

**2018 REGULAR SESSION HB 5001 GENERAL APPROPRIATIONS ACT ANALYSIS**

On March 11, 2018, the House and Senate took up and passed HB 5001, the fiscal year (FY) 2018-2019 General Appropriations Act (GAA), and their companion bills. Of interest to the school district are HB 5001 the GAA, HB 5003 the GAA Implementing Bill, and HB 5007, the Florida Retirement System (FRS) rate bill. The first report about these bills will be an analysis of the education sections of the GAA. In the table below, SA refers to the Specific Appropriation number, which identifies the line item in the bill. The FEFP is the Florida Education Finance Program.

SA	HB 5001	Comments
1	Provides \$101,307,519 to repay Classroom's First 1997 Bonds	The funding amount for this debt service is declining as issues are retired, freeing up Lottery revenue for other purposes.
2	Provides \$133,524,413 to repay Class Size Reduction Capital Outlay Bonds	The funding amount for this debt service is declining as issues are retired, freeing up Lottery revenue for other purposes.
4	Provides \$397,282,030 for Bright Futures Scholarships	The awards are contingent upon SB4 or similar legislation becoming law. Academic Scholars would receive 100% of the amount needed to pay all tuition and applicable fees and \$300 per semester for books and expenses. \$39,465,544 is provided for Summer Term 2019 for Academic Scholars to receive 100% of tuition and fees. Medallion Scholars would receive 75% of tuition and applicable fees. There is an additional stipend for Top Scholars of \$44 per credit hour.
6	Provides \$519,245,433 to fund basic public school operations through the FEFP, using Lottery dollars.	These dollars are included in total state funds in the FEFP.
7	Provides \$103,776,356 to fund the class size reduction allocation in the FEFP using Lottery dollars.	These dollars are included in total state funds in the FEFP to help pay for the required funding of class size reduction.
8	Provides \$134,582,877 for District Lottery and School Recognition Awards	The standards for and the amount of the awards remain unchanged and are included in total potential FEFP revenue.
12	Provides \$87,972,686 for District Workforce Development Programs	These dollars are added to the \$278,367,474 of General Revenue allocated to fund District Workforce Education funds in SA 123.
21	Provides \$145,286,200 for "Charter Schools" Capital Outlay and \$50,000,000 for "Public Schools" Capital Outlay from the PECO Trust Fund for Maintenance, Repair, Renovation, and Remodeling of educational facilities.	The appropriation has been calculated to cover 100% of the charter school capital outlay needs for FY 2018-2019 and will result in no local capital outlay funds being required to be shared with charter schools in 2018-2019. The new language is in the row below.

SA	HB 5001	Comments
21	The new charter school capital outlay language is not in HB 5001. It is in HB 7955, and is pasted in the column to the right.	The law concerning charter school capital outlay funding has been changed in HB 7055. The new language is as follows: 1013.62 Charter schools capital outlay funding. — (1) For the 2018-2019 fiscal year, charter school capital outlay funding shall consist of <del>revenue resulting from the discretionary millage authorized in s. 1011.71(2)</del> and state funds when such funds are appropriated in the <u>2018-2019</u> General Appropriations Act. <u>Beginning in fiscal year 2019-2020, charter school capital outlay funding shall consist of state funds when such funds are appropriated in the General Appropriations Act and revenue resulting from the discretionary millage authorized in s. 1011.71(2) if the amount of state funds appropriated for charter school capital outlay in any fiscal year is less than the average charter school capital outlay funds per unweighted full-time equivalent student for the 2018-2019 fiscal year, multiplied by the estimated number of charter school students for the applicable fiscal year, and adjusted by changes in the Consumer Price Index issued by the United States Department of Labor from the previous fiscal year. Nothing in this subsection prohibits a school district from distributing to charter schools funds resulting from the discretionary millage authorized.</u>
25	Provides Special Facilities Funding for the following projects Taylor: \$6,272,025: 3 <sup>rd</sup> of 3 years Liberty: \$6,060,895 2 <sup>nd</sup> of 3 years Jackson: \$19,059,807 2 <sup>nd</sup> of 3 years	Gilchrist County had the first year of a project funded in the original SB 2500, but it did not get funded in the GAA.
32	Adults with Disabilities: \$6,696,567 for selected programs	Specific programs were funded in several parts of the state.
85	School Readiness Services: \$144,555,335 of state GR, \$389,209,466 +\$500,000 + \$96,612,427 from multiple trust funds to provide school readiness services.	Districts Alachua: \$10,293,317, Escambia: \$14,439,597, Hillsborough: \$45,321,891, Lake: \$7,235,452, Leon and surrounding: \$17,278,725, Marion: \$9,865,549, Orange: \$38,611,229, Osceola: \$6,716,906, Pinellas: \$30,840,464, Polk: \$20,142,204, Santa Rosa: \$3,915,094.
88	VPK: Provides \$398,444,762. School Year BSA: \$2,437 Summer BSA: \$2,080. Unchanged from previous years.	Districts funded included: Alachua: \$4,406,423, Escambia: \$5,532,295, Hillsborough: \$27,777,868, Lake: \$5,802,169, Leon and surrounding: \$6,945,652, Marion: \$5,522,173, Orange: \$30,787,223, Osceola: \$8,473,521, Pinellas: \$15,507,937, Polk: \$11,417,191, Santa Rosa: \$2,618,795.

**SPECIFIC APPROPRIATIONS 92 and 93: THE FLORIDA EDUCATION FINANCE PROGRAM  
FUNDING INCREASES ARE LIMITED AND DIRECTED TO BE USED FOR EXPENSE INCREASES  
SPECIFIED BY THE LEGISLATURE**

Specific Appropriations 92 and 93 provide the funding and proviso language for the Florida Education Finance Program (FEFP). The FEFP specifies the funding sources, amounts and uses of revenue that provide most of the operating funding for Florida K-12 public schools. The funding increases for the FEFP for FY 2018-2019 are very limited and are consumed virtually entirely by the new expenses specified by the Legislature. These are key points to note while examining the FEFP:

The Base Student Allocation, which establishes the unit of value for each student when calculating the basic funding with which districts are expected to operate, was increased 47 cents. Enrollment grew 26,792.18 Unweighted Full Time Equivalent (UFTE) students. Total funding grew about \$484,830,098. From those funds the districts must pay for the following costs:

Florida Retirement System mandated rate increase:	\$54,400,000
Additional School Resource Officers mandated increase:	\$97,500,000
Mental Health Assistance Mandated Increase:	\$69,237,286
Teacher Supply Allocation Mandated Increase:	\$8,856,625
Cost of Student Enrollment Growth: 26,792.18 X \$7,327.13 =	<u>\$196,309,807</u>
Total mandated expense increases:	\$426,303,718

The balance of new funds available for all other cost increases in all other districts in the state is: \$484,830,098 - \$426,303,718 = \$58,526,380. Remember that the increase in the FRS rates is not a line item in the FEFP, and that other categorical increases consume new revenue in the FEFP, including a new compression adjustment of \$56,783,293. Funds from the compression adjustment are not directly pre-spent for new required expenses, but do not flow to all districts. Given the level of new funds and their pre-determined uses, virtually all school districts will have to cut expenses for programs and services to students to address any cost increases that occur during FY 2018-2019.

The chart below displays the amounts of revenue and specified uses of the revenue contained in the most important parts of the FEFP as provided in SA 92 and SA 93.

HB 5001 SA 92	Comments
Total Potential Revenue: \$21,097,102,944 Increase in Total Potential Revenue: \$484,839,098 Projected UFTE Students: 2,847,829.52 Increase in Projected UFTE Students: 26,792.18 Total Local Funds: \$9,169,816,930 Increase in Total Local Funds: \$197,475,540 Total State Funds: \$11,927,286,014 Increase in Total State Funds: \$287,354,558. Required Local Effort (RLE): \$7,712,537,754 Increase in RLE: \$107,146,991 Increase in RLE Projected for proposed SB 2500: \$433,940,178. (Without rolled back rate) Amount required to completely buy back the RLE rolled back rate buyback: \$326,793,187. Difference between buy back and total increase in state funds: -\$39,438,629.	All revenue totals and enrollment totals are projected until verified through the FTE survey process that occurs four times a year. A drop in enrollment will create a drop in funding. An increase in enrollment will cause no increase in funding, statewide, but will cause a drop in per student funds. Districts receiving added students will get more money for the added students, but at a reduced rate per student. Districts losing students will lose the dollars for the students who leave, and if total statewide enrollment is higher than forecast, they will also receive fewer dollars for each remaining student.

HB 5001 SA 92	Comments
<p>State Revenue Sources and Amounts:</p> <p>FEFP: Lottery: \$519,245,433  FEFP CSR Lottery: \$103,776,356  FEFP School Recognition Lottery: \$134,582,877  Total Lottery: \$757,605,187  FEFP General Revenue: \$7,963,456,866  FEFP CSR General Revenue: \$2,920,487,196  FEFP State School Trust Fund: \$32,838,902  CSR State School Trust Fund \$86,161,098</p>	<p>Lottery Revenue, once considered a source of funding for enhancements has become an increasing important source of funding for basic operations.</p>
<p>Local Revenue Sources and Amounts:</p> <p>RLE Millage Rate: Prior Year: 4.308 mills  RLE Millage Rate: 4.091 mills  Rolled Back: -0.217 mills  RLE Revenue: \$7,712,537,754  .748 Millage Revenue: \$1,457,279,176</p> <p>Maximum non-voted millage established in the FEFP in SA 92.</p>	<p>The RLE position of the Legislature was changed and is more aligned with the TRIM law this year. For the past three years, the House has insisted that taking any new revenue from the growth in school taxable value had to be advertised as a tax increase required by the Legislature, and therefore could not be taken. This year the House has agreed that, as has been the case for a very long time, increases in taxable value caused by new construction, which includes construction that results in substantial improvement to the value of the property, can be captured and the rolled back rate can be stopped short of rejecting all revenue increases caused by the operation of the marketplace. That helped provide about \$107 million new dollars for the FEFP. The change in the policy of taking all of the increased value in real property caused by the marketplace that occurred starting four sessions ago has caused public school students to lose access to about \$1.7 billion in resources and is a major contributor to the growing deficit in GR projected for the state.</p>
<p>The funds provided in SA 92 are contingent upon HB 7055 or similar legislation becoming law.</p>	<p>Although the Senate raised objections to the House providing a stipulation in the FEFP that the funds for the FEFP are contingent upon HB 7055 or similar legislation becoming law.</p>
<p>The Base Student Allocation (BSA) is set at \$4,204.42, an increase of 47 cents from FY 2017-2018.</p>	<p>This may be the smallest increase in the BSA in a non-recession year in history. This helps illustrate that districts will receive no increase in funds except those with a required use.</p>
<p>The DJJ supplemental allocation is \$1,243.91 per student.</p>	<p>This provides DJJ programs funding with the funding similar to CSR.</p>
<p>District Cost Differential: There are no changes in the District Cost Differential or declining enrollment provisions.</p>	<p>There is a provision elsewhere in the budget that funds the selection of a firm to study the DCD as currently authorized and implemented in Florida Statutes.</p>
<p>The Sparsity Allocation is set at \$52,800,000. The language is unchanged.</p>	<p>There are no changes in Sparsity appropriations or rules.</p>
<p>Program Cost Factors are set as follows:</p> <p>K-3 Basic: 1.108 ESE Level 5: 5.642  4-8 Basic: 1.000 ESOL: 1.185  9-12 Basic: 1.000 9-12 Career Ed. 1.000  ESE Level 4: 3.619</p>	<p>Program cost factors continue to fall as reported costs from districts reflect the continuing tendency to increase class size and reduce program costs in the face of decreasing revenues.</p>

HB 5001 SA 92	Comments
<p>ESE Allocation: The allocation is \$1,067,088,437, an increase of \$8,094,529, for a program serving about 500,000 students.</p>	<p>There are no significant changes in the proviso language or the statutes controlling the use of these funds for supporting the additional educational needs of exceptional students. It is interesting to note that the funds for Gardiner Scholarships for students with disabilities increased \$25 million, for a program serving about 10,000 students</p>
<p>Safe Schools: HB 5001 provides a total of \$161,965,019 for Safe Schools. That is an increase of \$97,500,000 from the prior year appropriation of \$64,456,019.</p> <p>In SA 92 the allocation for Safe Schools is specified to be \$64,456,019. The balance of the funds, \$97,500,000 are appropriated in SB 7026.</p> <p>The proviso language in HB 5001 and the language implementing the additional funds in SB 7026 specifies different terms for the expenditure of these funds. Please refer to the comments column.</p> <p>The changes in SB 7026 are permanent until changed by a future Legislature</p>	<p>The Proviso language for HB 5001 addresses the base allocation of \$64,456,019. It specifies that this part of the allocation shall be distributed with an initial allocation of \$62,660 per district and the balance shall be distributed as required by s. 1011.62(15), Florida Statutes. That section of law provides that two thirds of the remaining portion of the \$64,456,019 appropriation shall be distributed based on the Florida Crime Index and the remaining one third of the sum shall be distributed based on a district's share of the statewide UFTE student count. This section of law specifies that priority for the use of these funds shall be to providing school Resource Officers.</p> <p>SB 7026, in section 42, provides an additional appropriation of \$97,500,000. The bill specifies in section 25 that <u>“Any additional funds appropriated to this allocation in the 2018-2019 fiscal year to the school resource officer program established pursuant to s. 1006.12 shall be used exclusively for employing or contracting for school resource officers, which shall be in addition to the number of officers employed or contracted for in the 2017-2018 fiscal year.”</u></p>
<p>HB 5001 provides \$717,760,938 for the SAI. There have been changes to the proviso language and controlling statutes for this allocation. Funding increased \$6,163,395, basically due to workload increase. Please refer to the comments column for a summary of the changes.</p>	<p>The proviso language for the Supplemental Academic Instructional Allocation simply refers to s.1011.62 (1) (f) for directions controlling the expenditures of these funds. The language in this section of law was changed in HB 7055. The law will now require that persistently low performing schools must use the school's share of the SAI to fund the strategies required by the schools' intervention plans. The law also requires that for those elementary schools with ELA reading scores among the lowest 300 in the state that there must be an additional hour of reading instruction, which can be <b>within</b> the regular school day, but that students with level four and five scores do not have to participate in the extra reading instruction.</p>

HB 5001 SA 92	Comments
<p>HB 5001 provides \$130,000,000 for the Reading Allocation. See the comments column for the contents of the proviso language and changes to the law controlling the Reading Language. There is no increase to this allocation despite the growth in enrollment.</p>	<p>The proviso language requires that an initial allocation of \$115,000 for each district, with the balance to be distributed pursuant to s. 1011.62 (9) Florida Statutes. HB 7055 revised the provisions of law related to the Reading Allocation. The most important changes in those provisions modify the requirements for an extra hour of reading instruction for students in the 300 elementary schools with the lowest reading scores. There is still an extra hour of reading instruction required for those schools, but the revisions now allow that instruction to occur <b>within</b> the regularly scheduled school day.</p>
<p>HB 5001 provides \$232,934,691 for Instructional Materials. Allocations include:  Growth: \$306.57 per student.  Library Media: \$12,300,210  Science Lab: \$3,362,057  Dual Enrollment: \$10,427,596  ESE Digital Materials: \$3,144,572  All previous proviso language and the procurement language in the implementing bill remain the same.</p>	<p>The Instructional Materials Allocation increased \$2,191,433. The increase averages \$81.79 for each of the 26,792 projected new students, which is far below the prescribed growth allocation of \$306.96 per student. The allocation has lagged significantly below the growth of students and the increased costs of materials for the past 11 years.</p>
<p>HB 5001 provides \$443,043,407 for Student Transportation. This is an increase of \$4,168,121. The proviso references 1011.68 Florida Statutes for direction for expending the funds.</p>	<p>There have been no changes in the statutes of proviso language related to the Transportation Allocation.</p>
<p>HB 5001 provides \$54,143,375 for the Teacher Supply Allocation. This is an increase of \$8,856,625.</p>	<p>The Senate Education Appropriations subcommittee chair stated that it was their intent to provide \$300 per teacher. The statutory language has not been changed, and the proviso states that the funds will not be recalculated during the year.</p>
<p>HB 5001 provides \$12,988,722 for the Federally Connected Student Supplement. There are no policy changes related to this item.</p>	<p>There have been no changes in the policy associated with the determination of the amount and distribution of the funds.</p>
<p>HB 5001 provides \$5,230 per FTE student for the Virtual Education Contribution. The total allocation is \$10,970,823, a decrease of \$1,188,264.</p>	<p>There are no changes to the proviso language related to the Virtual Contribution. There are sections of HB 7055 and other bills that relate to virtual education, but the changes are not related to the fiscal allocation.</p>
<p>HB 5001 provides \$70,000,000 for the Digital Classrooms Allocation, a decrease of \$10,000,000.</p>	<p>The proviso establishes the minimum district allocation at \$500,000 or \$300 per UFTE student, whichever is less. This change drives at least a portion of the \$10 million decrease in funding. The proviso language is otherwise basically unchanged from the prior year. It permits 20% of the allocation to be used for professional development.</p>

HB 5001 SA 92	Comments
<p>HB 5001 provides \$56,783,293 for a Funding Compression Allocation. The Allocation compares the average dollars per student for each district, to the statewide average dollars per student for the prior fiscal year and allocates up to \$100 per student to move the districts funded below the statewide average toward the statewide average.</p>	<p>The Compression Allocation is incorporated into proviso language and the Implementing Bill, HB 5003, beginning on line 120. The language is not yet permanently imbedded into Florida Statutes. Therefore, it will expire on June 30, 2019, unless renewed in subsequent GAA's and implementing bills, or amended into Florida Statutes.</p>
<p>SB 7026 provides \$69,237,286 for a Mental Health Allocation that is incorporated into and distributed by the FEFP by reference. The changes in SB 7026 are permanent until changed by a future Legislature.</p>	<p>SB 7026 provides for the Mental Health Allocation by making changes to s 1011.62 beginning on line 2346 of SB 7026 enrolled. The bill provides that each district shall receive an initial allocation of \$100,000, with the remaining amount of any allocation distributed based on the district's proportionate share of the statewide total UWFTE enrollment. The bill also states "At least 90 percent of a district's allocation must be expended on the elements specified in subparagraphs (b)1. and 2. The allocated funds may not supplant funds that are provided for this purpose from other operating funds and may not be used to increase salaries or provide bonuses. The district will have to create and submit a plan for the use of the funds to the Florida Department of Education that has been approved by the District School Board. The district's charter schools will have to submit plans approved by their respective boards, which the district will have to submit to the Department.</p>

HB 5001 SA 93	Comments
<p>HB 5001 provides \$3,110,424,650 for Class Size Reduction. There is \$2,920,487,196 in state General Revenue, \$86,161,098 in State School Trust Fund Revenue, and \$133,524,413 in Lottery revenue for the Class Size Reduction Allocation. The K-3 allocation is \$1,321.39 per student, the 4-8 allocation is \$901.32, and the 9-12 allocation is \$903.50.</p>	<p>The proviso establishes a per student allocation of \$1,321.39 for grades Pre-K-3, \$901.32 for grades 4-8, and \$903.50 for grades 9-12.</p>

**MAJOR NON-FEFP K-12 ALLOCATIONS OF INTEREST TO THE DISTRICT**

SA	HB 5001	Comments
96	Take Stock in Children: \$6,125,000	The proviso only says that the funds are provided for the Take Stock in Children Program.
97	Grants and Aids Mentoring Student Assistance Initiatives: \$9,147,988	The appropriation contains funds for a number of programs, including \$2,980,240 plus \$500,00 in non-recurring funds for Big Brothers and Big Sisters, and \$3,652,768 for the Florida Alliance of Boys and Girls Clubs. The list can be found on page 25
100	District Matching Grants: \$4,000,000	There are no major changes in the proviso for this appropriation.
101	Best and Brightest: \$233,950,000	The laws controlling these bonuses have not been changed. There is no proviso language associated with the appropriation.
105	Autism Programs: \$9,400,000	The particular appropriations can be found on pages 26 and 27.
106	Regional Education Consortiums: \$1,750,000	This is an increase of \$304,610 as compared to the current year.
107	Teacher Professional Development: \$9,719,426	Includes \$500,000 of recurring funds and \$500,000 in non-recurring funds for FADSS Superintendents Training as provided in s 1001.47 Florida Statutes. Another \$7,000,000 is provided for professional development for principals and other district administrators in instructional and human resources leadership.
108	Strategic Statewide Initiatives: \$1,273,000	The allocation includes \$83,000 in recurring funds for the Department of Education for the continued availability of the Florida Safe Schools Assessment Tool to all public K-12 schools.
109	Gardiner Scholarship Program: \$128,336,000	This is an increase of \$25,000,000 from the prior year appropriation of \$103,336,000.
110	Schools of Hope: \$140,000,000	There is no proviso related to this item, and the unexpended funds from the prior year were allowed to be carried forward.
111	School and Instructional Enhancements: \$22,780,716.	There are a variety of appropriations in this line item. Of interest is \$866,056 for Destination Lake Building a Strong Community, another \$6,173,678 for the SEED School of Miami, another \$2,000,000 for the KIPP School in Jacksonville, and another \$1,500,000 for Lauren's Kids.
118	Federal Grants and Aids: includes \$353,962 the Administrative Trust Fund and \$1,804,865,669 from the Federal Grants and Trust Fund.	Provides appropriations authority for certain Federal funds.
121A	Performance Based Incentives: \$4,500,000	Provides funds for specific performance rewards for specific district workforce program outcomes. See page 32-33.
122	Adult Basic Education: \$41,552,472	Federal Flow-Through funds. There is no proviso.



SA	HB 5001	Comments
123	Workforce Development: \$366,340,160 including the funds from the Lottery. \$278,367,474 GR \$87,972,686 Lottery	Districts of interest: Alachua: \$493,947 Escambia: \$3,745,691 Hillsborough: \$25,889,428 Indian River: \$1,090,793 Lake: \$4,647,121 Leon: \$6,322,703 Marion: \$3,901,140 Orange: \$31,782,106 Osceola: \$6,263,959 Pinellas: \$30,519,087 Polk: \$7,514,426 Santa Rosa: \$2,150,901 The proviso language for this item is basically the same as was in the prior year.
124	Vocational Formula Funds: \$67,144,852	There is no proviso language for this item.
446	School Health Services: \$17,035,258	The appropriation includes \$10,909,412 from General Revenue and \$6,125,848 from the Federal Grants Trust Fund.
461	Full Service Schools: \$8,500,000	The appropriation includes \$6,000,000 from General Revenue and \$2,500,000 from the Federal Grants Trust Fund.

**LOOKING BACK AND LOOKING FORWARD  
REVISITING THE LONG RANGE FINANCIAL OUTLOOK (LRFO)**

In September 2017 a series of reports were provided that examined the first building block of the budget, the Long Range Financial Outlook. In that report we noted that the LRFO adopted by the Legislative Budget Commission on September 15, 2017 projected that specific forecasts for general revenue and specific forecasts for general revenue expenditures would result in a shortfall of revenue needed to pay expenses during the three year period. As the district prepares and plans for the future budgets that will serve public school students, the numbers below should be examined and considered.

1. The LRFO projected that the FY 2018-2019 GR budget would appropriate \$32.8731 billion to pay continuing expenses and for increases in costs to fund critical and other high priority needs.
2. The FY 2018-2019 GAA actually appropriated \$32.3831 billion in General Revenue.
3. The budget that passed for FY 2018-2019 cut \$490 million from the GR budget projected for 2018-2019 in the LRFO. Among those cuts was the funding for the projected high priority need to fund an increase in per student funding of 1.79%, which was the rolling three year average increase per student.
4. The LRFO projected that the FEFP would need \$197 million to fund the enrollment increase and \$357.5 million to fund the 1.79% increase per student, for an increase in total funds of \$554.5 million. The actual increase in total funds was \$484.8 million, a cut of \$69.7 million from the projected budget. Workload costs are about the \$197 million projected, so the value of the reduced 1.39% increase in average dollars per student is about \$287.8 million. In addition, the Legislature introduced into the FEFP two new critical needs, \$97.5 million for School Resource Officers, and \$69.2 million for mental health services, and required the districts to pay that \$166.7 million plus the projected \$54.4 million increase in FRS costs, a grand total of \$221.1 million in new required expenses, from the \$287.8 million in new revenue available after paying for the workload increase.

5. The most recent forecast of General Revenue projects that there will be about \$33.8066 billion in total state General Revenue in FY 2018-2019. When compared to the \$32.3831 billion that was appropriated in the GAA there would seem to be a reserve of about \$1.4235 billion compared to \$1 billion set as a standard by the LRFO. However, there are appropriations in other bills that are not included in the GAA.
6. Most of those additional appropriations are included in SB 7026. The appropriations are identified below: R = Recurring revenue, NR = Non-Recurring

Section	Item	Amount	R/NR
36	FEFP Mental Health Allocation	\$69,237,286	R
37	DOE Mental Health Awareness	\$500,000 \$6,200,000	R NR
38	DOE: MSD HS Monument	\$1,000,000	NR
39	DOE: MSD HS Replacement Building	\$25,262,714	NR
40	DOE: Allocate to Sheriffs for school marshal program	\$67,000,000	NR
41	DOE: Office of Safe Schools	\$344,393	R
42	DOE: To FEFP Additional Safe Schools	\$97,500,000	R
43	DOE: Active Shooting Training Program	\$100,000	R
44	DOE: Grant Program for School Hardening	\$98,962,286	NR
45	DOE Mobile Security Suspicious Activity Tool	\$300,000 \$100,000	NR R
46	FDLE: MSD HS Safety Commission	\$600,000 \$50,000	R NR
47	Dept. Children and Families: Added Community Treatment	\$9,800,000	R
48	Dept. Children and Families: Mobile Crisis Teams	\$18,300,000	R
49	DOE: Teachers and Administrators Death Benefits	\$18,321 \$225,000	R NR
50	DOE Competitively Procure Data System	\$3,000,000	R
51	DOE: third Party Security Consultant to review and Analyze DDOE Risk Assessment Tool	\$1,000,000	NR
NA	Total Appropriations:	\$399,500,000	R and NR

7. The total additional appropriation is \$399,500,000. Therefore, the prospective reserve is reduced to \$1.024 billion. However, the reserve will increase by the amount of any vetoes of line items in the GAA that Governor Scott chooses to make.
8. If the adopted FY 2018-2019 budget increases by the same amount as the increases projected in the LRFO the budget in 2019-2020 would increase \$1.9537 to \$34.3368. If a \$1 billion reserve were to be maintained, the total need would be \$35.3368 billion.
9. If the recalculated FY 2020-2021 GR budget were to be increased by the increase projected in the LRFO, which was \$1.5398 billion, the rebased, projected budget would be about \$35.8766 billion.
10. Unfortunately, the most recent projection for total General Revenue for FY 2019-2020 is \$33.6252 billion, a shortfall of \$711.6 billion. When a \$1 billion reserve is added as required by the Legislature the deficit will be about \$1.7116 billion.
11. The picture in FY 2020-2021 is not much brighter. The total General Revenue projected for that year is \$34.8383 billion. The shortfall for FY 2020-2021 is \$1.0383 billion. When a required \$1 billion reserve is added the deficit will be \$2.0383 billion.

Given the unbending “no new revenue” position of the political leadership at the state level, there is no reason for any one at the district level to assume there will be a revenue solution to the deficit problem that the numbers above suggest. It should be understood that changes in the economy and the revenue projections will occur, and the decreasing support provided by the Legislature for a number of the critical and high priority needs will result in changes in the budget expenditure projections. However, none of those changes are likely to fully close the revenue-expenditure gaps.

In addition, as the experience after the tragedy at Marjory Stoneham Douglas High School reveals, the Legislature will repurpose school district revenue to solve problems, and district leadership will have to use current resources to pay for increasing future expenses. The Legislature has increasingly taken the position that if new revenue is provided, the Legislature will determine how those funds will be spent, and leaders have stated publicly that they do not trust local district officials to spend the new funds the way they want them spent. It is instructive for Superintendents and School Board Members to remember that the Legislature has granted across the board pay raises to their own state employees only once in the past fourteen years. Budget planning will need to include specific strategies to eliminate current expenses, increase efficiencies, and find other ways to create revenue.

### **APPROPRIATIONS FROM SB 7026**

To help promote understanding of the appropriations contained in SB 7026 for school safety, those sections of the bill are pasted below.

Section 36. For the 2018-2019 fiscal year, the sum of \$69, 237,286 in recurring funds is appropriated from the General Revenue Fund to the Department of Education in the Aid to Local Governments Grants and Aids – Florida Education Finance Program to fund the mental health assistance allocation created pursuant to s. 1011.62(16), Florida Statutes.

Section 37. For the 2018-2019 fiscal year, the sums of \$500,000 in recurring funds and \$6,200,000 in nonrecurring funds are appropriated from the General Revenue Fund to the Department of Education to implement the youth mental health awareness and assistance training as directed pursuant to s. 1012.584, Florida Statutes.

Section 38. For the 2018-2019 fiscal year, the sum of \$1 million in nonrecurring funds is appropriated from the General Revenue Fund to the Department of Education for the design and construction of a memorial honoring those who lost their lives on February 14, 2018, at Marjory Stoneman Douglas High School in Broward County. The department shall collaborate with the students and faculty of Marjory Stoneman Douglas High School, the families of the victims, the Broward County School District, and other relevant entities of the Parkland community on the design and placement of the memorial.

Section 39. For the 2018-2019 fiscal year, the sum of \$25,262,714 in nonrecurring funds is appropriated from the General Revenue Fund to the Department of Education for the purpose of replacing Building 12, as listed in the Florida Inventory of School Houses, at Marjory Stoneman Douglas High School in Broward County.

Section 40. For the 2018-2019 fiscal year, the sums of \$500,000 in recurring funds and \$67 million in nonrecurring funds are appropriated from the General Revenue Fund to the Department of Education to allocate to sheriffs’ offices who establish a school marshal program pursuant to s. 30.15, Florida Statutes. The funds shall be used for screening-related and training-related costs and providing a one-time stipend of \$500 to school marshals who participate in the school marshal program.

Section 41. For the 2018-2019 fiscal year, three full-time equivalent positions, with associated salary rate of \$150,000, are authorized, and the sum of \$344,393 in recurring funds is appropriated from the General Revenue Fund to the Department of Education to fund the Office of Safe Schools created pursuant to s. 1001.212, Florida Statutes.

Section 42. For the 2018-2019 fiscal year, the sum of \$97,500,000 in recurring funds is appropriated from the General Revenue Fund to the Department of Education in the Aid to Local Governments Grants and Aids – Florida Education Finance Program category for the safe schools allocation. These funds are in addition to the safe schools allocation funds appropriated in the Florida Education Finance Program in the Fiscal Year 2018-2019 General Appropriations Act. From these funds, \$187,340 shall be distributed to each school district and developmental research school to increase each school districts' minimum amount to \$250,000 when combined with the minimum amount appropriated in the 2018-2019 General Appropriations Act. Notwithstanding s. 1011.62(15), Florida Statutes, the balance of the funds appropriated in this section shall be distributed to school districts based on each district's proportionate share of the state's total unweighted full-time equivalent student enrollment. Each school district must use these funds exclusively for hiring or contracting for school resource officers pursuant to s. 1006.12, Florida Statutes.

Section 43. For the 2018-2019 fiscal year, the sum of \$100,000 in recurring funds is appropriated from the General Revenue Fund to the Department of Education to competitively procure the active shooter training component of the school safety specialist training program pursuant to s. 1001.212 Florida Statutes.

Section 44. For the 2018-2019 fiscal year, the sum of \$98,962,286 in nonrecurring funds is appropriated from the General Revenue Fund to the Department of Education to implement a grant program that will provide awards to schools to fund, in whole or in part, the fixed capital outlay costs associated with improving the physical security of school buildings as identified by a security risk assessment completed before August 1, 2018, by a school district or charter school. By August 31, 2018, the department shall submit the grant guidelines, which must include an application submission deadline of no later than December 1, 2018, and the specific evaluation criteria, to all school districts and charter schools. The department shall award grants no later than January 15, 2019, based upon the evaluation criteria set forth in the application guidelines.

Section 45. For the 2018-2019 fiscal year, the sums of \$300,000 in nonrecurring funds and \$100,000 in recurring funds are appropriated from the General Revenue Fund to the Department of Law Enforcement to competitively procure proposals for the development or acquisition of the mobile suspicious activity reporting tool pursuant to s. 943.082, Florida Statutes. The tool shall be implemented no later than January 31, 2019.

Section 46. For the 2018-2019 fiscal year, five full-time equivalent positions, with associated salary rate of 345,000, are authorized and the recurring sum of \$600,000 and the nonrecurring sum of \$50,000 are appropriated from the General Revenue Fund to the Department of Law Enforcement to fund the operations of the Marjory Stoneman Douglas High School Public Safety Commission.

Section 47. For the 2018-2019 fiscal year, the sum of \$9,800,000 in recurring funds is appropriated from the General Revenue Fund to the Department of Children and Families to competitively procure for additional community action treatment teams to ensure reasonable access among all counties. The department shall consider the geographic location of existing community action treatment teams and select providers to serve the areas of greatest need.

Section 48. For the 2018-2019 fiscal year, the sums of \$18,300,000 in recurring funds are appropriated from the General Revenue Fund to the Department of Children and Families to competitively procure proposals for additional mobile crisis teams to ensure reasonable access among all counties. The department shall consider the geographic location of existing mobile crisis teams and select providers to serve the areas of greatest need.

Section 49. For the 2018-2019 fiscal year, the sums of \$18,321 in recurring funds and \$225,000 in nonrecurring funds are appropriated from the General Revenue Fund to the Department of Education in the Special Categories – Teacher and School Administrator Death Benefits category to provide for the benefits awarded pursuant to s. 112.1915, Florida Statutes, to the eligible recipients of the three Marjory Stoneman Douglas High School staff members who lost their lives on February 14, 2018.

Section 50. For the 2018-2019 fiscal year, the sum of \$3 million in recurring funds is appropriated from the General Revenue Fund to the Department of Education to competitively procure for the development or acquisition of the centralized data repository and analytics resources pursuant to s. 1001.212, Florida Statutes. The department shall collaborate with the Department of Law Enforcement and school districts to identify the requirements and functionality of the data repository and analytics resources and shall make such resources available to the school districts no later than December 1, 2018.

Section 51. For the 2018-2019 fiscal year, the sum of \$1 2831 million in nonrecurring funds is appropriated from the General Revenue Fund to the Department of Education to competitively procure a contract with a third-party security consultant with experience in conducting security risk assessments of public schools. Contract funds shall be used to review and analyze the department's current security risk assessment tool known as the Florida Safe Schools Assessment Tool (FSSAT) and a sample of self-assessments conducted by school districts using the FSSAT to determine the effectiveness of the recommendations produced based upon the FSSAT. The review shall include any recommended updates and enhancements with associated costs for their implementation to aid districts in developing recommendations to address safety and security issues discovered by the FSSAT. The department shall submit the completed review to the State Board of Education, the Executive Office of the Governor's Office Policy and Budget, the chair of the Senate Committee on Appropriations, and the House of Representatives Appropriations Committee no later than January 1, 2019.

Section 52. Except as otherwise expressly provided in this act, this act shall take effect upon becoming a law.