

MEMORANDUM

January 31, 2017

TO: The Honorable Chair and Members of The School Board of Miami-Dade County, Florida

FROM: Alberto M. Carvalho, Superintendent of Schools *AMC*

**SUBJECT: 2017 LEGISLATIVE UPDATE – INTERIM COMMITTEE WEEK
JANUARY 23-27, 2017**

The Florida Legislature met the week of January 23, 2017, for its third week of interim committee meetings leading up to the 2017 Legislative Session.

Budget

Conversations in Appropriations subcommittees continued as each respective committee works to comply with the House Appropriations Committee Chairman's (Representative Carlos Trujillo) directive to develop reductions in response to the state's gloomy projected financial outlook. The budget exercise basically requires two levels of budget reductions. Thus, two methodologies were developed to provide targeted reductions of \$1.05 billion and \$2.2 billion statewide. For House Education PreK-12 Appropriations, the targets are \$232.7 million (\$164.8 million in recurring funds and \$68 million in nonrecurring funds) and \$485.0 million (\$417.0 in recurring funds and \$68 in nonrecurring funds). Members were also asked to identify tax cuts, including cuts to local property taxes which in great part fund public education in Florida through the Florida Education Finance Program (FEFP).

Governor Recommends Tax Cuts

Despite a tight budget environment, Governor Rick Scott announced a proposal to cut taxes by \$618 million. His proposed tax reduction plan includes reduction of taxes on commercial leases, a series of sales tax "holidays" for consumers, and a reduction in the state's corporate income tax. The largest portion of the Governor's proposal would reduce taxes on commercial leases by \$454 million, a reduction of 25 percent. His sales tax holiday proposals total \$98 million. The biggest tax holiday of \$72 million would provide Floridians with 10 days to purchase certain back-to-school supplies without paying sales taxes. Another \$51 million of the tax holiday proposal would make college textbook purchases tax exempt. The Governor also proposed to raise the exemption on the corporate income tax from \$50,000 to \$75,000, which represents a total cost of \$15 million to the state.

Committee Discussions

The **Senate Education Appropriations Subcommittee**, chaired by Senator David Simmons, held a workshop on Teacher Pay and Compensation. The Florida Department of Education provided a presentation related to the Best and Brightest Teacher Scholarship and teacher compensation. The Senate Education Committee also heard SB 2 sponsored by Senator Bill Galvano. SB 2 modifies the state's university

and community college performance accountability metrics to graduate students in 4 years and 2 years respectively. The bill also increases student financial aid by expanding the Florida Bright Futures Academic Scholars award to cover 100 percent of tuition and specified fees plus \$300 per fall and spring semester for textbooks and other college-related expenses. The estimated cost is approximately \$160 million.

The **House PreK-12 Appropriations Subcommittee** discussed the budget reductions exercise with the Commissioner of Education, Pam Stewart. She presented the department's recommendation for a 10 percent, or \$943.6 million, budget reduction. The plan presented would reduce the FEFP by a total of \$700.6 million, or \$261 per student. The Commissioner's budget reduction plan also includes the elimination of funding for the New World School of the Arts.

The **House PreK-12 Quality Subcommittee**, chaired by Representative Jake Raburn, heard presentations on effective models of low-performing school turnaround and participated in a panel discussion on state and local interventions. Dr. David Moore, M-DCPS Assistant Superintendent, was one of the presenters along with the Commissioner of Education.

The **House PreK-12 Innovation Subcommittee**, chaired by Representative Chris Latvala, heard presentations on District open enrollment and public school choice options. A presentation on charter schools was made as well.

Upcoming Events

The next set of interim committee meetings is scheduled for February 6-10, 2017. The School Board advocacy trip is scheduled for February 22, 2017.

If you have any questions or need additional information, please contact Ms. Iraida R. Mendez-Cartaya, Associate Superintendent, Office of Intergovernmental Affairs, Grants Administration, and Community Engagement, at 305 995-1497.

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cc: School Board Attorney
Superintendent's Cabinet