

April 7, 2017

MEMORANDUM

TO: District School Superintendents

FROM: Joy Frank
Garrett Bruner, Legislative Intern
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RE: Legislative Update – Week of April 3, 2017

General Information

It was a busy week. Next week, the Legislature will have a limited calendar due to Passover and Easter. The House and Senate will take up their respective budgets and conforming bills midweek. The Senate appropriations subcommittees will meet on Thursday. The House has not scheduled any committee meetings other than Rules.

Several documents are attached along with this report.

- Budget Comparison Chart – Many thanks to Ruth Melton/FSBA
- Charter School Capital Outlay Comparison Chart – Many thanks to Jim Hamilton
- SB 92 and HB 773 Comparison Chart
- DA Schools for More than 3 Year – accompanies Schools of Hope Legislation – HB 5105.

Below is a summary of major legislation and bills that are moving.

Senate Appropriations Bills

SB 2502 – Implementing Bill. The Implementing Bill accompanies the General Appropriations Act and is only valid for one fiscal year or from July 1, 2017 – June 30, 2018, unless otherwise indicated. The bill covers all areas of the budget and the sections applicable to PerK-12 Education are summarized below

Section 2. Incorporates the Florida Education Finance Program (FEFP) work papers by reference for the purpose of displaying the calculations used by the Legislature.

Section 3. Provides that funds provided for instructional materials shall be released and expended as required in the proviso language attached to Specific Appropriation 91.

Section 5. Amends s. 1011.62, F.S., relating to the Florida Digital Classrooms Allocation within the Florida Education Finance Program. This section changes the minimum allocation per district from \$250,000 to \$400,000 for Fiscal Year 2017-2018.

Section 9. Authorizes the Dixie Middle School/High School special facilities project to exceed the cost per student station.

The bill passed the Senate Appropriations Committee and is now on the Special Order Calendar.

SB 2516 – Education Funding. The bill:

- Modifies the policy regarding the “extra hour of reading” at the 300 lowest-performing elementary schools by:
 - Permanently codifying the program in statute, rather than relying on annual reauthorization. The program was established for three years beginning in the 2012-2013 fiscal year but has been extended annually in the implementing bill since the 2015-2016 fiscal year.
 - Expanding the program to allow schools that improve performance to the extent that they are no longer on the most current list of 300 lowest-performing schools to maintain the program for two additional academic years.
 - Expanding the requirements of the program to include a 60-hour summer school component.
 - Codifying the methodology for calculating the allocation of Supplemental Academic Instruction (SAI) funds, which includes funds for the “extra hour of reading” requirement.
 - Requiring school districts to delineate the implementation design and reading intervention strategies for the program as part of their comprehensive reading plan.
- Modifies the small, isolated high schools provision of the Florida Education Finance Program (FEFP) by expanding its application to elementary schools and establishing the criteria by which elementary schools may qualify.
- Permanently codifies the sparsity supplement calculation used to compute the sparsity supplement for eligible districts with a full-time equivalent (FTE) student membership of between 20,000 and 24,000, by dividing the total number of full-time equivalent students in all programs by the number of permanent senior high school centers in the district, not in excess of four (rather than three as used for other districts). This calculation has been in the implementing bill since the 2015-2016 fiscal year.

- Modifies the federally connected student supplement to allow for recalculation throughout the year based on actual student membership and the tax-exempt valuation from the most recent assessment roll.
- Permanently codifies a provision that prohibits a school district from seeking a positive allocation adjustment in the current fiscal year because of an under allocation for a prior fiscal year caused by district error.
- Modifies the qualification requirements and funding methodology for the High Growth District Capital Outlay Assistance Grant Program.
- Requires the Auditor General to conduct an annual financial audit of the Florida School for the Deaf and the Blind.

This bill does not have a fiscal impact on state and local revenues and expenditures. However, based on these statutory modifications, the following funding decisions have been made:

- Funding for additional requirements for the additional hour of intensive reading instruction at the lowest-performing elementary schools is provided in the supplemental academic instruction and the research-based reading instruction allocation categoricals within the Florida Education Finance Program (FEFP). The Senate proposed General Appropriations Act for Fiscal Year 2017-2018, SB 2500, includes \$27 million for the 60-hour summer component and \$23 million for schools to continue to provide an additional hour of instruction for two subsequent academic years after the school improves performance such that it is no longer classified as one of the 300 lowest performing elementary schools.
- The bill modifies the federally connected student supplement calculation within the FEFP. The school districts eligible for funding through the categorical will receive their proportional share of the appropriated \$13 million, as proposed in SB 2500, allocated through the FEFP.
- SB 2500 appropriates \$3 million for the High Growth District Capital Outlay Assistance Grant Program.

The bill passed the Senate Appropriations Committee as a committee bill and is now on the Special Order Calendar.

House Appropriations Bills

HB 5003 – Implementing Bill. The Implementing Bill accompanies the General Appropriations Act and is only valid for one fiscal year or from July 1, 2017 – June 30, 2018, unless otherwise indicated. The bill covers all areas of the budget and the sections applicable to PerK-12 Education are summarized below.

Section 2. Incorporates the FEFP calculations or budget runs.

Section 3. School boards that generate less than \$2 million in revenue from a 1-mill levy of ad valorem tax is required to contribute 0.75 mills for the 2017-2018 fiscal year toward the cost of special facilities projects. This section expires July 1, 2018.

Section 4. Section 1012.731, F.S., relating to the Florida Best and Brightest Teacher Scholarship Program is reenacted and amended. To be eligible, a teacher would have to score at the 77th percentile on the SAT, ACT, GRE, LSAT, GMAT or MCAT and have been evaluated as highly effective pursuant to s. 1012.34 or have been evaluated as highly effective based on a commissioner-approved student learning growth formula pursuant to s. 1012.3(8). Once a classroom teacher is deemed eligible by the school district, the teacher remains eligible as long as he or she remains highly effective.

In addition to submitting the number of eligible teacher to DOE by December 1, each district must submit:

- The name and master school identification number (MSID) of each school to which the eligible classroom teacher is assigned.
- The name of the school principal of each eligible classroom 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.

Section 5. Creates s. 1012.732 relating to the Florida Best and Brightest Principal Scholarship Program. The bill expresses legislative intent to designate school principals whose school faculty has a high percentage of classroom teachers who are designated as Florida's best and brightest teacher scholars as Florida's best and brightest principals.

The Best and Brightest Principal Scholarship Program will be administered by DOE. The program will provide categorical funding for scholarships to be awarded to principals who have recruited and retained a high percentage of best and bright teachers.

To be eligible, a principal must have served at the school for at least 2 consecutive school years including the current school year and the school must have a ratio of best and brightest teachers to other teachers that is at the 80th percentile or higher for schools within the same grade group, statewide, including elementary schools, middle schools, high schools and schools with a combination of grade levels.

Annually, by February 1, DOE must identify eligible principals and disburse funds to each district for each eligible principal. A scholarship must be awarded to every eligible school principal, with a greater scholarship amount awarded to school principals who are assigned to a Title I school. Funds will be prorated if necessary.

Annually, by April 1, each district must award a scholarship to each eligible school principal. In addition, a district must provide a best and brightest principal with the

additional authority and responsibilities provided in s. 1012.28(8) for a minimum of 2 years (Principal Autonomy Pilot Program or PAPP). Additional authority includes the authority to

- Select qualified instructional personnel for placement or to refuse to accept the placement or transfer of instructional personnel by the district school superintendent. Placement of instructional personnel at a participating school in a participating school district does not affect the employee's status as a school district employee.
- Deploy financial resources to school programs at the principal's discretion to help improve student achievement,
- Annually provide to the district school superintendent and the district school board a budget for the operation of the participating school that identifies how funds are allocated. The school district must include the budget in the annual report provided to the State Board of Education.

This section expires July 1, 2018.

The bill (APC2) passed the House Appropriations Committee favorably and has been assigned a bill number – HB 5003.

HB 5101 – Educational Funding. This is the education conforming bill which conforms statutes to various provisions contained in the General Appropriations Act. Unlike the Implementing Bill, this bill will remain in effect until the statutory provisions are amended in a subsequent bill.

Section 1. Amends s. 1001.215, F.S., relating to the Just Read, Florida! Office. Repeals the requirement for the Just Read, Florida! Office to review the K-12 comprehensive reading plan.

Section 2. Amends s. 1002.71 relating to Funding; financial and attendance reporting. The bill limits the time frame for VPK providers to amend prior fiscal year student enrollments no later than September 1 of the subsequent fiscal year.

Section 3. Amends s. 1003.52, F.S., relating to Educational services in Department of Juvenile Justice programs. The bill repeals language requiring DOE to provide or contract for services to the Florida School for Boys in Okeechobee.

Section 4. Amends s. 1011.62, F.S., relating to Funds for operation of schools.

Supplemental Instruction Allocation - The bill modifies the SAI allocation by requiring each district that has a school earning a grade of "D" or "F" pursuant to s. 1008.34, F.S., to use that school's portion of the SAI to implement the intervention and support strategies required under s. 1008.33, Florida Statutes. For all other schools, the school district may use the SAI for eligible purposes currently described in law. The bill also codifies in law the SAI allocation funding formula.

In addition, the SAI allocation shall consist of a base amount that shall have a workload adjustment based on changes in unweighted FTE. In addition, school districts that have a school that earns a grade of "D" or "F" pursuant to s. 1008.34 shall be allocated additional funds to assist those schools in implementing the provisions of subparagraph 2. to improve student academic performance. The amount provided shall be based on each district's level of per- student funding in the reading instruction allocation and the supplemental academic instruction allocation and on the total FTE for each of the schools. The supplemental academic 150 instruction allocation shall be recalculated once during the fiscal year and shall be based on actual student membership from the October FTE survey. Upon recalculation of funding for the supplemental academic instruction allocation, if the total allocation is greater than the amount provided in the General Appropriations Act, the allocation shall be prorated to the level provided to support the appropriation, based on each school district's share of the total.

Sparsity Supplement - The bill codifies in law the current sparsity supplement calculation methodology.

Research-Based Reading Instruction - The bill:

- Modifies the Research-Based Reading Instruction Allocation to prioritize, but not require, use of the funds for the extra hour of intensive reading instruction for the 300 lowest performing elementary schools based on a three year average of the state reading assessment data.
- Allows the extra hour to be optional for students scoring level 4 or level 5 on reading assessments. Requires summer reading camps to be taught by someone certified or endorsed in reading.
- Requires reading plans to only be submitted by school districts that have a school earning a grade of "D" or "F". The review and approval process will now be done as part of the monitoring, intervention, and support strategies required as part of school improvement under s. 1008.33, Florida Statutes.
- Eliminates the department's ability to withhold funds.

Florida Digital Classrooms Allocation - The bill repeals the requirement of submitting a digital classrooms plan. The bill aligns the use of these funds to items on the eligible services list authorized by the Universal Service Administration Company E-rate program. Allowable uses of the funds will also include computer and device hardware and associated operating system software.

Safe Schools Allocation - The bill creates a Safe Schools Allocation to provide funding to assist school districts in their compliance with ss. 1006.07-1006.148, with priority given to establishing a school resource officer program pursuant to s. 1006.12. Each school district shall receive a minimum safe schools allocation in an amount provided in the General Appropriations Act. Of the remaining balance of the safe schools allocation, two-thirds shall be allocated to school districts based on the most recent official Florida Crime Index provided by the Department of Law

Enforcement and one-third shall be allocated based on each school district's proportionate share of

Total Allocation of State funds to each District for Current Operations – the bill adds language to provide that an underallocation in a prior year caused by a school district's error may not be the basis for a positive allocation adjustment for the current year.

Section 5. Amends s. 1011.78, F.S., relating to Standard Student Attire Incentive Payments. The bill removes language requiring certain types of clothing and fabrics for pants and shirts and just requires that the standard attire program prohibit certain types or styles of clothing.

The bill passed the House Education Committee and is now on the House Calendar.

HB 5103 – Capital Outlay Funding. See separate document comparing House and Senate provisions.

The bill passed the House Appropriations Committee favorably and is now on the House Calendar.

HB 5105 – School Improvement.

Differentiated Accountability - The bill requires the SBE to apply the intensive intervention and support strategies to schools earning a grade of “D” along with schools earning a grade of “F.” The bill requires such schools to immediately implement a differentiated matrix of intervention and support strategies and, by September 1, provide the DOE with a district managed turnaround plan and the memorandum of understanding it must execute as a result of an educational emergency. An educational emergency exists if a school district has one or more “D” or “F” schools and requires district school boards to negotiate to free “D” and “F” schools from restrictions that limit their ability to implement programs and strategies to improve student performance. The negotiations must result in a memorandum of understanding that addresses the selection, placement and expectations of instructional personnel and school administrators.

Upon approval by the SBE, the school district must implement the plan for the remainder of the year and continue implementation for the next full school year. The SBE may allow an additional year of implementation if the SBE determines the school is likely to improve to a “C” or higher after the first full school year of implementation. If the school's grade does not improve to a “C” or higher after the additional year (its fourth consecutive grade below a “C”), or after the first full year of implementation if an additional year is not granted, the school must:

- Reassign students to another school and monitor the progress of each student;

- Close the school and reopen as one or more charter schools with a governing board that has a demonstrated record of effectiveness; or
- Contract with an outside entity that has a demonstrated record of effectiveness to operate the school.

If a school does not improve to a “C” or higher after 2 full years of implementing the turnaround option, it must implement another turnaround option beginning with the next school year unless the SBE determines that the school is likely to improve to a “C” or higher if additional time is provided to implement the existing turnaround option.

The bill provides for earlier implementation of a community assessment team by requiring a team to be assigned to each school district or governing board with a school earning a “D,” whereas current law provides for assignment only when a school earns a grade of “F” or three consecutive grades of “D.” The bill requires the team to make recommendations based on effective intervention and support strategies identified by the commissioner for incorporation into the school’s improvement plan.

School Improvement Planning - The bill eliminates the requirement that schools with a grade above a “D” develop and implement a school improvement plan, except for schools that must implement strategies to address a deficiency enumerated above.

Charter School Requirements - The bill requires corrective actions be taken by a charter school if the school earns three consecutive grades below a “C” and requires the corrective action be implemented in the school year following the third consecutive “C.” The bill provides that corrective actions are no longer required if the charter school grade improves to a “C” or higher. The bill permits an exception to a “double ‘F’” termination for a charter school that serves a majority of students who are zoned for a “D” or “F” school.

Schools of Hope - The bill provides for the establishment of schools of hope. The bill defines a school of hope 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, whichever is greater; and is a Title I eligible school.

The bill defines hope operators as nonprofit organizations that operate three or more charter schools with a record of serving students from low-income families and receives the designation from the SBE. In determining hope operator status, the SBE must determine whether the past performance of the operator meets or exceeds the following criteria:

- Student achievement results which must exceed the district and state averages in the state in which the school operates.

- College attendance rates at all schools currently operated by the entity which must exceed 80 percent.
- The percent of students enrolled at all schools currently operated by the entity eligible for a free or reduced price lunch which must exceed 70 percent.
- The operator is in good standing with the authorizer in each state in which it operates.
- The audited financial statements of the operator are free of material exceptions and going concern issues.
- Other outcome measures determined by the SBE.

A hope operator may also qualify if the operator:

- Was awarded a U.S. Department of Education Charter School Program Grant for Replication and Expansion of High-Quality Charter Schools within the past 3 years;
- Receives funds through the National Fund or Regional Fund of the Charter School Growth Funds; or
- Is selected by a district school board as part of the turnaround process requirements under the bill.

Once measurable criteria is established, any operator seeking status as a hope operator must meet those qualifications, unless an operator is selected by a district as a turnaround option. Any operator seeking hope operator status must meet those qualifications, unless the operator is selected. The bill authorizes initial hope operator status to be valid for up to 5 years. If a hope operator seeks renewal of its status, renewal is solely based on the academic and financial performance of all schools established in Florida by the hope operator since its initial designation.

The bill authorizes a hope operator to submit a notice of intent to open a school of hope in the school district where a persistently low-performing school has been identified.

The bill requires the notice of intent to include:

- An academic focus and plan;
- A financial plan;
- The goals and objectives for increasing student achievement for student from low-income families;
- A completed or planned community outreach plan;
- The organizational history of hope in working with student with similar demographics;
- The grade levels to be served and enrollment projections;
- The proposed location proposed for the school and its proximity to the persistently lowperforming school; and
- A staffing plan.

The school district must enter into a performance based agreement with a hope operator. The performance based agreement must:

- Incorporate the notice of intent;
- Identify the location proposed for the school and its proximity to the persistently low-performing school.
- Enumerate the grades to be served each year of the agreement and whether the school will serve children in school readiness or prekindergarten;
- Describe the plan of action and specific milestones for student recruitment and enrollment of students from persistently low-performing schools, including enrollment preferences and procedures for conducting transparent admissions lotteries. Students from persistently lowperforming schools are exempt from any enrollment lottery to the extent permitted by federal grant requirement;
- Establish the current incoming baseline standard of student academic achievement, the outcomes to be achieved and the method of measurement that will be used;
- Describe the methods of involving parents and expected levels for the involvement;
- Describe the grounds for termination, including failure to meet the requirements for student performance, generally accepted standards of fiscal management or material violation of the terms of the agreement. The nonrenewal or termination of a performance based agreement must comply with the requirements of s. 1002.33(8);
- Allow the hope operator to open additional schools to serve students zoned for a persistently low-performing school;
- Provide for an initial term of at least five years. The agreement must be renewed, unless the school fails to meet the requirements for student performance, the generally accepted standards of fiscal management or the school materially violates the law or terms of the agreement;
- Require transportation of students to conform to statutory guidelines. The governing body of the school may provide transportation through an agreement with the district school board, a private provider or parents. Transportation cannot be a barrier to equal access for student residing in a reasonable distance of school;
- Require that any agreement to borrow or secure funds from a source other than the state or school district must indemnify the state and school district from any and all liability;
- Provide that any financial agreement entered into by the hope operator is not an obligation of the state or school district and is payable only from funds pledged by such agreement; and
- Prohibit the pledge of credit or taxing power of the state or school district.

The bill requires a school district that fails to enter into a performance based agreement within 60 days to reduce the charter school administrative fee to one percent for all charter schools operating in the district. Upon successful execution of

the performance based agreement, the district may resume withholding the full administrative fee but may not recover previous lost fees. The bill allows an aggrieved charter school to recover attorney's fees and costs in actions to recover withheld administrative fees.

The bill requires that disputes between hope operators and school district regarding performance based agreements be submitted to a magistrate that is agreed to by both parties. If the parties are unable to agree, the dispute will be submitted to a qualified magistrate appointed by the Commissioner of Education. The bill requires the magistrate to hold hearings and make recommendations to the SBE, which may not alter the statutory provisions of performance agreements. The final decision of the SBE may be appealed to the First District Court of Appeals. The bill permits the hope operator to recover attorney's fees and cost if the SBE determines the district acted unlawfully with regard to the performance agreement.

The bill requires the SBE to:

- Publish an annual list of persistently low-performing schools;
- Adopt a standard notice of intent and performance based agreement to be used by hope operators and school boards;
- Resolve disputes between a hope operator and a school district arising from a performance based agreement or a contract, including the appointment of a special magistrate to hold hearings and render decisions regarding disputes; and
- Provide students in persistently low-performing schools with a public school that meets accountability standards.

The bill requires a school district with a "D" or "F" to enter into a performance based agreement with a hope operator who has submitted a notice of intent. However, the SBE may contract with a hope operator if the school district fails to do so. The bill authorizes the SBE to do so only when a school district fails to fulfill its duty. If the SBE enters into a performance based agreement with a hope operator, the district must transfer to the school of hope the proportionate share of state funds allocated from the FEFP.

The bill provides hope operators with the following statutory authority:

- Allows a school of hope to be designated as a local educational agency for the purposes of receiving federal funds;
- Provides that, for the purpose of tort liability, the operator, school of hope and its employees or agent are subject to the same waiver of sovereign immunity in tort actions as the state, state agencies and or subdivisions. The sponsor is not liable for civil damages under state law for the employment actions or personal injury, property damage or death resulting from an act or omission of an operator, the school of hope and its employees or agents;

- Allows a school of hope to be either a private or public employer and provides that employees of a public employer must be compulsory members of the Florida Retirement System;
- Allows a hope operator to employ staff that do not meet the educator certification requirements, so long as the school disqualifies staff from employment in any position that requires direct contact with students if the staff member is statutorily disqualified for such employment; and
- Allows calculation for class size compliance to be the average at the school level.

The bill provides that schools of hope are exempt from chapters 1000-1013 of the Florida Statutes and all board polices, except statutes pertaining to:

- The student assessment program and school grading;
- Student progression and graduation;
- Services to students with disabilities
- Civil rights and discrimination;
- Student health, safety and welfare;
- Public meetings and records public inspection and criminal and civil penalties;
- Public records; and
- Code of ethics for public officers and employees.

The bill provides that a school of hope must utilize facilities which comply with the Florida Building Code except for the State Requirements for Educational Facilities. Schools of hope that utilize school district facilities must comply with the State Requirements for Educational Facilities only if the school district and hope operator have entered into a mutual management plan for the reasonable maintenance of such facilities. The mutual management plan must have a provision requiring the district school board to maintain the school facilities in the same manner as its other public schools within the district.

The local governing authority cannot impose any local building requirements or site-development restrictions that are addressed by and more stringent than those found in the State Requirements for Educational Facilities of the Florida Building Code. The local governing authority must treat school of hope equitably in comparison to similar requirements, restrictions, and site planning processes imposed upon public schools. The local municipality is the agency with jurisdiction for inspection of a facility and issuance of a certificate of occupancy or use. If in an unincorporated area, the authority is placed with the county governing authority. If an official or employee of the local governing authority refuses to comply with this paragraph, the aggrieved school has the right to bring an action in circuit court to enforce its rights by injunction.

The bill provides that facilities of a school of hope are exempt from a number of taxes, fees and assessments. The bill also provides that a number of existing community and state facilities may provide space to schools of hope.

The bill requires each district to annually provide a list of its underutilized, vacant or surplus property and facilities to the DOE. A hope operator operating a school of hope may utilize an underutilized, vacant, or surplus educational facility at no cost or at a mutually agreed cost not to exceed \$600 per student. The hope operator cannot sell or dispose of the facility without written permission from the school district. An underutilized, vacant or surplus property is an entire, or portion of, a property that is not fully used (or used irregularly or intermittently) by the school district for instructional or program use.

Schools of Hope Funding - The bill provides that a school of hope is funded in the same manner as other charter schools and traditional schools. A school of hope is considered a charter school for purposes of charter capital outlay, but may not use the funds to purchase real property or construct school facilities. In addition, the bill provides school of hope with priority in the DOE's Public Charter School Grant Program competitions.

The bill creates a special category of grants and aids for school of hope. Eligible expenditures from an appropriation in the special category may include:

- Preparing teachers, school leaders, and specialized instructional support personnel, including costs associated with:
 - providing professional development; and
 - hiring and compensating teachers, school leaders, and specialized instructional support personnel for services beyond the school day and year.
- Acquiring supplies, training, equipment, and educational materials including developing and acquiring instructional materials.
- Providing one-time, startup costs associated with providing transportation to students to and from the charter school.
- Carrying out community engagement activities, which may include paying the cost of student and staff recruitment.
- Providing funds to cover the nonvoted ad valorem millage that would otherwise be required for schools and the required local effort funds when the state board enters into an agreement with a hope operator.

The bill provides that if a school of hope is not renewed or is terminated, any unencumbered funds and all equipment and property purchased with the funds revert to ownership of the state. Such reversion must focus on tangible or irrecoverable costs, such as rental or leasing fees, normal maintenance, and limited renovations. The reversion of all property secured with grant funds is subject to the complete satisfaction of all lawful liens or encumbrances.

Funds from the special category which are not disbursed by June 30 of the fiscal year in which the funds are appropriated may be carried forward for up to 5 years after the effective date of the original appropriation.

The bill establishes the Schools of Hope Revolving Loan Program within the DOE. The purpose of the program is to provide assistance to charter schools to meet school building construction and to pay for expenses related to starting up a new charter school. The fund will comprise legislatively appropriated funding, repaid loan funding, and interest earned. The bill requires that all repayments of principal and interest be returned to the loan fund and made available for loans to other applicants.

The bill limits funds provided through the program to 25 percent of the total cost of the project. The total cost of the project must be calculated based on 80 percent of the cost per student station multiplied by the capacity of the facility. The interest rate on loans from the fund may be used to defray the costs of administration. The rate must be the lower of the rate paid on monies held in the fund or a rate equal to 50 percent of the statewide maximum bond interest rate authorized pursuant to state law.

A hope operator that has been designated by the state board and has executed a performance based agreement shall receive a loan for projects that are located in the attendance area of a persistently low performing school or within a five mile radius and primarily serve students from low-performing schools.

The bill allows the department to select a third-party administrator to administer the program and report annually to the department. However, the department must continue to administer the program until a third-party administrator is selected. The department must post on its website the projects that have received loans, the geographic distribution of the projects, the status of the projects, the costs of the program, and student outcomes.

Funds appropriated for the program which but are not disbursed by June 30 of the fiscal year in which they are appropriated may be carried forward for up to 5 years after the effective date of the original appropriation.

Early Warning Systems (EWS) - The bill expands the schools that must implement an EWS from schools with a 6th, 7th or 8th grade class to schools that serve any students in kindergarten through grade 8.

The bill clarifies that the EWS indicator that identifies a course failure in English Language Arts or math must be for any grading period and includes a substantial reading deficiency for a kindergarten through grade 3 student as an EWS indicator.

The bill requires a school-based team, rather than a “child study team,” to be responsible for monitoring EWS data and to implement appropriate intervention

strategies for a student who exhibits two or more early learning indicators unless the student is already being served by an intervention program. The team may include a school psychologist. Because not all schools are required to implement a school improvement plan, the bill eliminates the requirement that a school's improvement plan include middle grades EWS data and related information.

The bill passed out of the House Appropriations Committee favorably. The bill is now on the House Calendar and will be part of the budget since it has a 5000 number. A document listing school is Differentiated Accountability for more than 3 years is attached.

HB 5007 – Florida Retirement System. Effective July 1, 2017, the bill:

- Authorizes renewed membership in the investment plan for retirees of the investment plan and certain optional retirement programs.
- Expands the survivor benefit for members of the Special Risk Class to provide that such benefits are retroactive to July 1, 2002. The bill also establishes a survivor benefit for all other membership classes of the investment plan who are killed in the line of duty and provides that the benefit is retroactive to July 1, 2002.
- Closes the Senior Management Service Optional Annuity Program to new participants.
- Revises the employer contribution rates for the FRS based on the 2016 Actuarial Valuation adjusted for the special studies related to the changes proposed in the bill.

Effective January 1, 2018, changes the default from the pension plan to the investment plan for members who do not affirmatively choose a plan.

Effective July 1, 2018, the bill prohibits members initially enrolled in a position covered by the Elected Officers' Class from participating in the pension plan and requires participation in the investment plan.

The bill conforms the law to the House proposed 2017-18 General Appropriations Act (GAA) as retirement contributions are included in the GAA.

The total fiscal impact to school district is \$57.4 million.

The bill passed the House Appropriations Committee and is now on the Calendar.

Senate Bills – Committee Action

SB 376 by Simmons relating to Charter School Funding. See attached chart. The bill passed the Senate Appropriations Committee favorably without any amendments. It has been placed on the Special Order Calendar for April 12, 2017

SB 468 by Stargel relating to Voluntary Prekindergarten Education. The bill revises provisions related to the Voluntary Prekindergarten Education (VPK) program and duties of the Just Read! Florida Office (Just Read! Florida). Specifically, the bill:

- Requires the Just Read, Florida! to train Voluntary Prekindergarten through grade 3 teachers, reading coaches, and school principals on effective research-based instructional strategies.
- Requires the Office of Early Learning (OEL) to determine eligibility for enrollment and reenrollment in the school year VPK program.
- Requires each early learning coalition (ELC) to coordinate with the OEL to assign student identification numbers to each student who enrolls in the program.
- Clarifies that the Department of Education (DOE) must adopt a single statewide kindergarten readiness screening that is a direct assessment of early literacy and numeracy skills.
- Requires private prekindergarten providers and public schools in the VPK program to provide parents with the results of the pre- and post- assessment within 10 days after the administering the assessment.
 - Requires the results of the pre- and post- assessments to be reported at the aggregate level, distributed to the respective ELCs and school districts, and displayed on the OEL's website within 30 days after the administration of the assessment.
- Authorizes a child who is at risk of not attaining the performance standards specified in law to reenroll, at the request of the child's parent, in one of the school-year programs offered by a provider that has met the adopted minimum readiness rate provided in law for the subsequent year.
- Provides for an appropriation of \$10 million dollars from the General Revenue Fund to the DOE for developing training for VPK through grade 3 teachers, reading coaches, and school principals.

The Senate Education Committee reported the bill favorably.

SB 856 by Broxson relating to Education. The bill clarifies that a district school board must issue contracts on an annual basis to instructional personnel hired on or after July 1, 2011, by specifying that the district school board may not:

- Award an annual contract based on a contingency or condition that is not expressed in s. 1012.335, F.S.; or
- Alter or limit its authority to award or not award an annual contract as provided in s. 1012.335, F.S.

The Senate Education Committee reported the bill favorably.

SB 868 by Baxley relating to Educational Options and Services. The bill expands educational options and services to prepare students for higher education and entry into the workforce. Specifically, the bill:

- Removes the eligibility criteria for students to participate in virtual instruction programs.
- Removes the requirement that student enrollment in a virtual instruction program be limited to a program provided by a school district or virtual charter school operated by the district in which the student resides.
- Clarifies that students with disabilities must be offered the option to pursue a scholar or merit designation, removes the option for a certificate of completion, and modifies the criteria to document mastery of academic and employment competencies.
- Requires an individualized progress monitoring plan be developed for all students in a juvenile justice education program, including those with disabilities.
- Adds the Chancellor of Career and Adult Education to the Higher Education Coordinating Council.
- Requires that any institution seeking initial or continued approval of a graduate-level teacher education program in a certification area that does not require a graduate degree must provide students the option to complete the initial preparation program at the bachelor's level.
- Revises the dual enrollment program to clarify the description of career dual enrollment, authorize the Commissioner of Education to establish a statewide articulation agreement for the Florida Virtual School, and expand the rulemaking authority of the State Board of Education to specify rulemaking relating to student eligibility and participation, courses and programs, funding, and articulation agreements.
- Deems participants in on-the-job training activities administered by the Division of Blind Services and the Division of Vocational Rehabilitation as employees of the state for purposes of workers' compensation coverage

The Senate Education Committee reported the bill favorably.

SB 926 by Flores relating to K-12 Student Assessments. See separate document.

SB 984 by Bean relating to Shared Use of Public School Playground Facilities. The bill provides legislative intent to increase the number of school districts that open their playground facilities to community use outside of school hours. Specifically, the bill:

- Establishes a Shared Use Task Force to identify barriers in creating shared use agreements and make recommendations to facilitate the shared use of school facilities generally and in high-need communities, specifies

membership of the task force, and requires the task force to submit a report to the Legislature by October 1, 2017.

- Requires the Department of Education (DOE) to provide technical assistance to school districts regarding the shared use of school facilities.
- Specifies additional duties that the DOE must perform with the funds established in the General Appropriations Act, and requires the DOE to submit to the Legislature a report on grant disbursements by December 31, 2017, and a final report on grant disbursements by June 30, 2018.

The Senate Education Committee reported the bill favorably.

SB 1302 by Gibson relating to Private School Student Participation in Extracurricular Activities. The bill revises student eligibility requirements for certain private school students to participate in interscholastic or intrascholastic sports. Specifically, the bill requires the Florida High School Athletic Association (FHSAA), in cooperation with each district school board, to allow a student attending a private school that is not a member of the FHSAA to participate in interscholastic or intrascholastic sports at a public school that a student could choose to attend pursuant to controlled open enrollment.

The Senate Education Committee reported the bill favorably.

SB 1314 by Grimsley relation to Educational Options. The bill revises the Florida Tax Credit (FTC) Scholarship Program to:

- Require the Florida Department of Revenue to provide Scholarship-Funding Organizations (SFOs) a copy of its letter denying or approving certain transactions.
- Allow a dependent child of a parent or guardian who is a member of the U.S. Armed Forces to apply for the FTC at any time.
- Specify that a parent must approve any payment made by funds transfer.
- Change the deadline from September 15 to August 15 for a private school participating in the FTC to submit its report to the SFO on the results of its agreed-upon procedures.
- Provide that the Commissioner of the Florida Department of Education (DOE) may determine that a private school is ineligible to participate in the FTC program if the school has consecutive years of material exceptions listed in its agreed-upon procedures report.
- Authorize the Learning System Institute at the Florida State University to be compensated for additional research through the project grant award issued by the DOE.
- Increase the FTC scholarship award amount to a percentage of the unweighted FTE funding amount for that state fiscal year and thereafter as follows:
 - 88 percent for a student in kindergarten through grade 5.
 - 92 percent for a student enrolled in grades 7-8.

- 96 percent for a student enrolled in grades 9-12.
- Raise the transportation scholarship award for a student who chooses a public school outside of his or her district from \$500 to \$750.
- Provide that an SFO can make payments by fund transfer, subject to parent approval, and specifies that a student's scholarship award may not be reduced for debit card or electronic payment fees.

The Senate Education Committee reported the bill favorably.

SB 1368 Exceptional Student Instruction; By Perry. The bill removes the option for the school district receiving an exceptional student with a disability, who resides in a residential facility, to decline to provide or contract for educational instruction. Additionally, the bill:

- Authorizes a parent to request and be granted permission for a student's absence from school for treatment of autism spectrum disorder by a licensed health care practitioner.
- Requires each district school board to adopt an attendance policy authorizing a student's absence for treatment of autism spectrum disorder.
- Revises an exemption relating to parental responsibility for nonattendance of a student to include treatment for autism spectrum disorder.

The Senate Education Committee reported the bill favorably as a committee substitute.

SB 1468 by Galvano relating to Education. The bill codifies responsibilities for the Auditor General and the Florida Polytechnic University, adds an authority to the Commissioner of Education's powers and duties, and establishes the Early Childhood Music Education Incentive Pilot Program. Specifically, the bill:

- Codifies the requirement for the Auditor General to conduct financial audits of accounts and records of the Florida School for the Deaf and the Blind.
- Codifies the December 31, 2017, deadline by which the Florida Polytechnic University must meet the criteria established in law.
- Authorizes the Commissioner of Education to coordinate, in the event of an emergency, with school districts, Florida College System institutions, and the satellite offices of the Division of Vocational Rehabilitation and the Division of Blind Services to assess their needs for resources to enable such entities to reopen as soon as possible after considering the health, safety, and welfare of students and clients.
- Establishes the Early Childhood Music Education Incentive Pilot Program in the Department of Education for a period of three school years to assist selected school districts in implementing comprehensive music education programs for students in kindergarten through grade 2

The Senate Education Committee reported the bill favorably.

SB 1552 by Simmons relating to Florida Best and Brightest Teacher and Principal Scholar Award. . The bill establishes the Florida Best and Brightest Teacher and Principal Scholar Award Program (Award Program) to recognize the contributions of teachers and principals in student success and performance outcomes. The bill provides eligibility criteria:

- For a full-time classroom teacher and a full-time school administrator to qualify for the Award Program scholarship; and
- For a newly hired full-time classroom teacher and full-time school administrator to qualify for a one-time hiring bonus.

Specifically, the bill requires that to qualify for the Award Program a teacher or an administrator must:

- Be employed on an annual contract or probationary contract;
- Participate in the school district's performance salary schedule;
- Meet one of the achievement requirements specified in the bill; and
- Meet one of the performance requirements specified in the bill, which include:
 - For existing teachers and administrators, a "highly effective" rating or commitment to working in a low-performing school for 3 years and a "highly effective" rating for 2 out of 3 years.
 - For newly hired teachers and administrators, graduation from or completion of a specified undergraduate program with a 3.0 grade point average, and commitment to working for three years in a Florida public school or critical teacher shortage area.

The Senate Education Committee reported the bill favorably.

SB 1598 by Brandes relating to Education. The bill establishes the Schools of Excellence Program to provide administrative flexibility to the state's top schools to enhance student learning. Additionally, the bill:

- Renames the current professional development certification and education competency program as the comprehensive teacher mentorship certification program with some modifications.
- Modifies the School Professional Development Act to include specified training relating to the comprehensive teacher mentorship certification program.
- Authorizes the Department of Corrections to enter into a contract with a charter school authorized to operate pursuant to law to provide education services for the Correctional Education Program.
- Specifies that a county in which a public or private postsecondary institution is located may authorize a public high school educational facility, including a charter school educational facility, which meets statutory requirements, related to educational facilities, to be located on the postsecondary institution's campus

The Senate Education Committee reported the bill favorably.

SB 1710 by Stargel relating to Education. The bill designates the month of September as “American Founders’ Month” and authorizes the Governor to issue a proclamation urging all civic, fraternal, and religious organizations and public and private educational institutions to recognize, observe, and celebrate the month. Specifically, the bill:

- Encourages all public schools to observe “American Founders’ Month” with appropriate instruction and activities.
- Establishes civic literacy as a priority of Florida’s K-20 education system.
- Requires the Just Read, Florida! Office to develop and provide access to sequenced, content rich programming, instructional practices, and resources to increase students’ core knowledge and literacy skills including student attainment of state standards for social studies, science, and the arts.
- Requires students initially entering a Florida College System institution or state university in 2018-2019 and thereafter, to demonstrate civic literacy through successful completion of a civic literacy course or by achieving a passing score on an assessment adopted in rule by the State Board of Education or in regulation by the Board of Governors, as applicable.

The Senate Education Committee reported the bill favorably.

SB 1402 by Latvala relating to Local Governmental Financial Emergencies. The bill makes numerous changes to the “Local Governmental Entity, Charter School, Charter Technical Career Center, and District School Board Financial Emergencies Act.”

Specifically, the bill provides that those local governmental entities are subject to review and oversight by the Senate, the House, and the Legislative Auditing Committee. As such, when certain financial emergencies exist, a local governmental entity must also notify the President of the Senate and the Speaker of the House. Upon notification of such an emergency, the Governor, in cooperation with the President of the Senate, the Speaker of the House, and the Legislative Auditing Committee must contact the local governmental entity or the Commissioner of Education to determine what actions have been taken by the district school board to resolve or prevent the condition and determine district school board needs state assistance to resolve or prevent the condition into the future.

The bill also revises the composition and duties of financial emergency boards. The bill specifies who can nominate and appoint members and establishes member qualifications. The bill revises the duties of the board and authorizes the Governor to suspend a member of the governing body of the local governmental entity or district school board for malfeasance and misfeasance under certain circumstances.

The bill passed the Senate Community Affairs Committee favorably as a committee substitute.

SB 1500 by Mayfield relating to Retirement of Instructional Personnel and School Administrators. The bill modifies the Deferred Retirement Option Program (DROP) for instructional and administrative personnel in grades K-12 to prevent the classroom disruption caused by such personnel's retirement when it occurs during the school year. For current DROP participants, the bill allows termination of DROP after the school year. For participants who enter DROP on or after July 1, 2017, the bill requires termination of DROP after the school year.

The bill passed the Senate Governmental Oversight and Accountability Committee favorably as a committee substitute.

SB 374 by Hukill relating to Postsecondary Education. The bill creates the "College Competitiveness Act of 2017" which restructures the governance of the Florida College System and modifies the mission of the system and its institutions.

Among other provisions the bill clarifies the K-20 education system mission by emphasizing that the mission must be to avoid wasteful duplication of programs, and reinforces the distinct mission of Florida's community colleges and technical centers in meeting Florida's labor market demands and regional needs.

Senator Brandes offered the following amendment that was adopted: The amendment provides that a school board may authorize a public high school within the district, including, but not limited to, a charter school to be located on a postsecondary institution's campus.

The bill passed the Senate Appropriations Committee as a committee substitute and has been placed on the Special Order Calendar.

HB 392 by Hukill relating to High School Graduation Rates. The bill creates the "Personal Financial Literacy Education Act" to specify financial literacy standards and instruction for students entering grade 9 in the 2017-2018 school year.

The bill passed the Senate Appropriations Committee favorably.

SB 7022 by Governmental Oversight and Accountability relating to State-administered Retirement Systems. The bill establishes the contribution rates paid by employers participating in the Florida Retirement System (FRS) beginning July 1, 2017. These rates are intended to fund the full normal cost and the amortization of the unfunded actuarial liability of the FRS. With these modifications to employer contribution rates, the FRS Trust Fund will receive roughly \$149.5 million more revenue on an annual basis beginning July 1, 2017. The public employers that will incur these additional costs are state agencies, state universities

and colleges, school districts, counties, and certain municipalities and other governmental entities.

The following chart indicates the current employer contribution rates for each class and the blended rates recommended by the state actuary beginning in July 2017.

Membership Class	Current Rates Effective July 1, 2016		Recommended Rates to be effective July 1, 2017	
	Normal Cost	UAL Rate	Normal Cost	UAL Rate
Regular Class	2.97%	2.83%	2.89%	3.30%
Special Risk Class	11.80%	9.05%	11.81%	9.57%
Special Risk Admin. Support Class	3.87%	22.47%	3.81%	29.08%
Elected Officer's Class				
• Legislators, Governor, Lt. Governor, Cabinet Officers, State Attorneys, Public Defenders	6.63%	33.75%	6.41%	42.69%
• Justices and Judges	11.68%	23.30%	11.66%	26.25%
• County Officers	8.55%	32.20%	8.48%	35.24%
Senior Management Service Class	4.38%	15.67%	4.28%	16.70
Deferred Retirement Option Program	4.23%	7.10%	4.17%	7.43%

The bill passed the Senate Appropriations Committee favorably and has been placed on the Special Order Calendar for April 12, 2017.

House Bills – Committee Action

HB 549 by Fine relating to Student Assessments. The bill requires the Commissioner of Education, beginning with the 2019-2020 school year and every 3 years thereafter, to publish on the Florida Department of Education’s (DOE) website each statewide, standardized assessment and statewide end-of-course (EOC) assessment, thereby providing public access to standardized tests taken by students in Florida.

The House Appropriations Subcommittee reported the bill favorably.

HB 559 by Duran relating to Public Educational Facilities. The bill:

- Provides that for the purposes of determining the capacity of school facilities, as reported in the Florida Inventory of School Houses (FISH), a school containing students in kindergarten through grade 5 is considered an elementary school and a school containing students in grades 6 through 8 is considered a middle school.
- Requires the Commissioner of Education (commissioner), upon request by a district school board, to grant an exemption from the SREF

The House Appropriations Subcommittee reported the bill favorably.

HB 955 by Ahern relating to High School Graduation Requirements. The bill requires students entering grade 9 in the 2017-2018 school year and thereafter to complete a one-half course credit in personal financial literacy.

This bill was reported favorably by the House PreK-12 Appropriations Subcommittee. It is now in the Education Committee.

HB 989 by Donalds relating to Instructional Materials. The bill modifies the instructional materials adoption process on the district level by providing more opportunities for the review and challenge of such materials.

The bill was amended to define “adequate instructional materials” to mean “a sufficient number of student or site licenses or sets of materials that are available in bound, unbound, kit, or package form and may consist of hardbacked or softbacked textbooks, electronic content, consumables, learning laboratories, manipulatives, electronic media, and computer courseware or software that serve as the basis for instruction for each student in the core subject areas of mathematics, language arts, social studies, science, reading, and literature.”

An amendment was also adopted to require a hearing contesting the materials to be conducted before an unbiased and qualified hearing officer. The hearing officers may not be an employee or agent of the school district. The hearing officer is not subject to the provisions of chapter 120; however, the hearing must provide sufficient procedural protections to allow each petitioner an adequate and fair opportunity to be heard and present evidence to the hearing officer.

The bill passed the House Education Committee favorably as a committee substitute.

HB 1229 by Grall relating to Committee on Early Grade Success. The bill creates the Committee on Early Grade Success, within the Department of Education to develop a proposal for establishing and implementing a coordinated child assessment system for the School Readiness Program, the Voluntary Prekindergarten Education Program, and the Kindergarten Readiness Assessment.

The House Appropriations Subcommittee reported the bill favorably.

HB 1131 by Drake relating to Shared Use of Public School Playground Facilities. The bill:

- Requires the Department of Education (DOE) to provide technical assistance to school districts to promote community use of shared facilities; and
- Creates a Shared Use Task Force to identify barriers in creating shared use agreements and to make recommendations to facilitate the shared use of school facilities generally and in high-need communities.

The House Appropriations Subcommittee reported the bill favorably.

HB 7101 by PreK-12 Innovation Subcommittee relating to K-12 Education. The bill makes major changes to the charter school law. It was amended several times in committee. As soon as the committee substitute is available, a more detailed summary will be provided.

The bill passed the House Education Committee favorably as a committee substitute.

WMC4 by Ways & Means Committee relating to Homestead Exemption. This joint resolution proposes an amendment to the Florida Constitution to increase by up to \$25,000 the current homestead exemption from non-school property taxes by exempting the assessed value between \$75,000 and up to \$100,000.

Subject to approval by 60 percent of voters during the 2018 general election or earlier special election, the amendment proposed in the joint resolution will take effect on January 1, 2019. The joint resolution is not subject to the governor's veto powers.

The Revenue Estimating Conference has determined that if the constitutional amendment is approved by the voters, non-school property tax revenues could be reduced by -\$752.7 million annually, assuming current tax rates. Revenue impacts would not begin until fiscal year 2019-20.

The proposal passed the House Ways & Means Committee and has been assigned a number – HB 7105.

HB 293 by Burton relating to Middle School Study. The bill directs the Florida Department of Education to issue a competitive solicitation for a contract to conduct a comprehensive study of states with high-performing students in grades 6 through 8 in reading and mathematics, based on the states' performance on the National Assessment of Educational Progress. The findings of the study and the recommendations to improve middle school study performance must be reported to

the Governor, the State Board of Education, the President of the Senate, and the Speaker of the House of Representatives by December 2017.

The study language was modified to include additional components to study. The bill was also amended to repeal the course in career and education planning in middle school.

The bill passed the House Education Committee favorably as a committee substitute.

HB 1331 by Grall relating to Education. The bill was amended to require DOE, at least 1 year before an individual's temporary certificate is set to expire, to electronically notify the individual of the date on which his or her certificate will expire and provide a list of each method by which the qualifications for a professional certificate can be completed.

The bill incorporating the amendment passed the House Education Committee favorably as a committee substitute.

Senate Session

SB 78 by Flores relating to Public School Recess. The bill requires each district school board to provide at least 100 minutes of supervised, safe, and unstructured free-play recess each week for students in kindergarten through grade 5. Such recess must involve at least 20 consecutive minutes of free-play per day.

The bill passed the Senate.

House Session

HB 303 by Daniels relating to Religious Expression in Public Schools. SB 436 was substitute for the House bill. Then, the Senate bill was amended to incorporate the House bill language which was a scaled down version of the Senate bill. The amended Senate bill passed the House and should return to the Senate for another vote.

HB 827 by Porter relating to Teacher Bonuses. The bill deletes provisions relating to caps imposed on amounts of bonuses awarded to teachers based on student performance on certain course examinations, and provides that specified amount of funds generated by certain bonus be allocated to certain school program.

The bill was amended to state: Each school district shall allocate at least 80 percent of the funds received from the Advanced International Certificate of Education bonus FTE funding, in accordance with this paragraph, to the school program

The bill passed the House.

HB 591 by Massullo, Jr. relating to Maximum Class Size. The bill revises the calculation of the penalty relating to class size and bases it on the school wide average.

The bill passed the House.

HB 781 by Porter relating to Designation of School Grades. The bill revises the requirements for certain schools to receive a school grade designation of K-3 feeder pattern schools.

The bill passed the House.

HB 373 by Grant relating to Education. The bill prohibits a district school board from awarding annual contract for instructional personnel under certain circumstances; prohibits district school board from altering or limiting its authority to award or not award annual contract.

The bill passed in the House.