers employed or contracted for in the 2017-2018 fiscal year.<sup>59</sup>

In 2018, the Legislature appropriated \$64,456,019 for safe school activities, including \$64,660 for distribution to each district, with the remaining balance for allocation in accordance with Florida law (two-thirds based on crime index, one-third based on FTE).<sup>60</sup> Additionally, the Legislature appropriated \$97,500,000 in recurring funds to the DOE for the safe schools allocation, primarily based on FTE.<sup>61</sup>

### Effect of Proposed Changes

The bill modifies the formula for the safe schools allocation to require that of the remaining balance of the safe schools allocation, one-third must be allocated to school districts based on the most recent official Florida Crime Index provided by the FDLE and two-thirds must be allocated based on each school district's proportionate share of the state's total unweighted full-time equivalent student enrollment. Revising the formula in this manner more closely approximates the safe schools allocation for the 2018-2019 fiscal year resulting from the additional funds appropriated in chapter 2018-3, L.O.F., and aligns the allocation more closely with school security needs.

### ***Funding Compression Allocation***

#### Present Situation

The Legislature created the funding compression allocation to provide additional funding to school districts whose total funds per full-time equivalent (FTE) student in the prior year were less than the statewide average.<sup>62</sup> Florida law specifies that the Legislature may provide an annual funding compression allocation in the GAA.<sup>63</sup> In 2018, the Legislature appropriated \$56,783,293 for a funding compression allocation to school districts and developmental research schools whose total funds per FTE in the prior school year were less than the statewide average.<sup>64</sup> For the 2018-2019 allocation, 25 percent of the difference between the district's prior year funds per FTE and the state average must be used to determine the allocation.<sup>65</sup> A district's allocation must not be greater than \$100 per FTE.<sup>66</sup>

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<sup>58</sup> *Id.*

<sup>59</sup> *Id.*

<sup>60</sup> Specific appropriation 92, ch. 2018-9, L.O.F.

<sup>61</sup> Section 42, ch. 2018-3, L.O.F.

<sup>62</sup> Section 1011.62(17), F.S.

<sup>63</sup> Section 1011.62(17), F.S.

<sup>64</sup> Specific appropriation 92, ch. 2018-9, L.O.F.

<sup>65</sup> *Id.*

<sup>66</sup> *Id.*

The funding compression allocation is scheduled to expire July 1, 2019.<sup>67</sup>

#### Effect of Proposed Changes

The bill places the funding compression allocation into permanent law by removing the July 1, 2019, expiration date.

### **Funds for Workforce Education**

#### Present Situation

Florida law provides performance funding for industry certifications to Florida College System (FCS) institutions and school district workforce education programs.<sup>68</sup> Specifically, each FCS institution and each school district must be provided \$1,000 for each industry certification earned by a student.<sup>69</sup>

The maximum amount of performance funding which may be appropriated annually to FCS institutions and school district workforce education programs is limited to \$15 million each.<sup>70</sup>

#### Effect of Proposed Changes

The bill removes the cap on the maximum amount of performance funding for industry certifications to FCS institutions and school district workforce education programs. As a result, FCS institutions and school districts may be fully funded for earned certifications, subject to legislative appropriation.

The bill takes effect July 1, 2019.

### **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.

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<sup>67</sup> Section 1011.62(17), F.S.

<sup>68</sup> Section 1011.80((6)(b) and 1011.81(2)(c), F.S.

<sup>69</sup> *Id.*

<sup>70</sup> *Id.*

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 revises funding limitations, criteria, and methodologies; the fiscal impact on state expenditures is indeterminate.

For the Florida Education Finance Program, the bill enables full funding for the Federally Connected Student Supplement by removing the proration requirement; revises the Safe Schools Allocation formula to make it consistent with current funding and better align the allocation with district and school security needs; and repeals the expiration date for the Funding Compression Allocation.

The bill also removes the \$15 million cap for College and District Workforce CAPE incentive funds for postsecondary students who earn industry certifications.

The bill removes the 2-year timeframe for the eligibility to receive a Bright Futures program initial award but maintains the 5-year timeframe for the eligibility to receive an award after graduation from high school. Accordingly, more eligible students may receive an award. Additionally, the realignment of SAT and ACT examination scores to SAT national percentile ranks for the FAS and FMS awards may impact the initial eligibility of students to receive such awards.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 1009.215, 1009.53, 1009.531, 1009.532, 1009.536, 1011.62, 1011.80, and 1011.81.

**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.

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

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