

**STORAGE NAME:** h1013a.ed

**DATE:** April 14, 1997

**AS REVISED BY THE COMMITTEE ON  
EDUCATION APPROPRIATIONS  
BILL RESEARCH & ECONOMIC IMPACT STATEMENT**

**BILL #:** HB 1013

**RELATING TO:** Florida Education Finance Program (FEFP)/Enrollment Ceiling/Adult Education

**SPONSOR(S):** Representative Bradley

**STATUTE(S) AFFECTED:** Amends section 236.081, Florida Statutes

**COMPANION BILL(S):** SB 1334 by Senator McKay

**ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:**

- (1) COMMUNITY COLLEGES AND CAREER PREP YEAS 9 NAYS 0
  - (2) EDUCATION APPROPRIATIONS YEAS 13 NAYS 0
  - (3)
  - (4)
  - (5)
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**I. SUMMARY:**

The bill removes the capped or maximum enrollment ceiling on full-time equivalent (FTE) student enrollment in adult education programs (Group 3). Group 3 programs include any adult education program funded through the Florida Education Finance Program (adult basic, adult secondary, vocational prep, and vocational supplemental).

School districts are not currently funded for enrollment that exceeds the Group 3 cap. Local school district funds may be used to pay for students enrolled above the cap. If the state were to fund the reported enrollment above the cap for 1996-1997, the cost would be approximately \$28.3 million, according to the Department of Education.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

The primary mission of the public schools in Florida is to provide an education to K-12 children. School attendance for children is mandatory to the age of 16 and school districts are obligated to provide 13 consecutive years of education to children. Adult education is discretionary; nine school districts in the state provide no adult program because of local interinstitutional articulation agreements with community colleges. In addition, adult attendance is not mandatory. School districts, therefore, relative to the K-12 program, have great discretion over adult program offerings and numbers of students served.

Funding Adult Education in Florida Public Schools

The Florida Education Finance Program (FEFP) funding formula requires enrollment ceilings that restrict or cap the full-time equivalent student enrollment for groups one, two and three. Group 1 is composed of Kindergarten through third grades, grades 4-8, and grades 9-12. Group 2 is composed of students in at-risk programs and all basic programs other than the programs in group 1, all exceptional programs, and all vocational programs in grades 7-12. Group 3 is composed of all adult education programs, including adult basic, adult secondary, adult vocational, and adult supplemental vocational education programs. According to the Department of Education, the demand for adult education programs in some school districts exceeds the allocated capped funds. In such cases, the school district receives no additional state funds, and uses district funds to pay the cost of providing adult education above the capped amount.

The Department of Education reports that in 1995-96, a total of 6,366.22 adult weighted FTE students were served above the capped amount, and in 1996-97, a total of 9,718 weighted FTE (representing 36 districts) were served above the capped amount. Twenty three school districts remained below the enrollment cap.

In addition, adult FTE projected by school districts are capped by the Enrollment Estimating Conference per Legislative policy. The adult FTE adopted by the Conference are used in developing the Legislative FEFP appropriation for adult programs. Adult FTE have been capped in the Enrollment Estimating Conference process because of growth in adult FTE, which far exceeded growth for K-12 FTE students in the years immediately prior to the institution of the cap. For the fiscal years 1986-87 through 1990-91, adult FTE grew by an average of 10% per year, while K-12 FTE growth averaged 3.5%. In today's dollars, to fund the adult growth would require an annual appropriation of roughly \$30 million for a \$120 million appropriation over the 4-year period referenced.

**B. EFFECT OF PROPOSED CHANGES:**

The bill would remove the enrollment ceiling or cap on enrollment for only Group 3, the adult education programs. Removal of the cap would require additional funds on an annual basis to pay for increased enrollment in the Group 3 programs. Removing the enrollment caps on the adult education programs would allow certain school districts to serve more adult students.

Due to implementation of the 1996 WAGES legislation (welfare reform), school districts that provide adult education programs may realize increasing enrollment levels in various adult education programs. Some state and federal funds have been allocated to serve WAGES participants. The amount of such funds that might be used for educational purposes is indeterminate, because local WAGES boards are in the process of determining how state and federal funds would be spent.

If the 9,718 weighted FTE (total full-time equivalent student enrollment over the cap) were to be funded by the state, it would cost an additional \$28.3 million, according to the Department of Education. Costs would also increase each year if enrollments continue to increase in the adult education programs. Without the cap, based on past practice, adult FTE could potentially increase annually. The associated additional cost would reduce revenue available for K-12 programs.

**C. APPLICATION OF PRINCIPLES:**

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

No.

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

No.

(3) any entitlement to a government service or benefit?

No.

b. If an agency or program is eliminated or reduced:

- (1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

NA

- (2) what is the cost of such responsibility at the new level/agency?

NA

- (3) how is the new agency accountable to the people governed?

NA

2. Lower Taxes:

- a. Does the bill increase anyone's taxes?

No.

- b. Does the bill require or authorize an increase in any fees?

No.

- c. Does the bill reduce total taxes, both rates and revenues?

No.

- d. Does the bill reduce total fees, both rates and revenues?

No.

- e. Does the bill authorize any fee or tax increase by any local government?

No.

3. Personal Responsibility:

- a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

No.

- b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

No.

4. Individual Freedom:

- a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

It is possible that more adult education students might be served if the enrollment ceiling was removed for Group 3.

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

No.

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

(1) Who evaluates the family's needs?

NA.

(2) Who makes the decisions?

NA.

(3) Are private alternatives permitted?

NA.

(4) Are families required to participate in a program?

NA.

(5) Are families penalized for not participating in a program?

NA.

- b. Does the bill directly affect the legal rights and obligations between family members?

No.

- c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

NA.

(2) service providers?

NA.

(3) government employees/agencies?

NA.

**D. SECTION-BY-SECTION RESEARCH:**

Section 1. Amends s. 236.081, F.S., removing enrollment ceilings or caps on adult education programs (Group 3).

Section 2. Provides an effective date of July 1, 1997.

**III. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:**

**A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:**

1. Non-recurring Effects:

None.

2. Recurring Effects:

The Department of Education estimates the amount needed to fund the reported FTE over the enrollment cap for 1996-1997 is \$28,300,438. This amount would be likely to increase on an annual basis. Without the cap, based on past practice, adult FTE could potentially increase annually. The associated additional cost would reduce revenue available for K-12 programs.

3. Long Run Effects Other Than Normal Growth:

None.

4. Total Revenues and Expenditures:

See above comments.

**B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:**

1. Non-recurring Effects:

None.

2. Recurring Effects:

None.

3. Long Run Effects Other Than Normal Growth:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

None.

2. Direct Private Sector Benefits:

None.

3. Effects on Competition, Private Enterprise and Employment Markets:

Skilled employees in the private sector can contribute to the overall economy of the state.

D. FISCAL COMMENTS:

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds to take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of a state tax shared with counties or municipalities.

V. COMMENTS:

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

On April 11, 1997, the Education Appropriations Committee voted a strike everything amendment to the bill favorably. The amendment differed from the bill by increasing the maximum enrollment ceiling for adult FEFP full-time equivalents rather than eliminating it, such that the average of the FTE over the maximum enrollment ceiling from the final FEFP calculation for 1995-96 and the FEFP calculation for 1996-97 shall be added to the maximum enrollment ceiling in the appropriation only. This amendment conforms the bill to House Bill 1825, the Education Appropriations bill.

VII. SIGNATURES:

COMMITTEE ON COMMUNITY COLLEGES AND CAREER PREP:

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