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Office of Intergovernmental Affairs, Grants Administration, and Community Services

**SUBJECT: RESULT OF THE 2010 LEGISLATIVE SESSION**  
**COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS**

**LINK TO DISTRICT STRATEGIC PLAN: EDUCATE AND ENGAGE STAKEHOLDERS ON DISTRICT INITIATIVES AND ACTIVITIES TO PROMOTE MEANINGFUL RELATIONSHIPS**

The 2010 Legislative Session concluded as scheduled on Friday, April 30, 2010. Every legislative session has its struggles and this past legislative session had its share with the state facing budget shortfalls for the fourth year in a row and having to make very difficult decisions. The state total budget for fiscal year 2010-2011 is approximately \$70.3 billion.

The budget conference report reflects an increase of approximately \$30 million for Miami-Dade but in reality, revenues net a decrease of approximately \$10.5 million. The majority of the proposed increase is as a result of an increase in estimated student enrollment of approximately 4,200 due to an anticipated influx of Haitian students into the county. In addition, the Florida Legislature adopted a policy requiring school districts to budget at 96 percent of the estimated value of the Required Local Effort rather than the 95 percent historically used. Realistically, based on past data and in light of the continued decline of the tax roll and increased appeals before the Value Adjustment Board, this will likely not materialize.

Most notably, the proposed Base Student Allocation (BSA) for next year is \$3,623.76, nearly \$7 less per student than the current BSA. This amount is lower than the BSA in 2003-2004. The BSA has been reduced by \$539.71 since 2007-2008, when it peaked at \$4,163.47. Other highlights of the General Appropriations bill are as follows:

- ✓ The Final Conference Report (HB 5001) provides for the District Cost Differential (DCD) based on a Wage Index.
- ✓ The state budget assumes an increase of approximately 15,796 students attending public schools statewide.

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- ✓ The Discretionary Local Millage remains the same at .748, equalized to the statewide average, or \$ 403.14, at a cost of \$139.5 million statewide.
- ✓ The Required Local Effort Millage rate remains the same at 5.288 mills. Statewide the property school taxable value decreased by \$153.8 billion resulting in a decrease in \$603 million in local support from property taxes for public schools statewide. State funds were provided to mitigate most of the decline in local property values. Statewide the decline in property values is estimated at 7.8 percent while in South Florida it expected to be nearly 14 percent.
- ✓ Both the Sparsity Supplement and Safe Schools allocation remains substantially the same at \$35 million and \$67 million statewide respectively.
- ✓ The Supplemental Academic Instruction was increased slightly by \$1.6 million to \$639.3 million statewide.
- ✓ The Exceptional Education Guaranteed Allocation was decreased by \$1.2 million to \$980 million.
- ✓ The Student Transportation categorical was increased by \$1.7 million to \$430.6 million statewide.
- ✓ The Instructional Materials categorical remained approximately the same at \$212 million statewide.
- ✓ The Teachers Lead Program, which provides an allocation for classroom materials and supplies to teachers, media specialists, and guidance counselors in K-12, remained level funding at \$33 million.
- ✓ The Class Size Reduction, which provides funds to reduce class sizes, was increased by \$82 million statewide. As you may recall, the State Board of Education requested an increase of \$354 million in its budget agency request to the Governor to comply with class size reduction.
- ✓ The policy related to declining enrollment to provide a hold harmless on 25 percent of the full-time equivalent (FTE) decrease for the prior year is budgeted at \$5.8 million.
- ✓ Continuing the trend from the current year, the Discretionary Lottery for public schools was not funded for the 2010-2011 fiscal year. Lottery dollars provide for School Recognition awards up to \$75 per FTE for eligible schools and School Advisory Councils up to \$5 per unweighted student.

- ✓ The New World School of the Arts was reduced by \$32,857 for a total of \$778,562 which represents a 4 percent decrease.
- ✓ The Merit Award Program was funded for the handful of districts that had successfully negotiated the plan for a total of \$20 million.
- ✓ Workforce funding also received a decrease of approximately \$8 million.
- ✓ The Appropriations Bill provides \$100,000 million for the Florida Department of Education to contract with an entity located outside of Florida to study and develop recommendations to improve the Florida Education Finance Program. The results of the study must be presented to the Governor and the legislative leaders by January 1, 2011. The study shall review the current funding distribution formula for the sole purpose of recommending improvements to the existing formula that would better reflect the varying characteristics of each of the 67 school districts and their respective student populations, assessing the equity of the current formula in this regard. This was and has been a legislative priority for the District and was achieved due to the leadership of the members of the Miami-Dade Delegation.

In addition to the funding, major policy changes include:

- The expansion of Florida's Corporate Tax Scholarships, increasing the subsidy by \$22 million.
- The reduction, from 500 to 250, in the number of charter school student for which a district may keep a 5 percent administrative fee.
- Increased high school graduation requirements requiring Algebra I, Algebra II, Biology, Chemistry or Physics, Geometry for graduation phased-in over the next seven years for implementation by the 2016-2017 school year.
- Increased an employer's retirement contribution for its employees by 1.1 percent involving an expenditure increase to the Board. This represents an embedded reduction of 1.1 percent hence this is a cost shift from the state to the District.

**RECOMMENDED:**

That The School Board of Miami-Dade County, Florida, accept the report on the results of the 2010 Legislative Session that concluded, Friday, April 30, 2010.

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