

Measures Affecting Education:

Impact of 2018 Legislation on PreK-12 Public School Full-Time Equivalent (FTE) Enrollment and Capital Outlay (CO) FTE Membership

PreK-12 Education Impact Conference
May 30, 2018

Conference Report

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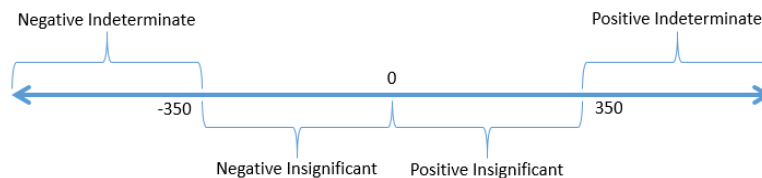
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Introduction

Six bills were passed during the 2018 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					
	2018-19	2019-20	2020-21	2021-22	2022-23
Charter Schools	0 / Positive Insignificant	Positive Insignificant	Positive Insignificant	Positive Insignificant	Positive Insignificant
Florida Virtual School	Positive Insignificant	Positive Insignificant	Positive Insignificant	Positive Insignificant	Positive Insignificant
High School Public Education	0 / Negative Insignificant	0 / Negative Insignificant	0 / Negative Insignificant	0 / Negative Insignificant	0 / Negative Insignificant
Home Education	Positive Insignificant	Positive Insignificant	Positive Insignificant	Positive Insignificant	Positive Insignificant
Scholarship Programs	-3,262.50	-8,636.00	-8,209.50	-8,218.00	-8,346.00
COFTE Membership Impact					
	2018-19	2019-20	2020-21	2021-22	2022-23
Charter Schools	0 / Negative Indeterminate	Negative Indeterminate	Negative Indeterminate	Negative Indeterminate	Negative Indeterminate
Florida Virtual School	0	0	0	0	0
High School Public Education	0 / Negative Insignificant	0 / Negative Insignificant	0 / Negative Insignificant	0 / Negative Insignificant	0 / Negative Insignificant
Home Education	Positive Insignificant	Positive Insignificant	Positive Insignificant	Positive Insignificant	Positive Insignificant
Scholarship Programs	-3,008.44	-8,460.84	-8,028.91	-8,031.98	-8,154.55

Detailed Bill Discussion

Topic: Charter Schools
Eligibility Process
Bill Number(s): CS/HB 7055

- Entire Bill(s)**
 Partial Bill(s) CS/HB 7055, Section 9 (*Chapter No. 2018-6*)

Sponsor(s): CS/HB 7055
Appropriations Committee; Education Committee; Bileca and Diaz, M.

Effective Date: July 1, 2018
Month/Year Impact Begins: July/2018
Date of Analysis: May 30, 2018

Section 1: Highlights of Effects on FEFP FTE and COFTE Enrollment Forecasts

A) Current Law:

1002.33(10)(e), F.S.; reads:

A charter school may limit the enrollment process only to target the following student populations:

- 7. Students living in a development in which a business entity provides the school facility and related property having an appraised value of at least \$10 million to be used as a charter school for the development. Students living in the development shall be entitled to 50 percent of the student stations in the charter school. The students who are eligible for enrollment are subject to a random lottery, the racial/ethnic balance provisions, or any federal provisions, as described in subparagraph 4. The remainder of the student stations shall be filled in accordance with subparagraph 4.*

B) Change(s):

CS/HB 7055 Section 9 (Lines 1203-1214) amends s. 1002.33, F.S., to decrease the minimum appraised value of the school facility and related property to \$5 million, and clarifies that the limitations will be in place to mitigate the educational impact created by the development of new residential dwelling units. Also clarifies that students living in the development shall be entitled to no more than 50 percent of the student stations in the charter school.

Section 2: Analysis of Impacts on FEFP FTE and COFTE Enrollment Forecasts

A) Data Sources

2010-2013 Charter School Entry Data; DOE

FEFP Calculations: 2016-17 Final Calculation and 2017-18 Fourth Calculation; DOE

EDR Phone Survey of selected school districts: Collier, Lee, Orange, Osceola, and Palm Beach;
May 11, 2018

B) Assumptions

- Historically, charter schools have attracted students from private and home education programs in addition to public schools both within the district and potentially outside of the district. It is assumed this will continue.

- Charter schools have historically shifted enrollment from district owned and administered facilities (COFTE eligible facilities) into non-COFTE eligible facilities and it is assumed this will continue.
- The district where potential charter schools will open to mitigate the impacts of development or the size of the potential new charter schools over the next 5 years is unknown.
- New language to reflect that a charter school established to mitigate the education impact created by the development shall enroll no more than 50 percent of its student stations for students residing in the development is for clarification purposes only.

C) Data and Analysis

The contract created between the district and the charter school contains the eligibility criteria utilized to approve the charter. However, data regarding these eligibility criteria are not reported as a data element to the Florida Department of Education. As such, the actual number of charter schools using the criterion addressed in this bill to establish their charter is unknown.

To judge the magnitude this impact may present, an estimate of charter schools with this criterion was created. A phone survey of five districts representing over 23% of charter schools across the state was conducted to estimate the possible number of development mitigation charters that currently exist in the state. These districts were chosen based on a recent history of mentioning developments in their FEFP FTE forecast narrative justifications. The surveyed districts indicated that they did not have a charter school that was established under the above mentioned criteria. Thus, the number of charter schools that are currently operating to mitigate the education impact created by a development is estimated to be zero to insignificant.

Charter School Characteristics

Year	Charter Schools ¹	Average FEFP FTE Per Charter School ¹	Estimated Number of Development Mitigation Charters ²
2016-17	652	430.37	0/Insignificant
2017-18	654	448.98	0/Insignificant

Source: ¹2016-17 Final and 2017-18 Fourth Calculations; ²EDR Phone Survey

With a minimal number of charter schools, if any, that have established under the \$10 million dollar threshold, it is assumed that the number of charters that will establish under the new \$5 million dollar threshold will be insignificant as well.

Charter School Entry Data, 2010-2013

Prior School Status	Percent of All Entries
Former Non-Public	3%
Former Public	95%
Out of State/Country	2%
Total	100%

Source: Department of Education, FYs 2010-11, 2011-12, and 2012-13

Prior school entry data through 2012-13 have shown that typically 3% of charter school entrants previously participated in non-public options in Florida, while 95% of the charter school entrants have transferred from another public school. The percentage of entries that came from a non-

public education setting has been as high as three times the typical rate during the charter school's first year (ranging as high as 10%).

D) Conclusion

Based on the survey data, prior school status and the assumptions in the section above, the effect on the number of charters or the number of student stations available is not anticipated to be significant. The resulting impact is estimated to be zero to positive insignificant for FTE and zero to negative insignificant for COFTE.

Section 3: Cumulative Impacts on FEFP FTE and COFTE Enrollment Forecasts

	Cumulative Impact	
	FTE	COFTE
2018-19	0 / Positive Insignificant	0 / Negative Insignificant
2019-20	0 / Positive Insignificant	0 / Negative Insignificant
2020-21	0 / Positive Insignificant	0 / Negative Insignificant
2021-22	0 / Positive Insignificant	0 / Negative Insignificant
2022-23	0 / Positive Insignificant	0 / Negative Insignificant

Note: Impacts only include sections discussed above. Other topics may affect these enrollments and will be analyzed separately within this document.

Topic: Charter Schools
High-Performing

Bill Number(s): CS/HB 7055

Entire Bill(s)

Partial Bill(s) CS/HB 7055, Section 10 (*Chapter No. 2018-6*)

Sponsor(s): CS/HB 7055

Appropriations Committee; Education Committee; Bileca and Diaz, M.

Effective Date: July 1, 2018

Month/Year Impact Begins: July/2018

Date of Analysis: May 30, 2018

Section 1: Highlights of Effects on FEFP FTE and COFTE Enrollment Forecasts

A) Current Law:

High-performing charter schools:

1002.331(3)(b), F.S.; reads:

A high-performing charter school may not establish more than one charter school within the state under paragraph (a) in any year. A subsequent application to establish a charter school under paragraph (a) may not be submitted unless each charter school established in this manner achieves high-performing charter school status. However, a high-performing charter school may establish more than one charter school within the state under paragraph (a) in any year if it operates in the area of a persistently low-performing school and serves students from that school.

B) Change(s):

CS/HB 7055, Section 10 (Lines 1353-1362) amends s. 1002.331, F.S., to increase the total from one charter school to two charter schools that may be established in any year by a high-performing charter school.

Section 2: Analysis of Impacts on FEFP FTE and COFTE Enrollment Forecasts

A) Data Sources

2010-2013 Charter School Entry Data; DOE

FEFP Calculations: 2016-17 Final Calculation and 2017-18 Fourth Calculation; DOE

B) Assumptions

- Historically, charter schools have attracted students from private and home education programs in addition to public schools both within the district and potentially outside of the district. It is assumed that this will continue.
- Charter schools have historically shifted enrollment from district owned and administered facilities (COFTE eligible facilities) into non-COFTE eligible facilities and it is assumed that this will continue.
- It is unknown how many additional charter schools will open, the district where the schools will open, or the size of the schools when they open in the next 5 years simply due to the changes in replication policies.

C) Data and Analysis

Charter School Entry Data, 2010-2013

Prior School Status	Percent of All Entries
Former Non-Public	3%
Former Public	95%
Out of State/Country	2%
Total	100%

Source: Department of Education, FYs 2010-11, 2011-12, and 2012-13

Prior school entry data through 2012-13 have shown that typically 3% of charter school entrants previously participated in non-public options in Florida, while 95% of the charter school entrants have transferred from another public school. The percentage of entries that come from a non-public education setting has been as high as three times the typical rate during the charter school’s first year (ranging as high as 10%).

Charter School Characteristics

Year	Charter Schools	Average FTE Per Charter School	High Performing Charter Schools	Replications
2014-15	644	386.70	167	N/A*
2015-16	656	409.55	187	5
2016-17	652	430.37	188	5
2017-18	654	448.98	179	4

* Not Available

Source: Department of Education

Assuming half of the charter school replications that could have only replicated once would now replicate twice, there would be two more charter schools than otherwise anticipated. Due to the small number of replications relative to the number of high performing charters, this increase in replications is only expected to occur as a one-time bump in 2018-19. These two charter schools would likely open and grow to less than the statewide average of 448.98 FTE through 2022-23 as they progressively add grades each year. However, without knowledge of the grade levels these replications would serve, the companies that would replicate, and their typical opening/growth procedures, the analysis assumes the maximum possible impact occurs in year one and is equal to two times the statewide average charter school size in the following analysis.

With nearly 900 additional charter FTE, the estimated minimum number of FTE from outside the district could range between 27 FTE and 90 FTE during the first year. If all remaining students moved from COFTE facilities, the maximum impact to COFTE would be 873.

D) Conclusion

Based on the number of charters this language would affect and their historical replication rate, the impact is estimated to be zero to positive insignificant for FTE and zero to negative indeterminate for COFTE in 2018-19 and positive insignificant for FTE and negative indeterminate for COFTE for the remainder of the forecast horizon.

Section 3: Cumulative Impacts on FTE and COFTE Enrollment Forecasts

	Cumulative Impact	
	FTE	COFTE
2018-19	0 / Positive Insignificant	0 / Negative Indeterminate
2019-20	Positive Insignificant	Negative Indeterminate
2020-21	Positive Insignificant	Negative Indeterminate
2021-22	Positive Insignificant	Negative Indeterminate
2022-23	Positive Insignificant	Negative Indeterminate

Note: Impacts only include sections discussed above. Other topics may affect these enrollments and will be analyzed separately within this document.

Topic: Charter Schools
Total Topic Impact

Topic Cumulative Impacts on FEFP FTE and COFTE Enrollment Forecasts

	Cumulative Impact	
	FTE	COFTE
2018-19	0 / Positive Insignificant	0 / Negative Indeterminate
2019-20	Positive Insignificant	Negative Indeterminate
2020-21	Positive Insignificant	Negative Indeterminate
2021-22	Positive Insignificant	Negative Indeterminate
2022-23	Positive Insignificant	Negative Indeterminate

Note: Impacts only include sections discussed above. Other topics may affect these enrollments and will be analyzed separately within this document.

Topic: Florida Virtual School
Bill Number(s): CS/HB 29

- Entire Bill(s)**
 Partial Bill(s) CS/HB 29, Section 50 (*Chapter No. 2018-6*)

Sponsor(s): CS/HB 29, Section 50
Commerce Committee; Ponder and others

Effective Date: July 1, 2018
Month/Year Impact Begins: July/2018
Date of Analysis: May 30, 2018

Section 1: Highlights of Effects on FEFP FTE and COFTE Enrollment Forecasts

A) Current Law:

Section 1002.37(1)(b), F.S. explains that Florida Virtual School (FLVS) serves any student in the state who meets the profile for success in this educational delivery context and shall give priority to:

1. *Students who need expanded access to courses in order to meet their educational goals, such as home education students and students in inner-city and rural high schools who do not have access to higher-level courses.*
2. *Students seeking accelerated access in order to obtain a high school diploma at least one semester early.*

B) Change(s):

CS/HB 29 Section 50 (Lines 1789-1808) amends s. 1002.37, F.S., to add a third student category to be given priority stating, *"Students who are children of an active duty member of the United States Armed Forces who is not stationed in this state whose home of record or state of legal residence is Florida."*

Section 2: Analysis of Impacts on FEFP FTE and COFTE Enrollment Forecasts

A) Data Sources

- Military student FLVS enrollments eligible for FTE; DOE
- No available data on expanded eligible pool of students whose parents' home of record or state of legal residence is Florida

B) Assumptions

- There may be qualified students participating in FLVS currently under the Global program, however these students are unable to be identified.
- FLVS is planning to identify the qualified military students for all of its schools and it is assumed that this will begin with 2018-19 enrollments.
- Interest in participation in FLVS by these eligible students is unknown.
- Interest may change over time as families discover how the program compares with other options.

C) Data and Analysis

**Historical Military Children Enrollment with FLVS
(Florida Residents)**

Year	FEFP Full-Time Students	FEFP Flex Students
2014-15	14	1
2015-16	14	3
2016-17	10	2

While current enrollments are low, expanding the eligible student pool will result in increased enrollments.

D) Conclusion

With free virtual tutoring options provided by the Department of Defense (military.com) and on-base resources provided to K-12 students living with deployed parent(s), military families have many choices when it comes to educating their children. The changes will have a positive insignificant impact on FTE and no impact on COFTE.

Section 3: Cumulative Impacts on FEFP FTE and COFTE Enrollment Forecasts

	Cumulative Impact	
	FTE	COFTE
2018-19	Positive Insignificant	0
2019-20	Positive Insignificant	0
2020-21	Positive Insignificant	0
2021-22	Positive Insignificant	0
2022-23	Positive Insignificant	0

Note: Impacts only include sections discussed above. Other topics may affect these enrollments and will be analyzed separately within this document.

Topic: High School Public Education
Standard High School Diploma
Bill Number(s): HB 577

- Entire Bill(s)** HB 577 (*Chapter No. 2018-154*)
 Partial Bill(s)

Sponsor(s): HB 577
Silvers; Duran and others

Effective Date: July 1, 2018
Month/Year Impact Begins: July/2018
Date of Analysis: May 30, 2018

Section 1: Highlights of Effects on FEFP FTE and COFTE Enrollment Forecasts

A) Current Law:

Section 1003.4282, F.S. *“Requirements for a standard high school diploma”* reads as follows:

(3) **STANDARD HIGH SCHOOL DIPLOMA; COURSE AND ASSESSMENT REQUIREMENTS.**—

- (a) *Four credits in English Language Arts (ELA)...*
- (b) *Four credits in mathematics...*
- (c) *Three credits in science...*
- (d) *Three credits in social studies...*
- (e) *One credit in fine or performing arts, speech and debate, or practical arts...*
- (f) *One credit in physical education...*
- (g) *Eight credits in electives.—School districts must develop and offer coordinated electives so that a student may develop knowledge and skills in his or her area of interest, such as electives with a STEM or liberal arts focus. Such electives must include opportunities for students to earn college credit, including industry-certified career education programs or series of career-themed courses that result in industry certification or articulate into the award of college credit, or career education courses for which there is a statewide or local articulation agreement and which lead to college credit.*

B) Change(s):

HB 577 amends s. 1003.4282, F.S., to expand eligible credits for fine or performing arts, speech and debate, practical arts, or electives for the purpose of a standard high school diploma to include credits earned through qualifying registered apprenticeship and preapprenticeship programs.

Section 2: Analysis of Impacts on FEFP FTE and COFTE Enrollment Forecasts

A) Data Sources

No applicable enrollment data

B) Assumptions

- Students participating in these programs currently receive course credit towards graduation for cooperative model preapprenticeship programs and are assumed to continue to receive this credit.

- Apprenticeships are federally registered programs; participation is most likely full-time enrollment and students receive course credit. Participation is assumed to remain overwhelmingly full-time.

C) Data and Analysis

Trends in credit for participation in preapprenticeship and apprenticeship programs are not currently available as these programs’ course code numbers are not currently uniform across the state. There are presently six course code numbers that districts may use for preapprenticeship and apprenticeship program courses, however, they do not specify the program type or subject and do not represent the entire enrollment in these programs since there is no requirement for use. In the future enrollments will be trackable due to the language in HB 577 directing the State Board of Education to approve and identify in the Course Code Directory the programs for which students can earn credit towards high school graduation requirements.

D) Conclusion

Since preapprenticeship and registered apprenticeship course enrollments currently count towards the eight credit elective graduation requirement, the authorization for these courses to count towards the one credit of “fine or performing arts, speech and debate, or practical arts” graduation requirement, may potentially increase graduation rates. Thus, the impact is estimated to be zero to negative insignificant.

Section 3: Cumulative Impacts on FEFP FTE and COFTE Enrollment Forecasts

	Cumulative Impact	
	FTE	COFTE
2018-19	0 / Negative Insignificant	0 / Negative Insignificant
2019-20	0 / Negative Insignificant	0 / Negative Insignificant
2020-21	0 / Negative Insignificant	0 / Negative Insignificant
2021-22	0 / Negative Insignificant	0 / Negative Insignificant
2022-23	0 / Negative Insignificant	0 / Negative Insignificant

Note: Impacts only include sections discussed above. Other topics may affect these enrollments and will be analyzed separately within this document.

Topic: High School Public Education
Dual Enrollment

Bill Number(s): CS/HB 7055

- Entire Bill(s)**
 Partial Bill(s) CS/HB 7055, Section 27 (*Chapter No. 2018-6*)

Sponsor(s): CS/HB 7055
Appropriations Committee; Education Committee; Bileca and Diaz, M.

Effective Date: July 1, 2018

Month/Year Impact Begins: July/2018

Date of Analysis: May 30, 2018

Section 1: Highlights of Effects on FEFP FTE and COFTE Enrollment Forecasts

A) **Current Law:**

Section 1007.271, F.S. *“Dual enrollment programs”* reads as follows:

- (1) *The dual enrollment program is the enrollment of an eligible secondary student or home education student in a postsecondary course creditable toward high school completion and a career certificate or an associate or baccalaureate degree. A student who is enrolled in postsecondary instruction that is not creditable toward a high school diploma may not be classified as a dual enrollment student.*
- (2) *For the purpose of this section, an eligible secondary student is a student who is enrolled in any of grades 6 through 12 in a Florida public school or in a Florida private school that is in compliance with s. 1002.42(2) and provides a secondary curriculum pursuant to s. 1003.4282. Students who are eligible for dual enrollment pursuant to this section may enroll in dual enrollment courses conducted during school hours, after school hours, and during the summer term. However, if the student is projected to graduate from high school before the scheduled completion date of a postsecondary course, the student may not register for that course through dual enrollment. The student may apply to the postsecondary institution and pay the required registration, tuition, and fees if the student meets the postsecondary institution’s admissions requirements under s. 1007.263. Instructional time for dual enrollment may vary from 900 hours; however, the full-time equivalent student membership value shall be subject to the provisions in s. 1011.61(4). A student enrolled as a dual enrollment student is exempt from the payment of registration, tuition, and laboratory fees. Applied academics for adult education instruction, developmental education, and other forms of precollegiate instruction, as well as physical education courses that focus on the physical execution of a skill rather than the intellectual attributes of the activity, are ineligible for inclusion in the dual enrollment program. Recreation and leisure studies courses shall be evaluated individually in the same manner as physical education courses for potential inclusion in the program.*
- (3) *Student eligibility requirements for initial enrollment in college credit dual enrollment courses must include a 3.0 unweighted high school grade point average and the minimum score on a common placement test adopted by the State Board of Education which indicates that the student is ready for college-level coursework. Student eligibility requirements for continued enrollment in college credit dual enrollment courses must include the maintenance of a 3.0 unweighted high school grade point average and the minimum postsecondary grade point average established by the postsecondary institution. Regardless*

of meeting student eligibility requirements for continued enrollment, a student may lose the opportunity to participate in a dual enrollment course if the student is disruptive to the learning process such that the progress of other students or the efficient administration of the course is hindered. Student eligibility requirements for initial and continued enrollment in career certificate dual enrollment courses must include a 2.0 unweighted high school grade point average. Exceptions to the required grade point averages may be granted on an individual student basis if the educational entities agree and the terms of the agreement are contained within the dual enrollment articulation agreement established pursuant to subsection (21). Florida College System institution boards of trustees may establish additional initial student eligibility requirements, which shall be included in the dual enrollment articulation agreement, to ensure student readiness for postsecondary instruction. Additional requirements included in the agreement may not arbitrarily prohibit students who have demonstrated the ability to master advanced courses from participating in dual enrollment courses.

B) Change(s):

CS/HB 7055, Section 27 (Lines 3566-3598) amends s. 1007.271, F.S., adding language to prohibit dual enrollment agreements from limiting the number of dual enrollment courses a student may enroll based solely upon enrollment by the student at an independent postsecondary institution.

Section 2: Analysis of Impacts on FEFP FTE and COFTE Enrollment Forecasts

A) Data Sources

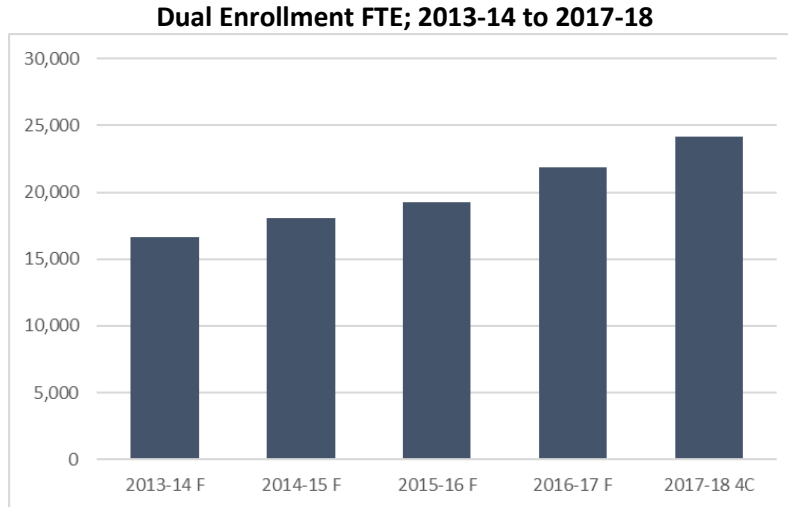
FEFP Calculations: 2013-14 Final, 2014-15 Final, 2015-16 Final, 2016-17 Final, and 2017-18 Fourth; DOE

B) Assumptions

Historically, an increase in public school dual enrollment participation has been recalibrated to 1.0 FTE for students who earn more than 1.0 FTE. It is assumed that any additional courses resulting from this new language will be recalibrated to 1.0 FTE.

C) Data and Analysis

Dual enrollment FTE has been increasing historically, as seen in the figure below. As students who may have previously not been able to increase their dual enrollment course load at private postsecondary institutions opt to do so, their FTE will continue to be recalibrated to 1.0 with an increased proportion of the FTE being in dual enrollment.



Source: Florida Department of Education FEEP Calculations

D) Conclusion

Any resulting increases that may occur due to independent postsecondary institution dual enrollment contracts not being allowed to specify a maximum number of courses a student may take will not affect overall FTE, but may result in a higher amount of dual enrollment FTE.

Section 3: Cumulative Impacts on FEEP FTE and COFTE Enrollment Forecasts

	Cumulative Impact	
	FTE	COFTE
2018-19	0	0
2019-20	0	0
2020-21	0	0
2021-22	0	0
2022-23	0	0

Note: Impacts only include sections discussed above. Other topics may affect these enrollments and will be analyzed separately within this document.

**Topic: High School Public Education
Total Topic Impact**

Topic Cumulative Impacts on FEFP FTE and COFTE Enrollment Forecasts

	Cumulative Impact	
	FTE	COFTE
2018-19	0 / Negative Insignificant	0 / Negative Insignificant
2019-20	0 / Negative Insignificant	0 / Negative Insignificant
2020-21	0 / Negative Insignificant	0 / Negative Insignificant
2021-22	0 / Negative Insignificant	0 / Negative Insignificant
2022-23	0 / Negative Insignificant	0 / Negative Insignificant

Note: Impacts only include sections discussed above. Other topics may affect these enrollments and will be analyzed separately within this document.

Topic: Home Education
Bill Number(s): CS/CS/HB 731

- Entire Bill(s)**
 Partial Bill(s) CS/CS/HB 731, Section 1 (*Chapter No. 2018-134*)

Sponsor(s): CS/CS/HB 731
Education Committee; PreK-12 Innovation Subcommittee; Sullivan and others

Effective Date: July 1, 2018
Month/Year Impact Begins: July/2018
Date of Analysis: May 30, 2018

Section 1: Highlights of Effects on FEFP FTE and COFTE Enrollment Forecasts

A) Current Law:

- Part-time public school enrollment for home education:
Section 1002.41(10), F.S. *“Home education programs”* reads as follows:
(10) *A school district may provide exceptional student education-related services, as defined in State Board of Education rule, to a home education program student with a disability who is eligible for the services and who enrolls in a public school solely for the purpose of receiving those related services. The school district providing the services shall report each student as a full-time equivalent student in the class and in a manner prescribed by the Department of Education, and funding shall be provided through the Florida Education Finance Program pursuant to s. 1011.62.*

- Part-time virtual school enrollment for home education:
Section 1002.455, F.S. *“Student eligibility for K-12 virtual instruction”* reads as follows:
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.*

- [FTE General Instructions 2017-18](#) (page 29):
Reporting Nonpublic School or Home Education Students for FTE Funding
Nonpublic school or home education students who receive instruction in the public school district must be reported in the following manner on the DOE Information Database to assure accuracy for the various reports.

B) Change(s):

CS/CS/HB 731, Section 1 (Lines 139-156) amends s. 1002.41, F.S., to include that a school district may provide access to career and technical courses and programs for a home education student who enrolls in a public school solely for the career and technical courses or programs. Additionally, industry certifications, national assessments, and statewide, standardized assessments offered by a school district shall be available to home education program students. School districts providing qualifying career and technical courses and programs report each student’s FTE enrollment to be funded through the FEFP.

Section 2: Analysis of Impacts on FEFP FTE and COFTE Enrollment Forecasts

A) Data Sources

FEFP Calculations: 2015-16 Final, 2016-17 Final, and 2017-18 Fourth; DOE

B) Assumptions

- It is assumed that the language to provide home education students access to career and technical courses or programs is clarification language.
- Lab districts are assumed to not participate in this open program as they are typically operating at capacity, with waitlists.

C) Data and Analysis

FEFP Career and Technical Program Courses for Home Education Students

Home Education Students Participation in Career and Technical Courses (Districts 1-67)

	Participating Districts	Course Enrollments	Funded FTE
2015-16 Final Calc	36	383	36.14
2016-17 Final Calc	40	304	29.25
2017-18 Fourth Calc	46	434	38.44

Home Education Students Participation in Career and Technical Courses (FLVS Only)

	Course Enrollments	Funded FTE
2015-16 Final Calc	2,300	182.77
2016-17 Final Calc	2,497	197.16
2017-18 Fourth Calc	1,904	163.34

Source: Florida Department of Education

Home education student participation in career and technical courses has been relatively stable in recent years for all districts, including FLVS. Lab school districts have not reported home education students participating in their career and technical courses and are assumed to continue to this trend. Sixty-nine percent of all regular districts, including FLVS, representing 77.8% of the state’s regular district enrollment, currently offer this option to home school students.

D) Conclusion

With over half of the districts enrolling home education students in career and technical courses, the clarification provided in CS/CS/HB 731 may boost home education students' participation in these courses in the currently non-participating districts. Based on the current FTE generated across 47 districts (including FLVS) the impact on FTE and COFTE across the remaining districts is estimated to be positive insignificant.

Section 3: Cumulative Impacts on FTEP FTE and COFTE Enrollment Forecasts

	Cumulative Impact	
	FTE	COFTE
2018-19	Positive Insignificant	Positive Insignificant
2019-20	Positive Insignificant	Positive Insignificant
2020-21	Positive Insignificant	Positive Insignificant
2021-22	Positive Insignificant	Positive Insignificant
2022-23	Positive Insignificant	Positive Insignificant

Note: Impacts only include sections discussed above. Other topics may affect these enrollments and will be analyzed separately within this document.

Topic: Scholarship Programs
Gardiner – Use of Funds
Bill Number(s): CS/HB 7055

- Entire Bill(s)**
 Partial Bill(s) CS/HB 7055, Section 13 (*Chapter No. 2018-6*)

Sponsor(s): CS/HB 7055
Appropriations Committee; Education Committee; Bileca and Diaz, M.

Effective Date: July 1, 2018
Month/Year Impact Begins: July/2018
Date of Analysis: May 30, 2018

Section 1: Highlights of Effects on FEFP FTE and COFTE Enrollment Forecasts

A) Current Law:

Section 1002.385, F.S. reads as follows:

(5) *AUTHORIZED USES OF PROGRAM FUNDS.—Program funds must be used to meet the individual educational needs of an eligible student and may be spent for the following purposes:*

- (a) *Instructional materials, including digital devices, digital periphery devices, and assistive technology devices that allow a student to access instruction or instructional content and training on the use of and maintenance agreements for these devices.*
- (b) *Curriculum as defined in paragraph (2)(b).*
- (c) *Specialized services by approved providers or by a hospital in this state which are selected by the parent. These specialized services may include, but are not limited to:*
 - 1. *Applied behavior analysis services as provided in ss. 627.6686 and 641.31098.*
 - 2. *Services provided by speech-language pathologists as defined in s. 468.1125.*
 - 3. *Occupational therapy services as defined in s. 468.203.*
 - 4. *Services provided by physical therapists as defined in s. 486.021.*
 - 5. *Services provided by listening and spoken language specialists and an appropriate acoustical environment for a child who is deaf or hard of hearing and who has received an implant or assistive hearing device.*
- (d) *Enrollment in, or tuition or fees associated with enrollment in, a home education program, an eligible private school, an eligible postsecondary educational institution or a program offered by the institution, a private tutoring program authorized under s. 1002.43, a virtual program offered by a department-approved private online provider that meets the provider qualifications specified in s. 1002.45(2)(a), the Florida Virtual School as a private paying student, or an approved online course offered pursuant to s. 1003.499 or s. 1004.0961.*
- (e) *Fees for nationally standardized, norm-referenced achievement tests, Advanced Placement Examinations, industry certification examinations, assessments related to postsecondary education, or other assessments.*
- (f) *Contributions to the Stanley G. Tate Florida Prepaid College Program pursuant to s. 1009.98 or the Florida College Savings Program pursuant to s. 1009.981, for the benefit of the eligible student.*

- (g) *Contracted services provided by a public school or school district, including classes. A student who receives services under a contract under this paragraph is not considered enrolled in a public school for eligibility purposes as specified in subsection (4).*
- (h) *Tuition and fees for part-time tutoring services provided by a person who holds a valid Florida educator's certificate pursuant to s. 1012.56; a person who holds an adjunct teaching certificate pursuant to s. 1012.57; or a person who has demonstrated a mastery of subject area knowledge pursuant to s. 1012.56(5). As used in this paragraph, the term "part-time tutoring services" does not qualify as regular school attendance as defined in s. 1003.01(13)(e).*
- (i) *Fees for specialized summer education programs.*
- (j) *Fees for specialized after-school education programs.*
- (k) *Transition services provided by job coaches.*
- (l) *Fees for an annual evaluation of educational progress by a state-certified teacher under s. 1002.41(1)(c), if this option is chosen for a home education student.*
- (m) *Tuition and fees associated with programs offered by Voluntary Prekindergarten Education Program providers approved pursuant to s. 1002.55 and school readiness providers approved pursuant to s. 1002.88.*
- (n) *Fees for services provided at a center that is a member of the Professional Association of Therapeutic Horsemanship International.*
- (o) *Fees for services provided by a therapist who is certified by the Certification Board for Music Therapists or credentialed by the Art Therapy Credentials Board, Inc.*

B) Change(s):

CS/HB 7055 Section 13 (Lines 1392-1430) amends s. 1002.385, F.S., by:

- Specifying that program funds may be used to pay for tuition and fees associated with full-time and part-time enrollment in the education programs outlined in s. 1002.385(5)(d).
- Expands s. 1002.385(5)(h), F.S., to include tutoring services provided by a person who has a bachelor's degree or a graduate degree in the subject area in which instruction is given for use of funds.
- Expands s. 1002.385(5), F.S., to include tuition or fees associated with enrollment in a nationally or internationally recognized research-based training program for a child with a neurological disorder or brain damage for use of funds.

Section 2: Analysis of Impacts on FEFP FTE and COFTE Enrollment Forecasts

A) Data Sources

2017-18 Gardiner Scholarship Participation; Step Up for Students (SUFs) and AAA Scholarship Foundation (AAA)

B) Assumptions

It is assumed that the expansion of fundable services may increase interest in the program due to an increased scope of ways to spend the funds.

C) Data and Analysis

Total Scholarships, 2017-18

	AAA & SUFS Total
Gardiner Scholarship	10,244

2017-18 Scholarship Waitlist

	SUFS Waitlist
Gardiner Scholarship	1,290

Spring 2018 Scholarship Interest Email List
(eligibility not yet determined)

	SUFS Interest List
Gardiner Scholarship	5,723

In 2017-18, there was more interest in the Gardiner Scholarship program than there were funds available. With more options available for use, possibly less turnover may occur, however, without knowledge of the reasons why families choose to exit the Gardiner Scholarship program, the effect on turnover is unknown.

D) Conclusion

Given that in 2017-18, there was more interest in the Gardiner Scholarship program than there were funds available, increasing the scope of eligible expenses will not affect scholarship availability and have no effect on FTE.

Section 3: Cumulative Impacts on FEFP FTE and COFTE Enrollment Forecasts

	Cumulative Impact	
	FTE	COFTE
2018-19	0	0
2019-20	0	0
2020-21	0	0
2021-22	0	0
2022-23	0	0

Note: Impacts only include sections discussed above. Other topics may affect these enrollments and will be analyzed separately within this document.

Topic: Scholarship Programs
Gardiner – General Revenue Funding
Bill Number(s): HB 5001

- Entire Bill(s)**
 Partial Bill(s) HB 5001, Section 2, Line 109 and Section 15 (*Chapter No. 2018-9*)

Sponsor(s): HB 5001
Appropriations Committee; Trujillo

Effective Date: July 1, 2018
Month/Year Impact Begins: July/2018
Date of Analysis: May 30, 2018

Section 1: Highlights of Effects on FEFP FTE and COFTE Enrollment Forecasts

A) Current Law:

2017-18 General Revenue Funding:

In FY 2017-18, the total General Revenue funding for the Gardiner Scholarship Program is as follows:

SB 2500, Line 109 – \$73,336,000

- *From the funds provided in Specific Appropriation 109 for Gardiner Scholarships, \$71,200,000 is provided for scholarship awards. In addition to funds for scholarship awards, three percent of the amount of each award, up to \$2,136,000, is provided for reasonable and necessary administrative expenses for each scholarship funding organization’s management and distribution of scholarships for this program.*

SB 2500, Section 23

- *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.*

B) Change(s):

2018-19 General Revenue Funding:

In FY 2018-19, the total General Revenue funding for the Gardiner Scholarship Program is as follows:

HB 5001, Line 109 – \$128,336,000

- *From the funds provided in Specific Appropriation 109 for Gardiner Scholarships, \$120,134,226 in recurring funds and \$4,463,832 in nonrecurring funds are provided for scholarship awards. In addition to funds for scholarship awards, three percent of the amount of each award, up to \$3,737,942 in recurring funds, is provided for reasonable and necessary administrative expenses for each scholarship funding organization’s management and distribution of scholarships for this program.*

HB 5001, Section 15

- *The unexpended balance of funds provided to the Department of Education for the Gardiner Scholarship Program in Specific Appropriation 109 of chapter 2017-70, Laws of Florida, is hereby reverted and is appropriated for Fiscal Year 2018-2019 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.

Section 2: Analysis of Impacts on FEFP FTE and COFTE Enrollment Forecasts

A) Data Sources

2017-18 Gardiner Scholarship Participation; SUFS and AAA

B) Assumptions

- This analysis assumes that all FY 2017-18 appropriated General Revenue funds will be expended, thus no rollover funds will occur.
- This analysis assumes that all FY 2018-19 appropriated General Revenue funds will be assigned to program participants during the course of FY 2018-19.
- This analysis assumes that all scholarships will be awarded prior to September 1st resulting in the full 100% funding level.
- This analysis assumes that 25% of Gardiner Scholarship program pre-kindergarten students (3 and 4 year olds) would have entered the public school system for FTE instruction if they did not have the Gardiner Scholarship.

C) Data and Analysis

**2017-18 Gardiner Participants
May 2018**

AAA	632
SUFS	9,612
Total	10,244

2018-19 Gardiner Scholarship Funds

Funds Available for Scholarships 2018-19	\$ 124,598,058
<i>Recurring funds</i>	<i>\$ 120,134,226</i>
<i>Non-recurring funds</i>	<i>\$ 4,463,832</i>
Estimated Rollover from 2017-18	\$ 0
Total Funds Available	\$ 124,598,058
Average Scholarship Amount 2017-18	\$ 10,281
Estimated Number of Scholarships in 2018-19	12,119

With a program currently running at capacity along with a waitlist and interest list, all funds are assumed to be awarded at the 100% tier level over the forecast horizon. The one time bump in program funding, and therefore growth, results in a possible increase of net students from public schools. Following this, the recurring funds create a new stable churn of net-students from public schools.

Gardiner Scholarship Program Growth and Net-Public Schools Churn

	Program Growth	Net Public School Students
2018-19	1,875	-867
2019-20	-434	+16
2020-21	0	0
2021-22	0	0
2022-23	0	0

D) Conclusion

The estimated effect of the expansion of funds for the Gardiner Scholarship program through the General Appropriations Act is a potential loss of 867 in 2018-19. With many factors involved, including renewal rates, waitlists, and net public student churn rates, the impact is estimated to be negative indeterminate in 2018-19 then fluctuate as shown above through 2022-23. The outer years of the forecast horizon could result in some leavers from the public schools (less than 150) due to net difference between non-renewals returning to public school and new students leaving the public school system.

Section 3: Cumulative Impacts on FEFP FTE and COFTE Enrollment Forecasts

	Cumulative Impact	
	FTE	COFTE
2018-19	Negative Indeterminate	Negative Indeterminate
2019-20	Negative Indeterminate	Negative Indeterminate
2020-21	Negative Indeterminate	Negative Indeterminate
2021-22	Negative Indeterminate	Negative Indeterminate
2022-23	Negative Indeterminate	Negative Indeterminate

Note: Impacts only include sections discussed above. Other topics may affect these enrollments and will be analyzed separately within this document.

Topic: Scholarship Programs
Reading Scholarship

Bill Number(s): CS/HB 7055

- Entire Bill(s)**
 Partial Bill(s) CS/HB 7055, Section 17 (*Chapter No. 2018-6*)

Sponsor(s): CS/HB 7055
Appropriations Committee; Education Committee; Bileca and Diaz, M.

Effective Date: July 1, 2018
Month/Year Impact Begins: July/2019
Date of Analysis: May 30, 2018

Section 1: Highlights of Effects on FEFP FTE and COFTE Enrollment Forecasts

A) Current Law:

Grade 3 Promotion and Retention:
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.*

Reading Scholarship Accounts are currently not in statute.

B) Change(s):

CS/HB 7055, Section 17 (Lines 2671-2801) creates s. 1002.411, F.S., establishing reading scholarship accounts for public school students in grades 3 through 5 who scored below a Level 3 on the grade 3 or grade 4 statewide, standardized English Language Arts (ELA) assessment in the prior school year. By September 30th, each school district will notify parents of these students who scored below a Level 3 on the ELA assessment in the prior school year so the parent and student can apply for a scholarship through an eligible scholarship funding organization. CS/HB 7055, Section 46 (Lines 5101-5103) provides \$9,700,000 in funding for the reading scholarships, excluding administrative fees.

Section 2: Analysis of Impacts on FEFP FTE and COFTE Enrollment Forecasts

A) Data Sources

- 2016-17 Non-Promotions; DOE
- Spring 2017 Florida Standards Assessments ELA Results for Grades 3 and 4; DOE

B) Assumptions

- Reading Scholarship applications are assumed to be made available after districts receive score reports each July.
- Reading Scholarship Accounts are assumed to affect promotion and retention in grades 3 through 5 and will not affect overall FTE in the foreseeable future.

C) Data and Analysis

In the spring of 2017, approximately 95,804 and 91,364 students did not score at least a Level 3 on the ELA assessment in grades 3 and 4, respectively. If the reading scholarship had been in place in 2017-18, these 187,168 students would have represented the potentially eligible pool.

Scholarship Funds	\$ 9,700,000
Scholarship Value	\$ 500
Scholarships Available	19,400
Potential 2017-18 Pool of Students	187,168

Given the ratio of available scholarships to eligible students, it is estimated that all funding will be expended in 2018-19 and beyond.

In 2016-17, there were 24,256 non-promotions in grades 3 through 5 (DOE). Creating reading scholarship accounts may result in less non-promotions, resulting in a by-grade and by-program shift of FTE.

D) Conclusion

While the above changes may have an impact on the by-grade and by-program distribution of FTE beginning in 2019-20, none of the above changes are estimated to affect overall FTE enrollment for the foreseeable future. The above changes may impact COFTE membership by grade grouping level (elementary and middle) beginning in 2019-20, but across all elements of the system the effect is zero in the forecast horizon.

Section 3: Cumulative Impacts on FTE and COFTE Enrollment Forecasts

	Cumulative Impact	
	FTE	COFTE
2018-19	0	0
2019-20	0	0
2020-21	0	0
2021-22	0	0
2022-23	0	0

Note: Impacts only include sections discussed above. Other topics may affect these enrollments and will be analyzed separately within this document.

Topic: Scholarship Programs
Hope Scholarship

Bill Number(s): CS/HB 7055

Entire Bill(s)

Partial Bill(s) CS/HB 7055, Section 16 (*Chapter No. 2018-6*)

Sponsor(s): CS/HB 7055

Appropriations Committee; Education Committee; Bileca and Diaz, M.

Effective Date: July 1, 2018

Month/Year Impact Begins: July/2018

Date of Analysis: May 30, 2018

Section 1: Highlights of Effects on FEFP FTE and COFTE Enrollment Forecasts

A) **Current Law:**

Bullying and Harassment

Section 1006.147, F.S. "Bullying and harassment prohibited" reads as follows:

(2) Bullying or harassment of any student or employee of a public K-12 educational institution is prohibited:

- (a) During any education program or activity conducted by a public K-12 educational institution;*
- (b) During any school-related or school-sponsored program or activity or on a school bus of a public K-12 educational institution;*
- (c) Through the use of data or computer software that is accessed through a computer, computer system, or computer network within the scope of a public K-12 educational institution; or*
- (d) Through the use of data or computer software that is accessed at a nonschool-related location, activity, function, or program or through the use of technology or an electronic device that is not owned, leased, or used by a school district or school, if the bullying substantially interferes with or limits the victim's ability to participate in or benefit from the services, activities, or opportunities offered by a school or substantially disrupts the education process or orderly operation of a school. This paragraph does not require a school to staff or monitor any nonschool-related activity, function, or program.*

Bullying is further defined in this statute to include cyberbullying and students involved in teasing, social exclusion, threat, intimidation, stalking, physical violence, theft, sexual harassment, religious harassment, racial harassment, public or private humiliation, or destruction of property.

(4) Each school district shall adopt and review at least every 3 years a policy prohibiting bullying and harassment of a student or employee of a public K-12 educational institution. Each school district's policy shall be in substantial conformity with the Department of Education's model policy. The school district bullying and harassment policy shall afford all students the same protection regardless of their status under the law. The school district may establish separate discrimination policies that include categories of students. The school district shall involve students, parents, teachers, administrators, school staff, school volunteers,

community representatives, and local law enforcement agencies in the process of adopting and reviewing the policy. The school district policy must be implemented by each school principal in a manner that is ongoing throughout the school year and integrated with the school's curriculum, bullying prevention and intervention program, discipline policies, and other violence prevention efforts.

The Hope Scholarship program is currently not in statute.

B) Change(s):

CS/HB 7055, Section 16 (Lines 2250-2670) creates s. 1002.40, F.S., establishing scholarships for public school students in grades kindergarten through grade 12 who report an incident beginning in the 2018-19 school year and complete the necessary processes and forms required for eligibility. Incidents include battery, harassment, hazing, bullying, kidnapping, physical attack, robbery, sexual offenses, sexual harassment, sexual assault, sexual battery, threat or intimidation, or fighting at school. For the purposes of the scholarship, school is defined as an education program or activity conducted by a public K-12 education institution, any school related/sponsored program or activity, and riding on a school bus or waiting at a school bus stop. The student remains eligible for the continued participation in the scholarship program until they return to public school or graduate from high school, whichever occurs first.

The program is funded through CS/HB 7055, Section 3 (Lines 451-476), which allows a purchaser of a motor vehicle to contribute \$105 of the motor vehicle tax that would have otherwise been collected by the state, to be designated towards the Hope Scholarship Program beginning with sales in October 2018.

Section 2: Analysis of Impacts on FEFP FTE and COFTE Enrollment Forecasts

A) Data Sources

- School Environmental Safety Incident Report; 2016-17 Final; DOE
- Revenue Estimating Conference, Post-Session Impact Conference, CS/HB7055 - Sections 3, 5, & 16

B) Assumptions

- It is assumed that each incident report involves two or more students.
- It is assumed that incidents have been underreported historically.
- It is assumed that incident reports will increase as a result of this scholarship.
- It is assumed that all scholarships will be utilized for private school enrollment based on Florida Tax Credit Scholarship program history of limited use for transportation.
- SFOs will independently manage the timing of application windows in relation to the timing of receiving funds. It is assumed that the application window will open prior to funds being available.
- It is assumed that contributions will flow into the program evenly during the course of the year.
 - New students will be awarded scholarships as funds become available in 2018-19 through February. Remaining awards will be funded in March using an estimate of future available contributions.

- In 2019-20 and beyond, renewals will be funded at 100% prior to scholarship funds becoming available. All new scholarships will be funded at 56% prior to scholarship funds becoming available in January.
- It is assumed that the first 2018-19 scholarships will likely not be awarded until after funds are received in late November/early December.
- Charter school students have an additional layer of choice (to return to a traditional public school) as a response mechanism, thus it is assumed that charter school students are less likely to participate in the program.
- It is assumed that every student who wants to use a scholarship to go to an eligible private school is able to find an opening, apply, and be accepted.
- It is assumed that half of the eligible students would be interested in the scholarship program, however, only half of those would complete the necessary steps to be awarded and to be accepted into an eligible private school.
- Only one SFO will award Hope Scholarships.
- It is assumed that the Hope Scholarship program will follow a similar renewal rate as the Gardiner Scholarship program.
- It is assumed that the Hope Scholarship program will carry rollover funds due to the monthly timing of funding.

C) Data and Analysis

**School Environmental Safety Incident Reports
2016-17**

Type of Incident	Total Incidents* Reported
Battery	2,263
Bullying	3,153
Fighting	19,742
Harassment	1,775
Hazing	6
Kidnapping	3
Physical Attack	10,633
Robbery	148
Sexual Assault	46
Sexual Battery	37
Sexual Harassment	1,952
Sex Offenses	1,431
Threat/Intimidation	4,124
Statewide Total	45,313

Source: Florida Department of Education

*Incidents may involve multiple students

The dollar value of a scholarship is based on three factors: grade level, the flow of contributions throughout the year, and the point in the school year that the award is issued.

Based on 2017-18 school district calendars, the average school year begins the second Monday of August. Using this starting point awards are prorated beginning at the end of November/ beginning of December. This is the earliest date available, since the receipt of October contributions is November 20th – a holiday week. Thus, 14 weeks of school are completed with 22 to go prior to issuing awards. The maximum award in 2018-19 would be prorated to 61.1% of the total scholarship value.

Funding Tier Levels and Corresponding Values based on Grade

Grade	Tier Level	Maximum Scholarship Value 2018-19	Maximum Scholarship Value 2019-20
KG through Grade 5	88%	\$ 3,983.93	\$ 6,519.15
Grade 6 through Grade 8	92%	\$ 4,165.02	\$ 6,815.48
Grade 9 through Grade 12	96%	\$ 4,346.10	\$ 7,111.80
Transportation Only	N/A	\$ 458.25	\$ 750.00

Source: 2018-19 First Calculation, Page 2, K-12 Total Potential Funds per Unweighted FTE Student \$7,408.13

Bullying Rates and Estimated Scholarship Distribution

Grade Level	Percent Reported Bullying ¹	February 2018 Forecast ²	Estimated Number Bullied in 2018-19	Resulting Distribution of Scholarships
Elementary	21.8%	1,297,633.52	282,884	45%
Middle	25.9%	666,700.54	172,675	33%
High	18.9%	860,047.67	162,549	22%
Total	21.4%	2,824,381.73	618,109	100%

Source: ¹National Center for Education Statistics “Student Reports of Bullying: Resulting From the 2015 School Crime Supplement to the National Crime Victimization Survey; ²PreK-12 Enrollment Education Estimating Conference February 6, 2018

Scholarship Estimates

	2018-19	2019-20	2020-21	2021-22	2022-23
Scholarship Dollars from Contributions	\$ 27,069,378	\$ 40,375,581	\$ 40,564,512	\$ 40,647,215	\$ 40,990,857
Total Scholarship Dollars Available*	\$ 20,302,033	\$ 43,778,293	\$ 40,548,768	\$ 40,640,323	\$ 40,962,220
Estimated Scholarships Awarded	7,302	6,858	6,247	6,649	6,456
New	7,302	895	664	1,589	1,085
Renewal	0	5,963	5,583	5,060	5,371

Notes: Renewal rate of 86.05% was used for grades K-11 based on the Gardiner Scholarship Program
* Includes the effect of rollover dollars

The initial cohort in 2018-19 reflects the distribution of potentially eligible students from the cohorts in the 2018-19 February FEPF conference forecast. This first year of awards is

anticipated to be largest in grades 6 through 8 based on the bullying rates in those grades and the forecasted cohort sizes.

In 2018-19, awards are issued as soon as funds are available, starting in late November/early December through early March. At that point it is assumed that an estimated number of awards will be issued based on anticipated funding. For the following years, awards it is assumed that scholarships will be awarded prior to funds becoming available. All renewals are assumed to be funded at 100%, while new awards are anticipated to be funded in early January based on an estimate of capacity and funds.

As the forecasted funding increases throughout the time period, so does the number of scholarships available to be awarded. However, the funding increases are not parallel to scholarship award increases. This is due to the large initial cohort of middle school grade students moving into the high school funding tier.

Assuming that the incident totals above underrepresent the actual number of incidents and a single incident involve multiple students, eligible students will exceed the number of scholarships available for 2018-19 and beyond. However, due to the timing of new scholarship availability relative to the prorated amount the scholarship is worth, not all remaining money after renewals will be expended on new scholarships as it would cause a shortfall in the following year for renewals.

Scholarship Estimates

	2018-19	2019-20	2020-21	2021-22	2022-23
Estimated Number of Scholarships Awarded	7,302	6,858	6,247	6,649	6,456
New Scholarship FTE Impact	-1,392.50	-447.50	-332.00	-794.50	-542.50
Renewal FTE Impact	0	-5,963.00	-5,583.00	-5,060.00	-5,371.00
Total FTE Impact	-1,392.50	-6,410.50	-5,915.00	-5,854.50	-5,913.50

It is estimated that 2,785 scholarships will be awarded between Survey 2 and Survey 3 in 2018-19, resulting in an impact of -1,392.50 for the -0.5 FTE earned. For 2019-20 and beyond the impact will be a -1.0 FTE for renewals, and -0.5 FTE for new scholarships since they are estimated to be funded in January of each year ahead of receipt of the funds as the program matures.

D) Conclusion

The impact is estimated to range from -1,392.50 in 2018-19 to -5,913.50 in 2022-23. However, many of the details of the movement of the contributions and level of participation result in a negative indeterminate estimate for 2018-19. Additionally, because the program is only available to the public school system and charter school students have an additional layer of choice (to return to a traditional public school) as a response mechanism, charter school students are assumed to be less likely to participate in the program. Thus, the impact to FTE and COFTE is the same.

Section 3: Cumulative Impacts on FEFP FTE and COFTE Enrollment Forecasts

	Cumulative Impact	
	FTE	COFTE
2018-19	Negative Indeterminate	Negative Indeterminate
2019-20	-6,410.50	-6,410.50
2020-21	-5,915.00	-5,915.00
2021-22	-5,854.50	-5,854.50
2022-23	-5,913.50	-5,913.50

Note: Impacts only include sections discussed above. Other topics may affect these enrollments and will be analyzed separately within this document.

Topic: Scholarship Programs
Florida Sales Tax Credit Scholarship
Bill Number(s): CS/HB 7055

- Entire Bill(s)**
 Partial Bill(s) CS/HB 7055, Section 1 (*Chapter No. 2018-6*)
HB 5003, Section 7 (*Chapter No. 2018-10*)

Sponsor(s): CS/HB 7055
Appropriations Committee; Education Committee; Bileca and Diaz, M.
HB 5003
Appropriations Committee; Trujillo

Effective Date: July 1, 2018
Month/Year Impact Begins: July/2018
Date of Analysis: May 30, 2018

Section 1: Highlights of Effects on FEFP FTE and COFTE Enrollment Forecasts

A) Current Law:

Funding limitations for Florida Tax Credit Scholarship (FTC) Program:
Section 1002.395(5)(a), F.S. *“Florida Tax Credit Scholarship Program”* reads as follows:

1. *The tax credit cap amount is \$229 million in the 2012-2013 state fiscal year.*
2. *In the 2013-2014 state fiscal year and each state fiscal year thereafter, the tax credit cap amount is the tax credit cap amount in the prior state fiscal year. However, in any state fiscal year when the annual tax credit amount for the prior state fiscal year is equal to or greater than 90 percent of the tax credit cap amount applicable to that state fiscal year, the tax credit cap amount shall increase by 25 percent. The Department of Education and Department of Revenue shall publish on their websites information identifying the tax credit cap amount when it is increased pursuant to this subparagraph.*

As per 1002.395(5)(b), the FTC Scholarship Program is funded through tax credits applied for by a taxpayer against taxes due under one or more of the following sections: s. 211.0251, s. 212.1831, s. 220.1875, s. 561.1211, or s. 624.5105, Florida Statutes.

The Gardiner Scholarship Program funding is stated in the General Appropriations Act and has been funded through the General Revenue fund.

The Sales Tax Credit Scholarship program is currently not in statute.

B) Change(s):

CS/HB 7055, Section 1 (Lines 290-429) creates s. 212.099, F.S., establishing the Florida Sales Tax Credit Scholarship (FSTC) Program. This program enables eligible contributions to fund the Florida Tax Credit Scholarship and Gardiner Scholarship programs. The Sales Tax Credit Scholarship program allows a dealer to take a credit against the tax imposed under s. 212.031, F.S. Eligible contributions are to be first used to fund the Gardiner Scholarship program and then Florida Tax Credit Scholarship program. FTC funded students under this new program are limited to those eligible based on 1002.395(3)(b)1. or 2.

For the year 2018-19, these funds may only be used for the Florida Tax Credit Scholarship program (see HB 5003, Section 7).

The maximum amount of tax credits that may be approved by the Department of Revenue for the Florida Sales Tax Credit Scholarship in any state fiscal year is limited to \$57.5 million. The Scholarship Funding Organization (SFO) may use up to 3 percent of the eligible contributions for administrative expenses.

Section 2: Analysis of Impacts on FEFP FTE and COFTE Enrollment Forecasts

A) Data Sources

- 2017-18 Scholarship Participation; SUFS and AAA
- Scholarship Quarterly Reports; DOE
- 2017-18 Scholarship Interest and Wait Lists; SUFS
- Revenue Estimating Conference, Post-Session Impact Conference, CS/HB7055 – Section 1

B) Assumptions

- SFO's will independently manage the timing of application windows in relation to timing of receiving funds. It is assumed that the application window will open prior to funds being available.
- It is assumed that the first scholarships will not be awarded until late November/early December due to implementation challenges.
 - It is assumed that any effect on FTE in 2018-19 will be a maximum of 0.5 FTE per awarded student due to the timing of Survey 2 in October.
 - All scholarships will be awarded in late November for 2018-19.
- The Florida Tax Credit Scholarship program is assumed to use 100% of the Florida Sales Tax Credit Scholarship program's available funds in 2018-19. These students are assumed to be absorbed in the FTC's available funds for 2019-20.
- It is assumed that the Gardiner Scholarship program will use 100% of the FSTC program's available funds in 2019-20 and beyond.
 - It is assumed that 25% of Gardiner Scholarship program pre-kindergarten students (3 and 4 year olds) would have entered the public school system for FTE instruction if they did not have the Gardiner Scholarship.
- This analysis assumes that all scholarships awarded for 2019-20 and beyond will be awarded at the full 100% funding level.

C) Data and Analysis

The Florida Sales Tax Credit Scholarship program will be used to expand funding for the Gardiner Scholarship Program and the Florida Tax Credit Scholarship program. Both programs currently serve more than 117,000 students in Florida, with waitlists and interest lists exceeding 40,000 in the spring of 2018.

Total Scholarships, 2017-18

	AAA & SUFS Total
Gardiner Scholarship	10,244
Florida Tax Credit Scholarship	107,095

2017-18 Scholarship Waitlists

	SUFS Waitlist
Gardiner Scholarship	1,290
Florida Tax Credit Scholarship	N/A

Spring 2018 Scholarship Interest Email Lists

(eligibility not yet determined)

	SUFS Interest List
Gardiner Scholarship	5,723
Tax Credit Scholarship	35,356

Waitlists and interest lists are used by Step Up for Students for various reasons. First, the Gardiner waitlist is comprised of students deemed eligible to be awarded a scholarship; therefore, when funds are returned to the state as scholarship accounts close throughout the year, new scholarships can be awarded. Second, the interest list is an email list that is maintained once application windows close so families can be kept up-to-date on future application windows and other pertinent information. These students would still need to be deemed eligible for the program.

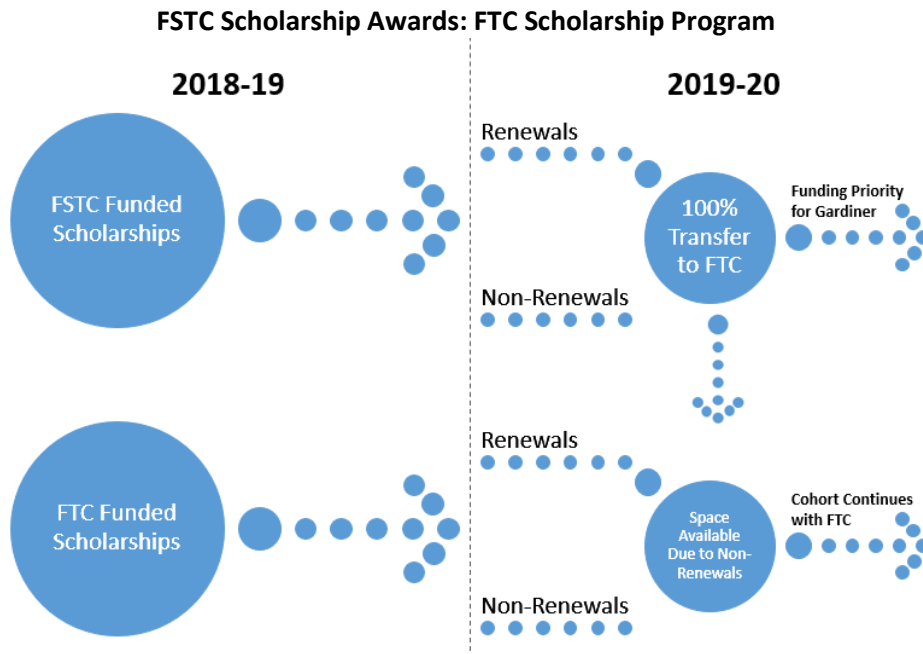
FSTC Funds by Scholarship; 2018-19 through 2022-23

	2018-19	2019-20	2020-21	2021-22	2022-23
FTC	\$ 43,100,000	\$ 0	\$ 0	\$ 0	\$ 0
Gardiner	\$ 0	\$ 57,500,000	\$ 57,500,000	\$ 57,500,000	\$ 57,500,000
Total Funds	\$ 43,100,000	\$ 57,500,000	\$ 57,500,000	\$ 57,500,000	\$ 57,500,000

The key elements in the analysis that change during the forecast time period include partial year awards in the first year and a shift in funding priority in the second year. The first element, partial year awards, affects FTE in 2018-19, as a student would have earned 0.5 FTE in the FEFP system prior to being awarded a FSTC scholarship. This is due to the assumption that students will not be awarded scholarships until contributions are received by the SFO. Additionally, awards are assumed to be prorated to the day, resulting in a lower average scholarship amount and a greater number of scholarships.

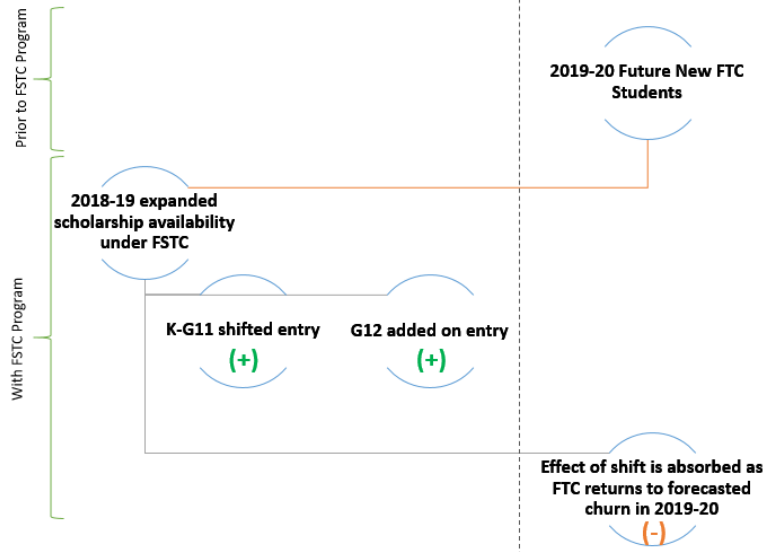
Based on 2017-18 school district calendars, the average school year begins the second Monday of August. Using this starting point awards are prorated beginning at the end of November/ beginning of December due to implementation challenges. Thus, 14 weeks of school are completed with 22 to go prior to issuing awards. The maximum award would be prorated to 61.1% of the total scholarship value.

The second element that is modeled to change over the forecast horizon is the funding priority. During the first year of the scholarship, 2018-19, priority is given to the FTC program. With a significant interest list and a longstanding history of growth, all awards are assumed to be used by the FTC program. After this, these students will be absorbed in 2019-20 by the FTC program – filling spots created by non-renewals.



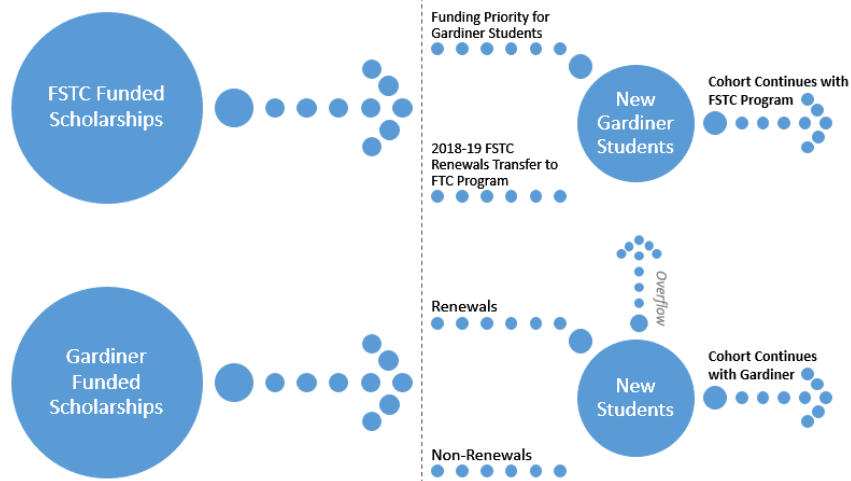
While this increase in available FTC scholarships due to the FSTC occurs in 2018-19, the increase does not remain – it is ultimately a one-time shift in students who would have otherwise had to wait to receive a scholarship in 2019-20, however are now able to enter the FTC program in 2018-19. With their consumption of the non-renewal FTC spots in 2019-20, there will be less new FTC program students that year.

FSTC Scholarship Awards: FTC Scholarship Program Enrollment Shift 2018-19 2019-20



Gardiner Scholarship program students will be funded with General Revenue funds in 2018-19. The program will have a permanent one-time increase in awards for the forecast horizon beginning in 2019-20 when the FSTC program funding priority reverts back to Gardiner students. With a waitlist, interest list, and all funds expended in 2017-18, this growing scholarship program is assumed to use all FSTC funds in 2019-20 and beyond.

FSTC Scholarship Awards: Gardiner Scholarship Program 2018-19 2019-20



Combining the various elements at play within the FTSC program funds, including timing, priority, scholarship values, and interest, the awards are estimated to range from 11,897 in the first year to 5,425 in the remaining years. The effect on FTE exiting the public school system was taken into account, resulting in 3,262.50 FTE exiting in the first year (a shift for FTC), and 69 FTE exiting in the final year of the forecast series (new prior public students that are above and beyond what is in the first year of the forecast due to FSTC twelfth graders graduating).

FSTC's Effect on FTE, By Scholarship Program

	2018-19	2019-20	2020-21	2021-22	2022-23
FTC					
Average Scholarship	\$ 5,751.41				
Number of Scholarships	11,897	-11,897 (shift to FTC)			
Prior Public Estimate	6,525	-6,340 (shift to FTC)			
FTE Impact	-3,262.50	+3,170.00 (shift to FTC)			
Gardiner					
Average Scholarship		\$ 10,281	\$ 10,281	\$ 10,281	\$ 10,281
Number of Scholarships		5,425	5,425	5,425	5,425
Prior Public Estimate		2,133	69	69	69
FTE Impact		-2,133.00	-69	-69	-69
Total FTE Impact	-3,262.50	1,037.00	-69.00	-69.00	-69.00
Cumulative Effect	-3,262.50	-2,225.50	-2,294.50	-2,363.50	-2,432.50

To generate the impact for COFTE, the percentage of prior charter school enrollment in the FTC and the Gardiner programs in 2017-18 were applied to the respective FTE shown in the table above.

D) Conclusion

The Florida Sales Tax Credit Scholarship will fund Florida Tax Credit Scholarship program students in 2018-19. These students will be able to be served in 2019-20 with funds available from the Florida Tax Credit Scholarship. In 2019-20 and beyond, it is assumed that the FSTC will be used to serve Gardiner Scholarship students. Since the average award for a Florida Tax Credit Scholarship student is less than that for a Gardiner Scholarship student, fewer students can be served by the FSTC in 2019-20 and beyond. The cumulative FTE effect is shown in the table above, with an outflow from the FEF system in the first year and a net inflow to the system in each of the following forecast years. To the extent that the FSTC funds would not be used to fund the Gardiner Program, FSTC funds would be used for the FTC program, and the number of potential awards and the impact on FTE would increase.

Section 3: Cumulative Impacts on FEF FTE and COFTE Enrollment Forecasts

	Cumulative Impact	
	FTE	COFTE
2018-19	-3,262.50	-3,008.44
2019-20	-2,225.50	-2,050.34
2020-21	-2,294.50	-2,113.91
2021-22	-2,363.50	-2,177.48
2022-23	-2,432.50	-2,241.05

Note: Impacts only include sections discussed above. Other topics may affect these enrollments and will be analyzed separately within this document.

Topic: Scholarship Programs
Total Topic Impact

Topic Cumulative Impacts on FEFP FTE and COFTE Enrollment Forecasts

	Cumulative Impact	
	FTE	COFTE
2018-19	-3,262.50	-3,008.44
2019-20	-8,636.00	-8,460.84
2020-21	-8,209.50	-8,028.91
2021-22	-8,218.00	-8,031.98
2022-23	-8,346.00	-8,154.55

Note: Impacts only include sections discussed above. Other topics may affect these enrollments and will be analyzed separately within this document.

Other Bills and Bill Sections Reviewed with No Impact

In addition to the bills and bill sections detailed above, DOE and EDR reviewed other 2018 education-related Legislation that passed but determined that the essence of the Legislation would not affect public school student participation or FTE.

High School Public Education

End of Course Assessments

CS/HB 495 (Chapter No. 2018-150)

CS/HB 495 Section 14 (Lines 1055-1061) amends s. 1008.22, F.S., to include that students enrolled in Advanced Placement (AP), International Baccalaureate (IB), or Advanced International Certificate of Education (AICE) courses who take the respective assessments and earn the minimum scores necessary to earn college credit do not have to take the End of Course assessment for the corresponding course.

This language clarifies existing DOE practice for official high school level AP, IB, and AICE courses for college credit.