A bill to be entitled
An act relating to education funding; amending s. 218.503, F.S.; providing for a reduction in salary for certain school district employees when a state of financial emergency within the district continues beyond a specified period; amending s. 1002.53, F.S.; conforming provisions; amending s. 1002.61, F.S.; increasing the number of students authorized for a summer prekindergarten class; conforming cross-references; amending s. 1002.63, F.S.; eliminating certain eligibility requirements for delivering a prekindergarten program during the school year; amending s. 1002.71, F.S.; providing for separate base student allocations for school-year and summer prekindergarten programs; revising the formula for calculating and reporting full-time equivalent student enrollment; providing certain restrictions with respect to a child who reenrolls in a prekindergarten program; requiring that certain administrative procedures be automated; decreasing the amount that an early learning coalition may expend for administrative purposes; amending s. 1002.73, F.S.; conforming provisions; amending s. 1003.03, F.S.; authorizing the Commissioner of Education to recommend a greater reduction in the amount allocated for transfer to a district's fixed capital outlay fund; creating s. 1011.051, F.S.; requiring district school boards to maintain a general fund balance sufficient to address contingencies; specifying procedures for the district to follow if the operating budget falls below
specified percentages; requiring modification of collective bargaining agreements under certain circumstances; amending s. 1011.71, F.S.; revising provisions and eliminating restrictions relating to the expenditure of revenues from the district school tax levy; amending s. 1011.73, F.S.; conforming a cross-reference; amending s. 1013.64, F.S.; conforming provisions; requiring that the Merit Award Program for Instructional Personnel and School-Based Administrators be held in abeyance during the 2008-2009 fiscal year; incorporating by reference certain calculations of the Florida Education Finance Program for the 2008-2009 fiscal year; repealing s. 11 of ch. 2008-142 and s. 2 of ch. 2008-213, Laws of Florida, relating to the expiration and reversion of certain district school tax provisions, to conform; providing for contingent retroactive application of specified provisions of the act; providing an effective date.

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

Section 1. Present subsections (4) and (5) of section 218.503, Florida Statutes, are renumbered as subsections (5) and (6), respectively, and a new subsection (4) is added to that section to read:
218.503 Determination of financial emergency.--
(4) Notwithstanding ss. 1001.395 and 1001.47 , if the Commissioner of Education determines that the measures imposed

Page 2 of 19
PCB PAC 09A-01 - PCB PAC 09A-01.doc
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pursuant to subsection (3) have not eliminated a state of financial emergency in a school district within 30 days after the date the financial emergency was declared to exist, the salary of each district school board member, the district superintendent, and each district employee shall be reduced proportionately in an amount necessary to provide for an unreserved general fund balance of 2 percent of general fund revenues in the district's operating budget.

Section 2. Paragraph (c) of subsection (3) of section 1002.53, Florida Statutes, is amended to read:
1002.53 Voluntary Prekindergarten Education Program; eligibility and enrollment.--
(3) The parent of each child eligible under subsection (2) may enroll the child in one of the following programs:
(c) A school-year prekindergarten program delivered by a public school, if offered by a school district that is eligible under s. 1002.63.

Except as provided in s. 1002.71(4), a child may not enroll in more than one of these programs.
Section 3. Subsections (4) and (7) of section 1002.61, Florida Statutes, are amended to read:
1002.61 Summer prekindergarten program delivered by public schools and private prekindergarten providers.--
(4) Notwithstanding ss. 1002.55(3)(c)1. and 1002.63(4) 1002.63(5), each public school and private prekindergarten provider must have, for each prekindergarten class, at least one prekindergarten instructor who:

Page 3 of 19
PCB PAC 09A-01 - PCB PAC 09A-01.doc
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(a) Is a certified teacher; or
(b) Holds one of the educational credentials specified in s. 1002.55(4)(a) or (b).

As used in this subsection, the term "certified teacher" means a teacher holding a valid Florida educator certificate under s. 1012.56 who has the qualifications required by the district school board to instruct students in the summer prekindergarten program. In selecting instructional staff for the summer prekindergarten program, each school district shall give priority to teachers who have experience or coursework in early childhood education.
(7) Notwithstanding ss. 1002.55(3)(f) and 1002.63(7) 1002.63(8), each prekindergarten class in the summer prekindergarten program, regardless of whether the class is a public school's or private prekindergarten provider's class, must be composed of at least 4 students but may not exceed 1210 students beginning with the 2009 summer session. In order to protect the health and safety of students, each public school or private prekindergarten provider must also provide appropriate adult supervision for students at all times. This subsection does not supersede any requirement imposed on a provider under ss. 402.301-402.319.

Section 4. Section 1002.63, Florida Statutes, is amended to read:
1002.63 School-year prekindergarten program delivered by public schools.--
(1) Each school district eligible under subsection (4) may

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

1. Has reduced the average class size in each classroom in zecordance with s. 1003.03 and the schedule in s. 1(a), Art. IX of the State Constitution; and
z. Has sufficient satisfactory educational facilities and eapital outlay funds to continue reducing the average class size in each classeom in the district's clementaxy schools for each year in accordance with the schedule for class size reduction and to achieve full compliance with the maximum class sizes in s. 1(a), Art. IX of the State Constitution by the beginning of the 2010-2011 school year.
(b) The Commissioner of Education must certify to the State Board of Education that the department has reviewed the school district's educational facilitics, capital outlay funds,
and projected student enrollment and concurs with the district school board's certification under paragraph (a).
(4)(5) Each public school must have, for each prekindergarten class, at least one prekindergarten instructor who meets each requirement in s. 1002.55(3)(c) for a prekindergarten instructor of a private prekindergarten provider.
(5) (6) Each prekindergarten instructor employed by a public school delivering the school-year prekindergarten program must be of good moral character, must be screened using the level 2 screening standards in s. 435.04 before employment and rescreened at least once every 5 years, must be denied employment or terminated if required under s. 435.06, and must not be ineligible to teach in a public school because his or her educator certificate is suspended or revoked. This subsection does not supersede employment requirements for instructional personnel in public schools which are more stringent than the requirements of this subsection.
(6)(7) A public school prekindergarten provider may assign a substitute instructor to temporarily replace a credentialed instructor if the credentialed instructor assigned to a prekindergarten class is absent, as long as the substitute instructor is of good moral character and has been screened before employment in accordance with level 2 background screening requirements in chapter 435. This subsection does not supersede employment requirements for instructional personnel in public schools which are more stringent than the requirements of this subsection. The Agency for Workforce Innovation shall adopt
rules to implement this subsection which shall include required qualifications of substitute instructors and the circumstances and time limits for which a public school prekindergarten provider may assign a substitute instructor.
(7) Each prekindergarten class in a public school delivering the school-year prekindergarten program must be composed of at least 4 students but may not exceed 18 students. In order to protect the health and safety of students, each school must also provide appropriate adult supervision for students at all times and, for each prekindergarten class composed of 11 or more students, must have, in addition to a prekindergarten instructor who meets the requirements of $s$. 1002.55(3)(c), at least one adult prekindergarten instructor who is not required to meet those requirements but who must meet each requirement of subsection (5) (6).
(8)(9) Each public school delivering the school-year prekindergarten program must:
(a) Register with the early learning coalition on forms prescribed by the Agency for Workforce Innovation; and
(b) Deliver the Voluntary Prekindergarten Education Program in accordance with this part.

Section 5. Subsections (3) and (4), paragraph (d) of subsection (6), and subsection (7) of section 1002.71, Florida Statutes, are amended to read:
1002.71 Funding; financial and attendance reporting.--
(3) (a) A separate the base student allocation per fulltime equivalent student in the Voluntary Prekindergarten Education Program shall be provided in the General

Appropriations Act for a school-year prekindergarten program and for a summer prekindergarten program. The base student allocation for a school-year prekindergarten program and shall be equal for each student, regardless of whether the student is enrolled in a school-year prekindergarten program delivered by a public school or a private prekindergarten provider. The base student allocation for $\boldsymbol{T}_{\boldsymbol{T}}$ a summer prekindergarten program shall be equal for each student, regardless of whether the student is enrolled in a summer prekindergarten program delivered by a public school or a private prekindergarten provider, or a school-year prekindergarten program delivered by a publie school.
(b) Each county's allocation per full-time equivalent student in the Voluntary Prekindergarten Education Program shall be calculated annually by multiplying the base student allocation provided in the General Appropriations Act by the county's district cost differential provided in s. 1011.62(2). Each private prekindergarten provider and public school shall be paid in accordance with the county's allocation per full-time equivalent student.
(c) The initial allocation shall be based on estimated student enrollment in each coalition service area. The Agency for Workforce Innovation shall reallocate funds among the coalitions based on actual full-time equivalent student enrollment in each coalition service area.
(d) For programs offered by school districts pursuant to s. 1002.61 and beginning with the 2009 summer program, each district's funding shall be based on a full-time equivalent

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student enrollment that is evenly divisible by 12 10. If the result of dividing a district's full-time equivalent student enrollment by 1210 is not a whole number, the district's enrollment calculation shall be adjusted by adding the minimum number of full-time equivalent students to produce a full-time equivalent student enrollment calculation that is evenly divisible by 1210.
(4) Notwithstanding s. 1002.53(3) and subsection (2):
(a) A child who, for any of the prekindergarten programs listed in s. 1002.53(3), has not completed more than 10 percent of the hours authorized to be reported for funding under subsection (2) may withdraw from the program for good cause, reenroll in one of the programs, and be reported for funding purposes as a full-time equivalent student in the program for which the child is reenrolled. The total funding for a child who reenrolls in the same program shall not exceed one full-time equivalent student.
(b) A child who has not substantially completed any of the prekindergarten programs listed in s. 1002.53(3) may withdraw from the program due to an extreme hardship that is beyond the child's or parent's control, reenroll in one of the summer programs, and be reported for funding purposes as a full-time equivalent student in the summer program for which the child is reenrolled.

A child may reenroll only once in a prekindergarten program under this section. A child who reenrolls in a prekindergarten program under this subsection may not subsequently withdraw from
the program and reenroll. The Agency for Workforce Innovation shall establish criteria specifying whether a good cause exists for a child to withdraw from a program under paragraph (a), whether a child has substantially completed a program under paragraph (b), and whether an extreme hardship exists which is beyond the child's or parent's control under paragraph (b).
(6)
(d) The Agency for Workforce Innovation shall adopt, for funding purposes, a uniform attendance policy for the Voluntary Prekindergarten Education Program. The attendance policy must apply statewide and apply equally to all private prekindergarten providers and public schools. The attendance policy must establish a minimum requirement for student attendance and include the following provisions:

1. Beginning with the 2009-2010 fiscal year for schoolyear programs and the 2009 summer program, a student who meets the minimum requirement of 80 percent of the total number of hours for the program may be reported as a full-time equivalent student for funding purposes.
2. A student who does not meet the minimum requirement may be reported only as a fractional part of a full-time equivalent student, reduced pro rata based on the student's attendance.
3. A student who does not meet the minimum requirement may be reported as a full-time equivalent student if the student is absent for good cause in accordance with exceptions specified in the uniform attendance policy.

The uniform attendance policy shall be used only for funding
purposes and does not prohibit a private prekindergarten provider or public school from adopting and enforcing its attendance policy under paragraphs (a) and (c).
(7) The Agency for Workforce Innovation shall require that administrative expenditures be kept to the minimum necessary for efficient and effective administration of the Voluntary Prekindergarten Education Program. Administrative policies and procedures shall be revised, to the maximum extent practicable, to incorporate the use of automation and electronic submission of forms, including those required for child eligibility and enrollment, provider and class registration, and monthly certification of attendance for payment. Beginning with the 2008-2009 fiscal year, each early learning coalition may retain and expend no more than 4.855 percent of the funds paid by the coalition to private prekindergarten providers and public schools under paragraph (5) (b). Funds retained by an early learning coalition under this subsection may be used only for administering the Voluntary Prekindergarten Education Program and may not be used for the school readiness program or other programs.

Section 6. Paragraphs (c) and (d) of subsection (2) of section 1002.73, Florida Statutes, are amended to read:
1002.73 Department of Education; powers and duties; accountability requirements.--
(2) The department shall adopt procedures for the department's:
(c) Certification of school districts that are eligible to deliver the school-year prekindergarten program under s.

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1002.63.
(c) (d) Administration of the statewide kindergarten screening and calculation of kindergarten readiness rates under s. 1002.69.

Section 7. Paragraph (a) of subsection (4) of section 1003.03, Florida Statutes, is amended to read:
1003.03 Maximum class size.--
(4) ACCOUNTABILITY.--
(a)1. Beginning in the 2003-2004 fiscal year, if the department determines for any year that a school district has not reduced average class size as required in subsection (2) at the time of the third FEFP calculation, the department shall calculate an amount from the class size reduction operating categorical which is proportionate to the amount of class size reduction not accomplished. Upon verification of the department's calculation by the Florida Education Finance Program Appropriation Allocation Conference and not later than March 1 of each year, the Executive Office of the Governor shall transfer undistributed funds equivalent to the calculated amount from the district's class size reduction operating categorical to an approved fixed capital outlay appropriation for class size reduction in the affected district pursuant to s. 216.292(2)(d). The amount of funds transferred shall be the lesser of the amount verified by the Florida Education Finance Program Appropriation Allocation Conference or the undistributed balance of the district's class size reduction operating categorical.
2. In lieu of the transfer required by subparagraph 1., the Commissioner of Education may recommend a budget amendment,

## Page 12 of 19

PCB PAC 09A-01 - PCB PAC 09A-01.doc
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subject to approval by the Legislative Budget Commission, to transfer an alternative amount of funds from the district's class size reduction operating categorical to its approved fixed capital outlay account for class size reduction if the commissioner finds that the State Board of Education has reviewed evidence indicating that a district has been unable to meet class size reduction requirements despite appropriate effort to do so. The commissioner's budget amendment must be submitted to the Legislative Budget Commission by February 15 of each year.
3. For the 2007-2008 fiscal year and thereafter, if in any fiscal year funds from a district's class size operating categorical are required to be transferred to its fixed capital outlay fund and the district's class size operating categorical allocation in the General Appropriations Act for that fiscal year has been reduced by a subsequent appropriation, the Commissioner of Education may recommend a 50-percent 10-percent reduction in the amount of the transfer.

Section 8. Section 1011.051, Florida Statutes, is created to read:

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1011.051 \text { Guidelines for general funds.--The district }
$$ school board shall maintain an unreserved general fund balance that is sufficient to address normal contingencies. If at any time the unreserved general fund in the district's approved operating budget falls below:

(1) Five percent of projected general fund revenues, the superintendent shall provide written notification to the district school board and the Commissioner of Education.

Page 13 of 19
PCB PAC 09A-01 - PCB PAC 09A-01.doc
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(2) Two percent of projected general fund revenues, the provisions of s. 447.4095 shall be followed for the purpose of modifying existing collective bargaining agreements as necessary to avoid a financial emergency within the school district as provided under part $V$ of chapter 218. If the parties fail to reach agreement and proceed to implement the provisions of $s$. 447.403, the superintendent shall provide written notification to the Commissioner of Education, the dispute shall be resolved through an expedited impasse hearing, and the timelines prescribed in s. 447.403(2)(c) shall apply.

Section 9. Paragraphs (k) and (l) are added to subsection (2) of section 1011.71, Florida Statutes, and subsections (4), (5), (6), (7), and (8) of that section are amended, to read:
1011.71 District school tax.--
(2) In addition to the maximum millage levy as provided in subsection (1), each school board may levy not more than 1.75 mills against the taxable value for school purposes for district schools, including charter schools at the discretion of the school board, to fund:
(k) Payment of the cost of premiums for property and casualty insurance necessary to insure school district educational and ancillary plants as required by ss. $1001.42(11)(d)$ and $1001.51(11)(k)$.
(l) The purchase, lease-purchase, or lease of driver's education vehicles; motor vehicles used for the maintenance or operation of plants and equipment; security vehicles; or vehicles used in storing or distributing materials and equipment.

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\text { Page } 14 \text { of } 19
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(4) A school district that has met the reduction requirements regarding class size for the $2008-2009$ fiscal year pursuant to s. 1003.03 for $K=12$ students for whom the school district provides the educational facilitics and governs operations and certifies to the Commissioner of Fducation that the district does not need all of its discretionary 1.75 mill eapital improvement revenue for capital outlay purposes and all ef the district's instructional space needs for the next 5 years ean be met from capital outlay sources that the district reasonably expects to receive during the next 5 years from local revenues and from eurrently appropriated state facilities funding or from alternative scheduling or construction, leasing, rezoning, or technological methodologies that exhibit sound management may expend, subject to the provisions of s. 200.065, up to $\$ 65$ per unweighted full-time equivalent student from the revenue generated by the 2008-2009 millage levy authorized by subsection ( 2 ) to fund, in addition to expenditures authorized in paragraphs (2) (a)-(j), 2008-2009 expenses for the following:
(a) The purchase, lease-purchase, or lease of driver's education vehicles; motor vehicles used for the maintenance or opexation of plants and equipment; security vehicles; ox vehicles used in storing or distributing materials and equipment.
(b) Payment of the cost of premiums for property and easualty insurance necessary to insure school district educational and ancillaxy plants. Operating revenues that axe made available through the payment of property and casualty insurance premiums from revenues generated under this subsection

## Page 15 of 19

PCB PAC 09A-01 - PCB PAC 09A-01.doc
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may be expended only for nonrecurring operational expenditures of the school district.
(4) (5) Violations of the expenditure provisions in subsection (2) or subscction (4) shall result in an equal dollar reduction in the Florida Education Finance Program (FEFP) funds for the violating district in the fiscal year following the audit citation.
(5)(6) These taxes shall be certified, assessed, and collected as prescribed in s. 1011.04 and shall be expended as provided by law.
(6)(7) Nothing in s. 1011.62(4)(a)1. shall in any way be construed to increase the maximum school millage levies as provided for in subsection (1).
(7)(8) In addition to the maximum millage levied under this section and the General Appropriations Act, a school district may levy, by local referendum or in a general election, additional millage for school operational purposes up to an amount that, when combined with nonvoted millage levied under this section, does not exceed the 10 -mill limit established in s. $9(\mathrm{~b})$, Art. VII of the State Constitution. Any such levy shall be for a maximum of 4 years and shall be counted as part of the 10-mill limit established in s. 9(b), Art. VII of the State Constitution. Millage elections conducted under the authority granted pursuant to this section are subject to s. 1011.73. Funds generated by such additional millage do not become a part of the calculation of the Florida Education Finance Program total potential funds in 2001-2002 or any subsequent year and must not be incorporated in the calculation of any hold-harmless

## Page 16 of 19

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or other component of the Florida Education Finance Program formula in any year. If an increase in required local effort, when added to existing millage levied under the 10-mill limit, would result in a combined millage in excess of the $10-\mathrm{mill}$ limit, any millage levied pursuant to this subsection shall be considered to be required local effort to the extent that the district millage would otherwise exceed the $10-\mathrm{mill}$ limit.

Section 10. Subsection (2) of section 1011.73, Florida Statutes, is amended to read:
1011.73 District millage elections.--
(2) MILLAGE AUTHORIZED NOT TO EXCEED 4 YEARS.--The district school board, pursuant to resolution adopted at a regular meeting, shall direct the county commissioners to call an election at which the electors within the school district may approve an ad valorem tax millage as authorized under s. 1011.71(7) 1011.71(8). Such election may be held at any time, except that not more than one such election shall be held during any 12 -month period. Any millage so authorized shall be levied for a period not in excess of 4 years or until changed by another millage election, whichever is earlier. If any such election is invalidated by a court of competent jurisdiction, such invalidated election shall be considered not to have been held.

Section 11. Paragraph (b) of subsection (6) of section 1013.64, Florida Statutes, is amended to read:
1013.64 Funds for comprehensive educational plant needs; construction cost maximums for school district capital projects.--Allocations from the Public Education Capital Outlay

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\text { Page } 17 \text { of } 19
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and Debt Service Trust Fund to the various boards for capital outlay projects shall be determined as follows:
(6)
(b) 1. A district school board, including a district school board of an academic performance-based charter school district, must not use funds from the following sources: Public Education Capital Outlay and Debt Service Trust Fund; School District and Community College District Capital Outlay and Debt Service Trust Fund; Classrooms First Program funds provided in s. 1013.68; effort index grant funds provided in s. 1013.73; nonvoted 1.75mill Z-mill levy of ad valorem property taxes provided in s. 1011.71(2); Classrooms for Kids Program funds provided in s. 1013.735; District Effort Recognition Program funds provided in s. 1013.736; or High Growth District Capital Outlay Assistance Grant Program funds provided in s. 1013.738 for any new construction of educational plant space with a total cost per student station, including change orders, that equals more than:
a. \$17,952 for an elementary school,
b. \$19,386 for a middle school, or
c. $\$ 25,181$ for a high school,
(January 2006) as adjusted annually to reflect increases or decreases in the Consumer Price Index.
2. A district school board must not use funds from the Public Education Capital Outlay and Debt Service Trust Fund or the School District and Community College District Capital Outlay and Debt Service Trust Fund for any new construction of an ancillary plant that exceeds 70 percent of the average cost

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per square foot of new construction for all schools.
Section 12. Implementation of the provisions of section 1012.225, Florida Statutes, the Merit Award Program for Instructional Personnel and School-Based Administrators, shall be held in abeyance during the 2008-2009 fiscal year.

Section 13. In order to implement Specific Appropriations 2, 3, and 41 through 44 of the Special Appropriations Act for the 2008-2009 fiscal year, the calculations of the Florida Education Finance Program for the 2008-2009 fiscal year in the document entitled "Public School Funding - The Florida Education Finance Program," dated January 8, 2009, and filed with the Secretary of the Senate are incorporated by reference for the purpose of displaying the calculations used by the Legislature, consistent with requirements of the Florida Statutes, in making appropriations and reductions in appropriations for the Florida Education Finance Program.

Section 14. Section 11 of chapter 2008-142 and section 2 of chapter 2008-213, Laws of Florida, are repealed.

Section 15. This act shall take effect February 1, 2009, or upon becoming a law, whichever occurs later; however, if this act becomes a law after February 1, 2009, ss. 1002.53, 1002.61, 1002.63, 1002.71, and 1002.73, Florida Statutes, as amended by this act, shall operate retroactively to February 1, 2009.

