

Measures Affecting Education:

Impact of 2017 Legislation on PreK-12 Public School Full-Time Equivalent (FTE) Enrollment and Capital Outlay (CO) FTE Membership

PreK-12 Education Impact Conference
July 2017

Conference Report

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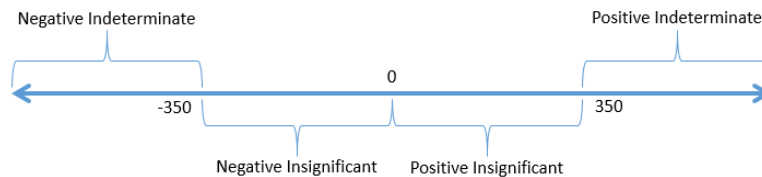
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Introduction

In addition to the General Appropriations Act, three bills were passed during the 2017 Regular Session that contain provisions that may impact full-time equivalent (FTE) student enrollment for the Florida Education Finance Program (FEFP) or for capital outlay (CO) FTE planning. All references to FTE in the discussion apply to FEFP FTE, unless otherwise specified. All impacts are the cumulative effects. Cumulative effects means that the estimate for each fiscal year can be applied directly against the adopted forecast. The table below illustrates what is meant by fiscal year cumulative impacts, where FY references to prior years are inclusive of modifications to that specific cohort which reflect the natural passage of time.

Fiscal Year (FY) Cumulative Impacts					
	FY 1	FY 2	FY 3	FY 4	FY 5
FTE Impact	FY 1 Annual Impact	FY 1 Annual Impact + FY 2 Annual Impact	FY 1 Annual Impact + FY 2 Annual Impact + FY 3 Annual Impact	FY 1 Annual Impact + FY 2 Annual Impact + FY 3 Annual Impact + FY 4 Annual Impact	FY 1 Annual Impact + FY 2 Annual Impact + FY 3 Annual Impact + FY 4 Annual Impact + FY 5 Annual Impact

Effects without specific numerical estimates are described as follows:



Wording	Meaning
Indeterminate (+/-)	The impact cannot be estimated as to level and direction, but the level is expected to be larger than or equal to +350 FTE or -350 FTE.
Positive Indeterminate	The impact cannot be estimated, but the level is expected to be positive and larger than or equal to +350 FTE.
Negative Indeterminate	The impact cannot be estimated, but the level is expected to be negative and larger than or equal to -350 FTE.
0 / Positive Indeterminate	The impact may be zero or it may be positive indeterminate.
0 / Negative Indeterminate	The impact may be zero or it may be negative indeterminate.
Insignificant (+/-)	The impact cannot be estimated as to direction, but the level is expected to be smaller than +350 FTE or -350 FTE.
Positive Insignificant	The impact is expected to be positive and the level is expected to be smaller than +350 FTE.
Negative Insignificant	The impact is expected to be negative and the level is expected to be smaller than -350 FTE.
0 / Positive Insignificant	The impact may be zero or it may be positive insignificant.
0 / Negative Insignificant	The impact may be zero or it may be negative insignificant.

**Summary Table of Cumulative Impacts for
FTE Enrollment and COFTE Membership**

FTE Enrollment Impact					
	2017-18	2018-19	2019-20	2020-21	2021-22
Capital Outlay Membership Calculation	0	0	0	0	0
Charter School Enrollment	0	0	0	0	0
District Virtual Course Offerings	0	0	0	0	0
Gardiner Scholarship	Negative Indeterminate	Negative Indeterminate	Negative Indeterminate	Negative Indeterminate	Negative Indeterminate
Promotion and Testing	0	0	0	0	0
Tax Credit Scholarship	0 / Negative Indeterminate	0 / Negative Indeterminate	0 / Negative Indeterminate	0 / Negative Indeterminate	0 / Negative Indeterminate
Virtual Education Eligibility	419.88	419.88	419.88	419.88	419.88
COFTE Membership Impact					
	2017-18	2018-19	2019-20	2020-21	2021-22
Capital Outlay Membership Calculation	0	0	0	0	0
Charter School Enrollment	0 / Negative Insignificant	Negative Indeterminate	Negative Indeterminate	Negative Indeterminate	Negative Indeterminate
District Virtual Course Offerings	0	0	0	0	0
Gardiner Scholarship	Negative Indeterminate	Negative Indeterminate	Negative Indeterminate	Negative Indeterminate	Negative Indeterminate
Promotion and Testing	0	0	0	0	0
Tax Credit Scholarship	0 / Negative Indeterminate	0 / Negative Indeterminate	0 / Negative Indeterminate	0 / Negative Indeterminate	0 / Negative Indeterminate
Virtual Education Eligibility	0	0	0	0	0

Detailed Bill Discussion

Issue: Capital Outlay Membership Calculation
Bill Number(s): CS/HB 7069

- Entire Bill**
 Partial Bill CS/HB 7069, Section 32

Sponsor(s): Appropriations Committee; Education Committee; Diaz, M.;
(CO-INTRODUCERS) Cortes, B.; Donalds; Fischer; Roth

Effective Date: For this section, upon becoming law (June 15, 2017)

Month/Year Impact Begins: For this section, upon becoming law

Date of Analysis: July 2017

Section 1: Narrative

a. Current Practice:

The capital outlay (CO) FTE membership is determined by counting the reported unweighted full-time equivalent student membership for the second and third surveys with each survey limited to 0.5 full-time equivalent membership per student and comparing the results on a school-by-school basis with the Florida Inventory of School Houses.

b. Current Law:

Section 1013.64(3)(a), F.S., outlines how capital outlay membership is determined. This section was revised for the 2016-17 school year based on HB 5003, 2016 Legislative Session. HB 5003 clarifies capital outlay to include FEFP eligible Prekindergarten and revises the way the capital outlay membership is calculated.

The revised calculation is based on the relationship between the prior school year's third survey relative to the current school year's second survey. The greater of these two surveys is used in combination with the current school year's third survey to determine the 2016-17 membership. This comparison is done on a school by school basis. Each school is compared to the Florida Inventory of School Houses to determine if it is a district owned facility.

c. Law Change:

CS/HB 7069, Section 32 Lines 3961-4137:

Revises s. 1013.64, F.S., to clarify that the capital outlay full-time equivalent membership shall be determined by counting the reported unweighted full-time equivalent student membership for the second and third surveys with each survey limited to 0.5 full-time equivalents per student and comparing the results on a school-by-school basis with the Florida Inventory of School Houses.

Section 2: Description of Data and Sources

Capital outlay FTE data is derived from the Florida Student Database, Education Information and Accountability Services, DOE.

Section 3: Methodology (Include Assumptions and Attach Details)

Assumptions:

- HB 5003, 2016 Legislative Session, only had the potential to impact one year of CO membership (2016-17)

- CS/HB 7069 became effective for calculating COFTE membership during the 2016-17 school year, on June 15, 2017
- DOE will calculate COFTE membership in 2016-17 and beyond under the same calculation that was used in 2015-16 and the historical COFTE membership series

The 2016-17 capital outlay FTE by survey by school was gathered. Total FTE by school for the current, or target, year survey 2 was compared to the prior year survey 3. The higher of the two was combined with survey 3 of the current school year to determine 2016-17 CO membership using the implementing bill language, HB 5003, 2016 Legislative Session. This total was compared with the 2016-17 COFTE membership total using current practice. All calculations were completed at the school level.

Section 4: Analysis

“Current practice/current administration” evolved to identify all students that were receiving instruction in district owned facilities as the type of student receiving instruction in district owned facilities has changed over time.

HB 5003 from the 2016 Legislative session will expire by July 1, 2017. This language attempted to clarify the calculation of CO membership for 2016-17 to more clearly represent “current practice” than the law at the time. The language in HB 5003 is not consistent with “current practice,” and would increase the calculation of CO membership statewide by 25,694 for the 2016-17 school year.

CS/HB 7069 clarifies the mathematical calculation of COFTE membership in 2017-18 and beyond to be consistent with historical practice. The changes clarify how COFTE membership is calculated, and do not impact FTE reporting.

Section 5: Cumulative FTE Enrollment and COFTE Membership Impacts

	Cumulative Impact	
	FTE	COFTE
2017-18	0	0
2018-19	0	0
2019-20	0	0
2020-21	0	0
2021-22	0	0

Issue: Charter School Enrollment
Bill Number(s): CS/HB 7069

- Entire Bill**
 Partial Bill CS/HB 7069, Sections 23, 24, 41, and 43

Sponsor(s): Appropriations Committee; Education Committee; Diaz, M.;
(CO-INTRODUCERS) Cortes, B.; Donalds; Fischer; Roth

Effective Date: July 1, 2017

Month/Year Impact Begins: On Becoming Law

Date of Analysis: July 2017

Section 1: Narrative

a. Current Law:

Section 1002.331(3)(a), F.S., allows a high-performing charter school to replicate its education program in any district in the state. However, the high-performing charter school may not establish more than one charter school within the state in any year.

Section 1002.332(2)(a), F.S., allows the Commissioner of Education to designate an entity that meets specific statutory criteria as a high-performing charter school system. However, a high-performing charter school system may only replicate its education program through its high performing charter schools as authorized by 1002.331(3)(a).

Section 1008.33(4), F.S., requires public schools that earn three consecutive grades of “D” or two consecutive grades of “F” to implement one of the following turnaround options:

1. Convert the school to a district-managed turnaround school;
2. Reassign students to another school and monitor the progress of each reassigned student;
3. Close the school and reopen the school as one or more charter schools, each with a governing board that has a demonstrated record of effectiveness;
4. Contract with an outside entity that has a demonstrated record of effectiveness to operate the school; or
5. Implement a hybrid of turnaround options set forth in subparagraphs 1.-4. or other turnaround models that have a demonstrated record of effectiveness.

There currently is no definition of persistently low-performing schools, and the Schools of Hope program is not currently in statute.

b. Change:

Section 23 expands 1002.331(3)(a) to allow a high-performing charter school to establish more than one charter school within the state in any year if it operates in the area of a persistently low-performing school and serves students from that school.

Section 24 expands 1002.332(2)(b) to allow a high-performing charter school system, as the applicant, to establish more than one charter school in any school district in the state. According to the Department of Education, “HP systems can replicate their HP schools using a new streamlined model charter school application.”¹

¹ Department of Education, email dated July 14, 2017

Section 41 revises the requirements for public school improvement by requiring schools that earn two consecutive grades of “D” or a grade of “F” to implement a district-managed turnaround plan. If a school has not improved to a grade of “C” after two years of implementation, the school must select and implement one of the following turnaround options:

1. Reassign students to another school and monitor the progress of each reassigned student;
2. Close the school and reopen the school as one or more charter schools, each with a governing board that has a demonstrated record of effectiveness; or
3. Contract with an outside entity that has a demonstrated record of effectiveness to operate the school. An outside entity may include a district managed charter school in which all instructional personnel are not employees of the school district, but are employees of an independent governing board composed of members who did not participate in the review or approval of the charter.

Section 43 establishes Schools of Hope to serve students in a persistently low-performing school, which is a school that has earned three consecutive grades below a “C” or a school that was closed pursuant to s. 1008.33(4) within 2 years after the submission of a notice of intent. A School of Hope is established by a Hope Operator designated by the State Board of Education. A School of Hope may either be:

1. A charter school operated by a hope operator which serves students from one or more persistently low-performing schools; is located in the attendance zone of a persistently low-performing school or within a 5-mile radius of such school, whichever is greater; and is a Title I eligible school; or
2. A school operated by a hope operator pursuant to s. 1008.33(4)(b)3 (Authority to enforce public school improvement).

Section 2: Description of Data and Sources

Number of charter schools operating in Florida and their enrollment

CHARTER SCHOOL ENROLLMENT				
YEAR	# OF CHARTER SCHOOLS	STUDENTS ENROLLED	# OF HIGH-PERFORMING CHARTER SCHOOLS	STUDENTS ENROLLED
2011-12	518	179,940	117	73,778
2012-13	578	203,240	144	87,880
2013-14	615	229,428	147	90,903
2014-15	646	251,282	165	95,740
2015-16	652	270,301	186	116,971
2016-17	654	283,118	185	113,983

Source: email from DOE, July 2017

School Grades in Florida; DOE June 2017

- Based on the 2016-17 schools grades and prior to the appeal process being completed, there are 92 persistently low-performing traditional public schools as defined in CS/HB 7069.

2016-2017 District turnaround options

FIRST TURNAROUND OPTIONS						
Year in Status	# of Schools	Closure	DMT	Hybrid DMT/EO	Hybrid (DMT/EO/Closure)	Charter
1	68	1	65	2	0	0
2	3	0	3	0	0	0
3	2	0	2	0	0	0
Total	73	1	70	2	0	0
SECOND TURAROUND OPTIONS						
1	42	2	0	36	2	2

Note: DMT – District Managed Turnaround, EO – External Operator

Source: Email from DOE to House staff, dated 7/11/2017

Turnaround options selected by school districts; DOE June 2017

- In 2017-18 there will be three charter schools established pursuant to s. 1008.33(4)(b)3. (Jefferson County)

Section 3: Methodology (Include Assumptions and Attach Details)

Assumptions:

- High-performing charter schools that replicate their educational program will not be in district owned facilities.
- Schools of Hope established to serve students from persistently low-performing schools (pursuant to s. 1002.333) will enroll some or all of the students from such schools. However, it is also possible that zoned students currently participating in other school choice options could participate at a School of Hope, such as students from: private or home school, those participating in scholarship programs, etc. In addition, new high-performing charter schools may open near these persistently low-performing schools and serve some of their students.
- Schools of Hope will not be in a district owned facility unless otherwise negotiated with the district.
- Charter schools established as a turnaround option plan pursuant to s. 1008.33 will likely operate in district owned facilities.

Section 4: Analysis

The number of charter schools operating in Florida and their enrollment has steadily increased over time and is already accounted for in conference adopted FTE and COFTE forecasts.

According to the Department of Education, Section 24 “could potentially increase the number of replications”², and thereby may influence the number of charter schools in the state.

The ability for high performing charter schools to replicate more than once per year when they open within the area of a persistently low-performing school (Section 23), in addition to a School of Hope opening after submitting a notice of intent to the District (Section 43), will result in additional charter schools in the state.

With the assumption that Schools of Hope and high-performing charter schools will most likely open in non-district owned facilities, the impact to COFTE membership is estimated to be negative insignificant in 2017-18, growing to negative indeterminate over time. Because the timing is unknown in the first year of implementation, a “0” has been added to the negative insignificant.

² Department of Education, email dated July 14, 2017

Section 5: Cumulative FTE Enrollment and COFTE Membership Impacts

	Cumulative Impact	
	FTE	COFTE
2017-18	0	0 / Negative Insignificant
2018-19	0	Negative Indeterminate
2019-20	0	Negative Indeterminate
2020-21	0	Negative Indeterminate
2021-22	0	Negative Indeterminate

Note: The above impact assumes that the population for the Schools of Hope and new high performing charter schools will be from the public school system. If students from other school choice options participate at these schools, such as students from: private or home school, those participating in scholarship programs, etc., there would also be upward pressure on FTE enrollment.

Issue: District Virtual Course Offerings
Bill Number(s): CS/HB 7069

- Entire Bill**
 Partial Bill CS/HB 7069, Sections 21, 25, and 33

Sponsor(s): Appropriations Committee; Education Committee; Diaz, M.;
(CO-INTRODUCERS) Cortes, B.; Donalds; Fischer; Roth

Effective Date: July 1, 2017

Month/Year Impact Begins: July/2017

Date of Analysis: July 2017

Section 1: Narrative

a. Current Law:

Section 1002.33(7), F.S., states that charter schools may provide blended learning instruction to full-time students enrolled in the school. The online component of the blended learning instruction must be provided in a classroom setting at the school.

Section 1003.498(1), F.S., states that: *School districts may deliver courses in the traditional school setting by personnel certified pursuant to s. 1012.55 who provide direct instruction through virtual instruction or through blended learning courses consisting of both traditional classroom and online instructional techniques. Students in a blended learning course must be full-time students of the school and receive the online instruction in a classroom setting at the school. The funding, performance, and accountability requirements for blended learning courses are the same as those for traditional courses. To facilitate the delivery and coding of blended learning courses, the department shall provide identifiers for¹ existing courses to designate that they are being used for blended learning courses for the purpose of ensuring the efficient reporting of such courses. A district may report full-time equivalent student membership for credit earned by a student who is enrolled in a virtual education course provided by the district which is completed after the end of the regular school year if the FTE is reported no later than the deadline for amending the final student membership report for that year.*

¹Note.—As amended by s. 10, ch. 2013-45. The amendment by s. 4, ch. 2013-225, did not include the word “existing.”

Section 1003.4282(4), F.S., states that one of the 24 credits that are required for a standard high school diploma to be completed through online learning. District school boards and charter governing boards can offer the following as alternatives to satisfy this credit: earns a nationally recognized industry certification in information technology or passage of an online content assessment.

b. Change:

CS/HB 7069, Section 21 Lines 2328-3383 and Section 25 Lines 3505-3547:

The bill removes the requirements in both sections mentioned above which limit the online instruction to a classroom setting at the school. Charter schools and districts may choose to offer the online instruction outside of the traditional classroom setting in a supervised location at a brick and mortar school (as defined by s. 1002.451(1)(b), F.S.: *A blended learning program is an education program in which a student learns in part through online delivery of content and instruction with some element of student control over time, place, path, or pace and in part at a supervised brick-and-mortar location away from home.*).

As in current law, the student must be a full-time student of the school offering the blended learning course.

Section 33 of CS/HB 7069 (Lines 4138-4223) expands alternatives for the online course graduation requirement to include completion of a blended learning course. Additionally, this section clarifies that the student cannot be required by the school district to take the course outside of the school day or in addition to a student’s courses for a given semester.

Section 2: Description of Data and Sources
N/A

Section 3: Methodology (Include Assumptions and Attach Details)

Assumptions:

- School districts and charter schools choose how blended learning services are provided and may decide to not offer the virtual component outside of the classroom setting in the brick and mortar school.
- Offering flexibility in the location of the school in which the student completes the online portion of a blended learning course will not impact interest and participation in blended learning courses.
- Blended learning courses are reported as seat time instruction for FEFP funding.
- Students currently have multiple options to have access to an online course, or equivalent alternative, to satisfy the online course requirement for a standard high school diploma beginning in 6th grade.

Section 4: Analysis

School districts or charter schools may choose to allow the online component of the blended learning course to be completed outside of the traditional classroom setting at a brick and mortar school.

Adding an additional option to satisfy the online course requirement for a standard high school diploma will not result in any additional virtual FTE enrollment or non-COFTE membership due to the numerous options currently offered (Florida Virtual School (FLVS), district virtual instruction, online dual enrollment) in addition to alternatives offered (a nationally recognized industry certification in information technology or passage of an online content assessment).

There is no estimated impact to statewide FTE enrollment or COFTE membership totals.

Section 5: Cumulative FTE Enrollment and COFTE Membership Impacts

	Cumulative Impact	
	FTE	COFTE
2017-18	0	0
2018-19	0	0
2019-20	0	0
2020-21	0	0
2021-22	0	0

Issue: Gardiner Scholarship
Bill Number(s): CS/CS/CS/HB 15
CS/HB 7069
SB 2500

- Entire Bill**
- Partial Bill** CS/CS/CS/HB 15, Section 1
CS/HB 7069, Section 48 and Section 71
SB 2500, Section 23

Sponsor(s): CS/CS/CS/HB 15
Education Committee ;PreK-12 Appropriations Subcommittee; PreK-12 Innovation Subcommittee; Sullivan; Fischer;
(CO-INTRODUCERS) Avila; Cortes, B.; Donalds; Leek; Massullo; Miller, A.; Moraitis; Plakon; Ponder; Renner; Roth; Spano; Williams

CS/HB 7069
Appropriations Committee; Education Committee; Diaz, M.;
(CO-INTRODUCERS) Cortes, B.; Donalds; Fischer; Roth

SB 2500
Appropriations

Effective Date: July 1, 2017
Month/Year Impact Begins: July/2017
Date of Analysis: July 2017

Section 1: Narrative

a. Current Law:

Section 1002.385, F.S., authorizes the Gardiner Scholarship and defines eligible disabilities as: (2)(d) "Disability" means, for a 3- or 4-year-old child or for a student in kindergarten to grade 12, autism spectrum disorder, as defined in the Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition, published by the American Psychiatric Association; cerebral palsy, as defined in s. 393.063(6); Down syndrome, as defined in s. 393.063(15); an intellectual disability, as defined in s. 393.063(24); Phelan-McDermid syndrome, as defined in s. 393.063(28); Prader-Willi syndrome, as defined in s. 393.063(29); spina bifida, as defined in s. 393.063(40); being a high-risk child, as defined in s. 393.063(23)(a); muscular dystrophy; and Williams syndrome.

Further, this section specifies that students with an eligible disability must have an individual education plan (IEP) written in accordance with rules of the State Board of Education or has received a diagnosis by a physician licensed in this state.

b. Change:

SB 2500 – Section 23 (p. 428)

1. Reverts unexpended funds from 2016-17 to 2017-18 to be appropriated for the same purpose. This section reads: *The unexpended balance of funds provided to the Department of Education for the Gardiner Scholarship in Section 10 of chapter 2016-2, Laws of Florida, is hereby reverted and is appropriated for the Fiscal Year 2017-2018 to the Department of Education for the same purpose. The funds shall be 100% released to the Department of Education at the beginning of the first quarter.*

CS/CS/CS/HB 15 – Section 1 (Lines 52-294) changes s. 1002.385, F.S., (above) by:

1. Expanding the definition of disabilities to: *include rare diseases which affect patient populations of fewer than 200,000 individuals in the United States, as defined by the National Organization*

for Rare Disorders; anaphylaxis; deaf; visually impaired; dual sensory impaired; traumatic brain injured; or hospital or homebound, as defined by rules of the State Board of Education and evidenced by reports from local school districts. The term "hospital or homebound" includes a student who has a medically diagnosed physical or psychiatric condition or illness, as defined by the state board in rule, and who is confined to the home or hospital for more than 6 months.

2. Allowing an Individual Education Plan (IEP) (regardless of whether the plan has been reviewed or revised within the last 12 months) to be valid for eligibility.
3. Creating the definition of "inactive" to mean: *that eligible expenditures have not been made from an account.*
 - a. *If a parent does not procure the necessary educational services for the student and the student's account has been inactive for 2 consecutive fiscal years, the student is ineligible for additional scholarship payments until the scholarship-funding organization verifies that expenditures from the account have occurred.*
 - b. *Funds revert back to the state after three consecutive fiscal years in which an account has been inactive*
4. Including IEPs created under the rules of another state and diagnoses from a physician who holds an active license issued by another state or territory of the United States, the District of Columbia, or the Commonwealth of Puerto Rico.
5. Prohibiting enrollment in the School of Deaf and Blind in order for a student to be eligible for the scholarship.
6. Authorizing specialized services provided by a hospital in this state and fees for services provided at a center that is a member of the Professional Association of Therapeutic Horsemanship International... or provided by a therapist who is certified by the Certification Board for Music Therapists or credentialed by the Art Therapy Credentials Board.

CS/HB 7069 – Section 48 (Lines 5628-5892) changes s. 1002.385, F.S., (above) by:

1. Expanding the definition of disabilities to include identification of a student as *dual sensory impaired, as defined by rules of the State Board of Education and evidenced by reports from the local school district.*
2. Creating the definition of "inactive" to mean that matches the language described in CS/CS/CS/HB 15 above.
3. Authorizing specialized services provided by a hospital in this state and fees as described above for CS/CS/CS/HB 15.
4. Updating the award calculation for new students. This language reads: *Beginning with the 2017-2018 fiscal year and each fiscal year thereafter, the calculation for a new student entering the program shall be based on the student's matrix level of services. The funding for a student without a matrix of services shall be based on the matrix that assigns the student to support Level III of services.*

CS/HB 7069 – Section 71 (Lines 6829-6830):

1. This section appropriates funds for 2017-18 and reads: *\$30 million shall be used to implement the Gardiner Scholarship Program pursuant to s. 1002.385, Florida Statutes.*

Section 2: Description of Data and Sources

The following data regarding awarded Gardiner Scholarships was gathered for this analysis:

1. Rollover Funds; DOE School Choice Office as of June 1, 2017
 - An estimated \$4 million will rollover from 2016-17 to 2017-18
 - i. Of that \$3,993,000 will be available for scholarships
2. Scholarship Budget for 2017-18:

Source	Funding for Scholarships
Rollover Estimate from 2016-17	\$3,993,000
GAA (SB 2500)	\$71,200,000
Subtotal	\$75,193,000
CS/HB 7069	\$29,100,000*
Grand Total	\$104,293,000

*This assumes that of the \$30 million for the Gardiner Scholarship program in CS/HB 7069, 3% will be for admin

3. Scholarship Budget for 2016-17:

Source	Funding for Scholarships
Rollover Estimate from 2015-16	\$5,052,317
GAA (HB 5001)	\$71,200,000
Total	\$76,252,371

CS/CS/CS/HB 15 and CS/HB 7069

1. Historical Gardiner Scholarship Program Participation; Step Up for Students (SUF) as of May 22, 2017

	New	Renewal	Total	Substantial Award Changes
2014-15	1,579	0	1,579	First year
2015-16	3,405	1,311	4,716	Eligibility expansion to ages 3 & 4
2016-17	3,706	3,936	7,642	Tiered awards based on date eligible

2. 2016-17 Awarded Gardiner Scholarships by Disability; SUFS as of May 22, 2017

Disability	New	Renewal	Grand Total
Autism spectrum disorder	2,405	2,237	4,642
Cerebral Palsy	105	122	227
Down Syndrome	80	103	183
High-Risk Child	471	4	475
Intellectual disability	468	1,092	1,560
Multiple Diagnosis	117	306	423
Muscular dystrophy	22	10	32
Phelan-McDermid Syndrome	4	1	5
Prader-Willi Syndrome	7	8	15
Spina Bifida	22	49	71
Williams Syndrome	5	4	9
Grand Total	3,706	3,936	7,642

3. 2017-18 Awarded Gardiner Scholarships by Disability; SUFS as of May 22, 2017

Disability	New	Renewal	Grand Total
Autism spectrum disorder	248	3,041	3,289
Cerebral Palsy	13	138	151
Down Syndrome	13	113	126
High-Risk Child	43	204	247
Intellectual disability	18	905	923
Multiple Diagnosis	5	232	237
Muscular dystrophy	1	23	24
Phelan-McDermid Syndrome	0	2	2
Prader-Willi Syndrome	1	9	10
Spina Bifida	2	47	49
Williams Syndrome	0	6	6
Grand Total	344	4,720	5,064

4. 2017-18 Application Status Report; SUFS as of May 22, 2017

Application Status	New	Renewal	Grand Total
APC Manager Review	26	11	37
APC Review	0	3	3
Application In Progress	521	275	796
Awaiting Required Documents	1,357	833	2,190
Director of Operations Review	0	1	1
Document Attached	1,053	29	1,082
DPC Review	3	29	32
Hold Response Received Under Review	275	49	324
On Hold	339	686	1,025
Review Complete	337	4,561	4,898
Withdrawn By Parent	35	7	42
Grand Total	3,946	6,484	10,430

5. Scholarship Award Levels; s. 1002.385, F.S.

- 100% if a student qualifies by September 1
- 75% if a student qualifies by November 1
- 50% if a student qualifies by February 1
- 25% if a student qualifies by April 1

6. 2016-17 Scholarship Awards by Level (All Scholarships); SUFS as of May 22, 2017

Award Level	Count of Students	Distribution
0%	3	0.0%
25%	475	6.2%
50%	629	8.2%
75%	658	8.6%
100%	5,877	76.9%
Total	7,642	100.0%

7. 2016-17 Scholarship Awards by Level (Renewal Scholarships); SUFS as of May 22, 2017

Award Level	Count of Students	Distribution
25%	34	0.9%
50%	63	1.6%
75%	118	3.0%
100%	3,721	94.5%
Total	3,936	100.0%

Gardiner Scholarship overall renewal rate from 2015-16 to 2016-17: 83.5%

8. 2016-17 Scholarship Awards by Level (New Scholarships); SUFS as of May 22, 2017

Award Level	Count of Students	Distribution
25%	441	12%
50%	566	15%
75%	540	15%
100%	2,156	58%
Total	3,703	100%

Note: There were three new scholarship (SUFS) awards that were not funded in 2016-17

9. Rare Diseases in the United States (National Organization for Rare Disorders and GlobalGenes.org)

- Children comprise approximately half of the 30 million people in the US who are living with rare diseases, as defined by National Organization of Rare Disorders; GlobalGenes.org
- 70% of children with rare diseases are 5-18; GlobalGenes.org
- In 2015, 5.6% of the United States population ages 5-17 lived in Florida; Census Bureau Population Estimates

10. Inactive Accounts; SUFS as of May 22, 2017

- Three year inactive accounts (2014-15, 2015-16, and 2016-17): 5
- Two year inactive accounts (2015-16 and 2016-17): 41

11. FTE Cost Factors for Students with IEPs; DOE (2016-17) and HB 3A, Special Session 2017A (2017-18)

Program	2016-17 Cost Factor	2017-18 Cost Factor
111 Basic PK-3 with ESE Services	1.103	1.107
112 Basic 4-8 with ESE Services	1.000	1.000
113 Basic 9-12 with ESE Services	1.001	1.001
253 PK-12 Level III ESE	N/A	N/A
254 PK-12 Level IV ESE	3.607	3.619
255 PK-12 Level V ESE	5.376	5.526

*Students who receive Exceptional Student Education (ESE) services but are not in ESE Level IV or V programs are reported for funding through the Florida Education Finance Program (FEFP) as Basic Program Students (111, 112, and 113) in the appropriate grade level. PK-12 Level III ESE service matrix code is applied to awarded Gardiner students without an IEP.

Section 3: Methodology (Include Assumptions and Attach Details)

Assumptions:

- The average Gardiner Scholarship award amount will remain at \$10,400.
 - However it should be noted that:

- New students who have an IEP with a matrix code assigned may receive less than the prior calculation's default to a Level III matrix due to automatic reporting to the scholarship funding organization by DOE.
- Prior to this, students with IEPs with a matrix code assignment of Level IV or Level V would have submitted their IEPs to the scholarship funding organization to receive a higher scholarship award amount.
- Students who are eligible for an award less than the Level III matrix assignment may already participate or choose to participate in the McKay Scholarship in lieu of the Gardiner Scholarship program, as the McKay Scholarship is a guaranteed scholarship to an eligible private school if a student has an IEP or 504 accommodation plan.
- Eligible remaining students are unlikely to substantially change the average award amount as the funding is most likely awarded as follows:
 - Students who have an IEP, no matrix code: Level III funding
 - Students who have a diagnosis, no IEP: Level III funding
 - Students from out of state with an IEP, no matrix code or comparable matrix code: Level III funding (CS/HB 7069)
 - Students who have an IEP, matrix code III: Level III
 - Students who have an IEP, matrix code IV or V: Level IV or V
 - Students who have an IEP, matrix code other than IV or V: already can choose between McKay or Gardiner Scholarship programs (Gardiner would now be at a lower amount than a Level III) (CS/HB 7069)
- A proxy Level III matrix award level for PK-12 is \$10,400.
- Expanding the disability eligibility requirements will increase the number of eligible Gardiner Scholarship applicants.
- Changing the eligibility requirements will not affect the application deadlines.
- Using an IEP from another state or a physician's diagnosis from another state or territory of the United States or the District of Columbia may make the application process easier and possibly allow students to be eligible in time for higher tiers of funding, however, it will not increase interest in the program for students who otherwise do not reside in Florida.
- All renewals will complete their applications in time for 100% funding. This is an increase from 95% in 2016-17. This assumption is based on the increased marketing by Step Up for Students and the number of applications received and processed to date.
- The change of policy regarding inactive accounts will have an insignificant impact to number of scholarships available or parental interest in the scholarship program
- Expansion of services provided to include services by hospitals in this state and equine, music, and art therapies will have no impact to number of scholarships available or parental interest in the scholarship program

CS/CS/CS HB 15 Assumptions:

- Prohibiting enrollment in the School Deaf and Blind will not affect scholarships available or scholarship interest.
- Allowing IEP's reviewed or updated more than 12 months prior will not affect scholarships available or scholarship interest.

Section 4: Analysis

Under both CS/HB 7069 and CS/CS/CS/HB 15, the expansion of disabilities increases the universe of eligible students that could participate in the Gardiner Scholarship. The increase in funding for awards from \$76,252,371 in 2016-17 to \$104,293,000 in 2017-18 will allow more students to receive the Gardiner Scholarship.

Because the number of scholarship awards is an interactive function of the factors listed below, the exact number of new awards allowed by the increased funding cannot be known in advance:

- a) The award level
- b) The award percentage
- c) Program dollars

With varying renewal rate and award level distribution assumptions for the increased funding, the total number of scholarships available in 2017-18 will have a probable range of between 10,028 and 11,844, compared to 8,119 scholarship awards in 2016-17. The distribution of new versus renewal scholarships can be seen in Table 1 and Chart 1 below. Renewal estimates for 2017-18 are based on the sum of SUFS (7,642) and A.A.A. Scholarship Foundation (477) awards during the 2016-17 school year. Scenario A implies that all students (new and renewals) will be processed on or before September 1st in order to receive 100% of award. In scenarios B & C funding for new students is assumed to be distributed similarly to what was experienced in 2016-17 (Section 2 – item 8.).

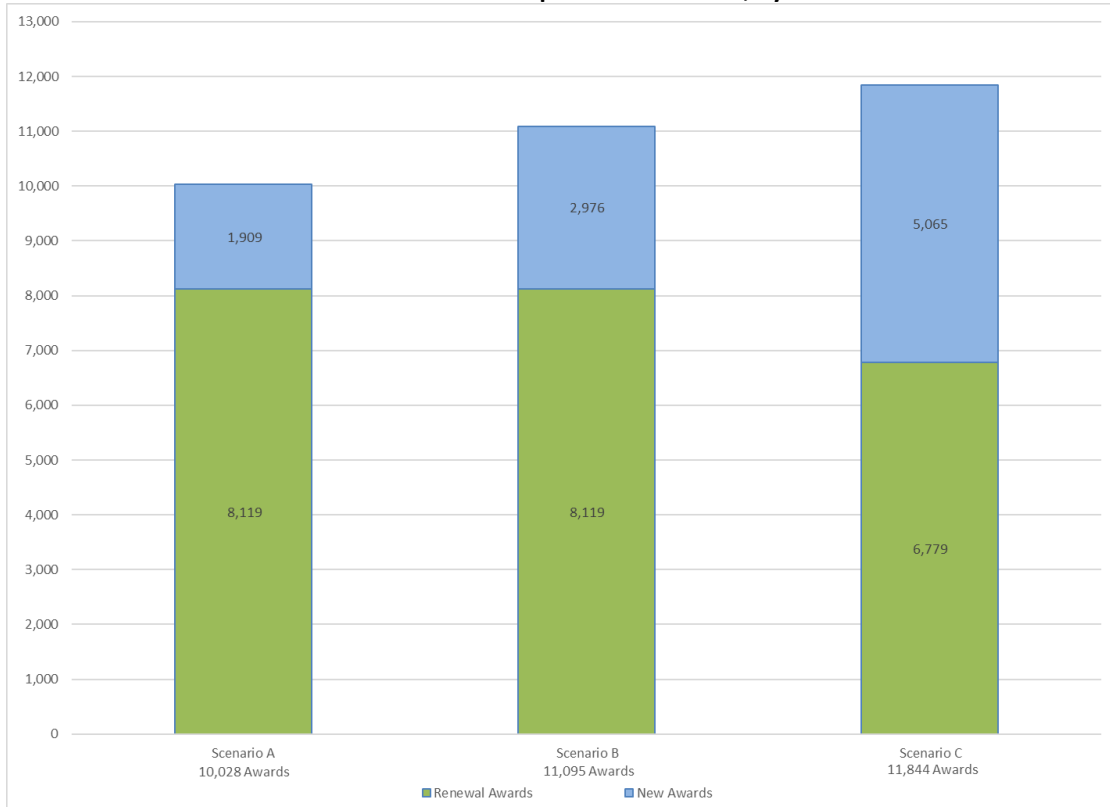
Table 1. 2017-18 Gardiner Scholarship Award Scenarios, by New and Renewal

Scenario A		Award Level Distribution	Renewal Rate
Total	10,028		
New	1,909	All 100%	
Renewal	8,119	All 100%	100%

Scenario B		Award Level Distribution	Renewal Rate
Total	11,095		
New	2,976	2016-17 Levels	
Renewal	8,119	All 100%	100%

Scenario C		Award Level Distribution	Renewal Rate
Total	11,844		
New	5,065	2016-17 Levels	
Renewal	6,779	All 100%	83.5%

Chart 1. 2017-18 Gardiner Scholarship Award Scenarios, by New and Renewal



With historical growth in the Gardiner Scholarship program, there is program growth embedded in recent FTE enrollment and COFTE membership forecasts.

The number of participants with prior public school participation or that would have elected to be in the public school system is uncertain due to the changing landscape of eligible disabilities, renewal rates, and award level distributions. However, the total increased level of participation in the scholarship program implies that the direction of the impact would be negative on FTE enrollment and COFTE membership.

Thus the overall impact of the legislation would result in a negative indeterminate effect on FTE enrollment and COFTE membership.

Section 5: Cumulative FTE Enrollment and COFTE Membership Impacts

	Cumulative Impact	
	FTE	COFTE
2017-18	Negative Indeterminate	Negative Indeterminate
2018-19	Negative Indeterminate	Negative Indeterminate
2019-20	Negative Indeterminate	Negative Indeterminate
2020-21	Negative Indeterminate	Negative Indeterminate
2021-22	Negative Indeterminate	Negative Indeterminate

Issue: Promotion and Testing
Bill Number(s): CS/CS/HB 293 and CS/HB 7069

- Entire Bill**
 Partial Bill CS/CS/HB 293, Section 2
CS/HB 7069, Sections 35, 38, 55, and 60

Sponsor(s): CS/CS/HB 293
Education Committee; PreK-12 Appropriations Subcommittee; Burton;
(CO-INTRODUCERS) Cortes, B.; Fine; Fischer; Jones; Killebrew; Plakon; Ponder
CS/HB 7069
Appropriations Committee; Education Committee; Diaz, M.;
(CO-INTRODUCERS) Cortes, B.; Donalds; Fischer; Roth

Effective Date: July 1, 2017
Month/Year Impact Begins: July/2017
Date of Analysis: July 2017

Section 1: Narrative

a. Current Law:

Section 1003.4156(1)(e), F.S., reads as follows: *One course in career and education planning to be completed in 6th, 7th, or 8th grade...*

Section 1008.22(3)(d)1, F.S., reads as follows: *... All such assessments must be delivered through computer-based testing, however, the following assessments must be delivered in a computer-based format, as follows: the grade 3 ELA assessment, beginning in the 2017-2018 school year; the grade 3 Mathematics assessment beginning in the 2016-2017 school year; the grade 4 ELA assessment, beginning in the 2015-2016 school year; and the grade 4 Mathematics assessment, beginning in the 2016-2017 school year.*

Section 1002.41(18)(b), F.S., reads as follows: *... 1. A school that includes any of grades 6, 7, or 8 shall implement an early warning system to identify students in grades 6, 7, and 8 who need additional support to improve academic performance and stay engaged in school...*

Section 1008.25(5), F.S., reads as follows:

(a) Any student who exhibits a substantial deficiency in reading, based upon locally determined or statewide assessments conducted in kindergarten or grade 1, grade 2, or grade 3, or through teacher observations, must be given intensive reading instruction immediately following the identification of the reading deficiency. The student's reading proficiency must be monitored and the intensive instruction must continue until the student demonstrates grade level proficiency in a manner determined by the district, which may include achieving a Level 3 on the statewide, standardized English Language Arts assessment.

(b) To be promoted to grade 4, a student must score a Level 2 or higher on the statewide, standardized English Language Arts assessment required under s. 1008.22 for grade 3. If a student's reading deficiency is not remedied by the end of grade 3, as demonstrated by scoring Level 2 or higher on the statewide, standardized assessment required under s. 1008.22 for grade 3, the student must be retained.

b. Change:

CS/CS/HB 293 Section 2 (Lines 98-188) and CS/HB 7069 Section 60 (Lines 6375-6419) both remove 1003.4156(1)(e), F.S., which specifies the requirement for completion of one course in career and education planning in 6th, 7th, and 8th grade.

CS/HB 7069 Section 35 (Lines 4263-4511) requires that statewide, standardized English Language Arts and mathematics assessments for grades 3 through 6 be delivered in a paper-based format beginning in 2017-18, with all such assessments being paper-based by 2018-19.

CS/HB 7069 Section 38 (Lines 4666-4788) expands the early warning system use from grades 6 through 8 to include kindergarten through grade 8 and identifies course failures during any grading period and substantial reading deficiencies as early warning system indicators.

CS/HB 7069 Section 55 (Lines 6042-6300) gives priority for the allocation of remedial and supplemental instruction resources to students in kindergarten through grade 3 who have substantial deficiency in reading. This section also prohibits a school from waiting until after a student receives a failing grade to be identified as having a substantial reading deficiency and initiate interventions.

Section 2: Description of Data and Sources

2015-16 Non-Promotions; DOE

Section 3: Methodology (Include Assumptions and Attach Details)

Assumptions:

- Language that affects promotion and retention in elementary and middle grades students will not affect overall FTE in the foreseeable future.

Section 4: Analysis

- In 2015-16 there were 56,770 non-promotions in kindergarten through Grade 8.
- Removing the career and education planning course requirement for middle grades may result in less non-promotions - resulting in a by-grade shift of FTE. (CS/CS/HB 293 and CS/HB 7069)
- Requiring statewide, standardized end of course assessments for grades 3 through 6 to be paper based; expanding the early warning system to kindergarten through Grade 8; and, giving priority remedial and supplemental instruction to kindergarten through grade 3 students who have been identified as having substantial reading deficiency may result in fewer non-promotions - resulting in a by-grade shift of FTE. (CS/HB 7069)

While the above changes may have an impact on the by-grade distribution of FTE, none of the above changes are estimated to affect overall FTE enrollment or COFTE membership for the foreseeable future. There could be an impact in overall FTE enrollment and COFTE membership beyond the forecast horizon, after the first cohort impacted reaches the high school graduation timeframe, possibly beginning in 2022-23.

Section 5: Cumulative FTE Enrollment and COFTE Membership Impacts

	Cumulative Impact	
	FTE	COFTE
2017-18	0	0
2018-19	0	0
2019-20	0	0
2020-21	0	0
2021-22	0	0

Note: There could be an impact in overall FTE enrollment and COFTE membership beyond the forecast horizon, after the first cohort impacted reaches the high school graduation timeframe, possibly beginning in 2022-23.

Issue: Tax Credit Scholarship
Bill Number(s): CS/CS/CS/HB 15

- Entire Bill**
 Partial Bill CS/CS/CS/HB 15, Section 2

Introducer(s): Education Committee; PreK-12 Appropriations Subcommittee; PreK-12 Innovation Subcommittee; Sullivan; Fischer; (CO-INTRODUCERS) Avila; Cortes, B.; Donalds; Leek; Massullo; Miller, A.; Moraitis; Plakon; Ponder; Renner; Roth; Spano; Williams

Effective Date: July 1, 2017

Month/Year Impact Begins: July/2017

Date of Analysis: July 2017

Section 1: Narrative

a. Current Law:

Section 1002.395, Florida Statutes, provides for state tax credits for contributions to nonprofit scholarship funding organizations (SFOs). The SFO then awards scholarships for children from families with limited financial resources to attend private schools.

A student is eligible to receive a scholarship if:

- i) The student is on the direct certification list or the student's household income level does not exceed 185 percent of the federal poverty level; or
- ii) The student is currently placed, or during the previous state fiscal year was placed, in foster care or in out-of-home care.
- iii) The student's household income level is greater than 185 percent of the federal poverty level but does not exceed 260 percent of the federal poverty level.

In addition, a sibling residing in the same household of a student who is continuing in the scholarship program is also eligible for the program. Also, students remain eligible for the program until they graduate from high school or attain the age of 21 years old, whichever comes first.

The statute also lists conditions for when a student is not eligible for a scholarship. These include: participation in educational services for youth in the Department of Juvenile Justice commitment programs; receipt of a scholarship from another eligible nonprofit scholarship-funding organization under s. 1002.395, F.S., participation in a home education program or private tutoring program under s. 1002.01(1), F.S. and s. 1002.43, F.S., respectively; participation in a virtual school, correspondence school or distance learning program that receives state funding – unless the student takes no more than two courses per school year; or enrolled in the Florida School for the Deaf and Blind.

Priority is given to students that received a scholarship from an eligible nonprofit scholarship-funding organization or from the State of Florida during the previous school year; or to new applicants whose household income levels do not exceed 185 percent of the federal poverty level or who are in foster care or out-of-home care.

For a scholarship that is awarded to a student enrolled in an eligible private school, the maximum scholarship amount is 82 percent of the unweighted FTE funding amount and is reduced for family household incomes equal to or greater than 200 percent of the federal poverty level. The reduction percentages are:

- i) 12 percent if the household income is equal to or greater than 200 percent and less than 215 percent.

- ii) 26 percent if the household income is equal to or greater than 215 percent and less than 230 percent.
- iii) 40 percent if the household income is equal to or greater than 230 percent and less than 245 percent and
- iv) 50 percent if the household income is equal to or greater than 245 percent and less than 260 percent.

For a scholarship that is awarded to a student enrolled in a public school that is outside the district in which the student resides or in lab school as defined in s. 1002.32, F.S., the maximum award level is \$500.

Students who can apply for a scholarship at any time include those that are either in foster care or out-of-home care.

b. Change:

CS/CS/CS/HB 15 Section 2 removes specified prior year language that is obsolete pertaining to eligibility and award levels. The bill also removes the current maximum scholarship award amount of 82 percent of the unweighted FEFP funding per student; changing the funding levels to be based on grade as follows:

- i) 88 percent for a student enrolled in kindergarten through grade 5.
- ii) 92 percent for a student enrolled in grade 6 through grade 8.
- iii) 96 percent for a student enrolled in grade 9 through grade 12.

In addition, the bill changes the maximum award level for a student that is enrolled in a public school that is outside the district in which the student resides or in lab school as defined in s. 1002.32, F.S., to \$750.

CS/CS/CS/HB 15 expands the groups of students that can apply for a scholarship at any time to include a dependent child of a parent who is a member of the US Armed Forces.

This bill does not change the reduction to the annual limit to a scholarship based on household income.

Section 2: Description of Data and Sources

- 2016-17 Tax Credit Scholarship data from Step Up for Students detailing the count of recipients and dollar amount by grade by award type (enrolled vs transportation).
- February 2017 Quarterly Tax Credit Scholarship data from Step Up for Students detailing the count of recipients by grade and prior school status.
- Public School Funding, The Florida Education Finance Program (FEFP), Fiscal Year 2017-2018, House Bill 3A, June 5, 2017.

Section 3: Methodology (Include Assumptions and Attach Details)

Assumptions:

- The distribution of students by school level, income levels, and type of award may be relatively constant and thus are assumed to be consistent with the distributions experienced in 2016-17.
- The percentage of students based on prior school status is assumed to be consistent with the February 2017 quarterly data.
- Parental choice for the program is similar to what has been seen previously.
- Unweighted FEFP total funds per student is anticipated to be \$7,296.23 for 2017-18³, up from \$7,178.49 from 2016-17.
- The number of students utilizing the Tax Credit Scholarship (TCS) for transportation to a public school outside of their own district will stay relatively constant.

³ Public School Funding - The Florida Education Finance Program (FEFP), Fiscal Year 2017-2018, House Bill 3A, June 5, 2017

- The tax credit cap will continue to increase over the next few years. The scholarship credits will also continue to increase through FY 2020-21 as per the Adopted Scholarship Credits from the March 17, 2017 Revenue Estimating Conference.

Methodology:

Compare the maximum award level based on students by grade level, unweighted FEFP, maximum funding level percentages by grade for 2016-17 and 2017-18.

Section 4: Analysis

The analysis will focus on the students that receive a TCS for enrollment in a private school, as this group makes up the lion share of those that participate in the program and the associated dollars. The remainder are students that receive a transportation scholarship only.

2016-17 Tax Credit Scholarships

	Enrolled	Transportation ¹	Total
Count	97,950	22	12,973
Percent	99.98%	0.02%	
Amount	\$ 534,877,801	\$ 11,000	\$ 534,888,801
Percent	100.00%	0.00%	

¹ Excludes 3 students that were funded with partial transportation scholarships
Source: Step Up for Students, May 31, 2017

The table below shows the change in maximum award levels due to increasing the percentages based on grade levels. The amounts reflect the total funds per student, which is inclusive of the appropriate state and local funds.

	Maximum Award at 82% unweighted FTE funding	Elementary School - Maximum Award at 88% unweighted FTE funding	Middle School - Maximum Award at 92% unweighted FTE funding	High School - Maximum Award at 96% unweighted FTE funding
2017-18	\$ 5,983	\$ 6,421	\$ 6,713	\$ 7,004
Change due to Maximum Award Percentages		+ 438	+ 730	+ 1,021

This increased funding level will enable students to better afford private school tuition. Based on data from Private School Review (<https://www.privateschoolreview.com/tuition-stats/private-school-cost-by-state>), the average tuition for a private school in Florida in 2016-17 is \$7,914; (\$8,942 for high schools and \$6,786 for elementary schools). The difference between the scholarship award and the private school tuition is the responsibility of the parent, unless the difference is covered by private grants or waived by the school.

Based on awarded students for 2017-18 through June 6, 2017 from Step Up for Students, the grade level distribution of students is relatively consistent with the distribution experienced in 2016-17, with slightly more upward pressure on high school and less on elementary school participation.

Distribution of Enrolled Students and Awards

Grade Levels	2016-17	2017-18*
K-5	64.3%	61.0%
6-8	21.1%	22.1%
9-12	14.5%	17.0%

Source: Step Up for Students, enrolled data for 2016-17; awards for 2017-18

February 2017 quarterly data from Step Up for Students indicated that for the newly funded students in 2016-17, 47.7% of the students indicated that they were in private and home school the year prior, while 49.7% indicated that they were in a public school setting, including charter school and Florida Virtual School. The remaining new students indicated that their prior school type was out-of-state. Also, new students to the program represented 31.5% of total student participation, excluding kindergarteners.

If parental choice changed due to an increase in the average award amount, then there could possibly be an impact to FTE enrollment and COFTE membership. However, parental choice is assumed to not change significantly due to this increased award based on maximum scholarship awards for 2017-18. Although potentially reduced, the responsibility for the difference between the 2017-18 maximum scholarship award and the private school tuition remains the responsibility of the parent, unless the difference is covered by private grants or waived by the school. Thus the impact to FTE enrollment and COFTE membership is estimated to be 0 to negative indeterminate. Further, were the new statutory caps to result in overall higher awards, fewer new scholarships could be given than otherwise allowed.

Section 5: Cumulative FTE Enrollment and COFTE Membership Impacts

	Cumulative Impact	
	FTE	COFTE
2017-18	0 / Negative Indeterminate	0 / Negative Indeterminate
2018-19	0 / Negative Indeterminate	0 / Negative Indeterminate
2019-20	0 / Negative Indeterminate	0 / Negative Indeterminate
2020-21	0 / Negative Indeterminate	0 / Negative Indeterminate
2021-22	0 / Negative Indeterminate	0 / Negative Indeterminate

Issue: Virtual Education Eligibility
Bill Number(s): CS/HB 7069

- Entire Bill**
 Partial Bill CS/HB 7069, Sections 50, 51 and 52

Sponsor(s): Appropriations Committee; Education Committee; Diaz, M.;
(CO-INTRODUCERS) Cortes, B.; Donalds; Fischer; Roth

Effective Date: July 1, 2017

Month/Year Impact Begins: July/2017

Date of Analysis: July 2017

Section 1: Narrative

a. Current Law:

Section 1002.37(8)(a), F.S., explains that Florida Virtual School (FLVS) may offer both full-time and flex (part-time) instruction and includes how student eligibility is determined. The flex program is currently available to all eligible public, home, and private school students in kindergarten through grade 12.

Per s. 1002.455, F.S., students in grades 2 through 5 must meet at least one of the following eligibility requirements to participate in the FLVS flex program:

- (a) The student spent the prior school year in attendance at a Florida public school and was enrolled and reported by the school district for FEFP funding during October and February.
- (b) The student is a dependent child of a member of the United States Armed Forces, transferred to Florida within the last 12 months due to a permanent change of station order.
- (c) The student was enrolled during the previous school year in a virtual instruction program under s. 1002.45, F.S., or a full-time Florida Virtual School program under s. 1002.37(8)(a), F.S.
- (d) The student has a sibling currently enrolled in a virtual instruction program and the sibling was enrolled at the end of the preceding school year.
- (e) The student is eligible to enter kindergarten or first grade.
- (f) The student is eligible to enter grades 2 through 5 and is enrolled full-time in a school district virtual instruction program, virtual charter school, or FLVS.

Eligibility requirements also apply to school district operated part-time or full-time, K-12 virtual instruction programs under s. 1002.45(1)(b), F.S., for students enrolled in the school district; full-time virtual charter school instruction authorized under s. 1002.33, F.S.; and virtual courses offered in the course code directory to students within the school district or to students in other school districts throughout the state pursuant to s. 1003.498, F.S. (See Table 1: Current Virtual Eligibility Requirement Breakdown).

b. Change:

CS/HB 7069, Section 50 Lines 5905-5909:

Revises s. 1002.37, F.S., by removing the language requiring 2nd through 5th grade students to meet at least one of the eligibility criteria in s. 1002.455(2), F.S., to enroll as part-time Florida Virtual School students.

CS/HB 7069, Section 51 Lines 5926-5975:

Revises s. 1002.455, F.S., by removing the aforementioned eligibility requirements and adding or modifying the following language:

All students, including home education and private school students, are eligible to participate in any of the following virtual instruction options:

- (1) School district operated part-time or full-time kindergarten through grade 12 virtual instruction programs under s. 1002.45 (1)(b)*
- (2) Full-time virtual charter school instruction authorized under s. 1002.33 to students within the school district or to students in other school districts throughout the state pursuant to s. 1002.31.*
- (3) Virtual courses offered in the course code directory to students within the school district or to students in other school districts throughout the state pursuant to s. 1003.498.*
- (4) Florida Virtual School instructional services authorized under s. 1002.37.*

Section 2: Description of Data and Sources

2015-16 final unweighted FTE for public, private, and home education students enrolled in a part-time district virtual instruction program or FLVS Flex; DOE

Section 3: Methodology (Include Assumptions and Attach Details)

The key assumptions of this analysis are that:

- 1) A resemblance of the grade to grade growth found in 6th through 12th grade will develop in grades 2 through 5.
- 2) Due to the availability of elementary level virtual courses through a combination of district virtual instruction and FLVS flex programs the impact will occur instantly and not require multiple years to develop.

Section 4: Analysis

There is no reliable information available to gauge current private and home education interest for flex (part-time) services in the grades impacted by these changes.

This analysis looked at the FTE reported in those grades that, up to now, do not have these eligibility requirements (See Graph 1. All FLVS Flex FTE by Grade for 2015-16 and Graph 3. All Part-Time District Virtual Instruction FTE by Grade for 2015-16). In seeing near exponential growth from grade-to-grade, it was decided to apply exponential grade-to-grade growth where the eligibility requirements exist.

In order to generate an estimate, a simulation was run on the 2015-16 final unweighted FTE to determine the level of FTE that would have been reported if grade-to-grade growth were exponential (See Graph 2. All FLVS Flex Simulation and Graph 4. All Part-Time District Virtual Instruction Simulation). This was done separately for FLVS and districts 1-74, and the results for each were added together.

This analysis was repeated for private and home education students (see Graphs 5 through 8). This is because, public student participation changes would represent a shift of FTE to virtual due to students in these grades likely already earning 1.0 FTE, while private/home participation changes would represent an impact to both overall and virtual FTE. To generate an estimate of the public shift, the estimates from the private/home simulation were subtracted from the estimates generated using all of the part-time FTE.

In both analyses, the differences between grades 1 and 6 must be divided by 15 for the growth parameter to produce exponential grade-to-grade growth while also generating the reported value for grade 6. Fifteen (15) is the 5th iteration of the triangle series illustrated in the table below. The 5th iteration is used because the simulation is estimating growth from 1st grade to 6th grade; using 1st grade as the base for the growth.

$\sum_{n=1}^5 n$	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6
Triangle Series	0	0 + 1	0 + 1 + 2	0 + 1 + 2 + 3	0 + 1 + 2 + 3 + 4	0 + 1 + 2 + 3 + 4 + 5
Denominator	0	1	3	6	10	15

1. Total Part-Time Virtual Participation Analysis:

2. FLVS Growth Parameter:

$$(Grade\ 6\ FTE - Grade\ 1\ FTE) / 15 = 27.92$$

Grade 2 Simulation = Grade 1 FTE + (27.92 x 1)
Grade 3 Simulation = Grade 1 FTE + (27.92 x 3)
Grade 4 Simulation = Grade 1 FTE + (27.92 x 6)
Grade 5 Simulation = Grade 1 FTE + (27.92 x 10)

FLVS Simulation	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6
2015-16 Final FTE	95.61	68.29	112.82	122.86	149.69	514.40
Simulated FTE Without Eligibility Requirement	95.61	123.53	179.37	263.13	374.80	514.40
Difference	0.00	55.24	66.55	140.27	225.11	0.00

District Virtual Growth Parameter:

$$(Grade\ 6\ FTE - Grade\ 1\ FTE) / 15 = 29.86$$

Grade 2 Simulation = Grade 1 FTE + (29.86 x 1)
Grade 3 Simulation = Grade 1 FTE + (29.86 x 3)
Grade 4 Simulation = Grade 1 FTE + (29.86 x 6)
Grade 5 Simulation = Grade 1 FTE + (29.86 x 10)

District Virtual Simulation	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6
2015-16 Final FTE	215.39	234.08	275.23	281.29	321.15	663.33
Simulated FTE Without Eligibility Requirement	215.39	245.25	304.98	394.57	514.02	663.33
Difference	0.00	11.17	29.75	113.28	192.87	0.00

The simulated impact for FLVS flex program and the district virtual is the sum of the difference row in grades 2 through 5 in both tables above, totaling 834.24 FTE.

2. Private/Home Part-Time Virtual Participation Analysis:

FLVS Growth Parameter:

$$(Grade\ 6\ FTE - Grade\ 1\ FTE) / 15 = 20.97$$

Grade 2 Simulation = Grade 1 FTE + (20.97 x 1)
Grade 3 Simulation = Grade 1 FTE + (20.97 x 3)
Grade 4 Simulation = Grade 1 FTE + (20.97 x 6)
Grade 5 Simulation = Grade 1 FTE + (20.97 x 10)

FLVS Simulation	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6
2015-16 Final FTE	94.77	67.79	108.59	115.73	127.63	409.31
Simulated FTE Without Eligibility Requirement	94.77	115.74	157.68	220.59	304.47	409.31
Difference	0.00	47.95	49.09	104.86	176.84	0.00

District Virtual Growth Parameter:

$(\text{Grade 6 FTE} - \text{Grade 1 FTE}) / 15 = 2.91$

- Grade 2 Simulation = Grade 1 FTE + (2.91 x 1)
- Grade 3 Simulation = Grade 1 FTE + (2.91 x 3)
- Grade 4 Simulation = Grade 1 FTE + (2.91 x 6)
- Grade 5 Simulation = Grade 1 FTE + (2.91 x 10)

District Virtual Simulation	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6
2015-16 Final FTE	1.98	5.42	6.11	3.59	9.97	45.70
Simulated FTE Without Eligibility Requirement	1.98	4.90	10.73	19.47	31.13	45.70
Difference	0.00	-0.52	4.62	15.88	21.16	0.00

The simulated impact for FLVS flex program and the district virtual is the sum of the difference row in grades 2 through 5 in both tables above, 419.88 FTE. This represents an impact of additional FTE enrollment.

3. Public Part-Time Virtual Participation Analysis:

The impact to the public part-time virtual participation is assumed to be the difference between the total virtual analysis in (1.) and the private/home virtual analysis in (2.) above. The resultant (414.36) would be the adjustment to supplemental district virtual FTE enrollment, however it does not impact total FTE enrollment.

Public PT Impact	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6
Analysis 1 Impact	0	66.41	96.30	253.55	417.98	0
Analysis 2 Impact	0	47.43	53.71	120.74	198.00	0
Total Public PT Impact	0	18.98	42.59	132.81	219.98	0

With no analogous scenario for comparison, it is not known over how many years it would take home education and private school students to take advantage of this change. The impact of additional FTE enrollment from the private/home school analysis in (2.) above was placed in 2017-18.

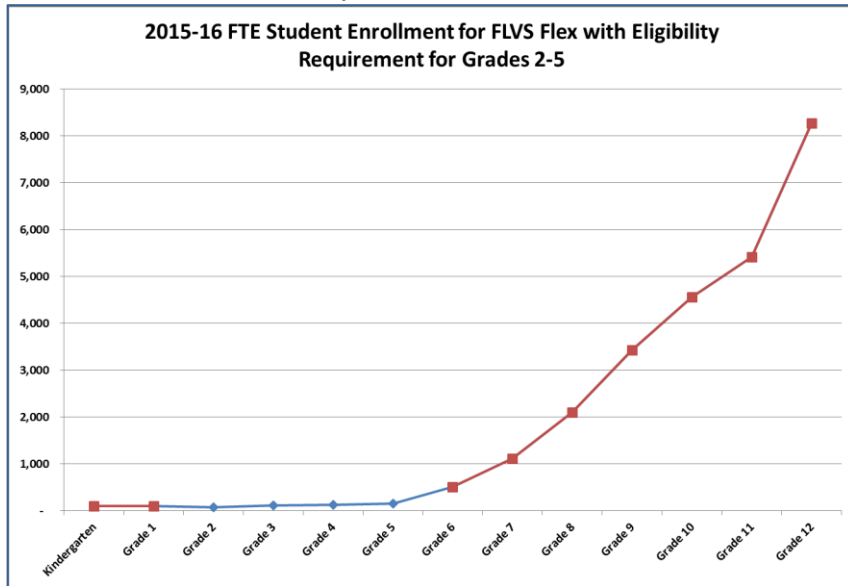
Section 5: Cumulative FTE Enrollment and COFTE Membership Impacts

	Cumulative Impact	
	FTE	COFTE
2017-18	419.88	0
2018-19	419.88	0
2019-20	419.88	0
2020-21	419.88	0
2021-22	419.88	0

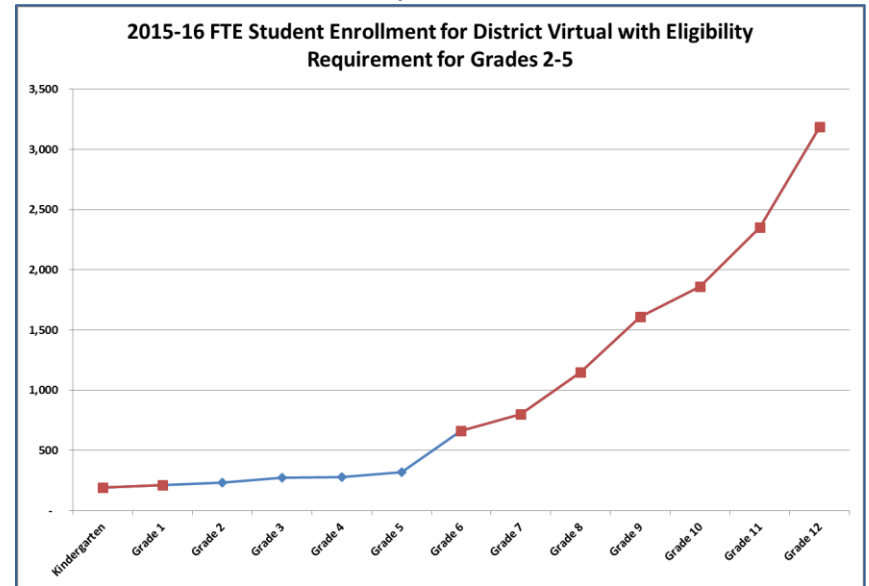
Table 1: Current Virtual Eligibility Requirement Breakdown

<u>Virtual Program/School</u>	<u>School Number</u>	<u>Program Type</u>	<u>Grade Levels Served</u>	<u>Student Eligibility</u>
State Level				
Florida Virtual School (FLVS) Flex	Grades K-5 (0700) Grades 6-8 (0500) Grades 9-12 (0600)	Part-Time	Grades K-1 and 6-12	Available to all students
			Grades 2-5	Eligibility Requirements per Section 1002.455, F.S
Florida Virtual School Full Time (FLVS FT)	Grades K-8 (0300) Grades 9-12 (0400)	Full-Time	Grades K-12	Available to all students
District Level				
District Virtual Instruction Program (VIP)	Provider (7001) District (7023)	Full-Time	Grades K-5	Available to all students
			Grades 6-12	Eligibility Requirements per Section 1002.455, F.S
		Part-Time	Grades K-1	Available to all students
			Grades 2-12	Eligibility Requirements per Section 1002.455, F.S
District Franchise of FLVS	7004	Same as FLVS	Same as FLVS	Same as FLVS
District Virtual Course Offerings and Florida Approved Courses	7006	Part-Time	Grades K-1	Available to all students
			Grades 2-12	Eligibility Requirements per Section 1002.455, F.S
		Full-Time	Grades K-5	Available to all students
			Grades 6-12	Eligibility Requirements per Section 1002.455, F.S
Virtual Charter School	Individually Assigned on MSID	Full-Time	Grades K-5	Available to all students
			Grades 6-12	Eligibility Requirements per Section 1002.455, F.S

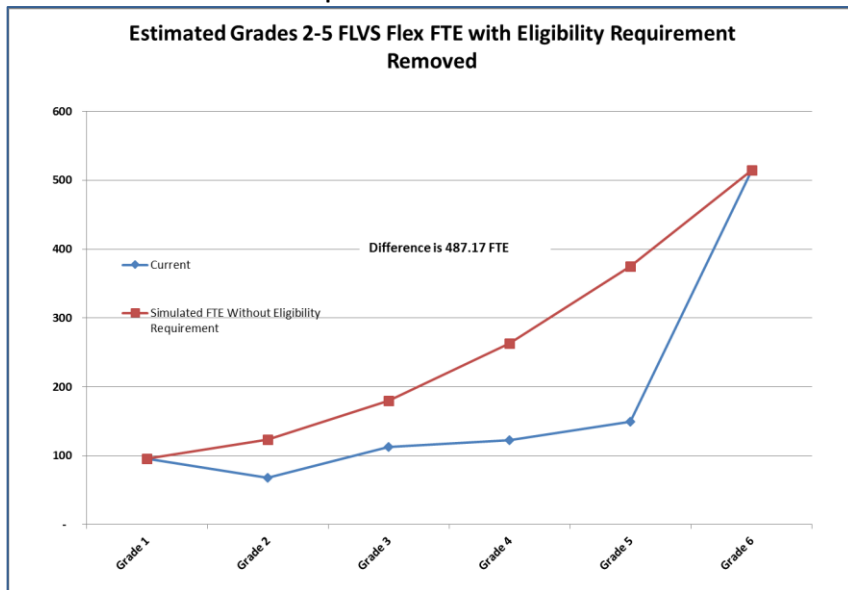
Graph 1. All FLVS Flex FTE by Grade for 2015-16



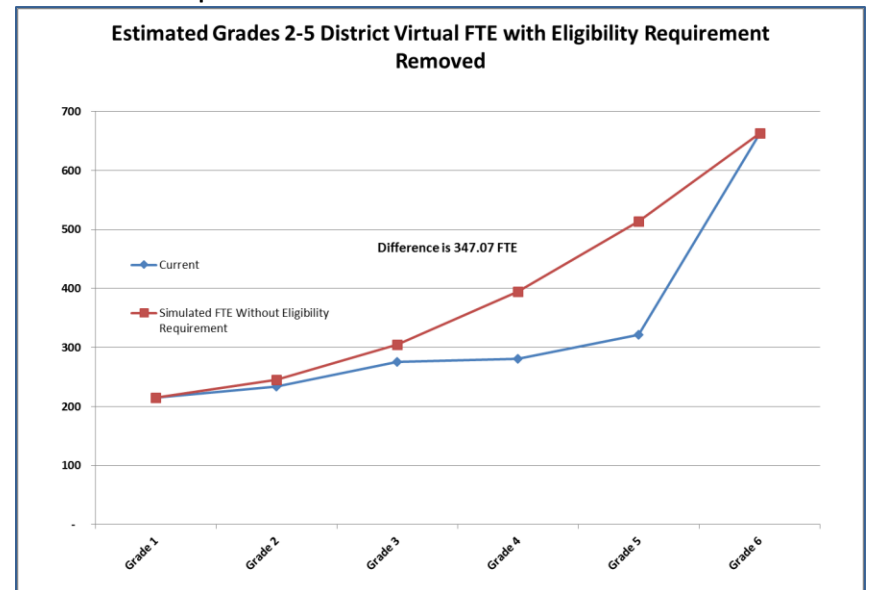
Graph 3. All Part-Time District Virtual Instruction FTE by Grade for 2015-16



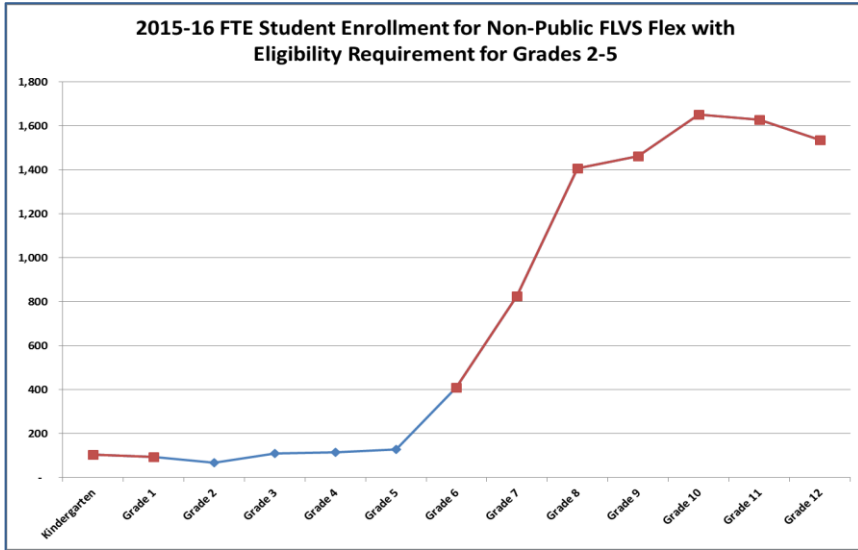
Graph 2. All FLVS Flex Simulation



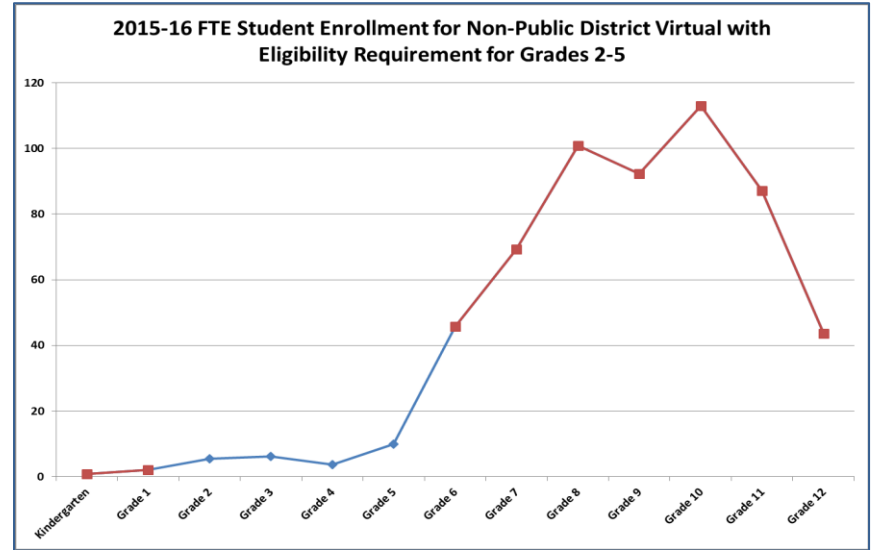
Graph 4. All Part-Time District Virtual Instruction Simulation



Graph 5. Non-Public FLVS Flex FTE by Grade for 2015-16

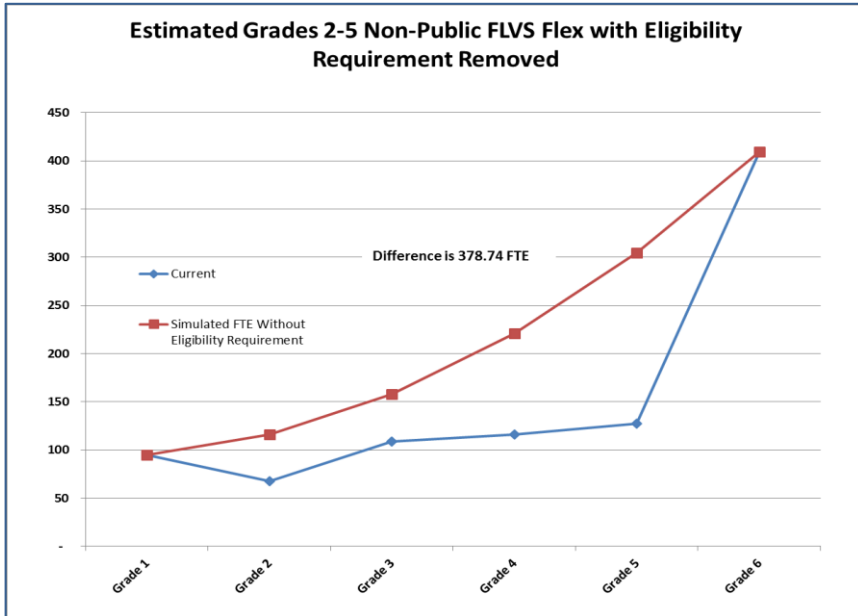


Graph 7. Non-Public Part-Time District Virtual Instruction FTE by Grade for 2015-16



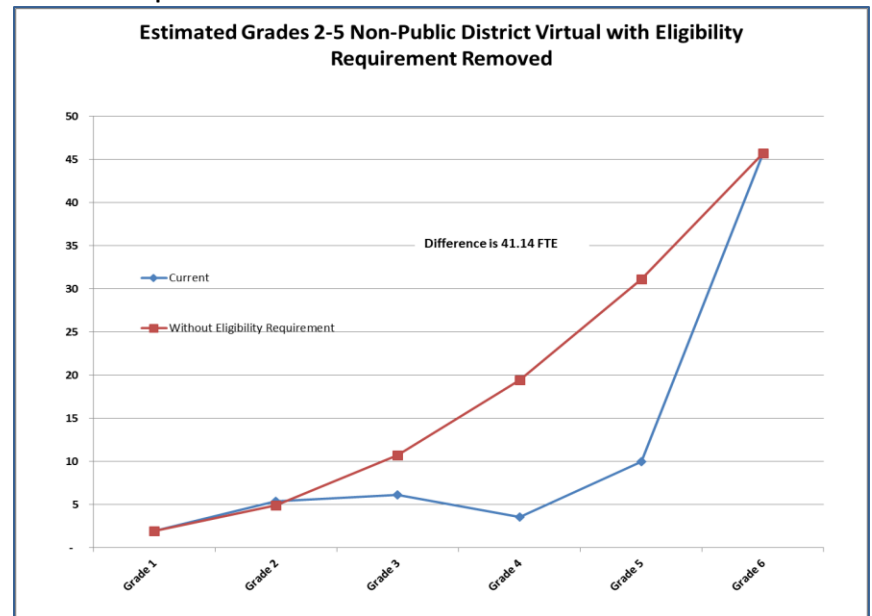
Graph 6. Non-Public FLVS Flex Simulation

Estimated Grades 2-5 Non-Public FLVS Flex with Eligibility Requirement Removed



Graph 8. Non-Public Part-Time District Virtual Instruction Simulation

Estimated Grades 2-5 Non-Public District Virtual with Eligibility Requirement Removed



Other Bills and Bill Sections Reviewed with No Impact

In addition to the bills and bill sections detailed above, DOE and EDR reviewed other 2017 education-related Legislation that passed but determined that the essence of the Legislation would not affect public school student participation.

HB 3A

This bill requires Washington Special FTE to be reported by either the Washington County School District or the Okeechobee County School District, whichever is determined to be the educational service provider for the FTE by the Department of Education. This reporting change will be effective October 2017 and be incorporated in the 2017-18 third FEFP calculation.

SB 436

This bill created a new section of Florida Statutes known as the “Florida Student and School Personnel Religious Act.” This act states that a school district may not discriminate against a student, parent, or school personnel based on religious views or expressions. The bill details the medium and ways a student may express their religious beliefs, free from discrimination.

In addition, the bill affirms that religious groups shall have access to the same school facilities as secular groups and may advertise or announce its meeting in a similar manner as secular groups. The bill also directs school district(s) to adopt a limited public forum policy for students at events in which a student will speak publicly. The bill also directs DOE to develop and post a model policy (that shall be adopted and implemented by each school board) regarding a limited public forum and voluntary expression of religious views by students and school personnel in public schools.

CS/HB 1109

This bill allows a student that is enrolled in a non-FHSAA (Florida High School Athletics Association) member private school (middle or high school) with less than 125 students to participate in an interscholastic or intrascholastic sport at a public high, middle, or combination 6-12 school that the student could attend under open enrollment provided the school has not yet reached capacity. Currently, the student would participate at the school for which they were zoned.

CS/HB 7069, Section 4

Section 4 of CS/HB 7069 changes s. 1011.62(1)(i), F.S., such that the entities that are eligible for inclusion in the dual enrollment program is expanded by not limiting them to being “located and chartered in Florida”, and changing the accreditation to a regional or national accrediting agency recognized the US Department of Education. Currently the entity would need to be accredited by the Commission on Colleges of the Southern Association of Colleges and Schools or the Accrediting Council for Independent Colleges and Schools.

CS/HB 7069, Sections 21

Section 21 of CS/HB 7069 changes s. 1002.33, F.S., to require corrective action if a charter school earns three consecutive grades below a “C.” Additionally, this section provides an exception to a “double F” termination for a charter school if the majority of the enrolled students are zoned for a “D” or “F” school. Charter schools are exempt from controlled open enrollment (s. 1002.31, F.S.) if they are open to any student covered in an interdistrict agreement and any student residing in the school district in which the charter school is located.

CS/HB 7069, Sections 38

Section 38 of CS/HB 7069 changes s. 1001.42, F.S., to expand intensive intervention for traditional public schools to include schools with a “D.” If a school earns a “D” or “F” it is considered to be in an education emergency and restrictions are lifted that limit a school’s ability to implement programs or strategies to improve student performance.

CS/HB 7069, Sections 41

Section 41 of CS/HB 7069 changes s. 1008.33, F.S., to require the intensive intervention by the state board if a school earns two consecutive grades below a “C.” If a school earns below a “C” for three consecutive years (including the year of intensive intervention) the school must reassign students to another school, close the school and reopen as one or more charter schools, or contract with an outside entity that has demonstrated a record of effectiveness. If a school continues to earn below a “C” for two more years then another turnaround option must be implemented.

CS/HB 7069 Section 49

Section 49 of CS/HB 7069 Lines 5893-5901 requires that in addition to the 150 minutes of physical education mentioned above in s. 1003.455(3), F.S., each district school board provide at least 100 minutes of supervised, safe, and unstructured free-play recess each week for students in kindergarten through grade 5 in non-charter public schools. This recess shall be structured such that there would be at least 20 minutes of free-play per day.

CS/HB 7069, Section 53

Revises s. 1002.20, F.S., by adding language requiring districts to amend current policies pertaining to attendance. Policies must now allow for written statements from licensed health care practitioners to excuse students receiving treatment for autism spectrum disorder, and is no longer up to the discretion of the district.