

FLORIDA SCHOOL BOARDS ASSOCIATION

Top 10 Unfunded and Underfunded State Mandates

1. Development of Local Assessments

For many years prior to the 2011 Legislative Session, s. 1008.22(8), F.S., provided that measurement of the learning gains of students in all subjects and grade levels other than subjects and grade levels required for the state student achievement testing program was the responsibility of the school districts. In the absence of any state funding for this purpose, this requirement was met in school districts through mid-term and final exams, term papers, projects, and other similar assessments developed by classroom teachers. With the passage of SB 736 during the 2011 Legislative Session, school districts are required, by the 2014-2015 school year, to administer valid assessments for all courses that are not covered by the FCAT. Despite the delay in the deadline for full implementation of this requirement, school districts would need to begin implementation in the current school year. However, no state funding has been provided for the development or acquisition of the assessments or for related costs.

The unfunded/underfunded non-recurring cost estimate for these assessments and related costs is \$1.5- \$2 billion statewide, with recurring annual costs of as much as \$1 billion.

2. Student Transportation

The Legislature openly recognizes that the state routinely funds student transportation well below actual costs – in recent years, state funding has typically been at about 65% of the actual cost to school districts. Additional demands are placed on district transportation funding by the federal No Child Left Behind Act and the Opportunity Scholarship Program (OSP). Furthermore, the Legislature expanded the OSP this year which is likely to more than double the cost of transporting students for this program. These costs occur at a time when transportation funding appropriated for 2011-2012 is more than \$15 million below the prior year and more than \$70 million below 2007-2008 funding, despite increased student enrollment over both time spans.

The annual unfunded/underfunded cost estimate for student transportation ranges between \$200,000,000 - \$400,000,000 statewide.

3. Performance Pay and Differentiated Pay

The Legislature continues to tinker with various merit pay plans despite research indicating that performance pay has no positive effect on student achievement. With the passage of SB 736, school districts are again required to offer performance pay adjustments and differentiated pay supplements, but no funding has been provided for this purpose. This requirement arises at a time when funding for the Merit Award Program has been phased out and base funding – the main source of state funding for salaries – has declined \$460 million since last year and \$1.5 billion since 2007-08.

The annual unfunded/underfunded cost estimate for performance and differentiated pay ranges between \$200,000,000 - \$400,000,000 statewide.

4. Technology

Categorical funding for public school technology was discontinued in 2006-2007. Since that time, various earmarks have been provided for specific projects and/or groups, but there has been no earmarked statewide funding for this purpose. However, the Legislature has placed ongoing and expanded demands on school districts with regard to technology, particularly in recent years when FEFP funding has been cut by \$1.3 billion since the prior year and more than \$2 billion since 2007-2008. Such new demands include, but are not limited to, online state and local assessment testing, expanded virtual education options, conversion to digital textbooks, the development of a Local Instructional Improvement System, and Transparency Florida requirements. These mandates ignore the inherent costs of hardware, software, system upgrades, website design and maintenance, bandwidth, and training for students, teachers, and other personnel. The Legislature excuses these costs by setting the full implementation date two or three years in the future, but this disregards the fact that school districts must begin on these initiatives in the current year in order to be in compliance by the full implementation deadline.

The unfunded/underfunded cost for this broad “technology” category cannot be readily estimated, but is expected to be at least \$1 billion statewide.

5. Capital Outlay

While school districts are required to build and maintain adequate facilities, state funding has been inconsistent and unpredictable over the past several years. For the current year, no state funds were allocated for district Maintenance, Repair, and Renovation purposes, for the district Survey of Recommended Needs, or for Special Facility Construction. At the same time, the state has reduced earmarked district capital outlay millage authority from 2.0 mills to 1.5 mills while the School Taxable Value has declined \$60 billion since last year and \$550 billion since 2007-08. This not only threatens funding for local capital outlay projects, but also reduces the ability of districts to leverage these funds and/or to meet existing bonding obligations.

The annual unfunded/underfunded cost for Capital Outlay needs cannot be readily estimated, but is expected to be at least \$1 billion statewide.

6. Capital and Operating Administrative Expenses

The state does not provide earmarked funding for some of the most expensive administrative costs including, but not limited to, insurance (including property/casualty, health, liability, etc.), utilities, and gas and other fuels. At the same time, the Legislature has continuously chipped away on school district reimbursement of administrative expenses for charter schools despite evidence that the reimbursement for these expenses is warranted. The cost for each of these items, and others, have increased at the same time that local discretionary funding from the lottery and local discretionary millage has disappeared. Further, while the Legislature has provided districts with flexibility to shift funds among various categories, this flexibility is meaningless when the funding is insufficient for its original designated purpose.

The annual unfunded/underfunded cost for this broad “administrative expenses” category cannot be readily estimated.

7. Differentiated Accountability

In the 2008-2009 school year, Florida became one of six states selected to participate in the U.S. Department of Education's Differentiated Accountability pilot program. The program has allowed Florida to create a tiered approach to interventions for Title I schools that have not made Adequate Yearly Progress (AYP) under No Child Left Behind (NCLB) and to integrate non-Title I schools identified through Florida's state accountability system into this tiered intervention model. The Florida model increases requirements if school grades and/or the percent of schools meeting AYP decline and requires school-wide interventions – including, but not limited to, the addition of personnel as Reading, Mathematics, and/or Science Coaches, additional assessments, and the implementation of Response to Intervention requirements. None of these new requirements are unfunded by the state.

The annual unfunded/underfunded cost for Differentiated Accountability cannot be readily estimated.

8. Physical Education

In accordance with legislation passed during the 2008 Legislative Session, districts are required to provide 150 minutes of physical education each week in elementary schools. Although some flexibility is provided regarding personnel, this mandate ignores other inherent costs for additional personnel, training, equipment, and scheduling.

The annual unfunded/underfunded cost for this Physical Education requirement cannot be readily estimated.

9. Background Screening/Fingerprinting

With the enactment of the Jessica Lunsford Act, school districts are required to regularly run extensive background screenings, including fingerprinting of personnel, vendors, and others. No funding has been provided for additional personnel, training, equipment, and other materials.

The annual unfunded/underfunded cost for Background Screening requirements cannot be readily estimated.

10. Odds and Ends

Various "small ticket" items, no matter how worthy, add up quickly as substantial unfunded/underfunded state mandates. Consider the costs of just a few of these smaller items for which no state funding is provided:

- defibrulators
- flags in every classroom
- diabetes training
- publication of required information and distribution in parent handbooks, local newspapers, and other sites
- instructional materials, teacher training, and related costs to provide instruction in the subjects listed as "Required Instruction"