


MEMORANDUM

March 12, 2018

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

FROM: Alberto M. Carvalho, Superintendent of Schools 

SUBJECT: 2018 LEGISLATIVE UPDATE – WEEK #9

The 2018 Florida Legislative Session concluded its ninth and final week on Friday, March 9, 2018. However, the presiding officers extended the session for two additional days until Sunday March 11, 2018, to vote on the 2018-2019 budget and a tax package. The Legislature did not finalize budget negotiations in time to allow for the required 72-hour “cooling off” period prior to voting on the budget and still conclude on the scheduled 60th day, March 9. The budget was released on Thursday, March 8 at 1:40 p.m. Therefore, the Legislature convened on Sunday, March 11, to conclude its work and pass the state’s budget for fiscal year 2018-2019. The Florida Legislature, after passing the General Appropriations Act, the accompanying implementing bill, and the tax package, adjourned *sine die* at 4:16 p.m., bringing the 2018 Legislative Session to a close.

Budget

The 2018-2019 state budget is approximately \$88.7 billion, which represents an increase of approximately \$5 billion over the current budget. Despite a growing economy, low unemployment, and a budget surplus, the Florida Legislature only increased the Florida Education Finance Program (FEFP) by \$484 million, or 2.35 percent. The increase is comprised of \$287 million in state funds and \$197 million in local property tax funds. For the third consecutive year, the Legislature has rolled back the Required Local Effort (RLE), thereby reducing potential revenues available for education. The statewide per-pupil increase is approximately \$101.50, or 1.39 percent. The budget was made subject to HB 7055 becoming law.

Miami-Dade County Public Schools’ (M-DCPS) increase in the 2018-2019 FEFP is \$12.6 million, or 0.48 percent, and the District’s total per-pupil increase is \$65.06, or 0.87 percent. Both measures are well below the statewide average. An analysis of the last seven state budgets reveals that the District’s per-pupil funding is typically above the statewide average, and this year is an anomaly. As a result, when the District’s funding is ranked from highest to lowest, M-DCPS’ per-student funding ranks 65 out of 67, with only Broward and Gadsden Counties falling below its per-pupil funding.

While the District Cost Differential (DCD) study was embedded in the state budget, the inequity in the budget is a major issue with a total of \$376.7 million (Sparsity Supplement, Discretionary Compression, and Funding Compression Adjustment) that M-DCPS does not share. Certainly, this is a major issue for the next legislative session.

While the 2018-2019 FEFP provides \$484 million to school districts statewide, school boards have very limited flexibility as the new monies are to be used to fund new students, increased retirement contribution for employees, and new or enhanced categorical programs.

FEFP highlights include:

- Base Student Allocation increase by 0.47 cents;
- Funding for approximately 27,000 new students statewide;
- Additional compression allocation of \$56 million;
- Funds for a new categorical for Mental Health Assistance; and
- Increased funding for Safe Schools of \$97.5 million.

Other notable budget highlights outside of the FEFP are:

- Continuation of funding for the adults with disability grant program;
- Funding Public Education Capital Outlay (PECO) for charter schools at \$145 million, \$50 million for public schools;
- Funding Student Attire - \$3 million;
- Funding Schools of Hope - \$140 million; and
- Defunding of the New World School of the Arts.

Tax Package

The Florida Legislature passed House Bill 7087 related to taxation. The legislation provides \$168.6 million in tax relief, consisting of \$71.2 million in recurring tax cuts and \$97.4 million in one-year tax cuts. The bill creates a seven-day “disaster preparedness” sales tax holiday from June 1 to June 7, 2018, for disaster preparedness supplies. Tax-free items include: flashlights and lanterns costing \$20 or less; radios and tarps costing \$50 or less; coolers costing \$30 or less; and generators costing \$750 or less, among others. The legislation also creates a three-day “back-to-school” sales tax holiday from August 3 to August 5, 2018, for clothing, footwear, and backpacks costing \$60 or less, and school supplies costing less than \$15.

The Legislature passed House Joint Resolution (HJR) 7001, Supermajority Vote for State Taxes or Fees. The legislation proposes an amendment to Florida’s Constitution to require that a state tax or fee imposed, authorized, or raised by the Legislature be approved by two-thirds of the membership of each chamber. The amendment proposed in HJR 7001 will take effect on January 8, 2019, if approved by 60 percent of the voters during November’s general election.

School Safety

The Florida Legislature passed SB 7026, a safety package in response to the tragic event at Marjory Stoneman Douglas High School on February 14, 2018, that was swiftly signed into law by Governor Rick Scott on Friday, March 9. Shortly after the Governor signed the bill, the National Rifle Association filed legal action against the state.

The most controversial portion of the bill is the “guardian” or marshal program, which has \$67 million in funding tied to it and is optional and subject to local law enforcement

and local school district agreement to implement. The purpose of the program is to aid in the prevention or abatement of active assailant incidents on school premises. It stipulates that a school guardian has no authority to act in any law enforcement capacity except to the extent necessary to prevent or abate an active assailant incident on school premises. Excluded from participating in the program are individuals who exclusively perform classroom duties as classroom teachers, as defined in s. 1012.01(2)(a). This limitation does not apply to classroom teachers of a Junior Reserve Officers' Training Corps (JROTC) program, a current service member, as defined in s. 250.01, or a current or former law enforcement officer, as defined in s. 943.10(1), (6), or (8). The sheriff who chooses to establish the program shall appoint as school guardians, without the power of arrest, school employees who volunteer and who:

- Hold a valid license to carry concealed weapons under s. 790.06;
- Complete 132 total hours of comprehensive firearm safety training that includes:
 - 80 hours of firearms instruction;
 - 16 hours of instruction in precision pistol;
 - 8 hours of discretionary shooting instruction with a simulator;
 - 8 hours of instruction active shooter or assailant scenarios;
 - 8 hours of instruction in defensive tactics; and
 - 12 hours of instruction in legal issues;
- Pass a psychological evaluation;
- Pass an initial drug test and subsequent random drug tests;
- Successfully complete ongoing training, weapon inspection, and firearm qualification on at least an annual basis; and
- Successfully complete at least 12 hours of a certified nationally recognized diversity training program.

The bill addresses firearms by:

- Establishing new restrictions on purchase and ownership of firearms of all types;
- Increasing the minimum age for purchasing a firearm from 18 to 21 years, except for persons in law enforcement and active and reserved military personnel;
- Establishing a 3-day waiting period for the purchase of firearms, except for concealed weapons permit holders or persons who complete a 16-hour hunter safety course approved by the Fish and Wildlife Commission;
- Prohibiting the sale of bump stocks;
- Providing law enforcement and the court the ability to temporarily restrict firearm possession by a person who is undergoing a mental health crisis or when there is evidence of a threat of violence; and
- Prohibiting a person adjudicated mentally impaired or committed to a mental institution from owning or purchasing a firearm or obtaining a concealed weapon license.

Nearly \$98 million is appropriated to enhance school-site security. Those funds are to be used exclusively to employ or contract additional school resource officers. The bill further:

- Requires school-hardening, which is funded at \$98.9 million;

- Requires a review of school safety and security plans;
- Implements a school safety specialist training program;
- Requires risk assessment procedures;
- Requires training for school safety specialists as well as students and faculty;
- Requires emergency drills for active shooter and hostage situations involving students, school personnel, and law enforcement experts;
- Establishes a “marshal” program to enhance safety and security in schools through the use of law-enforcement-trained and screened school personnel who function as part of school security teams;
- Requires each school district to designate a school safety specialist and each school to establish a threat assessment team to provide a coordinated approach to evaluating and responding to students who pose a threat of violence;
- Removes barriers preventing school district and law enforcement authorities from referring students appropriately to mental health services or law enforcement;
- Requires coordination and information-sharing among schools, law enforcement, and service agencies;
- Establishes a statewide commission to investigate system failures in the Parkland school shooting and prior mass shooting events and make recommendations for system improvements; and
- Provides \$69 million to school districts to assist in establishing and expanding school-based mental health services as well as training for staff at every school.

Major Education Legislation

HB 7055 is major education omnibus bill that creates a new education scholarship program and streamlines state school choice scholarship program accountability provisions. Specifically, the bill:

- Establishes the Hope Scholarship Program for students subjected to bullying and other specified incidents in public schools;
- Streamlines and consolidates the oversight provisions for private schools participating in state school choice scholarship programs into one section of law;
- Establishes Reading Scholarship Accounts for struggling readers performing at levels 1 or 2 in grades 3-5;
- Modifies the charter school application process, charter contract term and consolidation, and due process;
- Revises eligibility requirements for high-performing charter schools and allows replication of up to two such schools per year;
- Specifies district school board oversight and fiscal transparency responsibilities;
- Requires school boards to adopt rules to require all schools in the district to display the state motto in a conspicuous place;
- Requires CPR instruction for high school students;
- Expands the Principal Autonomy Program statewide (contingent on available funds);

- Creates district innovation academies and zones to allow principals to manage multiple schools;
- Amends “Equity in Funding” to provide school boards greater flexibility with their Title I funds;
- Ensures that school districts may use local dollars on new construction without a survey recommendation. Local dollars include funds from voted bond referenda, one-half cent sales surtax revenue, one-cent local governmental surtax revenue, impact fees, or private gifts or donations;
- Authorizes school districts to operate in a facility on the same basis as a charter school if the regional planning council determines that there is sufficient shelter capacity within the district as documented in the Statewide Emergency Shelter Plan;
- Modifies the calculation for distribution of capital outlay funds for charters; and,
- Requires employee organizations for instructional personnel to include specified information in the application for renewal of registration and specifies recertification requirements for employee organizations.

The purpose of **HB 1279** is to increase transparency of educational spending by requiring school districts to provide financial efficiency data and fiscal trend information. The date this bill becomes effective is July 1, 2019. The bill also requires:

- The Department of Education to develop a web-based tool that identifies schools and districts with high academic achievement based on per-pupil expenditures;
- School boards to provide a full explanation of any budget amendment at each board’s next public meeting;
- School districts with revenues over \$500 million to employ an internal auditor;
- School districts with low ending fund balances to reduce administrative costs and other expenditures;
- Districts with financial emergency conditions to withhold the salaries of certain superintendents and school board members until the emergency is addressed;
- An investigation of school districts who are unable to timely pay current debts and liabilities;
- The Department of Education’s Office of Inspector General to investigate allegations and reports of fraud and abuse from certain government officials; and
- School districts with previous operational audit findings to initiate and complete corrective action within a certain period of time.

In addition, the bill:

- Prohibits appointed and elected superintendents from lobbying school districts for a period of two years after vacating the position;
- Aligns school board member salaries with beginning teacher salaries or the amount calculated by statute;
- Requires prior school board approval for reimbursement of certain out-of-district travel expenses;

- Authorizes the withholding of a portion of an employee's salary who owes a public financial disclosure fine;
- Repeals s. 1011.64 related to school district minimum classroom expenditure requirements; and
- Prohibits superintendents, along with school board members, from employing or appointing a relative to work under their direct supervision.

District Priorities

A remedy was provided related to school districts' use of their **Title I** funds. The revised language authorizes funds to be used at high schools above the 50 percent threshold, increases the limits on the combined administrative and indirect costs from 8 percent to 10 percent, authorizes one percent of funds to be used for eligible schools to provide educational services in accordance with the Title I plan, and provides that carry-forward Title I funds are not subject to the limitations established in state law.

The calculation for the distribution of **capital outlay funds** from local tax levy to charters schools was modified, providing that, for the 2018-2019 fiscal year, charter school capital outlay funding shall consist of state funds appropriated in the 2018-2019 General Appropriations Act (GAA). The GAA provides \$145 million from PECO for charter schools. Furthermore, beginning in the 2019-2020 fiscal year, charter school capital outlay funding shall consist of appropriated state funds and revenue resulting from districts if the amount of state funds is less than the average charter capital outlay funds per unweighted FTE for the 2018-2019 fiscal year multiplied by the estimated number of charter school students for the applicable fiscal year and adjusted by the change in the Consumer Price Index from the previous year. School districts shall distribute funds under this section by February 1 of each year. By October 1 of each year, districts shall certify to the Department the amount of debt service and participation requirement that can be reduced from the total discretionary millage. The Auditor General shall verify compliance during scheduled operational audits of school districts.

The Legislature also provided school districts with flexibility regarding State Required Educational Facilities (SREF).

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.

AMC:ajo
M1107

cc: School Board Attorney
Superintendent's Cabinet