

**HOUSE OF REPRESENTATIVES STAFF ANALYSIS
FINAL BILL ANALYSIS**

BILL #: HB 7075 PCB EDC 19-01 School Choice
SPONSOR(S): Education Committee, Sullivan and others
TIED BILLS: None **IDEN./SIM. BILLS:** CS/SB 7070

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Education Committee		Brink	Hassell
1) Appropriations Committee	16 Y, 9 N	Potvin	Pridgeon
FINAL HOUSE FLOOR ACTION: 76			
GOVERNOR'S ACTION: 39 N's Approved			

SUMMARY ANALYSIS

HB 7075 passed the House on April 30, 2019, as CS/SB 7070. The bill contains portions of CS/HB 889, HB 7061, and CS/HB 7095. The bill contains various provisions relating to K-12 education.

- With respect to state scholarship programs, the bill:
 - establishes the Family Empowerment Scholarship Program and provides for funding; scholarship amounts; eligibility requirements; and responsibilities for participating schools, the Department of Education (DOE), scholarship funding organizations (SFO), school districts, and parents;
 - revises the Florida Tax Credit Scholarship Program (FTC) eligibility criteria, scholarship amounts, carry-forward funding requirements, and scholarship uses;
 - allows excess Hope Scholarship Program funding to be used for FTC scholarships and revises scholarship amounts; and
 - allows SFOs to use eligible contributions, capped at 3 percent of all scholarships, for administration.
- With respect to school choice, the bill allows hope operators to open schools of hope in Florida Opportunity Zones, revises eligible uses of Schools of Hope funds and the definition of “persistently low-performing school,” and allows a charter to assign costs associated with certain civil rights investigations to the charter school.
- The bill revises teacher preparation, certification, and compensation provisions by:
 - allowing the DOE to extend temporary educator certificates by 2 years under certain circumstances;
 - deleting the requirement that a temporary certificate holder pass the General Knowledge Test within 1 year and limiting certification examination retake fees;
 - revising core curricula requirements for teacher preparation programs; and
 - establishing a Best and Brightest Teacher and Principal Allocation to provide recruitment, retention, and recognition awards to qualifying personnel.
- The bill enhances supports for traditional public schools by establishing a turnaround school supplemental services allocation and establishing a community schools grant program to expand the community partnership school model.
- The bill provides school districts flexibility in funding school facilities by making it easier to adopt exceptions from certain facilities requirements, revising cost per student station requirements, and allowing capital outlay discretionary millage funds to be used in excess of cost per student station costs in certain circumstances.

See Fiscal Comments, *infra*.

The bill was approved by the Governor on May 10, 2019, ch. 2019-23, L.O.F., and became effective on that date, or will become effective on July 1, 2019, except as otherwise provided.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h7075z.EDC.docx

DATE: 5/21/2019

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

State Scholarship Programs

Current Situation

For decades, Florida has been a national leader in providing high quality education options for thousands of parents and students. In addition to a myriad of public options, Florida offers four scholarship programs that allow parents of eligible students to register and attend private schools that may better serve a student's particular needs. Research shows that 97.2 percent of parents of students with special needs participating in a scholarship program were satisfied or very satisfied with their private school choice¹ and students participating in another scholarship program were 15 percent more likely to enroll in a public college than their peers.² Private schools must meet specific criteria in order to be eligible to participate in these programs and the Department of Education (DOE) and Commissioner of Education are tasked with implementation and oversight responsibilities. In 2018, the Legislature strengthened the oversight and accountability measures for all scholarship programs in the state. In addition, because a majority of private schools participate in more than one scholarship program, the Legislature consolidated all the common criteria relating to private school participation.³

Hope Scholarship Program

In 2018, the Legislature created the Hope Scholarship Program (HSP) to provide the parent of a public school student subjected to a specified incident⁴ at school the opportunity to transfer the student to another public school or to request a scholarship for the student to enroll in and attend an eligible private school.⁵ A parent may also choose to enroll his or her student in a public school located outside the district in which the student resides and request a transportation scholarship.⁶ The scholarship program is funded by taxpayers who make eligible contributions to non-profit scholarship-funding organizations (SFO) and, in turn, receive a credit against any tax due as a result of the purchase or acquisition of a motor vehicle.⁷ The credit may not exceed the amount of taxes owed. Each eligible contribution is limited to a single payment of \$105 at the time of purchase of a motor vehicle or at the time of registration of a motor vehicle that was not purchased from a dealer. The purchaser elects whether or not to contribute at the time of the purchase or registration of the vehicle. Contributions must be made to a dealer at the time of purchase or to an agent of the Department of Revenue (DOR) at the time of registration if the vehicle was not purchased from a dealer.

¹ Center for Civic Innovation, *Vouchers for Special Education Students: An Evaluation of Florida's McKay Scholarship Program*, June 2003, available at https://www.manhattan-institute.org/pdf/cr_38.pdf.

² Urban Institute, *The Effects of Statewide Private School Choice on College Enrollment and Graduation – Evidence from the Florida Tax Credit Scholarship Program* (Sept. 2017), available at: https://www.urban.org/sites/default/files/publication/93471/the_effects_of_statewide_private_school_choice_on_college_enrollment_and_graduation_1.pdf.

³ Section 1002.421, F.S. (2018). In the 2017-18 school year, 10 percent of private schools participated in more than one scholarship program. There were a total of 2,110 participating private schools. Email, Florida Department of Education, Office of Independent Education and Parental Choice (May 25, 2018).

⁴ A specified incident includes: battery; harassment; hazing; bullying; kidnapping; physical attack; robbery; sexual offenses, harassment, assault, or battery; threat or intimidation; or fighting at school. Section 1002.40(3), F.S.

⁵ Section 1002.40(1), F.S.

⁶ Section 1002.40(6)(a), F.S. (2018).

⁷ Section 1002.421(2)(d) and (13), F.S. (2018).

Scholarships are awarded on a first-come, first-served basis based upon available funds. For the 2018-2019 fiscal year, eligible scholarship funding organizations have collected over \$18.5 million. The scholarship amount is calculated as a percentage of the unweighted FTE as follows:

- Eighty-eight percent for students in grades K-5.
- Ninety-two percent for students in grades 6-8.
- Ninety-six percent for students enrolled in grades 9-12.

Florida Tax Credit Scholarship Program

The Florida Tax Credit Scholarship Program (FTC Program) was created in 2001⁸ and allows taxpayers to make private, voluntary contributions to SFOs that can then be awarded as scholarships to eligible low-income students for private school tuition and fees. Taxpayers can receive a tax credit for use against their liability for corporate income tax; insurance premium tax; severance taxes on oil and gas production; self-accrued sales tax liabilities of direct pay permit holders; or alcoholic beverage taxes on beer, wine, and spirits.⁹ The tax credit is equal to 100 percent of the eligible contributions made.¹⁰ To receive a tax credit the taxpayer must submit an application to the DOR and specify each tax for which the taxpayer requests a credit and the applicable taxable or state fiscal year for the credit.¹¹ Taxpayers can rescind tax credits, which will become available to another eligible taxpayer in that fiscal year.¹²

For FY 2017-2018, the maximum amount of tax credits available to be awarded was \$698 million. In any state fiscal year when the annual tax credits granted for the prior state fiscal year are equal to or greater than 90 percent of the tax credit cap amount applicable to that state fiscal year, the tax credit cap amount is increased by 25 percent.¹³ For FY 2017-2018, the actual tax credit contributions applicable against this limit was \$639.2 million which allowed the tax credit cap to increase by 25 percent; consequently the maximum amount of tax credits available for award in FY 2018-19 is \$873.6 million. However, the March 2019 Revenue Estimating Conference has forecasted \$687.8 million in estimated tax credit collections for FY 2018-2019.

A student is eligible for this scholarship program if:

- the student is on the direct certification list (eligible for free or reduced-priced lunch) or the student's household income does not exceed 185 percent of the federal poverty level;
- the student is currently placed, or during the previous state fiscal year was placed in foster care or in out-of-home care; or
- the student's household income is greater than 185 percent of the federal poverty level but does not exceed 260 percent of the federal poverty level.¹⁴

In the 2018-2019 school year, 100,512 students enrolled in 1,807 private schools in the FTC program.¹⁵

Research on the academic performance of FTC students is conducted annually. The DOE must provide a grant to a state university to annually report on the student performance of participating students. The report must include, to the extent possible, a comparison of scholarship student

⁸ Section 1002.395, F.S.

⁹ Section 1002.395(1) and (5), F.S.

¹⁰ Sections 220.1875 and 1002.395(5), F.S.

¹¹ Section 1002.395(5)(b), F.S.

¹² Section 1002.395(5)(e), F.S.

¹³ Section 1002.395(5)(a), F.S.

¹⁴ Section 1002.395(3)(b), F.S.

¹⁵ Florida Tax Credit Scholarship Program, *February 2019 Quarterly Report*, available at <http://www.fldoe.org/core/fileparse.php/7558/urlt/FTC-Feb-2019-Q-Report.pdf>.

performance to the statewide student performance of public school students with socioeconomic backgrounds similar to those of the participating program students. The report must also include student performance for each participating private school with a student population that was at least 51 percent comprised of FTC program students in the prior school year. The annual report must be published by the DOE on its website.¹⁶

The report, issued in 2017, examined student data from the 2015-2016 school year. According to the report, the typical student in the FTC program scored at the 48th national percentile in reading and the 46th percentile in mathematics, about the same as in past years. In terms of gain in national percentile ranking points from 2014-2015 to 2015-2016, the typical FTC student tends to maintain his or her relative position in comparison with all students nationally both in mathematics and reading.¹⁷

The FTC program has withstood two separate constitutional challenges. In *McCall v. Scott*, 119 So. 3d 359 (Fla. 1st DCA 2016) and *Citizens for Strong Schools, Inc. v. Florida State Board of Education*, 262 So. 3d 127 (Fla. 2019), the courts held in both cases that the plaintiffs lacked taxpayer standing to challenge the FTC program. The Florida Supreme Court also upheld the trial court's ruling in *Citizens for Strong Schools* that the case was a non-justiciable political question that lacked any manageable standard by which to challenge the adequacy of funding for the public K-12 education system.¹⁸ In support of its decision, the trial court found that the FTC program has no "direct or indirect impact on public-school funding or on the uniformity, efficiency, safety, security, or quality of Florida's public schools" and that direct legislative appropriation of funds for the program "would not have a material negative impact on Florida's system of free public schools."¹⁹

Florida Sales Tax Credit Scholarship Program

The Florida Sales Tax Credit Scholarship Program was established by the 2018 Legislature to allow taxpayers to also receive tax credits against certain sales tax liabilities for contributions to the Gardiner Scholarship Program (GSP) or the FTC Program.²⁰ The credit is equal to the amount of the monetary contribution made by an eligible business to an eligible SFO. An eligible business is a tenant that uses property from which the rental or licensee fee is subject to the business rent tax under s. 212.031, F.S. Similar to the FTC Program, a business may not designate a specific student as the beneficiary of the contribution.

SFOs can use contributions for either FTC Program or GSP scholarships. However, contributions may not be used for GSP scholarships unless all of the funds appropriated to the SFO in a fiscal year for that purpose are used. When the appropriations are exhausted the SFO must first use contributions for GSP scholarships. Any remaining contributions can then be used for FTC Program scholarships. (Note: pursuant to Section 7 of HB 5003 (Ch. 2018-10, L.O.F.), contributions under the Florida Sales Tax Credit Scholarship Program may not be used for GSP scholarships during FY 2018-2019.) Similar to the FTC Program, an SFO can use up to three percent of contributions from eligible businesses for administrative expenses, subject to certain limitations.²¹

¹⁶ Section 1002.395(9)(f), F.S. (2018).

¹⁷ Herrington, Carolyn D., Learning Systems Institute & Department of Educational Policy & Leadership, Florida State University, *Evaluation of the Florida Tax Credit Scholarship Program Participation, Compliance, Test Scores in 2015-16*, available at http://www.fldoe.org/core/fileparse.php/5606/urlt/FTC_Report1516.pdf.

¹⁸ See *Citizens for Strong Schools, Inc. v. Fla. St. Bd. of Educ.*, 262 So. 3d 127, 144 (Fla. 2019).

¹⁹ See *Citizens for Strong Schools, Inc. v. Fla. St. Bd. of Educ.*, Case No. 2014 CA 2786, (Fla. Jud. Cir.) (Final Judgment—Appendix for Findings of Fact at 166).

²⁰ Section 212.099, F.S.

²¹ See Section 1002.395(6)(j)1., F.S.

The sum of tax credits under the Florida Sales Tax Credit Scholarship Program that may be approved by DOR in any state fiscal year is \$57.5 million. However, the March 2019 Revenue Estimating Conference has forecasted \$300,000 in estimated tax credit collections for Fiscal Year 2018-2019.

Scholarship Funding Organizations

To participate, an eligible SFO must submit an initial application for approval or renewal to the Office of Independent Education and Parental Choice by September 1 of each year before the school year for which the SFO intends to offer scholarships. Among other things, the application for initial approval must include:

- a copy of the SFO's incorporation documents and registration with the Division of Corporations of the Department of State and IRS determination letter as a not-for-profit corporation;
- a description of the organization's financial plan and the geographic region it will serve;
- a description of the criteria and methodology it will use to evaluate scholarship eligibility and application process including deadlines and fees; and
- a copy of a surety bond or letter of credit in an amount equal to 25 percent of the scholarship funds anticipated for each school year or \$100,000, whichever is greater.²²

An application for renewal must include all items listed above for initial approval as well as:

- a surety bond or letter of credit equal to the amount of undisbursed donations held by the organization, which must be at least \$100,000, not to exceed \$25 million;
- the organization's completed IRS Form 990;
- a copy of its audit reports;²³ and
- an annual report documenting the number of applications received, applications approved, funds received, scholarships funded, and expenditures of administrative funds.²⁴

Within 30 days of receipt of the finalized application the Commissioner of Education must recommend approval or disapproval of the application to the state board. The State Board of Education (SBE) must then consider the application and recommendation at its next scheduled meeting.²⁵

State universities and independent colleges and universities are exempt from the SFO application process, including its surety bond requirements. Instead, they must register with the DOE.²⁶

SFOs must:

- Comply with federal law²⁷ prohibiting discrimination based on race, color, or national origin by any program receiving federal financial assistance.
- Require owners and operators to undergo Level 2 background screening²⁸ upon employment or engagement of services and every 5 years thereafter. Owners and operators must also be screened against an additional list of financial crimes. Owners or operators that fail the Level 2 background screening are ineligible to provide scholarships.
- Not own or operate a private school that is participating in the FTC Program.

²² Section 1002.395(16)(a), F.S.

²³ Section 1002.395(6)(m), F.S.

²⁴ Section 1002.395(16)(b), F.S.

²⁵ Section 1002.395(16)(d), F.S.

²⁶ Section 1002.395(16)(i), F.S.

²⁷ See 42 U.S.C. s. 2000d.

²⁸ Level 2 background screening requires individuals to be screened against a statutorily prescribed list of 53 offenses. See s. 435.04, F.S.

- Provide scholarships from eligible contributions to eligible students on a first-come, first-served basis unless the student qualifies for priority.
- Allow a student in foster or out-of-home care to apply for a scholarship at any time.
- Not restrict or reserve scholarships for use at a particular private school or provide a scholarship to the child of an owner or operator.
- Allow an eligible student to attend any eligible private school and allow a parent to transfer a scholarship during the academic year to another eligible private school.
- Maintain separate accounts for scholarship and operating funds.
- Expend for annual or partial-year scholarships an amount equal to or greater than 75 percent of the net eligible contributions remaining after administrative expenses during the state fiscal year in which such contributions are collected. Remaining net eligible contributions in excess of 25 percent must be transferred to other eligible nonprofit scholarship-funding organizations to provide scholarships for eligible students.
- Allow for the transfer of funds to another eligible SFO, limited to the greater of \$500,000 or 20 percent of the total contributions received by the SFO making the transfer, if additional funds are required to meet scholarship demands. Such a transfer must be approved by the DOE beforehand.
- Maintain a surety bond or letter of credit equal to the amount of undispersed donations, which may be adjusted quarterly to equal the actual amount of undisbursed funds. This requirement is waived if the cost of acquiring a surety bond or letter of credit exceeds the average 10-year cost of acquiring a surety bond or letter of credit by 200 percent. This requirement is also waived for a state university. The surety bond or letter of credit must specify that any claim against the bond or letter of credit may be made only by an eligible nonprofit SFO.
- Provide the Auditor General (AG) and the DOE with an annual financial audit of its accounts and records conducted by an independent certified public accountant.
- Submit to an annual operational audit of its accounts and records by the AG, including any contracts for services with related entities, to determine compliance with program requirements.
- Prepare and submit quarterly reports to the DOE.²⁹

A SFO may use up to three percent of eligible contributions received during the state fiscal year for administrative expenses if the SFO has operated as an eligible nonprofit scholarship-funding organization for at least the preceding 3 years and did not have any findings of material weakness or material noncompliance in its most recent audit. Administrative funds may not be used for lobbying or political activity.³⁰

Private School Accountability

While each scholarship program has unique requirements for private schools, there are common criteria that each private school must meet in order to participate in any of the state's scholarship programs.³¹ A private school may be sectarian or nonsectarian, must meet Florida's definition of a private school,³² be registered with the state and be in compliance with all the requirements of a private school.³³ Additionally, a private school must:

- comply with antidiscrimination provisions of 42 U.S.C. s. 2000d;
- notify the DOE of its intent to participate;

²⁹ Section 1002.395(6)(a)-(c), (f), (h)-(q), F.S.; s. 11.45(2)(k), F.S. (operational audit).

³⁰ Section 1002.395(6)(j)1., F.S.

³¹ See s. 1002.421, F.S. (2018).

³² Section 1002.01(2), F.S.

³³ See s. 1002.42, F.S.

- notify the DOE of any changes in the school's name, director, mailing address, or physical location within 15 days of the change;
- provide the DOE or the eligible SFO all required documentation for student registration and payment;
- annually complete and submit to the DOE a notarized scholarship compliance statement that includes certification that all school employees and contracted personnel have undergone required background screening;
- demonstrate fiscal soundness in accordance with statutory requirements;
- meet applicable state and local health, safety, and welfare laws, codes, and rules;
- employ or contract with teachers that meet specified requirements;
- maintain a physical location in the state at which each student has regular and direct contact with teachers;
- provide to parents, either on a website or in other written form, information regarding the school's programs, services, and qualifications of classroom teachers;
- provide the parent, at least on a quarterly basis, a written report of the student's progress;
- cooperate with a parent who wants a student to participate in the statewide assessments;³⁴ and
- adopt policies establishing standards of ethical conduct for instructional personnel and school administrators.³⁵

If a private school receives more than \$250,000 in scholarship funds through any scholarship program, or a combination of scholarship programs in one year, the school must hire an independent certified public accountant to verify that the school meets a number of requirements outlined in the agreed-upon procedures.³⁶ This is a set of requirements and procedures that each private school agrees to implement in order to maintain eligibility for the scholarship programs. The procedures must determine, at a minimum, whether the private school has been verified as eligible by the DOE; has an adequate accounting system, system of financial controls, and process for deposits and classification of scholarship funds; and has properly expended scholarship funds.³⁷ The procedures are developed jointly with the SFOs, accrediting associations that are members of the Florida Association of Academic Nonpublic Schools, and DOE³⁸ and are reviewed biennially.³⁹

A private school must annually submit, by September 15, the accountant's report to the SFO that awarded the majority of the scholarship funds. Schools that receive more than \$250,000 solely through the McKay Scholarship program must submit the report to the DOE.⁴⁰

If a private school fails to meet any of the above requirements, or has consecutive years of material exceptions listed in the report, the commissioner may determine that the private school is ineligible to participate in a scholarship program.⁴¹

Every private school that wishes to participate in a scholarship program must have each employee and contracted personnel undergo a state and national criminal background screening. The results of the screening are provided to the private school. The private school must deny employment to or terminate the employee if he or she fails to meet the screening standards established in chapter 435.⁴²

³⁴ Section 1002.421(1)(a)-(l), F.S. (2018).

³⁵ Section 1002.421(1)(n), F.S. (2018).

³⁶ Section 1002.421(1)(q), F.S. (2018) *See also*, Agreed Upon Procedures, <https://www.stepupforstudents.org/for-schools-providers/agreed-upon-procedures/?highlight=agreed-upon%20procedures> (last visited Mar. 11, 2019).

³⁷ Section 1002.395(6)(o), F.S.

³⁸ Section 1002.395(6)(o)2., F.S.

³⁹ Section 1002.395(6)(o)1.b., F.S.

⁴⁰ Section 1002.421(1)(q), F.S. (2018).

⁴¹ Section 1002.421(1)(q), F.S., (see flush left provision at the end of the paragraph).

⁴² Section 1002.421(1)(m), F.S. *See s. 435.04*, F.S. for a list of disqualifying offenses.

Employees and contracted personnel hired by a private school must be rescreened every 5 years and meet all screening standards.⁴³

Also, prior to employing instructional personnel or school administrators in any position that requires direct contact with students, the private school must conduct an employment history check of each of the personnel's or administrator's previous employers.⁴⁴

Similar to employees and contracted personnel, the owner or operator of a private school must undergo state and national background screening and must meet the screening standards established in chapter 435.⁴⁵ In addition to the standards outlined in Chapter 435, Florida Statutes owners and operators are also screened against additional offenses, including fraud and forgery.⁴⁶ An owner or operator who fails the background screening is not eligible to participate in any of these state scholarship programs.⁴⁷

If an owner or operator of a private school wishes to transfer ownership of the school, he or she must notify the parent of each scholarship student at least 30 calendar days prior to the transfer.⁴⁸ If an owner or operator is deemed ineligible to participate in a scholarship program, he or she may not transfer ownership or management authority of the school to a relative.⁴⁹

While the DOE has some unique responsibilities within each individual scholarship program, the DOE must fulfill the following responsibilities for all scholarship programs:

- annually verify the eligibility of private schools for all scholarship programs;
- establish a toll-free hotline to provide parents and private schools with information about the scholarship programs;
- establish a process to allow individuals to notify the DOE of violations of state law relating to a scholarship program;
- annually receive and retain from every participating private school a notarized, sworn compliance statement certifying compliance with state law;
- coordinate with the entities conducting the health inspections and fire inspections for private schools to obtain copies of the inspection reports directly from the entities;
- provide, at no cost to the private school, the statewide assessments and any related materials for administering the assessments, if a participating private school requests the assessments; and
- conduct site visits to private schools entering a scholarship program for the first time. Beginning with the 2019-2020 school year, a private school is not eligible to receive scholarship funds until a satisfactory site visit is completed and the school complies with all other requirements in law.⁵⁰

The DOE is authorized to conduct site visits to any private school participating in a scholarship program that has received a complaint about a violation of state law or state board rule, or has received a notice of noncompliance or a notice of proposed action within the previous two years.⁵¹ The DOE must

⁴³ Section 1002.421(1)(m)8., F.S.

⁴⁴ Section 1002.421(1)(o), F.S.

⁴⁵ Section 1002.421(1)(p), F.S.

⁴⁶ Section 1002.421(1)(p)5., F.S.

⁴⁷ Section 102.421(1)(p)4., F.S.

⁴⁸ Section 1002.421(1)(p)6., F.S.

⁴⁹ Section 1002.421(1)(p)7., F.S. "Relative" means father, mother, son, daughter, grandfather, grandmother, brother, sister, uncle, aunt, cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother, or half-sister.

⁵⁰ Section 1002.421(2)(a), F.S.

⁵¹ Section 1002.421(2)(b), F.S.

annually submit, by December 15, a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives that summarizes its implementation of the accountability measures in the scholarship programs, any substantiated allegations or violations of law or rule by a private school, and the corrective action taken.⁵²

The Commissioner of Education has the authority to:

- deny, suspend, or revoke a private school's participation in a scholarship program if the school fails to comply with any of the participation requirements or exhibits a previous pattern of failure to comply;⁵³
- deny, suspend, or revoke a private school's participation in a scholarship program if the commissioner determines that an owner or operator of the private school is operating or has operated an educational institution in Florida or in another state or jurisdiction in a manner contrary to the health, safety, or welfare of the public; or⁵⁴
- immediately suspend payment of scholarship funds if there is probable cause to believe that there is an imminent threat to the health, safety, and welfare of the students or if there is fraudulent activity on the part of the private school.⁵⁵

If the commissioner intends to deny, suspend, or revoke a private school's participation in a scholarship program, the DOE must notify the private school of the proposed action in writing by certified mail and regular mail. The notification must include the reasons for the proposed action and the timelines and procedures for responding.⁵⁶

Effect of Proposed Changes

Family Empowerment Scholarship Program

The bill creates the Family Empowerment Scholarship Program (FESP), which provides scholarships to pay tuition and fees associated with an eligible student's attendance at a private school. To be eligible for a FESP scholarship, a student must be eligible to enroll in kindergarten or have been counted as a full-time equivalent K-12 student at a Florida public school in the October and February Florida Education Finance Program (FEFP) surveys for the previous fiscal year. However, a dependent child of a member of the U.S. Armed Forces who transfers to a school from out of state due to the parent's permanent change of station orders or a foster child is exempt from the prior public school attendance requirement.

In addition, the student must:

- be on the direct certification list;
- be currently placed, or during the previous state fiscal year was placed, in foster care or in out-of-home care;
- be a sibling of a student who is participating in the FESP and resides in the same household as the sibling; or
- have a household income level that does not exceed 300 percent of the FPL.

⁵² Section 1002.421(2)(c), F.S.

⁵³ Section 1002.421(3)(a), F.S. If the noncompliance is correctable within 45 days or less and is not threatening the health, safety or welfare of the students, the commissioner may issue a notice of noncompliance providing timelines for the school to correct the deficiencies before taking action to deny, suspend, or revoke the school's participation in the program.

⁵⁴ Section 1002.421(3)(b), F.S.

⁵⁵ Section 1002.421(3)(d), F.S.

⁵⁶ Section 1002.421(3)(c)2.a., F.S.

Percent of Poverty Level	Income Threshold for Family of Four ⁵⁷
--	\$25,750
185%	\$47,638
260%	\$66,950
300%	\$77,250

Beginning in the 2019-2020 school year, up to 18,000 students annually may receive a FESP scholarship. Beginning in the 2020-2021 school year, the number of students participating in the scholarship program may increase by up to 0.25 percent of the state’s total, K-12, public school enrollment. The scholarship is funded through the FEFP and administered by the DOE. Although scholarship awards are provided on a first-come, first-served basis, the bill provides priority to new applicants whose household income levels do not exceed 185 percent of the FPL or who are in foster care or out-of-home care. Eligibility continues until the student graduates from high school or turns 21 years old, whichever occurs first.

A student is ineligible for the FESP if the student is:

- enrolled in a public school, including, but not limited to, the Florida School for the Deaf and the Blind, the College-Preparatory Boarding Academy, a developmental research school, or a charter school;
- enrolled in a Department of Juvenile Justice commitment program;
- enrolled in a virtual school, correspondence school or distance learning program that receives state funding pursuant to the student's participation;
- participating in a home education program or private tutoring program; or
- receiving any other state-sponsored K-12 educational scholarship.

The scholarship award for eligible students is based upon the student’s grade level and is calculated as 95 percent of the school district’s average per-student funding for either grades K-3, 4-8, or 9-12, including all categoricals, except for the Exceptional Student Education Guaranteed Allocation. The FESP is funded solely from general revenue through the FEFP in the same manner as the McKay Scholarship program.

The bill provides application and participation requirements similar to those of the McKay Scholarship and FTC programs. For the 2019-2020 school year, a student’s parent must request a scholarship from the DOE no later than August 15, 2019. The Chief Financial Officer must make the first quarter payment of scholarships no later than October 1, 2019, based on notification from the DOE that the required documentation has been submitted.

Private schools that participate in the FESP must meet the same requirements as in the FTC Program. Likewise, the Commissioner of Education has the same duties and responsibilities over private schools established in the FTC Program. In addition, the annual report on the student performance of FTC students must now include students participating in the Hope Scholarship Program and the FESP.

The bill requires participating SFOs to verify household income levels, submit the verified list of students and related documentation to the DOE, submit information relating to scholarships requested by the DOE, and notify the DOE about any violation by a parent or private school. An SFO may use an amount of up to 1 percent of the total amount of all FESP scholarships for administrative expenses, which is considered within the 3 percent limit based on total scholarships awarded under all programs.

⁵⁷ HHS Poverty Guidelines for 2019, *2019 Poverty Guidelines for the 48 Contiguous States and the District of Columbia* <https://aspe.hhs.gov/poverty-guidelines> (last visited Mar. 11, 2019). The poverty guideline for a family of four is \$25,750.

The bill requires the AG to conduct an annual operational audit of accounts of each participating SFO, which must include a verification of students served and transmission of that information to the DOE. The AG also must notify the DOE of any SFO that fails to comply with a request for information.

Florida Tax Credit Scholarship Program

To align scholarship amounts with the FESP, the bill revises the scholarship amount for FTC scholarship students and repeals the sliding scale of scholarship amounts for students whose household income is greater than 185% but less than 260%. The bill also revises eligibility by limiting FTC scholarships to students who do not receive a scholarship from the FESP or another state scholarship program. The bill also revises the transportation scholarship for a public school student by allowing the student to use the scholarship to attend a public school within the school district, other than the school to which the student was assigned, instead of only outside the school district.

Hope Scholarship Program

The bill aligns Hope Scholarship amounts to FESP scholarships and limits the amount of contributions a SFO may carry forward to 5 percent of net eligible contributions. Any contributions above 5 percent must be transferred to another eligible scholarship funding organization or if another eligible scholarship funding organization does not participate in the Hope Scholarship Program, eligible contributions may be used for the Florida Tax Credit scholarship students.

Contributions to Scholarship Funding Organizations

The bill renames the Florida Sales Tax Credit Program as “contributions to scholarship funding organizations,” consistent with similar laws. The bill also revises the use of sales tax credits by maintaining the priority for the FTC scholarships and eliminating the priority for the Gardiner Scholarship Program scholarships which would have been effective for Fiscal Year 2019-2020. The bill allows contributions by motor vehicles purchasers to be used for FTC scholarships in addition to Hope Scholarships.

Transfer of Funds

Each year, an SFO may carry forward up to 25 percent of eligible contributions to the following fiscal year for annual and partial-year scholarships. Eligible contributions in excess of the 25 percent carry-forward amount as of June 30 must be transferred to other eligible SFOs to provide scholarships to eligible students. The bill authorizes an SFO to award scholarships from the amount of eligible contributions that are in excess of the 25 percent carry-forward amount. Any funds remaining as of September 30, rather than June 30, must be used to disburse scholarship awards or transferred to another SFO.

Schools of Hope

Present Situation

In 2017, the Legislature established Schools of Hope to provide students in areas of persistently low-performing schools the opportunity to access a high-quality education designed to close the opportunity gap and increase student achievement.⁵⁸ A school of hope is defined as a charter school operated by a hope operator to serve students from one or more persistently low-performing schools; is located within the attendance zone of the persistently low-performing school or within a five mile radius of the school,

⁵⁸ Section 43, ch. 2017-116, L.O.F., codified at s.1002.333, F.S.

whichever is greater; and is a Title I eligible school.⁵⁹ A persistently low-performing school is defined as a school that has earned three consecutive grades lower than a “C” and a school that was closed as a result of school improvement within two years after the submission of a notice of intent.⁶⁰ Based on 2017-2018 school grades data, 48 schools from 20 school districts in Florida meet the definition of a persistently low-performing school.⁶¹

A hope operator is a tax-exempt, nonprofit organization that operates three or more charter schools that serve students in grades K-12 in Florida or other states with a record of serving students from low-income families and is designated by the SBE as a hope operator.⁶² State board rule designates an entity as a hope operator if it submits a complete application and meets at least one of the following criteria:

- the entity was awarded a United States Department of Education Charter School Program grant for the Replication and Expansion of High-Quality Charter Schools pursuant to Title IV, Part C of the Elementary and Secondary Education Act of 1965 as amended by the Every Student Succeeds Act (20 U.S.C. 7221-7221j) within the preceding 3 years from the date the entity submits an application to the Department;
- the entity has a current and active grant award for funding through the National Fund of the Charter School Growth Fund; or
- the entity is a non-profit charter school that is selected by a district school board to turnaround the performance of a low-performing public school.⁶³

Designation as a hope operator is valid for 5 years from the opening of a school of hope.⁶⁴ Presently, Florida has designated four hope operators: Democracy Prep Public Schools, Inc., IDEA Public Schools, KIPP New Jersey, and Somerset Academy, Inc.⁶⁵ Somerset Academy, Inc. currently operates the K-12 school in Jefferson County, and KIPP New Jersey and IDEA Public Schools have submitted notices of intent to open schools of hope in the Miami-Dade and Hillsborough school districts, respectively.⁶⁶

Establishing a School of Hope

A hope operator seeking to open a school of hope must submit a notice of intent to the school district in which a persistently low-performing school has been identified.⁶⁷ The intent must include among other things, a proposed location for the school, the student grades and numbers of students to be served, and the goals and objectives for increasing student achievement.⁶⁸ Within 60 days, a school district must enter into a performance-based agreement with a hope operator to open schools to serve students from persistently low-performing schools or reduce the charter school administrative fee to 1 percent for all charter schools operating in the district.⁶⁹

⁵⁹ Section 1002.333(1)(c)1., F.S.

⁶⁰ Section 1002.333(1)(b), F.S.

⁶¹ Florida Department of Education, *2017-2018 Persistently Low-Performing Schools Accountability Report* (2018), available at <http://www.fldoe.org/core/fileparse.php/18534/urlt/PLPSchools18.xls>.

⁶² Section 1002.333(2), F.S.

⁶³ Rule 6A-1.0998271(2)(b), F.A.C.

⁶⁴ Section 1002.333(3), F.S.

⁶⁵ Florida Department of Education, *Schools of Hope*, <http://www.fldoe.org/schools/school-choice/other-school-choice-options/schools-of-hope/> (last visited March 6, 2019).

⁶⁶ Email from Bethany Swanson, Legislative Affairs, Florida Department of Education, RE: FDOE Update: KIPP and IDEA coming to Florida (March 11, 2019).

⁶⁷ Section 1002.333(4), F.S.

⁶⁸ Section 1002.333(4)(a), F.S.

⁶⁹ Section 1002.333(8), F.S.

No later than October 1, a school district must annually report to the DOE all underused, vacant, or surplus facilities owned or operated by the school district.⁷⁰ A hope operator establishing a school of hope may use a facility identified as underused, vacant, or surplus by a school district, at no cost or at a mutually agreeable cost not to exceed \$600 per student.⁷¹ The facility used by a hope operator may not be sold or disposed of without the written permission of the school district.⁷²

Schools of Hope Funding

Schools of hope are funded in the same manner as other charter schools and traditional schools.⁷³ They are given priority in the Public Charter School Grant Program and are eligible to receive funds from the Schools of Hope Program.⁷⁴ Schools of hope are considered charter schools for purposes of charter capital outlay, but may not use the funds to purchase real property or construct school facilities.⁷⁵

The Schools of Hope Program within the DOE provides a school of hope with funds for eligible expenditures such as hiring and compensating staff, acquiring equipment and educational materials, startup costs for student transportation, and community engagement.⁷⁶

The Schools of Hope Program was appropriated \$140 million in both FY 2017-2018⁷⁷ and FY 2018-2019.⁷⁸ Funds allocated for the program that are not used by June 30 of the fiscal year allocation may be carried forward for up to 5 years after the original appropriation date.⁷⁹

Schools of Hope Program ⁸⁰	
2017-2018 Appropriation	\$140,000,000.00
2017-2018 Expenditures	-\$9,824,408.25
2018-2019 Expenditures	-\$2,382,868.00
2017-2018 Balance	\$127,792,723.75
2018-2019 Appropriation	\$140,000,000.00
2018-2019 Expenditures	-\$3,204,963.51
2018-2019 Balance	\$136,795,036.49

Florida Opportunity Zones

In December 2017, the federal Tax Cuts and Jobs Act of 2017 was signed into law.⁸¹ The act provides tax incentives for investments in opportunity zones, comprising economically-distressed communities, to spur economic development and job creation.⁸² Tax incentives include a temporary deferral on capital gains taxes for investors who reinvest gains in opportunity funds invested in low-income opportunity zones.⁸³ The act allows the governor of each state to nominate up to 25 percent of eligible

⁷⁰ Section 1002.333(7)(d), F.S.

⁷¹ *Id.*

⁷² *Id.*

⁷³ Section 1002.333(9)(a) and s. 1002.33(17), F.S.

⁷⁴ Section 1002.333(9)(b), F.S.

⁷⁵ Section 1002.333(9)(c), F.S.

⁷⁶ Section 43, Ch. 2017-116, L.O.F., codified at s.1002.333, F.S.

⁷⁷ Ch.2017-116, L.O.F.

⁷⁸ Ch. 2018-9, L.O.F.

⁷⁹ Section 1002.333(10)(d), F.S.

⁸⁰ Email, Florida House of Representatives, PreK-12 Appropriations (March 11, 2019).

⁸¹ Tax Cuts and Jobs Act of 2017, Pub. L. No.115-97, H.R. 1, 115th Cong. (Dec. 22, 2017)

⁸² *Id.* at Sec. 13823.

⁸³ *Id.*

low-income census tracts as opportunity zones and then submit the nominations to the U.S. Department of Treasury to certify the zones or provide further guidance.⁸⁴ Based on the federal requirements for this program, Florida can nominate 427 census tracts.⁸⁵

The act defines a qualified opportunity zone as “a population census tract that is a low-income community”⁸⁶ based on low-income requirements defined by the U.S. Internal Revenue Code as:

- a tract with a poverty rate of at least 20 percent, or
- a median family income of:
 - no more than 80 percent of the statewide median family income for census tracts in non-metropolitan areas; or
 - no more than 80 percent of the greater statewide median family income or the overall metropolitan median family income for census tracts within metropolitan areas.⁸⁷

The poverty rate for each census tract is based on how household income compares to the national thresholds calculated by the Census Bureau.⁸⁸

To determine the opportunity zones Florida would nominate, economists at the Department of Economic Opportunity’s (DEO) created a statistical model using census tract data and other economic indicators, such as poverty level, unemployment rates and population density.⁸⁹ The DEO used a method to ensure that every county in Florida received at least one census tract nomination and incorporated into the model requests from entities such as city and county governments, regional planning councils, developers, and others.⁹⁰

In 2018, Governor Rick Scott nominated Florida’s 427 opportunity zone sites located throughout Florida’s 67 counties.⁹¹ The zones were certified by the Treasury and will retain the designation for ten years.⁹² Investments into these zones allow investors the ability to defer tax on any prior gains until no later than December 31, 2026, as long as the gain is reinvested in a qualified opportunity fund which makes investments in the opportunity zones.⁹³

Effect of Proposed Changes

The bill defines “Florida Opportunity Zone” (FOZ) to mean a population census tract that has been designated by the Treasury as a Qualified Opportunity Zone pursuant to federal Tax Cuts and Jobs Act of 2017. The bill allows a hope operator to open a school of hope in a FOZ and specifies that a school

⁸⁴ *Id.*

⁸⁵ Florida Department of Economic Opportunity, *Frequently Asked Questions on Opportunity Zone program* (2018), available at <http://www.floridajobs.org/docs/default-source/communicationsfiles/fl-opportunity-zones-faq.pdf> [hereinafter referred to as *Opportunity Zone FAQ*].

⁸⁶ Tax Cuts and Jobs Act of 2017, Pub. L. No.115-97, H.R. 1, 115th Cong., Sec. 13823 (Dec. 22, 2017)

⁸⁷ 26 U.S.C. s. 45D(e).

⁸⁸ *Opportunity Zone FAQ*, *supra* at note 85.

⁸⁹ *Id.*

⁹⁰ *Id.*

⁹¹ *Id.* See Florida Department of Economic Opportunity, Bureau of Workforce Statistics and Economic Research, *Opportunity Zones by Media Markets*, available at

<https://deolmsgis.maps.arcgis.com/apps/webappviewer/index.html?id=4e768ad410c84a32ac9aa91035cc2375> (providing a map of each identified opportunity zone (FOZ)).

⁹² U.S. Department of Treasury, Press Releases: Treasury, *IRS Announce Final Round of Opportunity Zone Designations* (June 14, 2018), <https://home.treasury.gov/news/press-releases/sm0414> (last visited March 6, 2019).

⁹³ *Id.*

of hope may serve both students who reside in a FOZ and students who are zoned for a persistently low-performing school. The bill also revises the definition of persistently low-performing school to mean a school that has earned three grades lower than a “C” in at least 3 of the last 5 years and has not earned a grade of “B” or higher in the most recent 2 school years. Under the new definition, 244 traditional, non-charter public schools would be identified as persistently low-performing.⁹⁴ Together, these provisions provide more predictability in identifying communities where hope operators’ school models can be implemented most effectively.

The bill expands eligible expenditures of Schools of Hope funds to include:

- hiring and compensating specified staff until the school has reached full enrollment; and
- initial leasing costs of a school facility in the event that a district-owned facility is not available or was not leased in a timely manner.

The bill also specifies that ownership of all school of hope property purchased with public funds reverts to the district school board upon the dissolution or termination of a school of hope. Any unencumbered public funds and property purchased with public funds must be held in trust upon request by a district school board during the pendency of an appeal.

Supports for Traditional Public Schools

Present Situation

Schools of Hope Traditional Public School Grant Program

A traditional public school that must submit a turnaround plan to address student performance under current law⁹⁵ is eligible to receive funding from the program based on the strengths of the plan for implementation and its focus on evidence-based interventions that lead to student success by providing wrap-around services that leverage community assets, improve school and community collaboration, and develop family and community partnerships.⁹⁶ The award amount is set at up to \$2,000 per full-time equivalent (FTE) student.⁹⁷ The SBE evaluates the turnaround plans and determines which of the eligible schools will receive an award.^{98, 99} The SBE may select up to 25 schools.¹⁰⁰ In the 2017-2018 school year, 25 traditional public schools were approved by the SBE to receive a program award. In the 2018-2019 school year, 14 traditional public schools were approved by the SBE to receive a program award.

Community Partnership Schools

The Coalition for Community Schools defines a community school as hub of educators, families, and local community partners working together to offer opportunities, support, and services to the children

⁹⁴ Email from Jared Ochs, Legislative Affairs Director, Florida Department of Education, RE: PLPs under new definition (May 8, 2019).

⁹⁵ Section 1008.33(4), F.S.

⁹⁶ Section 1002.33(9)(b), F.S.

⁹⁷ *Id.*

⁹⁸ Section 1002.333(10)(c), F.S.

⁹⁹ Florida Department of Education, *Schools of Hope Traditional Public Schools Grant*, Presentation to House Education Committee on Feb. 12, 2019, available at

<https://www.myfloridahouse.gov/Sections/Documents/loaddoc.aspx?PublicationType=Committees&CommitteeId=2996&Session=2019&DocumentType=Meeting%20Packets&FileName=edc%202-12-19.pdf>.

¹⁰⁰ *Id.*

and families in the community.¹⁰¹ Community schools provide local families and communities expanded learning opportunities both during and after the school day, health and social support and services, and encourage family and community engagement in the lives of their children and youth.¹⁰²

Since the late 1980s, thousands of community schools have been established in diverse settings across the U.S. and beyond with varying approaches. One approach is the Community Partnership Schools (CPS) model, using a multiple core partner's community school approach with an embedded university-assisted community school component.¹⁰³ The CPS model seeks to meet the social, emotional, mental, physical, nutritional, and financial needs of students so they are prepared and able to be successful in school.¹⁰⁴ In 2010, the first CPS model community school was founded by the University of Central Florida, Children's Home Society of Florida, and Orange County Public Schools at Evans High School in Orlando, FL.¹⁰⁵

The University of Central Florida established the Center for Community Schools in 2014 to respond to the demand for community school information and assistance with establishing a CPS.¹⁰⁶ The Center provides technical assistance and legislative funding to support CPS planning and operations in interested communities.¹⁰⁷

Establishing a CPS

A CPS includes four core community partners - a school district, university or college, community-based not-for-profit, and health care provider.¹⁰⁸ To establish a CPS, a school system must identify three or more other core partners with sufficient resources and a willingness to commit, often through a memorandum of understanding, to support the established school for a minimum of 25 years.¹⁰⁹ The CPS is governed by a representative from each of the partner organizations along with leadership from the school and community to collectively make decisions around funding, allocation of resources, hiring staff, and working with providers.¹¹⁰

Conducting a community assessment is an important part of developing a CPS. The assessment may include data collection, interviews and focus groups with stakeholders, as well as conducting an inventory of existing programs and services in the community. The assessment assists in establishing the goals the partners will agree on for the short and long-term outcomes of the school.¹¹¹ Each CPS is

¹⁰¹ Coalition for Community Schools at the Institute for Educational Leadership, *Frequently Asked Questions About Community Schools*, <http://www.communityschools.org/aboutschools/faqs.aspx> (last visited March 7, 2019).

¹⁰² *Id.*

¹⁰³ University of Central Florida Center for Community Schools, *Community Schools*, <https://ccie.ucf.edu/communityschools/schools/> (last visited March 7, 2019).

¹⁰⁴ University of Central Florida, Center for Community Schools, *Community Partnership Schools Model*, <https://ccie.ucf.edu/communityschools/partnership-schools/#model> (last visited March 7, 2019).

¹⁰⁵ University of Central Florida Center for Community Schools, *About*, <https://ccie.ucf.edu/communityschools/about/> (last visited March 7, 2019).

¹⁰⁶ See University of Central Florida, Children's Home Society, Orange County Public Schools, *Community Partnership Schools*, Presentation to House PreK-12 Innovation Subcommittee on Feb. 7, 2019, available at <https://www.myfloridahouse.gov/Sections/Documents/loaddoc.aspx?PublicationType=Committees&CommitteeId=3017&Session=2019&DocumentType=Meeting%20Packets&FileName=pki%202-7-19.pdf>. at 42.

¹⁰⁷ *Id.*

¹⁰⁸ University of Central Florida Center for Community Schools, *Community Partnership Schools Model*, (2018) available at <https://ccie.ucf.edu/wp-content/uploads/sites/12/2018/08/2018-community-partnership-schools-one-pager.jpg>.

¹⁰⁹ *Id.*

¹¹⁰ *Id.*

¹¹¹ University of Central Florida Center for Community Schools, *Community Partnership Schools Getting Started*, <https://ccie.ucf.edu/communityschools/partnership-schools/getting-started/> (last visited March 7, 2019).

required to provide a 25 percent local match from funds they receive¹¹² and develop a sustainability plan that recognizes the fluctuation of funding and the commitment of the core partners for long term success.¹¹³ The majority of CPS resources are provided by the core partners and community organizations already funded to provide the services.¹¹⁴

Interested school districts and/or their community partners submit applications to the Center's grants committee for review and approval. The committee reviews based on need, the committed partnership, partner capacity, project goals, evaluation, diversified budget, and leveraged project budget.¹¹⁵

Schools that implement the 12 CPS standards¹¹⁶ and then operate successfully for a full year are eligible to apply for certification as a University of Central Florida-Community Partnership School (UCF-CPS).¹¹⁷ A UCF-CPS school must demonstrate appropriate alignment with the core components of the model and reach implementation benchmarks on the 12 standards.¹¹⁸ Schools that do not reach certification status are given on-going support and may apply for certification once a year until certification is reached.¹¹⁹ Currently in Florida, two schools are certified UCF-CPS: Evans High School in Orlando, and C.A. Weis Elementary School in Pensacola.¹²⁰

Funding and Impact

Since 2014, the Legislature has appropriated \$5.4 million in total funding to implement the CPS model.¹²¹ In Fiscal Year 2018-2019, the Legislature provided \$1.4 million¹²² to support 10,220 students in ten CPS across the state.¹²³ Between July and December 2018, activities and services at all 17 sites (13,143 students) included:

- 1,572 students participating in 61,689 hours of enrichment programming;
- 1,682 students receiving 26,260 hours of academic support or tutoring;
- families and the community contributing 14,964 volunteer hours and 3,633 mentor hours;

¹¹² See University of Central Florida, Children's Home Society, Orange County Public Schools, *Community Partnership Schools*, Presentation to House PreK-12 Innovation Subcommittee on Feb. 7, 2019, available at <https://www.myfloridahouse.gov/Sections/Documents/loaddoc.aspx?PublicationType=Committees&CommitteeId=3017&Session=2019&DocumentType=Meeting%20Packets&FileName=pki%202-7-19.pdf>. at 15.

¹¹³ University of Central Florida Center for Community Schools, *Community Partnership Schools Getting Started*, <https://ccie.ucf.edu/communityschools/partnership-schools/getting-started/> (last visited March 7, 2019).

¹¹⁴ See University of Central Florida, Children's Home Society, Orange County Public Schools, *Community Partnership Schools*, Presentation to House PreK-12 Innovation Subcommittee on Feb. 7, 2019, available at <https://www.myfloridahouse.gov/Sections/Documents/loaddoc.aspx?PublicationType=Committees&CommitteeId=3017&Session=2019&DocumentType=Meeting%20Packets&FileName=pki%202-7-19.pdf>. at 43.

¹¹⁵ *Id.* at 16.

¹¹⁶ 1) Partnership 2) Governance, Structure and Leadership 3) Foundational Principles 4) Staffing 5) Integrated Community School Framework 6) After-school Programs and Services 7) Comprehensive Wellness Services 8) Parent and Community Involvement 9) Volunteering 10) School Climate 11) Evaluation 12) Sustainability. *Id.* at 49.

¹¹⁷ University of Central Florida Center for Community Schools, *Community Partnership Schools Model*, (2018) available at <https://ccie.ucf.edu/wp-content/uploads/sites/12/2018/08/2018-community-partnership-schools-one-pager.jpg>.

¹¹⁸ See University of Central Florida, Children's Home Society, Orange County Public Schools, *Community Partnership Schools*, Presentation to House PreK-12 Innovation Subcommittee on Feb. 7, 2019, available at <https://www.myfloridahouse.gov/Sections/Documents/loaddoc.aspx?PublicationType=Committees&CommitteeId=3017&Session=2019&DocumentType=Meeting%20Packets&FileName=pki%202-7-19.pdf>. at 49.

¹¹⁹ *Id.*

¹²⁰ University of Central Florida Center for Community Schools, *Assessment and Evaluation Services*, <https://ccie.ucf.edu/communityschools/services/assessment/#certified> (last visited March 7, 2019).

¹²¹ University of Central Florida Center for Community Schools, *Community Partnership Schools Funding*, <https://ccie.ucf.edu/communityschools/partnership-schools/funding/> (last visited March 7, 2019).

¹²² *Id.*

¹²³ Email from Melanie Rodriguez, Coordinator, Center for Community Schools RE: CPS Data (March 8, 2019).

- 1,096 students receiving dental services;
- 1,360 students receiving eye care or vision services; and
- 273 students receiving medical services.¹²⁴

Effect of Proposed Changes

The bill replaces the Schools of Hope grant program for traditional public schools with a new turnaround school supplemental services allocation within the FEFP. The allocation provides funds for traditional public schools implementing a district-managed turnaround plan to offer services designed to improve the academic and community welfare of the school's students and their families. The funds from the allocation may be used for funding services such as tutorial and after-school programs, counseling, nutrition education, and an extended school day and school year. In addition, services may include models that develop a culture which encourages high academic expectations, character development, and high school completion followed by college or career training. A school district may enter into a formal agreement with a nonprofit organization to implement an integrated student support service model that provides students and families with access to wrap-around services.

A school district must develop and submit a plan for implementation to its school board for approval no later than August 1 of each fiscal year before the allocation will be distributed. The plan must:

- establish comprehensive support services that develop family and community partnerships;
- establish high academic and character standards that are defined and measurable;
- increase parental involvement and engagement;
- address the identification, recruitment, retention and reward of instructional personnel;
- provide professional development focused on academic rigor, instruction, and high academic and character standards;
- provide instruction to improve academic proficiency, which may include additional instructional time beyond the school day or school year; and
- include a strategy to continue to provide services after the school exits turnaround status.

Schools districts must submit approved plans to the DOE by September 1 of each fiscal year.

The bill provides that a district-managed turnaround plan may include a proposal for implementation of an extended school day, a summer program, or a combination thereof.

The bill provides a calculation for the allocation, subject to legislative appropriation, based on each district's unweighted FTE student enrollment at the eligible schools and a per-FTE funding amount of \$500 or as provided in the General Appropriations Act (GAA). The supplement must be based on the most recent school grades; however, the commissioner may prepare a preliminary calculation to allow districts to proceed with the planning and use of the funds. Schools remain eligible to receive the allocation for 4 years while implementing a turnaround plan and schools who improve to a school grade of "C" or higher will remain eligible to receive the allocation for 2 years after exiting turnaround status.

The bill establishes the Community Schools Grant Program to fund and support the planning and implementation of community school programs. Subject to available funds, the bill authorizes the Center to use grants provided through the program to facilitate implementation of community schools in Florida.

The bill defines "community organization" and designates it as the lead partner in the community school model that facilitates the use of grant funds. The "community school model" is defined as the model

¹²⁴ *Id.*

developed by the Center which utilizes a long-term partnership among a school district, community organization, a college or university, and a health care provider. The bill requires the model to include a governance structure that includes members from the partnership and provides that it may include community leaders. The model must also establish standards for effective implementation, reporting, and evaluation of each participating school, and provide for family engagement and expanded learning opportunities and support. A community school may include, but is not limited to, a CPS.

The bill requires that the Center:

- require a participating public school to establish long-term partnerships through a memorandum of understanding, conditioning subsequent grant awards upon matching funds; and
- prioritize awards based on demonstration of the technical and financial ability to sustain the model beyond the initial grant award and, for planning grant awards, prioritize schools in school districts where the community school model has not been established and the technical and financial ability to sustain the model has been demonstrated.

Beginning September 1, 2020, and annually thereafter, the Center must publish on its website information on each community organization receiving a grant to implement a community school, including:

- for each year awarded, the amount of funds awarded through the Center for each school and the amount of matching funds provided by the community organization;
- long-term partners who have entered into a memorandum of understanding;
- services and community engagement activities provided;
- the number of students, families, and community members served; and
- the academic progress of students enrolled at participating schools, to include student progression data, attendance, behavior, and student achievement and learning gains on statewide, standardized assessments.

Teacher Quality

In recent years, some school districts and education professionals raised concerns over a potential teacher shortage. Currently, the teacher workforce in Florida comprises 176,984¹²⁵ certificated personnel with 3,280 vacancies,¹²⁶ representing 2 percent of the total teacher workforce.¹²⁷ Teacher critical shortage areas in Florida¹²⁸ are defined by subject matter certification areas and include Science-General, English, and English for Speakers of Other Languages (ESOL), ranked 1st, 2nd and 3rd, respectively, for the 2018-2019 school year.¹²⁹ According to the DOE, over the past five years, the areas identified as critical shortage have “remained relatively stable.”¹³⁰

¹²⁵ Florida Department of Education, *Staff in Florida's Public Schools, District Reports 2018-19*, <http://www.fldoe.org/accountability/data-sys/edu-info-accountability-services/pk-12-public-school-data-pubs-reports/staff.html> (last visited March 6, 2018).

¹²⁶ Florida Department of Education, *Identification of Critical Teacher Shortage Areas* (January 2019), available at <http://www.fldoe.org/core/fileparse.php/7584/urlt/CTSA1920.pdf>

¹²⁷ Florida Department of Economic Opportunity, *Florida's December Employment Figures Released* (January 2019), available at <http://lmsresources.labormarketinfo.com/library/press/release.pdf>.

¹²⁸ Section 1012.07 F.S.; Rule 6A-20.0131, F.A.C.

¹²⁹ Florida Department of Education, *Identification of Critical Teacher Shortage Areas* (March 2018), available at <http://www.fldoe.org/core/fileparse.php/7584/urlt/CTSA1819.pdf>.

¹³⁰ Florida Department of Education, *Presentation on Educator Quality, Certification & Examinations* (January 23, 2019), available at [https://www.myfloridahouse.gov/Sections/Documents/loaddoc.aspx?PublicationType=Committees&CommitteeId=3018&Session=2019&DocumentType=Meeting Packets&FileName=pkq_1-23-19.pdf](https://www.myfloridahouse.gov/Sections/Documents/loaddoc.aspx?PublicationType=Committees&CommitteeId=3018&Session=2019&DocumentType=Meeting%20Packets&FileName=pkq_1-23-19.pdf).

Generally, there are two considerations when evaluating a teacher shortage: pathways and challenges for new teachers initially entering the workforce; and retention, or the number of teachers who remain in the profession over a five-year period. Florida’s teacher certification process is designed to measure a baseline of knowledge and skill that teachers need to be successful once they enter the classroom. Similar to many other states, Florida’s certification process requires applicants to demonstrate a mastery of general knowledge, professional competency, and subject matter expertise. The suite of exams testing these areas is referred to as the Florida Teacher Certification Examination (FTCE).

With respect to retention, Florida is comparable to the national rate for those teachers who remain in the profession five years later, which is approximately 70 percent.¹³¹ Professional literature indicates that teacher retention is highly influenced by the support and preparation first-time teachers receive. First-time teachers are more likely to leave the profession within the first five years if they are poorly supported or underprepared.¹³² In Florida, the DOE is responsible for the initial and continued approval of teacher preparation programs, but there is variation among school districts programs as to content, participant engagement, and skill development. While the DOE monitors programs through the continued approval review,¹³³ it provides limited data on why Florida teachers are exiting the profession.

Teacher Certification

Present Situation

Florida is similarly situated to many other states with respect to the examination component of the professional teacher certification process. Specifically, 27 other states and the District of Columbia require passage of a test for baseline, core academic skills like the General Knowledge Test (GKT).¹³⁴

Florida has three types of teaching certificates: a professional certificate; a temporary certificate; and an adjunct certificate.¹³⁵ For all three, teacher-candidates must submit an application, satisfy general eligibility requirements¹³⁶ and certificate-specific requirements included in the chart below. The FTCE can be used to satisfy the testing requirement and includes the GKT (mastery of general knowledge); subject area exams (mastery of subject area knowledge); and the Professional Education Test (mastery of professional preparation and education competence).

Each individual employed or occupying a position as school supervisor, school principal, teacher, library media specialist, school counselor, athletic coach, or other position in which the employee serves in an instructional capacity in any public school of any district must hold the certificate required for the type of service rendered.¹³⁷ Such positions include personnel providing direct instruction to students through a virtual environment or through a blended virtual and physical environment.¹³⁸

<u>Temporary Certificate Requirements</u> ¹³⁹	<u>Professional Certificate Requirements</u> ¹⁴⁰	<u>Adjunct Certificate Requirements</u> ¹⁴¹
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¹³¹ Florida Department of Education, *Presentation on Teacher Recruitment and Retention* (August 31, 2016) available at <http://www.fldoe.org/core/fileparse.php/18308/urlt/educatorpres.pdf>

¹³² Julie Rowland Woods, *Mitigating Teacher Shortages: Induction and Mentorship*, Education Commission of the States (May 2016), available at <https://www.ecs.org/wp-content/uploads/Mitigating-Teacher-Shortages-Induction-Mentorship.pdf>.

¹³³ Rule 6A-5.066(2)(a), F.A.C.

¹³⁴ Praxis, *Praxis® Core Academic Skills for Educators Tests Overview*, <https://www.ets.org/praxis/about/core/> (last visited March 5, 2019).

¹³⁵ Rule 6A-4.004(4), F.A.C., provides for an “athletic” certificate. This certificate is distinct from those referenced above in that it is limited to athletic coaches who do not have responsibility for subject matter instruction.

¹³⁶ Section 1012.56(2), F.S.

¹³⁷ Section 1012.55(1)(b), F.S.

¹³⁸ *Id.*

¹³⁹ Section 1012.56(7)(b), F.S.

<p>All general eligibility criteria, plus:</p> <ul style="list-style-type: none"> • Demonstrate mastery of subject area knowledge • Obtain full-time employment in a position for which a Florida educators' certificate is required in a Florida public, state supported, or a nonpublic school which has an approved system for documenting the demonstration of required professional education competence 	<p>All general eligibility criteria, plus:</p> <ul style="list-style-type: none"> • Demonstration of general knowledge • Demonstration of subject area knowledge • Demonstration of professional preparation and education competence 	<p>All general eligibility criteria , plus:</p> <ul style="list-style-type: none"> • Does not require passage of the GKT or mastery of general knowledge • Demonstrate expertise in the area to be taught by passing a subject-area test. <p>Adjunct certificate-holders may be employed as part-time instructional staff. The adjunct certificate is valid for only one year and may be reissued if the individual receives a rating of "effective" or "highly effective."</p>
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A temporary certificate is nonrenewable, valid for three school years, and allows a teacher-candidate to be employed full-time while completing the outstanding requirements for a professional teaching certificate.¹⁴² Demonstration of the mastery of general knowledge must be satisfied within one year of the date of employment under the temporary certificate.¹⁴³

In addition to achieving a passing score on the GKT, there are four additional ways to satisfy the mastery of general knowledge requirement. They are any of the following:¹⁴⁴

- Documentation of a valid professional standard teaching certificate issued by another state.
- Documentation of a valid certificate issued by the National Board for Professional Teaching Standards or other credentialing board approved by the SBE.
- Documentation of two semesters of teaching in a postsecondary institution identified by the DOE as having a quality program.
- Achievement of passing scores on national or international examinations that test comparable content and relevant standards including, the Graduate Record Examination (GRE).

According to the DOE, the GKT tests a baseline of general knowledge that a person who holds a bachelor's degree is assumed to possess.¹⁴⁵ The GKT, as required by state board rule, is a multipart exam composed of four subtests: Essay, English Language Skills, Reading, and Mathematics.¹⁴⁶ If a candidate fails one or more subtests of the GKT, the candidate must retake only the failed subtest(s) and there is no limit to the number of times a candidate can retake the GKT. Between January 2015

¹⁴⁰ Section 1012.56(7)(a), F.S.

¹⁴¹ Section 1012.57, F.S.

¹⁴² Florida Department of Education, *Certificate Types and Requirements*, <http://www.fldoe.org/teaching/certification/general-cert-requirements/> (last visited February 25, 2019).

¹⁴³ Section 1012.56(2)(g), F.S.

¹⁴⁴ Section 1012.56(3)(a)-(e), F.S.

¹⁴⁵ Florida Department of Education, *Frequently Asked Questions for FTCE & FELE*,

<http://www.fldoe.org/accountability/assessments/postsecondary-assessment/faq.stml#4906> (last visited March 5, 2019).

¹⁴⁶ Rule 6A-4.0021(6), F.A.C.

and December 2018, 35,698 (64 percent) candidates passed all four parts of the GKT, equaling 20 percent of the total teacher workforce.¹⁴⁷

If a candidate is having difficulty passing the GKT, the candidate may enroll in a state college to take classes that cover the general knowledge concepts that will be tested. The DOE publishes a *Test Information Guide for the GKT*.¹⁴⁸ This guide gives a brief overview of the test, provides the competencies and skills that are tested, and presents some sample items.

The SBE is required to waive the initial GKT fees and certification fees for specified members or honorably discharged veterans of the United States Armed Forces or reserves, and their spouses.¹⁴⁹

The registration fees for the GKT are established in state board rule.¹⁵⁰ On March 19, 2019, the SBE revised the exam fees associated with the GKT to the following:¹⁵¹

- First-Time Registration (Full Battery): \$130.00
- Single Subtest Retake Registration: \$32.50
- Two Subtest Retake Registration: \$65.00
- Three Subtest Retake Registration: \$97.50
- Full Battery Retake Registration: \$130.00

Effect of Proposed Changes

The bill deletes the requirement that a teacher achieve a passing score on the GKT within 1 year of receiving a temporary certificate. Additionally, the bill requires the SBE to adopt rules to allow the DOE to extend the validity period of a temporary certificate for 2 years if the certificate holder is rated highly effective in the immediate prior year's performance evaluation or has completed a 2-year mentorship program. This would provide a temporary certificate holder up to 5 years to meet all requirements for a professional certificate.

The bill specifies that only classroom teachers, rather than other certificated instructional personnel such as media specialists and guidance counselors, are required to demonstrate mastery of general knowledge to earn the applicable, professional educator certificate. Additionally, if a classroom teacher does not achieve a passing score on the GKT, the school district must provide that teacher with information regarding the availability of state-level and district level supports and instruction to assist in achieving a passing score on the GKT.

The bill requires state board rule to specify the following certification examination fees:

- Initial registration for first-time test takers.
- Retake of the full battery of subtests of an examination, if applicable. The retake fee for the full battery of subtests may not exceed the fee for the initial registration.
- Retake for each subtest of an examination. The retake fee for each subtest must be prorated based on the number of subtests within the examination.

¹⁴⁷ Florida Department of Education, *Presentation on Educator Quality, Certification & Examinations* (January 23, 2019), available at [https://www.myfloridahouse.gov/Sections/Documents/loaddoc.aspx?PublicationType=Committees&CommitteeId=3018&Session=2019&DocumentType=Meeting Packets&FileName=pkq_1-23-19.pdf](https://www.myfloridahouse.gov/Sections/Documents/loaddoc.aspx?PublicationType=Committees&CommitteeId=3018&Session=2019&DocumentType=Meeting%20Packets&FileName=pkq_1-23-19.pdf).

¹⁴⁸ FTCE/FELE, *Test Information Guides*, http://www.fl.nesinc.com/FL_TIGS.asp, (last visited March 5, 2019).

¹⁴⁹ Section 1012.59(3), F.S.

¹⁵⁰ See rule 6A-4.0021(4), F.A.C.

¹⁵¹ Florida Department of Education, *State Board of Education Approval of Amendment to Rule 6A-4.0021, Florida Teacher Certification Examinations* (March 19, 2019), available at <http://www.fldoe.org/core/fileparse.php/18744/urlt/40021.pdf>.

Teacher Preparation Programs

Present Situation

The National Council on Teacher Quality (NCTQ) reports that new teachers consistently identify classroom management as a challenge. The report concludes that better classroom management preparation will mitigate some of the difficulties faced by first-time teachers. Further, the NCTQ recommends teacher preparation programs gather information from their graduates and their employers about classroom management issues they are encountering. This information can be used to adjust instruction based upon research-based strategies.¹⁵²

According to the Hope Street Group, strengthening preservice experience curricula is an important element of improving teacher preparation. The report concludes that teacher preparation should include the real challenges of the profession—the rapid increase inservice to high-need/persistently low-achieving populations, and a shift in focus on standards instruction. Including coursework that is directly connected to classroom experience further prepares teachers for the realities of the classroom.¹⁵³

In Florida, teacher preparation programs are accountable for producing individuals with the competencies and skills necessary to achieve state education goals.¹⁵⁴ Review and approval of school district-operated teacher preparation programs by the DOE consists of two parallel systems - one for initial approval and one for continued approval. There are requirements delineated in both current law and state board rule for initial program approval and continued program approval. Continued approval of a state-approved teacher preparation program is based upon evidence that the program continues to implement the requirements for initial approval; significant, objective, and quantifiable measures of the program; and the performance of program completers.¹⁵⁵

The SBE adopts rules to establish uniform core curricula for each state-approved teacher preparation program.¹⁵⁶ These rules must include, at a minimum, the following:¹⁵⁷

- The Florida Educator Accomplished Practices.¹⁵⁸
- The state-adopted content standards.
- Scientifically researched and evidence-based reading instructional strategies that improve reading performance for all students, including explicit, systematic, and sequential approaches to teaching phonemic awareness, phonics, vocabulary, fluency, and text comprehension and multisensory intervention strategies.
- Content literacy and mathematics practices.
- Strategies appropriate for the instruction of English language learners.
- Strategies appropriate for the instruction of students with disabilities.
- School safety.

¹⁵² National Council on Teacher Quality, *Training Our Future Teachers: Classroom Management* (January 2014), available at https://www.nctq.org/dmsView/Future_Teachers_Classroom_Management_NCTQ_Report.

¹⁵³ Hope Street Group, *On Deck: Preparing the Next Generation of Teachers* (March 2016), available at <https://hopestreetgroup.org/wp-content/uploads/2018/03/On-Deck-Preparing-the-Next-Generation-of-Teachers-3.pdf>.

¹⁵⁴ Section 1004.04(1)(b), F.S.

¹⁵⁵ Florida Department of Education, *Continued Approval*, <http://www.fldoe.org/teaching/preparation/continued-approval.stml> (last visited Feb. 25, 2019).

¹⁵⁶ Section 1004.04(2)(a), F.S.

¹⁵⁷ Section 1004.04(2)(b)1-7, F.S.

¹⁵⁸ Florida Department of Education, *The Florida Educator Accomplished Practices (FEAPs)*, <http://www.fldoe.org/teaching/professional-dev/the-fl-educator-accomplished-practices.stml> (last visited Feb. 25, 2019). The Florida Educator Accomplished Practices (FEAPs) are Florida's core standards for effective educators and provide valuable guidance to Florida's public school educators and educator preparation programs throughout the state on what educators are expected to know and be able to do.

Each teacher-candidate must be instructed and assessed on the uniform core curricula in his or her program concentration area during course work and field experiences. Additionally, each candidate must participate in field experience and pass the FTCE.¹⁵⁹

Educator Preparation Institutes (EPIs) are offered by Florida postsecondary institutions or qualified private providers and provide instruction for baccalaureate or higher degree holders who did not earn an education-related degree.¹⁶⁰ EPIs are designed for baccalaureate degree holders to become certified teachers.

Each approved EPI must include, in its annual performance evaluation, employer satisfaction surveys, which are designed to measure the preparation of the educator to enter the classroom setting.¹⁶¹

Effect of Proposed Changes

The bill revises the required criteria for continued teacher preparation program approval to include a survey of program completers' satisfaction with preparation for the realities of the classroom, employers' satisfaction with the program, and the program's responsiveness to local school districts. Each Florida public and private institution must include these surveys in their annual report regarding state-approved teacher preparation programs to the general public.

The bill revises the requirements for approval of an educator preparation institute's certification program to include, in addition to the requirements of current law:

- Participant instruction and assessment in the Florida Educator Accomplished Practices across content areas.
- The use of state-adopted content standards to guide curriculum and instruction.
- Strategies to differentiate instruction based on student need. The bill eliminates the requirement that the plan include instruction and assessment in school safety.
- The use of character-based classroom management.
- Field experiences appropriate to the certification subject area with a diverse population of students in a variety of challenging environments, including, but not limited to, high-poverty schools, urban schools, and rural schools, under the supervision of qualified educators.

The bill modifies program performance evaluations to include satisfaction surveys of employers and teacher-candidates, rather than only employers. The bill also requires each institute to design the surveys to measure educator preparation for the realities of the classroom and the institute's responsiveness to local school districts.

Best and Brightest Teacher and Principal Scholarship Programs

Present Situation

The "Best and Brightest Teacher Scholarship Program" awards state-funded bonuses to teachers who score in the 80th percentile or higher on the SAT or ACT and are rated by their districts as highly

¹⁵⁹ Section 1004.04(2)(c)-(d), F.S.

¹⁶⁰ Section 1004.85, F.S.

¹⁶¹ Section 1004.85(5), F.S.

effective. New teachers may qualify based solely on their SAT or ACT score, as they do not yet have an evaluation rating.

The 2017 Legislature revised eligibility criteria beginning with the 2020-21 school year by:

- lowering the qualifying assessment score threshold from the 80th percentile to the 77th percentile based on the National Percentile Ranks in effect when the classroom teacher took the assessment;
- recognizing other national, standardized assessments that measure cognitive ability in lieu of the SAT or ACT;
- allowing an assessment score in the 71st percentile or higher to qualify if the applicant earned a baccalaureate degree with a designation of *cum laude* or higher; and
- allowing teachers to satisfy the highly effective rating requirement based solely on their value-added score calculated by the DOE.

In addition, the Legislature identified the LSAT, GRE, GMAT, and MCAT as additional assessments on which classroom teachers can earn qualifying scores. The percentile requirements apply the same to these assessments as to the SAT and ACT. Allowing a teacher to use his or her VAM score to meet the “highly effective” requirement prevents subjective district evaluation criteria from affecting the teacher’s eligibility for a scholarship award.¹⁶²

For the 2017-2018 school year, 9,815 teachers were identified as qualifying for the highest scholarship award, which is a 36.5 percent increase from the 7,188 recipients in 2016, and represents about 5.6% of the 174,193 full-time classroom teachers statewide.¹⁶³ In addition to the 9,815 teachers identified as qualifying for the \$6,000 bonus; 82,790 teachers qualified for the \$1,200 award, and 72,126 teachers qualified for the \$800 award.¹⁶⁴

Best and Brightest Teacher Scholarship Awards ¹⁶⁵				
2015 Recipients	2016 Recipients	2017 Recipients ¹⁶⁶		
5,307	7,188	9,815	82,790	72,126
\$8,256/per award	\$6,816/per award	\$6,000/per award	\$1,200/per award	\$800/per award

In 2017, the Legislature established the “Best and Brightest Principal Scholarship Program” to recognize school principals¹⁶⁷ who recruit and retain high quality teachers.¹⁶⁸

Under the program, a principal may receive a scholarship award, as determined in the GAA, if:

¹⁶² Section 46, ch. 2017-116, L.O.F., *codified at* s. 1012.731(3)(a) and (b), F.S.

¹⁶³ Florida Department of Education, *Data report: Staff in Florida’s Public Schools 2017-18*, Oct. 2018, available at <http://www.fldoe.org/core/fileparse.php/7584/urlt/ARInstructionalDistStaff1718.xls>.

¹⁶⁴ Email from Jason Gaitanis, Bureau Chief of Bureau of Accountability Reporting, Florida Department of Education (June 25, 2018).

¹⁶⁵ Before the 2017-2018 school year, a qualifying teacher could receive a Best and Brightest scholarship award of up to \$10,000, *pro rata*. See Specific Appropriation 99A, s. 2, ch. 2015-232, L.O.F.; *see also* s. 25, ch. 2016-62, L.O.F.

¹⁶⁶ Approximately 75.6 percent of all classroom teachers in the 2016-2017 school year qualified for at least one awards under the Best and Brightest Teacher Scholarship Program.

¹⁶⁷ This includes school principals or school directors who are staff members performing the assigned activities as the administrative head of a school and to whom have been delegated responsibility for the coordination and administrative direction of the instructional and noninstructional activities of the school. Section 1012.01(3)(c)1., F.S.

¹⁶⁸ *See* s. 47, ch. 2017-116, L.O.F., *codified at* s. 1012.732, F.S. (2017).

- he or she has served as principal at the school for at least the last 2 consecutive school years; and
- the faculty at his or her school has a ratio of best and brightest teachers to other classroom teachers that is at the 80th percentile or higher, statewide, for that school type (elementary, middle, high, or combination).¹⁶⁹

The law provides a \$5,000 scholarship award amount for each qualifying principal who is assigned to a Title I school and a \$4,000 scholarship award amount for each qualifying principal who is assigned to a non-Title I school.¹⁷⁰

Each school district, annually by December 1, must provide the name and master school identification number of each school in the district to which a teacher eligible for a Best and Brightest Teacher Scholarship Program award is assigned. The district must also provide the name of the school principal of each eligible teacher's school if he or she has served as the school's principal for at least 2 consecutive school years, including the current school year.¹⁷¹

By February 1 each year, the DOE must identify qualifying principals and disburse funds to each school district for each eligible principal to receive the award.¹⁷² By April 1, each school district, charter school governing board, and the Florida School for the Deaf and the Blind must provide payment of the award to each eligible principal.¹⁷³

In addition to the monetary award, the law requires school districts to provide a principal designated as best and brightest with the same autonomy principals participating in the Principal Autonomy Pilot Initiative have concerning certain budgetary and personnel decisions.¹⁷⁴

Effect of Proposed Changes

The bill reconfigures the Florida Best and Brightest Teacher Scholarship Program and the Florida Best and Brightest Principal Scholarship Program as the Best and Brightest Teacher Program and the Best and Brightest Principal Program. The bill also establishes the Florida Best and Brightest Teacher and Principal Allocation within the FEFP to fund awards based on each district's proportionate share of base funding.

The Florida Best and Brightest Teacher Program now provides three awards – recruitment, retention and recognition – each with distinct criteria for determining eligibility. The bill removes a teacher's performance on the SAT or ACT as a factor in determining eligibility for any award. The teacher awards are:

- Recruitment awards for newly hired teachers who are a content expert, based on criteria established by the department, in mathematics, science, computer science, reading, or civics.
- Retention awards for teachers rated as "highly effective" or "effective" the preceding year who teach in a school that has demonstrated academic improvement, as evidenced by the school improving an average of three percentage points or more in the percentage of total possible points achieved for determining school grades over the prior 3 years.

¹⁶⁹ Section 1012.732(3), F.S.

¹⁷⁰ Section 1012.732(4), F.S.

¹⁷¹ Section 1012.731(4)(b) and (c), F.S.

¹⁷² Section 1012.732(4), F.S.

¹⁷³ Section 1012.732(5), F.S.

¹⁷⁴ Section 1012.732(6), F.S.

- Recognition awards for teachers and instructional personnel rated as “highly effective” or “effective” and selected by the school principal based on performance criteria and policies adopted by the district school board.

All award amounts for the program will be specified annually in the GAA. The recognition awards must be provided from remaining funds available after the payment of all other teacher recruitment and retention awards and principal awards.

The bill uses school performance as the basis for the Florida Best and Brightest Principal Program. A principal is eligible for an award if he or she has served as school principal at his or her school for at least 4 consecutive school years, including the current school year, and the school has demonstrated academic improvement, as evidenced by the school improving an average of three percentage points or more in the percentage of total possible points achieved for determining school grades over the prior 3 years. Award amounts for the program will be specified annually in the GAA.

The 2019 GAA specifies the following award amounts:

- Up to \$4,000 for recruitment awards.
- Retention awards of \$2,500 for highly effective teachers and \$1,000 for effective teachers in qualifying schools.
- \$5,000 for principal awards.

School Facilities

State Requirements for Educational Facilities

Present Situation

The State Requirements for Educational Facilities (SREF) is the uniform statewide building code for the planning and construction of public educational and ancillary plants. It is adopted as part of the Florida Building Code adopted by the Florida Building Commission.¹⁷⁵ District school boards must adhere to the SREF when planning and constructing educational facilities and ancillary plants. Generally, SREF standards are premised on providing enhanced safety of occupants and increasing the life span of the extensive, publicly funded infrastructure of Florida’s public school districts.¹⁷⁶

Facilities for non-conversion (start-up) charter schools must meet the requirements of the uniform statewide building code, except for the SREF.¹⁷⁷ Conversion charter schools¹⁷⁸ must comply with SREF requirements so long as the school district and the charter school enter into a mutual management plan for the reasonable maintenance of the facilities.¹⁷⁹

District school boards may adopt a resolution to implement an exception to one or more of the following SREF requirements:¹⁸⁰

- use of wood studs in interior nonload-bearing walls;
- paved walkways, roadways, driveways, and parking areas;

¹⁷⁵ Section 1013.37(1), F.S.

¹⁷⁶ See, e.g., s. 1013.12, F.S. (casualty, safety, sanitation, and fire safety standards and inspection of property) and s. 1013.451, F.S. (life-cycle cost comparison)

¹⁷⁷ Section 1002.33(18)(a), F.S.

¹⁷⁸ Section 1002.33(3), F.S., authorizes conversion of district-operated schools to charter schools under certain circumstances.

¹⁷⁹ Section 1002.33(18)(a), F.S.

¹⁸⁰ See s. 1013.385(2), F.S.

- covered walkways for relocatable buildings;
- site lighting; and
- any other provision that limits the ability of a school to operate in a facility on the same basis as a charter school; however, the regional planning council must determine that there is sufficient shelter capacity within the school district as documented in the Statewide Emergency Shelter Plan.¹⁸¹

The resolution must pass by a supermajority vote at a public meeting that begins no earlier than 5 p.m. Before voting on the resolution, a district school board must conduct a cost-benefit analysis prepared according to a professionally accepted methodology that describes how each exception selected by the district school board:¹⁸²

- achieves cost savings;
- improves the efficient use of school district resources; and
- impacts the life-cycle costs and life span for each educational facility to be constructed; and

The cost-benefit analysis must also demonstrate that implementation of the exception will not compromise student safety or the quality of student instruction. The district school board must conduct at least one public workshop to discuss and receive public comment on the proposed resolution and cost-benefit analysis, which must begin no earlier than 5 p.m. and may occur at the same meeting at which the resolution will be voted upon.¹⁸³

Effect of Proposed Changes

The bill provides school districts greater flexibility in meeting school facilities requirements by allowing a district school board to adopt a resolution through a majority vote, rather than a supermajority vote, to implement exceptions to the educational facilities construction requirements. It also deletes the requirement that the board conduct a cost-benefit analysis prior to voting on the resolution.

Educational Plant Surveys

Present Situation

In addition to meeting SREF requirements, school districts must justify new school facility construction through an educational plant survey that is conducted at least every 5 years. Funds from the following sources may be used for school facilities without a survey recommendation:¹⁸⁴

- The local capital outlay improvement fund, consisting of funds that come from and are a part of the district's basic operating budget.
- If a board decides to build an educational, auxiliary, or ancillary facility without a survey recommendation and the taxpayers approve a bond referendum, the voted bond referendum.
- One-half cent sales tax revenue.
- One cent local governmental surtax revenue.
- Impact fees.
- Private gifts or donations.

¹⁸¹ See s. 252.385(2)(b), F.S.

¹⁸² Section 1013.385(1), F.S.

¹⁸³ *Id.*

¹⁸⁴ Section 1013.31(1)(a), F.S.

District school boards may levy up to 1.5 mills of *ad valorem* taxes for certain capital expenses, including the construction of new educational, auxiliary, and ancillary facilities. However, such construction must have a survey recommendation.¹⁸⁵

Effect of Proposed Changes

The bill enhances local flexibility in planning school facility construction by allowing school districts to use funds generated by the discretionary 1.5 millage for educational, auxiliary, and ancillary plant facilities without requiring a survey recommendation. The bill also specifies that the commissioner's authority to withhold capital outlay funds as a result of a school district's facility needs survey applies only to general revenue funds or state trust funds.

Cost per Student Station

Present Situation

In Florida, construction costs for K-12 facilities are reported based on the cost per student station.¹⁸⁶ The statutory cost per student station baseline was initially set in 1997 and was amended in 2003 and in 2006.¹⁸⁷ In 2005, the DOE conducted a study on overall inflation of school construction costs, including the Consumer Price Index (CPI) and other factors. The cost per student station levels adopted in 2006 were based on the DOE's study recommendations.¹⁸⁸ The statutory cost per student station is adjusted to reflect increases or decreases in the CPI. The law does not specifically assign this adjustment function; however, the DOE and the Office of Economic and Demographic Research (EDR)¹⁸⁹ work together to calculate and disseminate the new statutory caps.¹⁹⁰

The table below summarizes the current cost per student station caps:¹⁹¹

Type of School	Cost Per Student Station
Elementary School	\$22,996
Middle School	\$24,833
High School	\$32,256

The law states that cost per student station includes contract costs, legal and administrative costs, fees of architects and engineers, furniture and equipment, and site improvement costs. The cost per student station does not include the cost of purchasing or leasing the site for the construction or the cost of related offsite improvements. Cost per student station also does not include the cost for securing entries, checkpoint security, security cameras, automatic locks and locking devices, electronic security systems, fencing designed to prevent intruder entry into a building, bullet-proof glass, or other capital construction items approved by the school safety specialist to ensure building security for new

¹⁸⁵ See ss. 1011.71(2) and 1013.31(1), F.S.

¹⁸⁶ Section 1013.64(6), F.S.

¹⁸⁷ Office of Economic and Demographic Research, *Special Research Projects*, <http://edr.state.fl.us/Content/special-research-projects/education/CostPerStudentStation.pdf>.

¹⁸⁸ Section 1013.64(6)(b)1., F.S.

¹⁸⁹ The Office of Economic and Demographic Research (EDR) is a research arm of the Legislature principally concerned with forecasting economic and social trends that affect policy making, revenues, and appropriations. Office of Economic and Demographic Research, *Welcome*, <http://edr.state.fl.us/Content/> (last visited March 29, 2019).

¹⁹⁰ Office of Economic and Demographic Research, *Special Research Projects*, <http://edr.state.fl.us/Content/special-research-projects/education/CostPerStudentStation.pdf>

¹⁹¹ Florida Department of Education, *Cost Per Student Station (Feb. 2019)*, available at <http://edr.state.fl.us/Content/conferences/peco/studentstation.pdf>.

educational, auxiliary, or ancillary facilities; costs for these items must be below 2 percent per student station.¹⁹²

District school boards may not use funds from specified sources, including the nonvoted 1.5-mill levy of ad valorem property taxes, for any new construction of educational plant space with a total cost per student station exceeding the cost identified in the above table unless a contract for architectural and design services or for construction management services was executed before July 1, 2017.^{193, 194} A district school board in violation of the cost per student station limits is ineligible for Public Education Capital Outlay (PECO) funds for 3 years and subject to supervision by an oversight committee, whose members are specified by law.¹⁹⁵

In 2016, the Legislature enacted chapter 2016-237, Laws of Florida, which required the EDR, in consultation with the DOE, to conduct a study of the cost per student station amounts using the most recent available information on construction costs. The law further stated that for purposes of the study, the costs per student station should represent the costs of classroom construction and administrative offices as well as the supplemental costs of core facilities, including required media centers, gymnasiums, music rooms, cafeterias and their associated kitchens and food service areas, vocational areas, and other defined specialty areas, including exceptional student education areas. The EDR was required to submit the results of its study to the Legislature and the Office of the Governor no later than January 31, 2107.

The EDR study concluded that the current cost per student station calculation included many costs that are actually incidental to construction. Additionally, other problems identified with the calculation include:¹⁹⁶

- Initial dollar value and the school model it is based on are not specified, transparent, and replicable.
- Comparisons and monitoring for compliance is difficult.
- Current cost limits are applied statewide and do not reflect any regional differences within Florida.
- National CPI used for growth does not reflect changes in construction costs or Florida specific conditions.
- Cost per student station cannot be effectively and accurately forecast over time because there is a lack of clarity on what is included in the current value of the cost limit and because the cost of different components in the current structure of the cost per student station change at different rates over time. It would be coincidental if the blended and weighted component growth happened to equal the change in the CPI in any given year.

The EDR study recommended two options for applying a new square foot method for determining the cost limits: (1) a single statewide Florida-specific construction cost per square foot method for each type of school or (2) six regional Florida-specific construction costs per square foot for each type of school.¹⁹⁷

Effect of Proposed Changes

¹⁹² Section 1013.64(6)(d), F.S.

¹⁹³ Section 1013.64(6)(b)1., F.S.

¹⁹⁴ Section 1013.64(6)(b)3., F.S.

¹⁹⁵ Section 1013.64(6)(c), F.S.

¹⁹⁶ Office of Economic and Demographic Research, *Special Research Projects*, <http://edr.state.fl.us/Content/special-research-projects/education/CostPerStudentStation.pdf>.

¹⁹⁷ *Id.*,

With respect to cost per student station requirements, the bill:

- excludes legal and administrative costs and site improvement costs from the cost per student station calculation;
- removes the limitation that specified costs related to site hardening amount to no more than 2 percent per student station;
- excludes educational facilities and sites subject to a lease-purchase agreement using funds generated by the discretionary 1.5 millage from cost per student station limits; and
- deletes sanctions for school districts that are found by the Auditor General to exceed cost per student station limits.

The bill requires the DOE and the EDR to adjust cost per student station limits to reflect actual construction costs by January 1, 2020, and annually thereafter. The DOE must also collaborate with the EDR to select an industry-recognized construction index to replace the currently-used CPI, also by January 1, 2020, to be adjusted annually. The revised cost per student station limits must be used by the DOE for computation of the statewide average cost per student station for each instructional level.

The bill eliminates restrictions and sanctions on district school boards related to educational facilities construction. Specifically, the bill removes the requirements for the DOE to make the final determination on district compliance with the cost per student station limits along with the sanctions imposed on school districts for violating the cost per student station limits.

Special Facility Construction Account

Present Situation

The Special Facility Construction Account is a separate account in the Public Education Capital Outlay and Debt Service Trust Fund that is used to provide funds to school districts with urgent construction needs but do not have enough capital outlay funds to meet the needs either presently or likely will not within the next 3 years.¹⁹⁸ A Special Facility Construction Committee reviews requests from school districts for funding and ranks requests in priority order.¹⁹⁹ To qualify, the project must:

- be deemed a critical need and recommended for funding by the committee;
- recommended in the most recent survey or survey amendment and approved by the DOE;
- appear in the school district's approved project priority list; and
- have been selected and approved by the school district through the site planning and selection process established under s. 1013.36, F.S.

Final phase III plans must be certified by the district school board as complete and in compliance with building and life safety codes by June 1 of the year the application is made.²⁰⁰ The DOE must certify that the school district is unable to fund the project over a continuous 3-year period using projected capital outlay revenue under its constitutional and statutory authority to levy *ad valorem* taxes. Upon construction, the total cost per student station may not exceed the cost per student station limits except for cost overruns created by a disaster or an unforeseeable circumstance beyond the district's control

¹⁹⁸ See s. 1013.64(2)(a), F.S.

¹⁹⁹ See s. 1013.64(2)(c), F.S. The committee comprises two DOE representatives, a representative from the Governor's office, a representative selected annually by the district school boards, and a representative selected annually by school district superintendents. A DOE representative must chair the committee. Section 1013.64(2)(b), F.S.

²⁰⁰ Section 1013.62(2)(a)12., F.S.

as determined by the committee.²⁰¹ The school district must agree in writing to advertise for bids within 30 days of receipt of an encumbrance authorization from the DOE.²⁰²

The account is funded by legislative appropriation. The Legislature appropriated \$31,392,727 to the account for the 2018-2019 school year.²⁰³ The funds were disbursed as follows.²⁰⁴

- Taylor School District (3rd and final year) - \$6,272,025
- Liberty School District (2nd of 3 years) - \$6,060,895
- Jackson School District (2nd of 3 years) - \$19,059,807

For projects before the 2019-2020 school year, school districts must levy the maximum millage (1.5 mills) for capital outlay or raise an equivalent amount from the capital outlay surtax at the time they submit the request and must continue the levy or surtax until the participation amount is satisfied.²⁰⁵ For projects sought in the 2019-2020 school year and thereafter, the district must levy the maximum millage or raise the equivalent amount from the surtax for at least 3 years before submitting the request. A school district with a new or active project must budget a value of up to 1 mill per year to the project. A school district may not receive funding for more than one approved project in a 3-year period or while any portion of the district's participation amount is outstanding.²⁰⁶

Effect of Proposed Changes

In the wake of widespread, significant damages caused by Hurricane Michael in 2018, the bill allows a school district that sustained hurricane damage in the 2018-2019 school year to request funding from the Special Facility Construction Account during the 2019-2020 school year for a new project before the completion of the district's participation requirement for an outstanding project. In addition, the bill allows school districts to apply for funding based on the district school board approval of Phase I plans, rather than Phase III plans, as being in compliance with the building and life safety codes. This will allow school districts to receive a response to their request for funding prior to further investment in Phase II and Phase III plans. The bill expands the costs that may exceed cost per student station limits to include, at the committee's discretion:

- legal and administrative fees;
- the cost of site improvements or related offsite improvements;
- the cost of complying with public shelter and hurricane hardening requirements;
- cost overruns created by a disaster and unforeseeable circumstances outside of the district's control; and
- costs of security enhancements approved by the school safety specialist.

Additionally, the bill authorizes the DOR to adopt emergency rules for the purpose of administering the educational facilities provisions relating to Hope Scholarship and Florida Tax Scholarship programs. These emergency rules are effective for 6 months after adoption and may be renewed during the pendency of procedures to adopt permanent rules addressing the subject of emergency rules.

Other Provisions

²⁰¹ See s. 1013.64(2)(a)6., F.S.

²⁰² Section 1013.64(2)(a)7., F.S.

²⁰³ Specific Appropriation 25, s. 2, ch. 2018-9, L.O.F.

²⁰⁴ Email from Denise Potvin, Budget Chief, for PreK-12 Education Appropriations Subcommittee, Florida House of Representatives, Re: Special Facilities Construction Account (May 17, 2019).

²⁰⁵ See ss. 1011.71(2) and 1013.64(2)(a)8., F.S. The capital outlay surtax is authorized under s. 212.055(6), F.S.

²⁰⁶ See s. 1013.64(2)(a)8., F.S.

The bill specifies that the charter between a charter school and a district school board may include a provision requiring the charter school to be responsible for all costs associated with, but not limited to mediation, damages, and attorney fees incurred by the school district in connection to complaints to the federal Office for Civil Rights or the Equal Employment Opportunity Commission.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

See Fiscal Comments, *infra*.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The revenue change mentioned in the Fiscal Comments below will equate to a projected \$4 million to \$5 million savings for teachers and prospective teachers each year.²⁰⁷

D. FISCAL COMMENTS:

There is no fiscal impact resulting from the additional eligible use of the Schools of Hope Program fund as specified in Section 5 of the bill.

On March 19, 2019, the SBE adopted an amendment to Rule 6A-4.0021, F.A.C., Florida Teacher Certification Examinations.²⁰⁸ The adopted change to the rule lowers the retake registration fees for the General Knowledge Test and the Professional Education Test, as well as lowers the first-time and retake registration fees for all subject area examinations. These registration fee changes became effective April 22, 2019. Based on 40,000 examination retakes in 2018 and increasing the time period for a temporary certification, the DOE estimates that this change may have a potential impact of a \$4 million to \$5 million savings to teachers and prospective teachers each year.²⁰⁹

²⁰⁷ Florida Department of Education, Fiscal Analysis email received March 22, 2019.

²⁰⁸ Florida Department of Education, *State Board of Education Approval of Amendment to Rule 6A-4.0021, Florida Teacher Certification Examinations* (March 19, 2019), available at <http://www.fldoe.org/core/fileparse.php/18744/urlt/40021.pdf>.

²⁰⁹ Florida Department of Education, Fiscal Analysis email received March 22, 2019.

The Conference Report for the Fiscal Year 2019-2020 General Appropriations Act includes the following appropriations:

- \$147,500 for the Florida School for the Deaf and the Blind to participate in the Florida Best and Brightest Teacher and Principal Programs pursuant to ss. 1012.731 and 1012.732, F.S.
- \$7,180,571 for the Community School Grant Program provided in s. 1003.64, F.S.
- \$40,000,000 for the Schools of Hope Program fund provided in s. 1002.333(10), F.S.
- \$45,473,810 for the Turnaround Supplemental Services Allocation provided in s. 1011.62(21), F.S.
- \$284,500,000 for the Best and Brightest Teachers and Principals Allocation provided in s. 1011.62(18), F.S.