

**HOUSE OF REPRESENTATIVES
FINAL BILL ANALYSIS**

BILL #:	CS/CS/HB 7091	FINAL HOUSE FLOOR ACTION:	
SPONSOR(S):	Education Committee; Education Appropriations Subcommittee; K-12 Subcommittee; Porter and others	116 Y's	0 N's
COMPANION BILLS:	(CS/CS/SB 1076) (CS/CS/HB 7057)	GOVERNOR'S ACTION:	Approved

SUMMARY ANALYSIS

CS/CS/HB 7091 passed the House on April 12, 2013, as CS/CS/SB 1076. The bill includes portions of CS/CS/HB 7057. Portions of CS/CS/HB 7057 also passed as CS/CS/SB 1720. The bill establishes new standard high school diploma requirements for students entering 9th grade in the 2013-14 school year and thereafter, alters course and testing requirements for current high school students, and establishes Scholar and Merit diploma designations. Current students will no longer be required to pass the Biology I and Geometry end-of-course (EOC) assessments to earn course credit. Instead, except for students who already took these courses, the assessments count 30 percent of a student's final course grade. These assessments also count 30 percent of a student's final course grade for students entering 9th grade in the 2013-14 school year, and thereafter. No student is required to earn a credit in Algebra II and Chemistry or Physics in order to earn a standard high school diploma. High school students may earn a Scholar designation if they satisfy course and testing requirements above-and-beyond those required for a standard diploma, e.g., earn credits in Algebra II and Chemistry or Physics and an equally rigorous science course and pass the Biology I and U.S. History EOC assessments. Students pursuing a Merit designation must attain one or more industry certifications.

The bill increases emphasis on digital literacy, financial literacy, and industry certification; establishes a process for creating career education courses that enable students to simultaneously earn career and core academic credit; delays implementation of performance funding related to student passage of EOC assessments; revises the funding methodology for industry certification and career-themed courses and requires the State Board of Education to annually approve a Postsecondary Industry Certification Funding List; creates a bonus program for teachers of industry certification courses; expands existing bonus programs for Advanced Placement and International Baccalaureate teachers; requires the state board to adopt an implementation schedule to transition from existing statewide assessments in mathematics and English Language Arts to common core assessments; and revises the weighting of the middle school Civics EOC assessment from "must pass" to 30 percent of the final course grade.

The bill includes CS/CS/HB 7057 provisions regarding designation of preeminent state universities; fee waiver authority for Florida College System (FCS) institutions regarding the \$10,000 degree program; and performance funding for workforce education programs, FCS institutions, and state universities and repeals the "FAFSA requirement" for Bright Futures eligibility. In addition, the bill authorizes a preeminent university to establish an online university. Resident tuition for the online university's baccalaureate degree programs must not exceed 75 percent of the tuition rate specified in the General Appropriations Act and 75 percent of the tuition differential for the equivalent on-campus baccalaureate degree program. The bill also renames the Degree Completion Pilot Project as the Complete Florida Degree Program and revises the duties of the University of West Florida in administering the program.

The bill has an indeterminate fiscal impact on state and local governments.

The bill was approved by the Governor on April 22, 2013, ch. 2013-27, L.O.F., and will become effective July 1, 2013.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h7091z1.KTS.DOCX

DATE: May 6, 2013

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

High School Reform

Legislative History

The high school reform effort that began in Florida in 2006 was based upon research suggesting that states' high school curricula lacked rigor and relevance, resulting in decreased student engagement and high dropout rates. The research suggested that increasing the rigor of core graduation course requirements and strengthening career education options would better engage students. In turn, this would increase graduation rates and college and career readiness.¹ Suggested reforms included:

- Strengthening middle school course requirements to better prepare students for 9th grade.
- Increasing the number and level of rigor of mathematics and science credits required for a standard high school diploma.
- Basing high school graduation upon proficiency and credit completion and implementing statewide, standardized end-of-course (EOC) assessments to measure proficiency in courses required for graduation.
- Strengthening career education programs and student advising practices.²

In response to the research, the Legislature enacted HB 7087 (2006). Among other things, HB 7087:

- Increased the number of mathematics credits required to earn a standard high school diploma from three to four, including one credit in Algebra I. School districts were directed to set goals for increasing enrollment and completion of Geometry and Algebra II.
- Established middle grades course completion requirements for promotion from middle school to high school.
- Required middle school students to complete a career and education planning course resulting in an academic and career plan for the student.
- Authorized the establishment of career and professional academies (career academy) providing a rigorous academic and career curriculum leading to a standard diploma and industry certification.³

The following year, the Legislature enacted CS/CS/SB 1232 (2007), which:

- Required school districts, in collaboration with local workforce boards, postsecondary institutions, and employers, to establish strategic plans for developing career academies aligned with state and local workforce needs.⁴
- Required each school district to have at least one operational career academy by the start of the 2008-09 school year.
- Provided weighted Full-Time Equivalent (FTE) student funding to school districts for each student completing an industry certification.⁵

¹ See, e.g., Southern Regional Education Board, *Using Rigor, Relevance and Relationships to Improve Student Achievement*, at 3-7 (2004), available at http://publications.sreb.org/2004/04V08_2004_Outstanding_Practices.pdf; see e.g. Southern Regional Education Board, *Raise Academic Standards and Get More Students to Complete High School: How 13 Georgia Schools Did It*, at 3 (Feb. 2004), available at http://publications.sreb.org/2004/04V01_ResearchBrief-Georgia_Schools.pdf.

² Florida High School Reform Task Force, Recommendations of the High School Reform Task Force, hearing before the House PreK-12 Committee (Feb. 7, 2006).

³ Sections 21, 23, and 27, ch. 2006-74, L.O.F.

⁴ Strategic plans were revised from five-year to three-year plans in 2012. Section 13, ch. 2012-191, L.O.F.

⁵ Sections 1 and 5, ch. 2007-216, L.O.F.

This legislation was followed by CS/SB 1908 (2008), which:

- Provided for the replacement of the Sunshine State Standards with more rigorous Next Generation Sunshine State Standards.
- Authorized the Commissioner of Education, for the first time, to develop EOC assessments for measuring student achievement of core curricula content.⁶

When the Florida Legislature enacted CS/CS/SB 4 in 2010, student performance on international assessments of mathematics and science indicated that U.S. students were losing ground to their peers in Asian and European countries.⁷ This was cited as evidence that U.S. high school students lacked the necessary mathematics and science skills to compete effectively in a global, knowledge-based economy.⁸ Furthermore, research available at the time suggested that the mathematics and science skills necessary to succeed in college and careers were almost identical.⁹ Florida was one of several states that responded by increasing the rigor of high school mathematics and science graduation requirements.¹⁰ CS/CS/SB 4 (2010):

- Phased in more rigorous mathematics and science high school graduation credit requirements, including:
 - Geometry (beginning with entering 9th graders 2010-11).
 - Biology I (beginning with entering 9th graders 2011-12).
 - Algebra II (beginning with entering 9th graders 2012-13).
 - Chemistry or physics and an equally rigorous science course (beginning with entering 9th graders 2013-14).
- Phased in “must pass for credit” statewide, standardized EOC assessments in:
 - Algebra I (beginning with entering 9th graders 2011-12).
 - Geometry (beginning with entering 9th graders 2012-13).
 - Biology I (beginning with entering 9th graders 2012-13).¹¹

CS/CS/SB 4 (2010) significantly increased the mathematics and science credit and testing requirements for high school graduation. These requirements are the same for all students, regardless of whether a student is preparing for college or enlistment in the military or pursuing industry certification through a career academy.

New Research

In 2010, when CS/CS/SB 4 was enacted, the U.S. economy was beginning to recover from the recession of 2007–2009.¹² However, the economic recovery has been one of the weakest on record.¹³

⁶ Section 8, ch. 2008-235, L.O.F.

⁷ See, e.g., International Association for the Evaluation of Educational Achievement, *TIMSS 2007 International Mathematics Report*, at 44-49 (Aug. 2009), available at http://timss.bc.edu/TIMSS2007/PDF/TIMSS2007_InternationalMathematicsReport.pdf. TIMSS stands for Trends in International Mathematics and Science Study. *Id.*

⁸ See, e.g., Staff of the Florida Senate, *Interim Report: Review the Effect of State High School Graduation Requirements on Student Preparation for Postsecondary Education and the Workforce*, at 2-3 (Oct. 2009), available at http://www.flsenate.gov/data/Publications/2010/Senate/reports/interim_reports/pdf/2010-112ed.pdf [hereinafter *Senate Interim Report 2009*]; see, e.g., The National Governors Association, *Accelerating the Agenda: Actions to Improve America's High Schools*, at 3-7 (2008), available at <http://www.nga.org/files/live/sites/NGA/files/pdf/0901IMPROVEHIGHSCHOOLS.PDF> [hereinafter *Accelerating the Agenda*]; The National Governors Association, *Building a Science, Technology, Engineering and Math Agenda*, at 1, 6 (2007), <http://www.nga.org/files/live/sites/NGA/files/pdf/0702INNOVATIONSTEM.PDF> [hereinafter *STEM Agenda*].

⁹ *Accelerating the Agenda*, *supra* note 8, at 7-10; *STEM Agenda*, *supra* note 8, at 10-13.

¹⁰ *Senate Interim Report*, *supra* note 8, at 3; Staff of the Florida Senate, *Legislative Bill Analysis for CS/CS/SB 4 (2010)*; see, e.g., Education Commission of the States, *High School Level STEM Initiatives 2008*, <http://mb2.ecs.org/reports/Report.aspx?id=1409> (last visited Mar. 5, 2013).

¹¹ Sections 3, 5, and 8, ch. 2010-22, L.O.F.

The recession and weak recovery have greatly impacted the financial health and career prospects of recent high school and college graduates. These impacts include:

- High youth unemployment rates which likely diminish the ability of high school-aged youth to obtain work-related skills and experience.¹⁴
- An 8.1 percent decline in median household incomes,¹⁵ from \$55,131 in December 2007 to \$50,678 in August 2012, which has likely diminished the ability of many parents to assist their children with higher-education costs.
- An increase in student loan debt held by Americans to \$966 billion, second only to mortgage debt held by Americans. In fact, student loan debt is the only kind of household debt that continued to rise during the recession.¹⁶
- A post-recession three-year student loan default rate of 13.4 percent nationally, representing 489,000 out of 3.6 million borrowers.¹⁷
- A rise in the percentage of student loan borrowers under 30 who are in repayment and 90 or more days delinquent on their student loan payments from 20 percent in 2004 to 35 percent in 2012.¹⁸

Since the enactment of CS/CS/SB 4, new research has emerged questioning the one-size-fits-all, college-only focus of many states' high school graduation requirements. Research indicates that deteriorating job market conditions have led an increasing number of young people to enroll in postsecondary education. In the fall 2009 term, 70 percent of 2009 high school graduates students were enrolled in a postsecondary program.¹⁹ However, approximately four in ten Americans have earned an associate's or bachelor's degree by their mid-twenties.²⁰

Recent research also indicates that high numbers of graduates with a bachelor's degree have settled for employment outside of the college labor market, i.e., are "mal-employed."²¹ The share of mal-

¹² National Bureau of Economic Research, *Business Cycling Dating Committee*, (Sept. 20, 2010), available at <http://www.nber.org/cycles/sept2010.pdf>.

¹³ Center on Budget and Policy Priorities, *The Legacy of the Great Recession*, <http://www.cbpp.org/cms/index.cfm?fa=view&id=3252> (last visited Mar. 3, 2013).

¹⁴ U.S. Bureau of Labor Statistics, *Unemployment Rate for Youth Aged 16-19 Years Old 2003-2013*, <http://data.bls.gov/cgi-bin/surveymost> (last visited Mar. 3, 2013). The unemployment rate for youth aged 16 to 19 years old is 23.4 percent, as of January 2013, a 6.6 percent increase from December 2007. This figure includes youth who are working or actively looking for work. *Id.*

¹⁵ Sentier Research, *Household Income Trends: August 2012*, at 4 (Sept. 2012), available at http://www.sentierresearch.com/reports/Sentier_Household_Income_Trends_Report_August2012_09_25_12.pdf. Overall unemployment has also remained high, peaking at 10 percent in October 2010, and has been slow to improve, with unemployment at 7.9 percent in January 2013. U.S. Bureau of Labor Statistics, *U.S. Unemployment Rate 2003-2013*, <http://data.bls.gov/timeseries/LNS14000000> (last visited Mar. 3, 2013).

¹⁶ Federal Reserve Bank of New York, *Household Debt and Credit: Student Debt*, at 5, 9 (Feb. 28, 2013), available at <http://www.newyorkfed.org/newsevents/mediaadvisory/2013/Lee022813.pdf> [hereinafter *Federal Reserve Student Loan Debt*]

¹⁷ Press Release, U.S. Department of Education, *First Official Three-Year Student Loan Default Rates Published* (Sept. 28, 2012), available at <http://www.ed.gov/news/press-releases/first-official-three-year-student-loan-default-rates-published>. This rate pertains to borrowers whose loans entered repayment between October 2008 and September 2009. *Id.*

¹⁸ *Federal Reserve Student Loan Debt*, *supra* note 16, at 11-15.

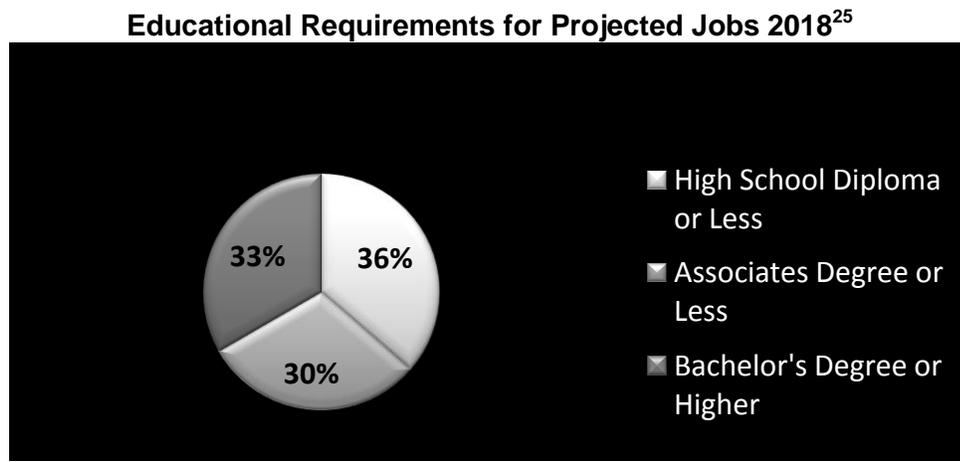
¹⁹ Press Release, U.S. Bureau of Labor Statistics, *College Enrollment and Work Activity of 2009 High School Graduates* (April 27, 2010).

²⁰ Harvard Graduate School of Education, *Pathways to Prosperity: Meeting the Challenge of Preparing Young Americans for the 21st Century*, at 6-7 (Feb. 2011), available at http://www.gse.harvard.edu/news_events/features/2011/Pathways_to_Prosperty_Feb2011.pdf [hereinafter *Graduation Pathways*].

²¹ Drexel University, Center for Labor Markets and Policy, *The Employment and Mal-Employment Situation for College Graduates: An Update*, at 7-8 (June 2012), available at

employed bachelor's degree holders age 20-24 increased from 45.9 percent before the recession to 56.1 percent in spring 2012. Over 40 percent of this increase occurred during the "jobs recovery period" of 2010-2012. The number of mal-employed bachelor's degree holders age 25-29 increased from 36.1 percent before the recession to 43.3 percent by spring 2012. Approximately 25 percent of this increase occurred during the "jobs recovery period."²²

Researchers predict that the U.S. economy will create 47 million new jobs over the 10 year period ending in 2018. Roughly two-thirds of these jobs will require at least some postsecondary education. Researchers predict that 14 million jobs, nearly half those filled by workers with postsecondary education, will go to individuals with an associate's degree or workforce certificate. Furthermore, 27 percent of jobs requiring postsecondary education below the associate's degree level pay more than the average bachelor's degree holder earns.²³ This research does not suggest that states diminish efforts to prepare students for college. Rather, it suggests that students should have greater flexibility to pursue not only college, but also high-skill, high-wage, and high-demand jobs requiring less than a bachelor's degree.²⁴



New research shows that few jobs require more than basic mathematics skills, i.e., counting, addition, subtraction, multiplication, and division. Roughly two-thirds of jobs require use of fractions, decimals, and percentages. However, only 22 percent of workers use more complex mathematics on their jobs, primarily simple Algebra. Thus, most workers do not use the types of complex mathematics required in high school.²⁶ In testimony presented to the K-12 Subcommittee, David Coleman of the College Board suggested that states focusing on student completion of specific higher-level mathematics courses, such as Algebra II, as an indicator of college and career readiness may be misguided. Instead, states should focus on college and career ready math, i.e., the core mathematics skills required for most college majors and careers.²⁷

The research and testimony do not support lowering standards, but instead suggests that states allow students flexibility to choose a course of study aligned to their post-high school goal. All high school students must be exposed to a rigorous high school curriculum but rigor should be relevant to the student's post-high school goals. Creating a tangible, transparent connection between high school and

http://www.drexel.edu/provost/clmp/docs/The_Employment_Situation_of_Recent_College_Graduates.pdf. This is to be distinguished from individuals employed outside their degree field but in jobs typically requiring a bachelor's degree. *Id.*

²² *Id.* at 9.

²³ *Graduation Pathways*, *supra* note 20, at 2-3.

²⁴ *Id.*

²⁵ *Id.* at 7.

²⁶ Handel, Michael J. *A Profile of U.S. Jobs from the Survey of Workplace Skills, Technology, and Management Practices*, at 11-12, 43 (June 20, 2010), available at http://www.northeastern.edu/socant/wp-content/uploads/STAMP_OECD2a_edit2.doc.

²⁷ David Coleman, College Board, *Testimony before the House K-12 Subcommittee* (Feb. 20, 2013), available at http://myfloridahouse.gov/VideoPlayer.aspx?eventID=2443575804_2013021250&committeeID=2713.

opportunities in the job market would assist students and parents in making more informed college, career, and financial choices and draw students to the fields where jobs are available.²⁸

Standard High School Diploma Requirements

Present Situation

Florida public high school students have five options for obtaining a standard high school diploma -- a Traditional 4-year, 24-credit option;²⁹ the 3-year, accelerated 18-credit College Preparatory and Career Preparatory Programs;³⁰ or completion of an International Baccalaureate (IB) or Advanced International Certificate of Education (AICE) program.³¹ The overwhelming majority of Florida's high school students pursue the Traditional 24-credit option:

**Standard High School Diplomas Awarded by Graduation Option
2011-12 School Year³²**

Traditional 24-Credit	Accelerated 18-Credit College Preparatory	Accelerated 18-Credit Career Preparatory	IB	AICE
143,188	50	13	2,961	13

Students entering 9th grade in the 2012-13 school year who are pursuing the traditional 24-credit option must complete the following credit and assessment requirements:

Subject Area	Traditional 24-Credit Option³³
English	4 credits with a major concentration in composition, reading for information, and literature. <ul style="list-style-type: none"> • Passage of 10th grade FCAT Reading. • Must take FCAT Writing.
Mathematics	4 credits, including: <ul style="list-style-type: none"> • Algebra I, Geometry, and Algebra II. • Passage of the Algebra I and Geometry EOC assessments.
Science	3 credits, two of which must have a laboratory component, including: <ul style="list-style-type: none"> • Biology I • Passage of the Biology I EOC assessment.
Social Studies	<ul style="list-style-type: none"> • 3 credits: 1 U.S. History, 1 World History, .5 Economics, .5 U.S. Government. • The U.S. History EOC assessment is 30% of the final course grade.
Foreign Language	None.
Fine or Performing Arts	1 credit in fine or performing arts, speech and debate, or a practical arts course comprised of artistic or creative concepts.
Physical Education	1 credit.
Electives	8 credits.

Among other things, current law requires:

- All students to pass 10th grade Florida Comprehensive Assessment Test (FCAT) Reading in order to earn a standard high school diploma.
- Students entering 9th grade in the 2011-12 school year and thereafter to pass the Algebra I EOC assessment in order to earn course credit.
- Students entering 9th grade in the 2012-13 school year and thereafter to earn credit in Algebra II and pass the Biology I and Geometry EOC assessments in order to earn course credit.

²⁸ *Graduation Pathways*, supra note 20, at 24.

²⁹ Section 1003.428, F.S.

³⁰ Section 1003.429, F.S.

³¹ Section 1003.428(1), F.S.

³² Email, Florida Department of Education, Legislative Affairs Director (Feb. 18, 2013).

³³ Section 1003.428(2), F.S.; rule 6A-1.09422(2)(c), F.A.C.

- Students entering 9th grade in the 2013-14 school year and thereafter to earn science credits in Chemistry or Physics and an equally rigorous science course in order to earn a standard diploma.³⁴

In addition to the 24 credits and required assessments, students must earn a cumulative grade point average (GPA) of 2.0 on a 4.0 scale and fulfill any additional requirements mandated by school districts.³⁵ Credits required for graduation may be earned through applied, integrated, or combined courses; however, the law does not specifically define these types of courses.³⁶ Students entering 9th grade in 2011-12 and thereafter must take one course online. The law does not specify which course.³⁷

Since 2006, Florida law has specified two sets of high school graduation requirements. Section 1003.43, F.S., was enacted in 1978 and applies to students who entered 9th grade before the 2007-08 school year, whereas s. 1003.428, F.S., applies to students entering the 9th grade in the 2007-08 school year and thereafter. Six school years have passed since entering 9th graders have been subject to s. 1003.43, F.S.³⁸

The accelerated 3-year, 18-credit graduation option allows a student to earn a standard high school diploma in three years and 18 academic credits, rather than the traditional 4-year, 24 credit option. Students who choose this option may enroll in a college preparatory or career preparatory program. Students who do not fulfill specified credit requirements, pass required statewide assessments, or meet specified GPA requirements³⁹ are automatically transferred to the traditional 24-credit option.⁴⁰ Only 63 students earned a standard diploma through one of these options in the 2011-12 school year.⁴¹

Florida law establishes four designations that may be displayed on a student's standard diploma. The designations indicate a student's:

- Major area of interest.
- Completion of four or more accelerated college credit courses if the student is eligible for college credit in Advanced Placement (AP), IB, AICE, or dual enrollment courses.
- Attainment of one or more industry certifications.
- Attainment of a Florida Ready to Work Credential.⁴²

Effect of Bill

The bill establishes new standard high school diploma requirements for students entering 9th grade in the 2013-14 school year and thereafter, alters course and testing requirements for current high school students, and establishes Scholar and Merit diploma designations. Students will still be required to earn 24 credits, earn at least a 2.0 GPA, and pass 10th grade FCAT Reading and the Algebra I EOC

³⁴ Section 1003.428(2), F.S.

³⁵ Section 1003.428(4)(a)-(d), F.S.

³⁶ Section 1003.428(2), F.S.

³⁷ Section 1003.428(2)(c), F.S.

³⁸ Chapter 78-424, L.O.F., *initially codified at s. 232.246, F.S., redesignated in 2002 as s. 1003.43, F.S., and s. 23, ch. 2006-74, L.O.F., codified at s. 1003.428, F.S.*

³⁹ Students must achieve a 3.5 GPA for the college preparatory program and a 3.0 GPA for the career preparatory program. Section 1003.428(1) and (6), F.S.

⁴⁰ Section 1003.429(1)(b) and (c), F.S. For both 18-credit accelerated graduation options, the mathematics credits must include Algebra I and II and geometry; the science credits must include Biology I, chemistry or physics, and one equally rigorous course; the social sciences credits must include U.S. history, world history, and one-half credit in U.S. government and economics. *Id.*

⁴¹ Email, Florida Department of Education, Legislative Affairs Director (Feb. 18, 2013).

⁴² Section 1003.4285, F.S. Legislation enacted in 2006 required high school students to select a major area of interest comprised of four credits in a career, academic, or fine or performing arts content area, in order to earn a standard high school diploma. Section 23, ch. 2006-74, L.O.F., *codified at s. 1003.428(2)(b)1., F.S. (2006)*. Legislation enacted in 2010 repealed the major requirement, but did not eliminate the designation. Section 3, ch. 2010-22, L.O.F.

assessment to earn a standard diploma. The new credit and assessment requirements for the standard diploma are:

Subject Area	Standard High School Diploma
English	<ul style="list-style-type: none"> •4 credits ELA I, II, III, and IV. •Passage of 10th grade FCAT Reading. •Must take 10th grade FCAT Writing.
Mathematics	<ul style="list-style-type: none"> •4 credits which must include Algebra I and Geometry. •The Algebra I EOC assessment is 30% of final course the grade and passage is required for a standard diploma. •The Geometry EOC assessment is 30% of the final course grade. •Industry certification courses that lead to college credit may be substituted for up to 2 mathematics credits.
Science	<ul style="list-style-type: none"> •3 credits including Biology I. •The Biology I EOC assessment is 30% of the final course grade. •Industry certification courses that lead to college credit may be substituted for up to 1 science credit.
Social Studies	<ul style="list-style-type: none"> •3 credits: 1 U.S. History; 1 World History; .5 Economics, including financial literacy; .5 U.S. Government. •The U.S. History EOC is 30% of the final course grade.
Foreign Language	None.
Fine or Performing Arts	1 credit.
Physical Education	1 credit.
Electives	8 credits: School districts must develop and offer coordinated electives so that students may develop knowledge and skills in their 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.

Specifically, the bill makes several changes to the mathematics and science credit and testing requirements for a standard high school diploma. Under the bill:

- The award of high school course credit in Algebra I, Biology I, and Geometry will no longer be contingent upon passage of EOC assessments. This applies to all current and future high school students, including students who have already taken the assessments.
- No student, including current 9th graders, will be required to pass the Biology I and Geometry EOC assessments in order to earn a standard diploma. Passage of the Biology I EOC assessment is only required if a student pursues the Scholar designation.⁴³
- No student, including current 9th graders, will be required to earn a mathematics credit in Algebra II and science credits in Chemistry or Physics in order to earn a standard diploma, unless the student pursues the Scholar designation.

Removing specific requirements that students earn a mathematics credit in Algebra II and science credits in Chemistry or Physics and an equally rigorous science course provides students more flexibility to choose mathematics and science courses that interest them or that are more relevant to their post-high school goals. The fact that students can substitute industry certification courses that lead to college credit for up to two mathematics credits and up to one science credit provides similar flexibility.

The bill repeals the existing standard diploma designations and instead establishes Scholar and Merit designations that current⁴⁴ and future high school students may earn if they satisfy course and testing

⁴³ For students entering 9th grade in the 2013-14 school year and thereafter, these assessments count 30 percent of the student's final course grade. Students enrolled in high school as of the 2012-13 school year must be awarded credit in Biology I and Geometry if they earned a passing grade in the course before the 2013-14 school year, regardless of whether they passed the EOC assessments. If these students have not yet taken Biology I or Geometry, then the EOC assessments count 30 percent of their final course grade.

⁴⁴ Generally speaking, students who entered high school before the 2013-14 school year may pursue a Scholar designation. However, a student's ability to pursue the designation may depend on whether the EOC assessment for a course was implemented at the time the student took the course. Because statewide administration of the Biology I and U.S. History EOC assessments began in the 2011-12 and 2012-13 school years, respectively, students who took these courses before implementation of the EOC assessments would have

requirements above-and-beyond those required for a standard diploma. Students pursuing a Scholar designation must:

- Pass the 11th grade ELA common core assessment, effective when the state transitions to common core assessments;
- Earn one credit in Algebra II and one credit in Statistics or an equally rigorous course. When the state transitions to common core assessments, students must pass the Algebra II common core assessment.
- Pass the Biology I EOC assessment and earn one credit in Chemistry or Physics and one credit in an equally rigorous course.
- Pass the U.S. History EOC assessment.
- Earn two credits in the same foreign language.
- Earn at least one credit in an AP, IB, AICE, or a dual enrollment course.

Students pursuing a Merit designation must attain one or more industry certifications.

Graduation credits may be earned through equivalent, applied, integrated, or career education courses, including work-related internships. The bill defines equivalent, applied, and integrated courses as follows:

- Equivalent courses include one or more courses identified by content area experts as being a match to the core curricula content of another course.
- Applied courses include real-world applications of a career and technical education standard used in business or industry.
- Integrated courses include content from several courses within a content area or across content areas.

In addition, the bill specifically excludes driver's education as a course that may be taken to meet the online course requirement for graduation and reiterates existing law regarding grade forgiveness and transfer of high school credit.

School districts must notify students and parents in writing regarding standard diploma requirements, available designations, state scholarship programs, and postsecondary admissions. The Department of Education (DOE) directly, or through the school districts, must notify registered private schools of public school graduation requirements. Private schools are to make this information available to students and parents.

The law requires each school district to adopt an early graduation policy enabling high school students who complete "a minimum" of 24 credits in less than eight semesters and meet the GPA and assessment requirements the option of graduating early. The law is not clear regarding whether districts may require students to fulfill district-required graduation requirements above the state-mandated 24 credits.⁴⁵ The bill clarifies that students must be allowed early graduation upon earning the state-required 24 credits, regardless of additional district requirements.

The bill repeals the accelerated 3-year, 18-credit graduation options, as these options have been historically underutilized. Instead, the bill creates a streamlined 18-credit graduation option enabling students to earn a standard diploma in three years by bypassing one credit in physical education and five of the eight required elective credits. Such students must earn a 2.0 GPA and pass 10th grade FCAT Reading and the Algebra I EOC assessment. The bill allows students who are already enrolled in

to take and pass the assessments to earn the designation. Nothing prevents a school board from allowing these students to sit for future administrations of these assessments solely for the purpose of qualifying for the scholar designation or, regarding students who took the Biology I EOC assessment in the 2011-12 or 2012-13 school years, retroactively applying the passing score on the assessment to the student's score to determine qualification for the designation. *See supra text accompanying note 83.*

⁴⁵ Section 1003.4281, F.S.

one of the repealed accelerated 18-credit graduation options, or who select such option before July 1, 2013, to complete the program. However, given that the new 18-credit option is less prescriptive than the 18-credit options repealed by the bill, such students are more likely to select the new option.

The bill repeals s. 1003.43, F.S., relating to the General Requirements for High School Graduation for students entering 9th grade before the 2007-08 school year. Despite repeal, these requirements will remain applicable to any students still enrolled in Florida public schools who were subject to them at the time they entered 9th grade.⁴⁶

The law authorizes the Commissioner of Education to award a standard diploma to honorably discharged World War II and Korean War era veterans, pursuant to rules adopted by the state board in consultation with the Department of Military and Veterans Affairs.⁴⁷ The bill repeals these provisions and creates a new section of law similarly authorizing the commissioner to award a standard diploma to any honorably discharged veteran, regardless of his or her era of service.

The bill also repeals the Florida Secondary School Redesign Act,⁴⁸ which specifies the guiding principles and aspirational goals for implementation of the Act, as the purpose of this law has been served.

Career Education Courses

Present Situation

Research suggests that developing career education courses that allow students to simultaneously earn credit in both the career education course and core academic courses required for graduation is an important step in moving beyond one-size-fits-all high school graduation requirements. Among other things, the research recommends that states establish a process for developing such courses. Such a process should, among other things:

- Involve collaboration among public secondary schools, postsecondary institutions, and employers;
- Provide for recognition of career education courses as meeting postsecondary admissions requirements; and
- Include a determination regarding whether sufficient academic standards are covered to warrant full or partial academic credit.⁴⁹

Florida law does not specifically require the development of career education courses that allow students to earn credit in both the career education course and academic courses.

Effect of Bill

⁴⁶ *Memorial Hospital-West Volusia, Inc. v. News-Journal Corp.*, 784 So. 2d 438 (Fla. 2001) The general rule is that in the absence of clear legislative intent to the contrary, a law affecting substantive rights, liabilities and duties is presumed to apply prospectively. *Id.* Section 1003.43, F.S., provides modified requirements for students enrolled in adult general education seeking a high school diploma. Such students must complete 24 credits to earn a standard diploma, but may substitute the required credits in physical education and fine or performing arts with elective credits. A school board may waive the laboratory component of required science courses if laboratory facilities are inaccessible or do not exist. These provisions will remain applicable to adult general education students who entered 9th grade before the 2007-08 school year; however, such students may also choose the new streamlined 18-credit graduation option created by the bill, thereby enabling them to earn a standard diploma in 18 credits instead of 24 credits. Section 1003.43(6), F.S.

⁴⁷ Section 1003.428(9)-(10), F.S.

⁴⁸ Section 1003.413, F.S.

⁴⁹ Southern Regional Education Board, *Recognizing Academic Achievement in Career/Technical Education*, at 16-20 (2012), available at http://publications.sreb.org/2012/12V16_RecognizingAcademicCredit.pdf.

The bill creates a process for developing career education courses that allow students to simultaneously earn both career education and core academic credit. DOE must develop, for approval by the state board, multiple, additional career education courses, or a series of courses, that allow students to earn both career education course and academic course credit in courses required for graduation. Such courses must include workforce and digital literacy skills, practical applications of academic course content, and lead to one or more industry certifications or clearly articulated credit or advanced standing in a two-year or four-year certificate or degree program, including work-related internships or apprenticeships. The state board must determine whether academic standards are sufficiently covered to warrant the award of academic credit.

The bill also facilitates collaboration among school districts, postsecondary institutions, education consortia, local workforce boards, business, and industry in creating career education courses that lead to academic course credit. Courses developed through this collaborative process must meet the same rigorous standards as those created by DOE and be approved by the state board.

The Alternative Credit for High School Courses Pilot Project is an early effort to enable high school students enrolled in industry certification courses to simultaneously earn credit in Algebra, Geometry, or Biology without having to enroll in a separate course.⁵⁰ Only one high school participated in the pilot project and no eligible students sought credit through the pilot program.⁵¹ The bill repeals this pilot project, which is no longer in existence and made unnecessary by the bill.

Industry Certification

Present Situation

Industry certification refers to certification issued by an occupational or industry group to signal completion of particular training, coursework, apprenticeship, or other preparation for a particular job or job category. Many jobs require some form of industry certification as a prerequisite to hiring, and licensure is often based on industry developed assessments. Florida public middle and high school students may earn industry certifications through a career academy⁵² or career themed courses.⁵³ School boards are required to develop a three-year strategic plan in partnership with regional workforce boards, economic development agencies, and state-approved postsecondary institutions to better align career academy programs with local workforce needs.⁵⁴

Secondary career education programs receive funding through the Florida Education Finance Program (FEFP) and school districts receive weighted FTE funding for students attaining the highest level of industry certification through a career academy or career-themed courses. A value of 0.1, 0.2, or 0.3 FTE is calculated for such students.⁵⁵ DOE determines the FTE value for each certification, 50 percent of which is based on rigor and the remaining 50 percent on employment value. Districts receive this

⁵⁰ Section 1, ch. 2008-174, L.O.F., *codified at* s. 1002.375, F.S. In order to earn such credit, students were required to pass an EOC assessment. The legislation required the commissioner to select up to three school districts to participate in the pilot project, beginning in the 2008-09 school year, and authorized DOE to approve eligible courses and EOC assessments. Section 1002.375(1), (2), and (4), F.S.

⁵¹ Florida Department of Education, *Legislative Bill Analysis for HB 4185* (2011).

⁵² A career and professional academy is a career and technical education program in a public secondary school that leads to high school credit, a high school diploma, industry certification, and opportunities for students to simultaneously earn postsecondary credit. Each school board is required to operate at least one high school academy and have a plan to implement at least one middle school academy. Sections 1003.493(1) and 1003.4935(1), F.S.

⁵³ Section 1003.493(1), F.S. Career-themed course are courses or a course series that leads to an industry certification. These courses may be offered by any school, even if the school is not a career academy. Sections 1003.493(1)(b), F.S.

⁵⁴ Section 1003.491(3), F.S. The strategic plan must, among other things, include strategies for developing career academies based upon identification of high-skill, high-wage, high-demand careers; and ensure that career academy courses are academically rigorous, meet or exceed appropriate state-adopted subject area standards, result in attainment of industry certification, and when appropriate, result in postsecondary credit. *Id.*

⁵⁵ Section 1011.62(1)(c) and (o)1., F.S.

funding when the student is promoted to 9th grade or earns a standard high school diploma.⁵⁶ Funding is capped at \$15 million annually, unless otherwise specified in the General Appropriations Act (GAA).⁵⁷

The law requires the state board, in collaboration with Workforce Florida, Inc., to adopt rules establishing an industry certification process. Industry certifications must be defined by the Department of Economic Opportunity (DEO), based upon the highest available national standards for specific industry certifications to ensure student skill proficiency and address emerging labor market and industry trends. Through this process, industry certifications are identified, compiled, and weighted for funding purposes and the final Industry Certification Funding List is annually adopted by the state board.⁵⁸

Each career academy or career themed course must include at least one partnership with postsecondary institutions, business, industry, employers or economic development organizations. Partnerships with postsecondary institutions must delineate in articulation agreements career academy and career-themed courses that articulate to postsecondary credit.⁵⁹ Industry certifications that articulate for postsecondary credit are called Gold Standard Career Pathways Industry Certifications. The Gold Standard list is a subset of the Industry Certification Funding List. Each Gold Standard certification is adopted as a statewide articulation agreement, after Florida College System (FCS) administrators, program deans, and faculty agree that the certification articulates for college credit in an Associate of Science or Associate of Applied Science degree program. There are currently 116 Gold Standard certifications on the list.⁶⁰ However, the law does not specifically require adoption of a postsecondary industry certification list.

Effect of Bill

The bill provides that the FEFP cost factor for secondary career education must be equal to basic programs for grades 9 through 12. The existing three weight system for funding industry certifications is replaced by a two weight system. Under the bill, industry certifications that do not articulate to college credit are valued at 0.1 FTE and those articulating to college credit are valued at 0.2 FTE. The bill caps the amount of weighted FTE funding a student may generate at 0.3 FTE. The bill increases the cap on total statewide annual weighted FTE funding for industry certifications from \$15 million to \$60 million.

Criteria for determining an industry certification's weighting value based upon rigor and employment value are eliminated, as are provisions conditioning district receipt of funding upon the student's promotion to 9th grade or receipt of a standard high school diploma. The bill provides that the FY 2013-14 FTE membership calculation must include FTE for any student who earned industry certification in FYs 2009-10, 2010-11, and 2011-12, who was not previously funded and was enrolled in FY 2012-13. This allows districts to receive funding for middle and high school students who earned industry certifications but had not progressed to 9th grade or graduated.

⁵⁶ Section 1011.62(1)(o)1., F.S. Rigor is based on the number of instructional hours, including work experience hours, required to earn the certification, with a bonus for industry certifications that have a statewide articulation agreement for college credit approved by the state board. Employment value is based on the entry wage, growth rate in employment for each occupational category, and average annual openings for the primary occupation linked to the industry certification. *Id.*

⁵⁷ Section 1011.62(1)(o)3., F.S.

⁵⁸ Section 1003.492(2), F.S.; rule 6A-6.0573(3)-(5), F.A.C. Regional workforce boards and school principals may apply to Workforce Florida, Inc., to request additions to the approved list of industry certifications based on high-skill, high-wage, and high-demand job requirements in the regional economy. *Id.* The preliminary Industry Certification Funding List for 2013-14 contains industry certifications in numerous areas, including automotive repair, medical lab technician, nursing, welding, pipefitting, and various Microsoft, Adobe, and Cisco software applications. See Florida Department of Education, *Florida Career and Professional Education Act*, <http://www.fldoe.org/workforce/fcpea/default.asp> (last visited March 9, 2013).

⁵⁹ Section 1003.493(4)(b), F.S.

⁶⁰ See ss. 1003.491, 1003.492, 1003.493, and 1007.23, F.S. (statewide articulation agreement); rule 6A-6.0573(5), F.A.C.; see Florida Department of Education, *Statewide Articulation Agreements – Industry Certification*, http://www.fldoe.org/workforce/dwdframe/artic_indcert2aas.asp (last visited March 9, 2013).

For industry certifications earned in the 2013-14 school year and thereafter, the bill establishes bonuses for teachers of industry certification courses whose students earn industry certifications. The bonus amounts are \$25 for students earning 0.1 FTE weighted certifications and \$50 for those earning 0.2 FTE weighted certifications. The maximum bonus such teachers may earn is \$2,000 in any given school year.

The bill creates a Postsecondary Industry Certification Funding List for postsecondary industry certification programs and requires the state board to annually approve the list. The bill directs the Chancellors of the State University System, FCS, and Career and Adult Education to work with local workforce boards, postsecondary institutions, and businesses to identify, create, and recommend industry certifications to the state board. The Chancellors must consider the DEO's economic security report and other information regarding certification needs in making such recommendations. The list must be used to determine performance funding for school districts and FCS institutions.

In addition, the bill allows funding for industry certifications that have minimum age, grade-level, diploma or degree, postgraduation work experience of at least 12 months, or other requirements that make it impossible for the student to obtain full certification while in a public secondary school program. The Commissioner of Education must differentiate the content, instructional, and assessment requirements for such industry certifications in determining funding. This will allow students to work toward these certifications while in high school, without having to fulfill all requirements before graduation.

The bill also authorizes district school boards to appoint a governing board for a school district technical center or a system of technical centers, consisting of school board members (or their designees) and leaders of the local business community, to design and implement partnerships for industry certifications tailored to the needs of the local economy.

Acceleration and Advanced Courses

Present Situation

Academically Challenging Curriculum to Enhance Learning (ACCEL) options provide academically challenging curriculum or accelerated instruction to eligible public school students in kindergarten through grade 12. At minimum, public schools must offer whole grade and midyear promotion, subject-matter acceleration, virtual instruction in higher grade level subjects, and the credit acceleration program (CAP). ACCEL options may include, without limitation, enriched science, technology, engineering, and mathematics (STEM) coursework; enrichment programs; flexible grouping; advanced academic courses; combined classes; self-paced instruction; curriculum compacting; advanced-content instruction; and telescoping curriculum.⁶¹

Career dual enrollment is a curricular option which enables secondary students to earn a series of elective credits toward the high school diploma. Students using this option must be seeking a degree or certificate from a complete career-preparatory program and it may not be used to enroll students in isolated career courses.⁶²

Career early admission is a form of career dual enrollment which enables secondary students to enroll full time in a career center or a FCS institution in courses that are creditable toward the high school diploma and a certificate or associate degree. Students must have completed a minimum of 6 semesters of full-time secondary enrollment before participating in career early admission.⁶³

⁶¹ Section 1002.3105(1), F.S.

⁶² Section 1007.271(7), F.S.

⁶³ Section 1007.271(11), F.S.

Currently, an AP teacher may earn a \$50 bonus for each of his or her students who scores 3 or higher on the College Board AP examination. An AP teacher in a “D” or “F” school who has at least one student scoring 3 or higher on the College Board AP examination receives an additional \$500 bonus. IB teachers may earn a \$50 bonus for each student who scores 4 or higher on the IB examination. An IB teacher in a “D” or “F” school who has at least one student scoring 4 or higher on the IB examination receives an additional \$500 bonus. Bonuses earned by AP and IB teachers may not exceed \$2,000 per fiscal year.⁶⁴

The CAP enables students to earn high school credit in courses tested by a statewide, standardized EOC assessment without enrolling in the course.⁶⁵ The law defines a “credit” as 135 hours of bona fide instruction in a designated course. Although it is generally understood that the definition does not apply to students earning credit through CAP, the law does not specifically state an exception.⁶⁶

Effect of Bill

The bill adds rigorous industry certifications and work-related internships or apprenticeships to the list of ACCEL options. The bill adds provisions specifying that career dual enrollment and career early admission are programs in which secondary students are enrolled in postsecondary programs leading to industry certifications. The bill also specifies that career early admission enables secondary students to enroll in postsecondary *programs* leading to industry certification, rather than individual courses. In addition, the bill reduces from 6 to 4 the number of semesters of secondary enrollment a student must complete before participating in career early admission, thereby enabling students to take advantage of this opportunity earlier in their high school careers.

The bill increases from \$2,000 to \$3,000 the maximum allowable annual bonus an AP teacher may earn if:

- At least 50 percent of the teacher’s students earn a score of 3 or higher on the examination in a school graded “A,” “B,” or “C;” or
- At least 25 percent of the teacher’s students earn a score of 3 or higher on the examination in a school graded “D” or “F.”

The bill increases from \$2,000 to \$3,000 the maximum allowable annual bonus an IB teacher may earn if:

- At least 50 percent of the teacher’s students earn a score of 4 or higher on the examination in a school graded “A,” “B,” or “C;” or
- At least 25 percent of the teacher’s students earn a score of 4 or higher on the examination in a school graded “D” or “F.”

These additional bonuses for AP and IB teachers enable them to earn \$50 per student who achieves the qualifying score up to a maximum of \$3,000 per school year.

The bill adds provisions listing the specific courses in which credit may be earned through CAP, i.e., Algebra I, Algebra II, Geometry, U.S. History, and Biology. The definition of credit is also revised to clarify its inapplicability to students earning credit through CAP.

Digital Literacy

Present Situation

⁶⁴ Section 1011.62(1)(l) and (n), F.S.

⁶⁵ Section 1003.4295(3), F.S.

⁶⁶ Section 1003.436(1)(a), F.S.

Digital literacy skills are essential to students' academic and career success. Digital literacy skills students need include basic computer operation and maintenance, cyber-safety, test taking, internet research, keyboarding and word processing, computer presentation skills, and use of graphics and spreadsheets.⁶⁷ All statewide, standardized EOC assessments are administered online and online administration is anticipated for common core assessments, once implemented. Many digital literacy skills will be integrated into common core assessments, such as keyboarding skills, creating and analyzing charts and graphs, and internet research.⁶⁸ Among other things, research suggests that states integrate digital literacy across all levels of education and into standards, assessments, and educator professional development and partner with the business community to provide learning opportunities for educators and students.⁶⁹

Florida law authorizes, but does not require, school districts to develop and implement a digital curriculum for students in grades 6 through 12. Digital curricula may include various skills related to web communications and web design. The law encourages districts to seek partnerships with private businesses or consultants for providing instruction to students and professional development to teachers.⁷⁰

Effect of Bill

The bill increases emphasis on digital literacy by requiring each school district's comprehensive student progression plan to include instructional sequences enabling students in kindergarten through high school to attain progressively higher levels of skill in the use of digital competency tools and applications.

The bill eliminates provisions related to the optional digital curricula for grades 6 through 12 and instead requires school districts to make available digital materials to all students in prekindergarten through grade 12. Beginning with the 2013-14 school year, school districts must make available digital and instructional materials, including software applications, to students with disabilities in prekindergarten through grade 12. Such materials may be integrated into subject area curricula, offered as a separate course, made available through open-access options, or deployed through online or digital computer applications. In addition, the bill establishes three new digital literacy programs:

- The Florida Cyber Security Recognition program will provide instruction to elementary students regarding computer processing operations and cyber-safe practices.
- The Florida Digital Arts Recognition program will provide instruction to elementary students regarding technology and the arts; and
- The Florida Digital Tools Certificate program will provide instruction to middle school students regarding skills necessary to school and work success, such as word processing; spreadsheets; and presentations, including sound, text, and graphic presentations.

DOE must contract with one or more technology companies with DOE-approved industry certifications to create these programs. The programs must provide teachers with open-access materials for teaching and assessing digital skills and be provided at no cost to school districts. Creation of the programs is contingent upon funding. School districts must notify school advisory councils regarding the Florida Digital Tools Certificate program.

⁶⁷ See, e.g. DigitalLiteracy.gov, *Educator Tools*, <http://www.digitalliteracy.gov/content/educator> (last visited March 8, 2013).

⁶⁸ Learning.com, *Achieving Common Core Assessment Success: Why Digital Literacy Matters*, at 2 (2013), available at <http://www.learning.com/digital-literacy/pdf/why-digital-literacy-matters.pdf>; Partnership for Assessment of Readiness for College and Careers, *Item and Task Prototypes*, <http://www.parcconline.org/samples/item-task-prototypes#4> (last visited March 8, 2013).

⁶⁹ Partnership for 21st Century Skills, *21st Century Skills, Education & Competitiveness: A Resource and Policy Guide*, at 15 (2008), available at http://www.p21.org/documents/21st_century_skills_education_and_competitiveness_guide.pdf.

⁷⁰ Section 1003.4203(1)

The bill provides for the award of a Florida Digital Learning Certificate of Achievement to public elementary schools in which 50 percent of the students attain either the Florida Cyber Security Recognition or Florida Digital Arts Recognition. Such schools will be awarded the certificate by the commissioner.

The bill states the Legislature's intent that by July 1, 2018, 75 percent of public middle school students earn the Florida Digital Tools Certificate annually. The bill provides bonus funding to middle schools whose students earn the Florida Digital Tools Certificate. Such schools may earn bonuses amounting to \$50 per student with a minimum award of \$1,000 and a maximum of \$15,000 per middle school.

Career and Education Planning

Present Situation

Public middle school students must complete a career and education planning course which results in completion of an academic and career plan for the student. Among other things, this course must emphasize technology or the application of technology in career fields and, beginning in the 2014-15 school year, must include information from the DEO's economic security report. In the process of completing the academic and career plan, students must be informed of high school graduation requirements; high school assessment and college entrance test requirements; Florida Bright Futures Scholarship Program requirements; state university and FCS institution admission requirements; and programs through which a high school student can earn college credit, including AP, IB, AICE, dual enrollment, career academy and career-themed course opportunities, and courses that lead to national industry certification.⁷¹

Effect of Bill

The bill adds requirements that the career and education planning course be internet-based and emphasize entrepreneurship skills. In addition, each student's academic and career plan must include a detailed explanation of the newly created high school graduation designations.

The bill adds provisions related to career and education planning to the mission statement of Florida's K-20 education system. These provisions set a goal that students be better prepared for the transition from school to postsecondary education or work by providing information regarding:

- Career opportunities, educational requirements associated with each career, educational institutions that prepare students to enter each career, and student financial aid available to pursue postsecondary instruction required to enter that career.
- How to make informed decisions about the program of study that best addresses the student's interests and abilities while preparing them to enter postsecondary education or the workforce.
- Recommended coursework and programs that prepare students for success in their areas of interest and ability.

This information must be provided to students and parents through a variety of media.

Statewide Standards and Assessments

Present Situation

Legislation enacted in 2008 provided for the replacement of the Sunshine State Standards (SSS) with more rigorous Next Generation Sunshine State Standards (NGSSS).⁷² Among other things, the legislation directed the Commissioner of Education to establish an expedited schedule for this

⁷¹ Section 1003.4156(1)(a)5., F.S.

⁷² Section 8, ch. 2008.235, L.O.F.

transition, to be completed by December 1, 2011. The transition from the SSS to the NGSSS was completed in December 2010. The NGSSS establish the core curricular content for ELA, Science, Mathematics, Social Studies, Visual and Performing Arts, Physical Education, and Foreign Languages.⁷³

The statewide assessment program measures student mastery of the NGSSS.⁷⁴ The statewide assessment program for public schools includes the FCAT and statewide, standardized EOC assessments.⁷⁵ FCAT assesses reading (grades 3-10), mathematics (grades 3-8), science (grades 5 and 8), and writing (grades 4, 8, and 10).⁷⁶ Florida transitioned to FCAT 2.0 assessments aligned to the more rigorous NGSSS in reading and mathematics in the 2010-11 school year.⁷⁷ Administration of high school FCAT Mathematics was discontinued for students entering 9th grade in the 2010-11 school year and thereafter.⁷⁸

EOC assessments for high school students currently include Algebra I, Biology I, and Geometry. Implementation of these EOC assessments was phased in over three years. Each EOC assessment was field tested the first year and baseline tested the second year with the assessment counting 30 percent of the student's final course grade. Passage of the assessment is required to earn course credit in the third year and thereafter.⁷⁹ Students entering 9th grade in the 2011-12 school year were the first cohort of students required to pass the Algebra I EOC assessment to earn course credit and the Biology I and Geometry EOC assessments counted as 30 percent of the final course grade for these students.⁸⁰ Student achievement data for the 2011-12 administration of 10th grade FCAT Reading and the Algebra I, Biology I, and Geometry EOC assessments indicates that:

- Approximately 50 percent of 10th graders did not pass grade 10 FCAT Reading.
- Forty-two percent of students did not pass the Algebra I EOC.
- Based on recently adopted cut scores, retroactively applied to students who took the Biology I and Geometry EOC assessments in the 2011-12 school year:
 - Forty-one percent would have not have passed the Biology I EOC assessment were it “must-pass.”
 - Forty-five percent would not have passed the Geometry EOC assessment were it “must-pass.”⁸¹

Students entering 9th grade in the 2012-13 school year are the first cohort who are required to pass all three high school EOC assessments to earn credit required for graduation, in addition to passing 10th grade FCAT Reading.⁸²

Contingent upon funding, the Commissioner of Education is also required to establish an implementation schedule for the development and administration of additional statewide, standardized EOC assessments in English/Language Arts II, Algebra II, Chemistry, Physics, Earth/Space Science, United States History, and World History.⁸³ DOE has already developed an EOC assessment in U.S. History, which is 30 percent of the final course grade for students entering 9th grade in the 2012-13

⁷³ Section 1003.41(1)-(2), F.S.; *see, e.g.*, Florida Department of Education, *Next Generation Sunshine State Standards*, <http://www.fldoe.org/bii/curriculum/sss/> (last visited March 10, 2013).

⁷⁴ Section 1008.22(1)(a), F.S.

⁷⁵ Section 1008.22(3)(c)1. and 2., F.S.

⁷⁶ Section 1008.22(3)(c)1., F.S.

⁷⁷ Florida Department of Education, *2011 FCAT 2.0 Fact Sheet*, at 1 (Feb. 2011), available at <http://fc2.fldoe.org/fcat2/pdf/ffs2.pdf>.

⁷⁸ Section 1008.22(3)(c)2.a.

⁷⁹ Section 1008.22(3)(c)2.a., F.S.

⁸⁰ Section 1008.22(3)(c)2.a.

⁸¹ Florida House of Representatives, *K-12 Subcommittee Meeting Packet* (Feb. 7, 2013).

⁸² Section 1008.22(3)(c)2.a., F.S.

⁸³ Section 1008.22(3)(c)2.d., F.S.

school year and thereafter.⁸⁴ In addition, beginning in the 2014-15 school year, middle school students must pass a Civics EOC assessment to be promoted to high school.⁸⁵

Florida law establishes the Florida School Grading System to measure the performance of Florida’s public schools. Subject to certain exceptions, each public school is assigned an “A” through “F” letter grade.⁸⁶ The statewide assessments used to determine a school’s grade are FCAT Reading, Writing, Mathematics, and Science; the Algebra I EOC assessment (beginning in the 2011-12 school year); the Geometry and Biology I EOC assessments (beginning in the 2012-13 school year); and the middle school Civics EOC assessment (beginning in the 2014-15 school year). Use of these assessments for calculating school grades is aligned with the year in which passage of the EOC assessment is required to earn credit in the course.⁸⁷

Transition to Common Core State Standards and Assessments

Florida is one of 45 states and the District of Columbia that has adopted Common Core State Standards (CCSS) for kindergarten through grade 12 in mathematics and ELA. The CCSS is a state driven initiative led by the Council of Chief State School Officers (CSO) and the National Governors Association (NGA).⁸⁸

The State Board of Education adopted the CCSS in mathematics and ELA in 2010. The CCSS emphasize the skills necessary for college and career readiness, including digital literacy skills. The CCSS in ELA are based upon the National Assessment of Educational Progress’s reading frameworks and emphasize analysis, critical thinking, problem solving, persuasive writing, and other skills necessary for college and career readiness. The CCSS in ELA also include standards for reading and writing in the social sciences, science, and technical subjects. The CCSS in mathematics more narrowly focus content covered from grade to grade to help students acquire deeper understanding of the fundamentals. This builds a foundation which prepares students for more challenging mathematics content.⁸⁹

DOE’s CCSS implementation timeline is as follows:⁹⁰

Implementation of Common Core Standards and Assessments	
2010-11	<ul style="list-style-type: none"> • CCSS adopted by the state board. • Florida joined the Partnership for Assessment of Readiness for College and Career (PARCC) to develop CCSS assessments.
2011-12	<ul style="list-style-type: none"> • CCSS implemented in kindergarten classrooms.
2012-13	<ul style="list-style-type: none"> • CCSS implemented in kindergarten and 1st grade classrooms. • PARCC test items pilot tested; research and development ongoing.
2013-14	<ul style="list-style-type: none"> • CCSS implemented in kindergarten, 1st, and 2nd grades. • Full implementation of CCSS for literacy in content areas. • Blended implementation of NGSSS and CCSS in grades 3 through 12. • Field testing of PARCC test items; research and development ongoing.
2014-15	<ul style="list-style-type: none"> • Full implementation of CCSS. • First statewide administration of PARCC assessments in kindergarten through

⁸⁴ Rules 6A-1.09981(2)(a) and 6A-1.09422(2)(c) and (3)(e), F.A.C.

⁸⁵ Section 1008.22(3)(c)b., F.S.

⁸⁶ Section 1008.34(2), F.S. School letter grades are defined as follows: “A,” schools making excellent progress; “B,” schools making above average progress; “C,” schools making satisfactory progress; “D,” schools making less than satisfactory progress; and “F,” schools failing to make adequate progress. *Id.* An alternative school may choose to receive a school improvement rating instead of a school grade. Section 1008.34(3)(a)2., F.S.

⁸⁷ Section 1008.34(3)(b)1. and (c)1., F.S.

⁸⁸ Common Core State Standards Initiative, *Frequently Asked Questions*, <http://www.corestandards.org/resources/frequently-asked-questions> (last visited March 9, 2013).

⁸⁹ Common Core State Standards Initiative, *Resources*, <http://www.corestandards.org/resources> (last visited March 9, 2013)(see “Myths vs. Facts” and “Key Points” in ELA and mathematics).

⁹⁰ Florida Department of Education, *Common Core State Standards Assessments*, hearing before the House K-12 Subcommittee (Dec. 4, 2012).

Educator professional development and alignment of instructional materials to CCSS began in summer of 2011-12 and is ongoing.⁹¹

In 2010, Florida joined the Partnership for Assessment of Readiness for College and Career (PARCC), a consortium of 22 states that was awarded a \$186 million Race to the Top grant to develop CCSS assessments. The depth of knowledge (DOK) classifications commonly used to measure the complexity of tasks assessed on existing state assessments are:

- DOK 1: Recall a fact, term, concept, or procedure; basic comprehension.
- DOK 2: Application of concepts and procedures involving some mental processing.
- DOK 3: Applications requiring abstract thinking, reasoning, and more complex inferences.
- DOK 4: Extended analysis or investigation that requires synthesis and analysis across multiple contexts and non-routine applications.

PARCC assessments will assess deeper knowledge than existing statewide assessments with significantly more test items at DOK levels 3 and 4.⁹² According to one leading proponent of the CCSS, “given the current state of student readiness and school capacity, virtually no state is in a position to insist in the next year or even in the next few years that all students hit the college and career ready level of performance on these tests to earn a high school diploma.”⁹³

Statutory provisions regarding the NGSSS and the statewide assessment program do not currently reflect Florida’s adoption of the CCSS in mathematics and ELA or the pending transition from statewide assessments in reading, writing, and mathematics to common core assessments.

Effect of Bill

Next Generation Sunshine State Standards

The bill substantially rewrites the provisions regarding establishment of the SSS and NGSSS, maintaining all requirements but eliminating duplicative language and outdated standards adoption deadlines relating to the transition from the SSS to the NGSSS. The statutory definition of the NGSSS is revised to include the adoption of CCSS in mathematics and ELA. Reference to the SSS is deleted from the definition. In addition, the bill directs the Division of Law Revision and Information to change the term “Sunshine State Standards” to “Next Generation Sunshine State Standards” wherever it appears in the statutes.

Currently, the NGSSS in mathematics must establish discrete curricular content for, among other things, financial literacy.⁹⁴ Instead, the bill requires incorporation of financial literacy in economics standards and in the .5 credit high school economics course required for high school graduation. The bill defines financial literacy as the knowledge, understanding, skills, behaviors, attitudes, and values that will enable a student to make responsible and effective financial decisions on a daily basis. The course must include information regarding earning income; buying goods and services; saving and financial investing; taxes; the use of credit and credit cards; budgeting and debt management, including student loans and secured loans; banking and financial services; planning for one’s financial future,

⁹¹ Florida Department of Education, *Florida’s Common Core Standards and Assessments Implementation Timeline*, at 5 (2013), available at <http://www.fldoe.org/parcc/pdf/ImplementationTimeline.pdf>.

⁹² National Center for Research on Evaluations, Standards, and Testing, *On the Road to Assessing Deeper Learning: The Status of Smarter Balanced and PARCC Assessment Consortia*, at 5, 16-17 (Jan. 2013), available at <http://www.cse.ucla.edu/products/reports/R823.pdf>; Partnership for Assessment of Readiness for College and Careers, *Item and Task Prototypes*, <http://www.parcconline.org/samples/item-task-prototypes#4> (last visited March 3, 2013).

⁹³ Achieve, Inc., *Closing the Expectations Gap 2012: 50-State Progress Report on the Alignment of K-12 Policies with the Demands of College and Careers*, at 31 (Sept. 2012), available at <http://www.achieve.org/files/Achieve201250StateReport.pdf>.

⁹⁴ Section 1003.41(1)(a)3., F.S.

including higher education and career planning; credit reports and scores; and fraud and identity theft prevention.

Financial literacy instruction must be an integral part of instruction throughout the entire economics course, thereby increasing the likelihood that financial literacy concepts will not receive token treatment. In addition, the bill directs the Commissioner of Education to prepare a cost analysis regarding requiring financial literacy as a separate, .5 credit course, including estimated costs for instructional personnel, training, and the development or purchase of instructional materials. The commissioner must work with one or more nonprofit organizations with expertise in personal finance, consider free resources that may be used for instructional materials, and provide data regarding implementation of such courses in other states. The cost analysis must be provided to the President of the Senate and the Speaker of the House of Representatives no later than October 1, 2013.

Statewide Assessments

The bill revises provisions relating to FCAT and statewide, standardized EOC assessments to align with the new testing requirements for a standard high school diploma. Students will still be required to pass 10th grade FCAT Reading to earn a standard diploma. The award of high school course credit in Algebra I, Biology I, and Geometry will no longer be contingent upon passage of EOC assessments. Instead, students must pass the Algebra I EOC assessment to earn a standard diploma and the Algebra I, Biology I, and Geometry EOC assessments count 30 percent of the final course grade. Accordingly, if a student transfers out of state, the transcript will reflect the Algebra I credit if he or she earns a passing grade in Algebra I, even if the student did not pass the Algebra I EOC assessment.

In provisions authorizing the commissioner to develop additional EOC assessments, the bill removes specific reference to ELA, mathematics, science, and social studies subject areas and specifies that any additional EOC assessments adopted by the state board will constitute 30 percent of the student's final course grade. The bill also revises the weighting of the middle grades Civics EOC assessment from "must pass" to 30 percent of the final course grade. Middle grades students will still be required to pass the Civics course for promotion to high school.

Currently, the commissioner is authorized, but not required, to adopt concordant scores on the SAT and ACT and other assessments which students may use to meet graduation requirements in lieu of a passing score on 10th grade FCAT Reading. Similar discretionary authority is provided regarding adoption of "equivalent" scores for statewide, standardized EOC assessments.⁹⁵

The bill requires the commissioner to adopt a concordant score on the SAT and ACT for 10th grade FCAT Reading and a "comparative" score on at least one assessment for the Algebra I EOC assessment. The commissioner may identify comparative scores for other statewide, standardized EOC assessments. If content and scoring procedures change for 10th grade FCAT reading or the EOC assessments, new concordant or comparative scores must be adopted. If such scores are not timely adopted, then the score last adopted remains in effect until the new score is adopted. The commissioner must report proposed cut scores and the implementation plan to the President of the Senate and Speaker of the House of Representatives 90 days before submission to the state board if revision of a statewide assessment requires modification of performance level scores.

The substantial rewrite of s. 1008.22, F.S., relating to the Statewide Assessment Program, removes superfluous language and deadlines, consolidates related provisions that are currently scattered about the statutes, and organizes content under clearly labeled catch-lines. This includes the bill's consolidation of provisions relating to the assessment of students with disabilities, which are taken from existing statutes and state board rules. Additionally, the bill specifically requires the Florida Alternate Assessment to be administered no earlier than the week of March 1.

⁹⁵ Section 1008.22(10) and (11), F.S.

Currently, the requirement that a student pass 10th grade FCAT Reading and the Algebra I EOC assessment to receive a standard diploma must be waived for a student with a disability for whom the individual education plan (IEP) committee determines that the FCAT or EOC assessment cannot accurately measure the student's abilities taking into consideration all allowable accommodations.⁹⁶ Under the bill, the fact that a student with a disability had assessment results waived in order to earn a standard diploma must be indicated on the student's transcript.

The bill also repeals duplicative requirements related to school district testing programs, which were supplanted by the 2011 enactment of the Student Success Act.

Remediation

Currently, middle and high school students scoring Level 1 on FCAT Reading must receive remediation through an intensive remediation course.⁹⁷ The bill allows remediation of these students through either an intensive remediation course or a content area course. This change provides more flexibility regarding the remediation of these students. In addition, the bill requires remediation for students scoring Level 1 or Level 2 on the Algebra I EOC assessment.

Currently, students who are retained in 3rd grade on the basis of scoring Level 1 on 3rd grade FCAT Reading must be provided, among other things, a minimum of 90 minutes of research-based reading instruction daily.⁹⁸ The bill adds provisions requiring research-based reading instruction to include phonemic awareness, phonics, fluency, vocabulary, and comprehension and authorization to integrate science and social studies content within the 90-minute block.

In addition, the bill eliminates:

- Requirements regarding school district review of progress monitoring plans for students who score Level 1 on FCAT Reading, as such review occurs at the school level;
- Statutory references to reading programs that no longer exist and are obsolete due to elimination of federal Reading First funding, e.g., supplemental tutoring, Read at Home, READ initiative, and Families Building Better Readers Workshops;⁹⁹ and
- Redundant reporting requirements, e.g., school district reporting to DOE related to weekly progress monitoring and intensive acceleration classes for 3rd graders, as DOE is not required to do anything with this information.

The law currently requires school districts to publish in a local newspaper, among other things, the number and percentage of students in 3rd through 10th grade performing at Level 1 or 2 on FCAT Reading, students who are retained, and students who are promoted based upon a good cause exemption.¹⁰⁰ The bill requires this information to be published both in a newspaper and on the school district's website.

Transition to Common Core Assessments

The bill requires the state board to adopt rules establishing an implementation schedule to transition from statewide assessments in reading, writing, and mathematics to common core assessments in mathematics and ELA. The schedule must take into consideration funding, sufficient field and baseline data, access to assessments, instructional alignment, and school district readiness to administer the common core assessments online. In addition, DOE must publish minimum and recommended

⁹⁶ Section 1003.428(8)(b), F.S.

⁹⁷ Sections 1003.4156(1)(b) and 1003.428(2)(b)1., F.S.

⁹⁸ Section 1008.25(7)(b)2., F.S.

⁹⁹ See Telephone interview with Deputy Director, Just Read, Florida! (Feb. 1, 2013).

¹⁰⁰ Section 1008.25(8)(b), F.S.

technology requirements regarding hardware, software, networking, security, and broadband capacity for online administration of common core assessments by school districts.

Until the 10th grade common core ELA assessment and the common core Algebra I assessment become must pass assessments, students must pass 10th grade FCAT Reading and the Algebra I EOC assessment, or achieve a concordant or comparative score in order to meet graduation requirements. Students taking 10th grade FCAT Reading or the Algebra I EOC assessment are not required to take the respective common core assessments. In addition, students must be provided retake opportunities for common core assessments in Algebra I and 10th grade ELA.

The bill also provides for the inclusion of common core assessments in mathematics and ELA in the calculation of school and school district grades, when these assessments are implemented. Thus, school districts will be accountable for student performance on these assessments when the transition is made.

EOC Assessment Performance Funding

Present Situation

Legislation enacted in 2012 established performance-based funding for courses requiring must pass, statewide, standardized EOC assessments, i.e., Algebra I, Geometry, and Biology I.¹⁰¹ Beginning in the fourth year of administering the EOC assessment, a school district's receipt of FTE funding for the course is contingent upon the student passing the EOC assessment. Therefore, if a student fails the EOC assessment, the school will not receive FTE funding for that course. This requirement becomes effective in the 2013-14 school year, the fourth year of administration for the Algebra I EOC assessment and in the 2014-15 school year for the Biology I and Geometry EOC assessments.¹⁰² Additionally, funding of school district virtual program and Florida Virtual School students enrolled in courses requiring passage of an EOC assessment is contingent upon whether or not the student passes the EOC assessment.¹⁰³

Effect of Bill

Due to the bill's changes to graduation requirements, the Algebra I EOC assessment is the only EOC assessment that all students must pass to earn a standard diploma. Thus, performance-based funding will only apply to the Algebra I course. Accordingly, for Algebra I, the bill delays implementation of performance-based funding until FY 2016-17 and adds provisions stating that such funding is inapplicable to students who are enrolled in a segmented remedial course delivered online.

Florida Preeminent Universities

Present Situation

In 2012, the Legislature passed the State Universities of Academic and Research and National Preeminence Act,¹⁰⁴ a collaborative partnership between the Board of Governors (BOG) and the Legislature to raise the academic and research excellence and national preeminence of the highest performing state research universities in Florida. The partnership was based on the March 24, 2010,

¹⁰¹ Section 27, ch. 2012-191, L.O.F., *codified at* s. 1011.61(1)(c)1.b.VII., F.S.

¹⁰² *See* s. 1008.22(3)(c), F.S.

¹⁰³ Sections 1002.37(3)(a)3., 1002, 45(7)(e), 1008.22(3)(g), and 1011.61(1)(c)1.b.(V), F.S. Funding must not be adjusted for home education program students who choose to not take an end-of-course assessment. Section 1002.37(3)(a)3., F.S.

¹⁰⁴ HB 7129 (2012) (vetoed by the Governor on April 27, 2012).

State University System (SUS) Governance Agreement that affirmed the commitment of the BOG and the Legislature to continue collaboration on accountability measures, the use of data, and recommendations derived from such data. On April 27, 2012, the Governor vetoed the bill,¹⁰⁵ which had passed the House of Representatives by an 85 to 28 vote and the Senate by a 36 to 3 vote.

Under the bill, a state research university that met specific eligibility requirements was authorized to raise tuition and fees at differentiated and market rates once each academic year. The authority to raise student tuition and fees was contingent upon the BOG verifying that the SUS institution substantially met at least 11 of 14 academic and research excellence standards.

Several nationally recognized entities collect data relating to various aspects of postsecondary education across the United States, including:

Integrated Postsecondary Education Data System (IPEDS)

IPEDS is a “system of interrelated surveys conducted annually by the U.S. Department of Education’s National Center for Education Statistics (NCES). IPEDS gathers information from every college, university, and technical and vocational institution that participates in the federal student financial aid programs.¹⁰⁶ The Higher Education Act of 1965,¹⁰⁷ as amended, requires institutions that participate in federal student aid programs [to] report data on enrollments, program completions, graduation rates, faculty and staff, finances, institutional prices, and student financial aid. Data from IPEDS are commonly used as the foundation of state and national reports.

The Center for Measuring University Performance

The Center for Measuring University Performance (Center) is a research enterprise focused on comparative performance of major research universities.¹⁰⁸ The Center publishes an annual report, *The Top American Research Universities* (TARU), which provides analysis and data to assess the performance of research universities based on nine research-specific measures.¹⁰⁹ The TARU report includes institutions with a certain level of federal research expenditures.¹¹⁰ These data are the same or similar to data used by nationally recognized ranking systems.

The National Science Foundation (NSF)

NSF is an independent federal agency created by Congress in 1950 "to promote the progress of science; to advance the national health, prosperity, and welfare; to secure the national defense;

¹⁰⁵ Letter from Gov. Rick Scott to Secretary of State Ken Detzner (April 27, 2012).

¹⁰⁶ Integrated Postsecondary Education Data System, About IPEDS, <http://nces.ed.gov/ipeds/about/> (last visited Feb. 21, 2013).

¹⁰⁷ The Higher Education Opportunity Act (HEOA) was enacted on August 14, 2008, and reauthorizes the Higher Education Act (HEA) of 1965, as amended. U.S. Department of Education, *Higher Education Opportunity Act-2008*, <http://www2.ed.gov/policy/highered/leg/hea08/index.html#ipeds> (last visited Feb. 21, 2013).

¹⁰⁸ The Center for Measuring University Performance, *The Center for Measuring University Performance*, <http://mup.asu.edu/index.html> (last visited Feb. 21, 2013).

¹⁰⁹ The Top American Research Universities, *2010 Annual Report*, <http://mup.asu.edu/research.html> (last visited Feb. 21, 2013).

¹¹⁰ The 2011 report used \$40 million as the cutoff for federal research expenditures in fiscal year 2009. The same dollar cutoff was used for fiscal year 2008 federal research expenditures. The Top American Research Universities, *2011 Annual Report*, <http://mup.asu.edu/research.html> (last visited Feb. 21, 2013).

and for other purposes.”¹¹¹ NSF ranks institutions based on research and development expenditures in science and engineering fields.¹¹²

Effect of Bill

The bill grants the BOG authority to designate a SUS institution as a preeminent state research university if it meets specified academic and research excellence standards. The standards established by the bill are:

1. An average weighted grade point average of 4.0 or higher on a 4.0 scale and an average SAT score of 1800 or higher for fall semester incoming freshman, as reported annually.
2. A top 50 ranking on at least two well-known and highly respected national public university rankings, reflecting national preeminence, using most recent rankings.
3. A freshman retention rate of 90 percent or higher for full-time first-time-in-college students, as reported annually to the IPEDS.
4. A 6-year graduation rate of 70 percent or higher for full-time first-time-in-college students, as reported annually to the IPEDS.
5. Six or more faculty members at the state university who are members of a national academy, as reported annually in the TARU annual report.
6. Total annual research expenditures, including federal research expenditures, of \$200 million or more, as reported annually by the NSF.
7. Total annual research expenditures in diversified nonmedical sciences of \$150 million or more, as reported annually by the NSF.
8. A top 100 university national ranking for research expenditures in five or more science, technology, engineering, or mathematics fields of study, as reported annually by the NSF.
9. One hundred or more total patents awarded by the United States Patent and Trademark Office for the most recent 3-year period.
10. Four hundred or more doctoral degrees awarded annually, as reported in the BOG Annual Accountability Report.
11. Two hundred or more post-doctoral appointees annually, as reported in the TARU annual report.
12. An endowment of \$500 million or more, as reported annually by the BOG Annual Accountability Report.

Of the 14 academic and research excellence standards proposed in HB 7129 in 2012, the bill includes 12 identical measures, four of which have increased benchmarks. The BOG must verify that a university has met benchmarks associated with 11 of the 12 measures before it can designate the university as a preeminent state research university.

The state research university that attains the highest level on the academic and research excellence standards, as verified by the BOG, must establish an institute for online learning, subject to funds appropriated by the Legislature. The state research university that attains the second highest level must recruit National Academy Members, expedite provision of a master’s degree in cloud virtualization, and institute an entrepreneurs-in-residence program throughout its campus, subject to funds appropriated by the Legislature.

The bill also establishes the Preeminent State University Special Course Requirements Authority, under which any preeminent state research university may require its incoming first-time-in-college students to take a 9-to-12 credit set of courses specifically determined by the university. The university may stipulate that credit for such courses may not be earned through any acceleration mechanism

¹¹¹ 42 U.S.C.A. s. 1861; *see also* National Science Foundation, *About the National Science Foundation*, <http://www.nsf.gov/about/> (last visited Feb. 21, 2013).

¹¹² National Science Foundation, *Academic Research and Development Expenditures: Fiscal Year 2009*, available at http://www.nsf.gov/statistics/nsf11313/content.cfm?pub_id=4065&id=2 (last visited Feb. 21, 2013).

pursuant to ss. 1007.27 or 1007.271, F.S., or other transfer credit. Any accelerated credits earned up to the limits specified in ss. 1007.27 and 1007.271, F.S., must be applied toward graduation at the student's request.

The BOG is encouraged to identify and grant all reasonable and feasible authority and flexibility to keep designated preeminent universities free from unnecessary restrictions. The bill also encourages the BOG to identify individual programs within state universities that objectively reflect national excellence. The BOG is encouraged to make recommendations to the Legislature as to how any such programs could be enhanced and promoted.

State University System Online Education

Present Situation

Currently, 10 of Florida's 12 state universities offer online courses and online degree programs.¹¹³ Each institution has its own, independent online strategy, with its own marketing, course design, instruction, support services, and IT capabilities. Systemwide, state universities offer a total of 389 online programs for undergraduate and graduate certificates, bachelor's degrees, master's degrees, and doctorate degrees.¹¹⁴ Of the 389 online programs currently offered by state universities, only 46 are baccalaureate programs.¹¹⁵ The majority of these programs consist of only upper-division courses.

In 2012, the Parthenon Group conducted a survey of online postsecondary education in Florida and identified four primary objectives for postsecondary online learning:

- Expanding access;
- Reducing system and student costs;
- Strengthening the link between the labor market and postsecondary education; and
- Enhancing the student experience.¹¹⁶

Effect of Bill

The bill provides that the state university that has attained the highest level on the academic and research standards for preeminence ("university" for purposes of this segment of the bill analysis) must establish an institute for online learning, subject to funds appropriated by the Legislature. It also creates an advisory board, which must advise the university in the development and implementation of a business plan; authorize the release of funds to the university; and monitor, evaluate, and report on the status of the implementation of the plan. The advisory board for the online institute is comprised of the following:

- The chair of the Board of Governors or the chair's permanent designee;

¹¹³ The Parthenon Group, *Summary: Post-Secondary Online Expansion in Florida*, at 5 (Nov. 7, 2012). SUS institutions that do not offer online courses or degree programs include Florida Polytechnic University and New College of Florida. The figures presented within the Parthenon Group's Summary are based on a 2010-2011 headcount.

¹¹⁴ The Parthenon Group, *Summary: Post-Secondary Online Expansion in Florida*, at 68 (Nov. 7, 2012).

¹¹⁵ *Id.*

¹¹⁶ The Parthenon Group, *Summary: Post-Secondary Online Expansion in Florida*, at 6 (Nov. 7, 2012).

- A member with expertise in online learning, appointed by the Board of Governors;
- A member with expertise in global marketing, appointed by the Governor;
- A member with expertise in cloud virtualization, appointed by the President of the Senate; and
- A member with expertise in disruptive innovation, appointed by the Speaker of the House of Representatives.

The president of the preeminent university must be consulted on the institute's advisory board member appointments.

The bill requires the university to submit a comprehensive plan to the advisory board detailing the expansion strategy for online education. This plan will include the university's approach to develop:

- General education and new course offerings online;
- Applicable support services for online students;
- A tuition and fee structure for courses, programs, and student support;
- A timeline for offering, marketing, and enrolling students;
- A budget for development and marketing; and
- Strategies for ensuring success of students and sustainability of programs.

The university must offer high-quality, fully online bachelor's degree programs starting in January 2014. The programs must:

- Accept full-time, first-in-time-in-college students;
- Have the same rigorous admissions criteria as an equivalent on-campus degree program;
- Offer a curriculum of equivalent rigor to on-campus degree programs;
- Offer rolling enrollment or multiple windows of enrollment throughout the year;
- Not require any on-campus courses;¹¹⁷ and
- Apply the university's existing policy for accepting credits for both freshman applicants and transfer applicants.

The bill authorizes the institute to offer master's degree programs, including a fully online Masters in Business Administration, and must periodically expand its offerings for online bachelor degree programs. The university may also offer degree programs and courses that are competency based.

With respect to tuition, the university must establish a structure for its online institute in accordance with the following provisions:

- For Florida residents, tuition for any online baccalaureate degree program may not exceed 75 percent of the combined tuition and tuition differential for the equivalent on-campus baccalaureate degree program. The university is also authorized to assess the technology, financial aid, and Capital Improvement Trust Fund (CITF) fees. Revenues generated by the CITF fee must be dedicated to the institute.
- For non-Florida residents, tuition may be set at market rates.
- Tuition for the online program must include all costs associated with instruction, materials, and enrollment, except costs relating to laboratory supplies and textbooks.
- Tuition may be differentiated by degree program as appropriate to the instructional and other costs of the program. In doing so pricing must incorporate innovative approaches that

¹¹⁷ For courses or programs that require clinical training or laboratories that cannot be delivered online, the university shall offer convenient locational options to the student, which may include but not be limited to the option to complete such requirements at a summer-in-residence on the university campus; additionally, for purposes of proctored assessments or testing, the university may provide a network of sites at convenient locations and may contract with commercial testing centers or identify other secure testing services.

incentivize persistence and completion, including but not limited to fees for assessment, bundled or all-inclusive rates, and sliding scale features.

- The online institute of the university must accept advance payment contracts and student financial aid.
- Fifty percent of the net revenues generated from the online institute are used to enhance and enrich the online program offerings, and the other 50 percent of the net revenues are used to enhance and enrich the university's state-of-the-art research programs and facilities.
- The institute is authorized to charge user fees with the approval of the BOG¹¹⁸.
- The university may submit a proposal to charge fees in association with additional voluntary student services.

Powers and Duties of the Board of Governors

Present Situation

Current law provides that the strategic plan developed by the BOG must:¹¹⁹

- Include performance metrics and standards common for all institutions and metrics and standards unique to institutions depending on institutional core missions.
- Consider reports and recommendations of the Higher Education Coordinating Council pursuant to s. 1004.015, F.S., and the Articulation Coordinating Committee pursuant to s. 1007.01, F.S.
- Include student enrollment and performance data delineated by method of instruction, including, but not limited to, traditional, online, and distance learning instruction.

Effect of Bill

The bill expands upon the performance metrics and components of the BOG's strategic plan as set forth under HB 7135.¹²⁰ The performance metrics under the strategic plan must now include criteria relating to the percentage of graduates who have attained employment or enrolled in continued education, the average wages of employed graduates, and the average cost per graduate.

Additionally, the strategic plan must include criteria for designating certain baccalaureate degree programs and master's degree programs at specified universities as high-demand programs of emphasis. To this end, the bill provides that 50 percent of the criteria for designation must be based on the achievement of performance outcome thresholds determined by the BOG. The other 50 percent of the criteria must be based on achievement of performance outcome thresholds specifically linked to:

- Job placement in employment of 36 hours or more per week and average full-time wages of graduates of the degree programs one year and five years after graduation, based in part on data provided in the economic security report of employment and earning outcomes produced annually pursuant to s. 445.07, F.S., and
- Data-driven gap analyses, conducted by the BOG, of the state's job market demands and the outlook for jobs that require a baccalaureate degree or a higher degree.

Talent Retention Program

Effect of Bill

¹¹⁸ Section 1009.24(14), F.S.

¹¹⁹ Section 1001.706(5)(b), F.S. These requirements were added to the section in 2012 by s.5, ch. 2012-195, L.O.F.

¹²⁰ Section 5, ch. 2012-195, L.O.F.

The bill requires the chancellor of the State University System to cooperate with the Commissioner of Education for the purpose of supporting talent retention programs that encourage middle and high school students who indicate an interest in or aptitude for physics or mathematics to continue their education at a state university that has excellent departments in selected fields. The chancellor and commissioner must work with department chairs of outstanding state university departments to enable them to send letters to students indicating an interest in and aptitude for those subjects. The letters should include, at a minimum, an open invitation for the student to communicate with the department at least annually and to schedule a tour of the department and university campus.

Career-preparatory Instruction

Present Situation

A student who is enrolled in a postsecondary program offered for career education credit of 450 hours or more must complete an entry-level basic skills examination within the first six weeks after admission to the program.¹²¹ The State Board of Education must designate examinations that assess student mastery of basic skills. Any student found to lack the required level of basic skills must be referred to career-preparatory instruction or adult basic education for a structured program of basic skills instruction.¹²² A student may not receive a career certificate of completion without first demonstrating the basic skills required in the state curriculum frameworks for the student's program.

Certain students may be exempt from the entry-level examination requirements, including:¹²³

- An adult student with a disability;
- A student who possesses a college degree at the associate in applied science level or higher;
- A student who has completed or who is exempt from the college-level communication and computations skills examination pursuant to s. 1008.29, F.S., or who is exempt from the college entry level examination;
- A student who has passed a state, national or industry licensure exam; and
- An adult student who is enrolled in an apprenticeship program that is registered with the DOE.

Effect of Bill

The bill renames "career-preparatory instruction" as "applied academics for adult education instruction" and makes other technical changes consistent with the provisions of the bill. It also makes clarifying changes relating to state board rulemaking.

The bill clarifies the list of students who are exempt from the entry-level examination requirements. It specifies that students who demonstrate readiness for public postsecondary education pursuant to s. 1008.30, F.S., are also exempt, and replaces obsolete references to the College-Level Academic Skills Test (CLAST), which was repealed in 2009. A student who passes a state or national industry certification or licensure exam is exempt only if the exam is identified state board rule and aligned to the career education program in which the student is enrolled.

Adult General Education

¹²¹ Section 1004.91(2), F.S.

¹²² Section 1004.91(1), F.S.

¹²³ Section 1004.91(3), F.S.

Present Situation

Currently, K-12 students who are co-enrolled in an adult education and K-12 education program are reported for funding in the adult education program, under certain circumstances. This reporting authority, granted to the provider of the adult education program, will expire after FY 2012-13. The students may be reported for funding for up to two core curricular courses for credit recovery or dropout prevention. The courses provide high school credits toward a standard high school diploma, and only students without a pattern of excessive absenteeism or habitual truancy or a history of disruptive behavior in school may be reported.¹²⁴

Effect of Bill

The bill provides authority for a FCS institution or school district to report a co-enrolled, K-12 student as enrolled in an adult education program for funding purposes. This makes permanent the reporting authority which was to expire in FY 2012-13. A student may be reported for co-enrollment funding for up to two courses per year. DOE must designate core curricular courses for the purposes of co-enrollment.

Action-Steps-to-Employment

Present Situation

Florida's adult education system includes a range of instructional programs that help adults attain the basic skills needed to be productive workers, family members, and citizens.¹²⁵ These programs emphasize basic skills such as reading, writing, math, and English language competency. While one purpose of adult general education is to enable adults to earn a high school diploma or its equivalent,¹²⁶ it also serves to provide educational opportunities to adult learners who hold a high school diploma but lack the basic skills necessary to enter the job market or enter career certificate instruction.¹²⁷ Adult education programs may be offered by district school boards and FCS institutions.¹²⁸

Effect of Bill

The bill establishes "Action-Steps-to-Employment" activities for students entering an adult general education program after July 1, 2013. The following activities must be completed prior to completion of the first term:

- Identify employment opportunities using market-driven tools;
- Create a personalized employment goal;
- Conduct personalized skill and knowledge inventory;
- Compare the results of the personalized skill and knowledge inventory with the knowledge and skills needed to attain the personalized employment goal; and
- Upgrade skills and knowledge needed through the adult general education program and additional educational pursuits based on the personalized employment goal.

The bill provides that the "Action-Steps-to-Employment" may be developed through a blended approach with assistance provided to adult general education students by teachers, employment specialists,

¹²⁴ Section 1011.80, F.S.

¹²⁵ Florida Department of Education, *Adult Education Homepage*, <http://www.fldoe.org/workforce/AdultEd/> (last visited Apr. 23, 2013).

¹²⁶ Section 1004.93(1)(a)2., F.S.

¹²⁷ Section 1004.93(1)(b), F.S.

¹²⁸ *See* Section 1004.93, F.S.

guidance counselors, business and industry representatives, and online resources. Students should also be directed to online resources or provided information on financial literacy, student financial aid, industry certification, and occupational skills and knowledge tools, and a listing of job openings.

Complete Florida Degree Program

Present Situation

In 2012, the Legislature created the Degree Completion Pilot Project (Pilot).¹²⁹ The purpose of the Pilot is to recruit, recover, and retain the state's adult learners¹³⁰ and assist them in completing an associate or baccalaureate degree that is aligned to high-wage, high-skill workforce needs.

Currently, 26.6 percent of adults (between the ages of 25-64) in Florida have a baccalaureate degree or higher, compared to 29.8 percent nationally.¹³¹ Approximately 2 million Florida adults (23 percent of the workforce) have earned some college credit; however, many have been unable to continue (or "stopped out") their pursuit of a college degree for various reasons: financial, family, and health are reasons often cited.¹³²

Military students and veterans living in Florida represent a significant portion of these students who have "stopped out" of college, with over 56,000 veterans receiving benefits last year for going back to college in Florida and 14,000 active duty students taking courses from Florida public postsecondary education institutions. The Pilot gives priority to adult learners who are veterans or active duty members of the United States Armed Forces.

The Pilot is led by the University of West Florida, in collaboration with other FCS and SUS institutions statewide. However, the \$2.5 million appropriated in the FY 2012-213 GAA was vetoed by the Governor.¹³³

The chancellors of the FCS and SUS are required to submit a report to the chairs of the legislative appropriations committees by December 31, 2013, on the need for a differentiated tuition and fee structure for the development and delivery of distance learning courses.¹³⁴

On June 30, 2012, the University of West Florida published an Operational Work Plan that details specific degree completion efforts by various postsecondary education institutions¹³⁵ and provides an overview of the overall project plan, identifying key tangible outputs of the Pilot.¹³⁶

¹²⁹ HB 5201, s. 15, ch. 2012-134; s. 1006.735, F.S.

¹³⁰ Section 1006.735(1), F.S., defines "adult learner" as a student who has successfully completed college-level coursework but has left an institution in good standing prior to the completion of his or her associate or baccalaureate degree.

¹³¹ U.S. Census Bureau, 2009 American Community Survey Public Use Microdata Sample File.

¹³² *Degree Completion Florida Pilot*, Program Guidelines, University of West Florida.

¹³³ Section 2, ch. 2012-118, line 139A, L.O.F.

¹³⁴ Section 1006.735(6), F.S.

¹³⁵ Institutions include Florida State College at Jacksonville, St. Petersburg College, University of South Florida, University of West Florida, and the Florida Virtual Campus. The Florida Virtual Campus is a non-degree-conferring entity.

¹³⁶ Dr. Pam Northrup, *Operational Work Plan for Degree Completion Pilot Program*, (June 30, 2012). Key tangible outputs of the Pilot include partnership plans among institutions, programs to provide for competency-based instructional and evaluation tools, advising and student support system development, web presence on Florida Virtual Campus with self-serve features, a statewide marketing and advertising plan, an evaluation model, an annual report, and a differentiated costing model supporting a reduced cost of education.

Effect of Bill

The bill renames the Pilot as the “Complete Florida Degree Program” and clarifies that the University of West Florida, while acting as the lead institution, will collaborate with FCS institutions, state universities, and private postsecondary institutions to implement the program. Further, as part of its advising and student support system, the program must identify proposed changes to the statewide computer-assisted student advising system made available through the Florida Virtual Campus¹³⁷ to assist the adult learner in using the system.

The bill extends the deadline by which the chancellors of the FCS and SUS must submit a report on the need for a differentiated tuition and fee structure for the development and delivery of distance learning courses to December 31, 2014. It also extends to September 1, 2013, the deadline by which the University of West Florida, in collaboration with its partners, must submit to the chairs of the legislative appropriations committees its detailed project plan.

Florida College System \$10,000 Baccalaureate Degree Challenge

Present Situation

On November 26, 2012, Florida Governor Rick Scott issued a challenge to the FCS institutions to develop baccalaureate degree programs that would cost students no more than \$10,000.¹³⁸ By January 28, 2013, all 23 FCS institutions currently offering baccalaureate degree programs had announced their support for the challenge.¹³⁹

Section 1009.26(1), F.S., provides authority for FCS institutions to waive fees for fee-nonexempt students in workforce education programs; however, the waivers may not exceed eight percent of fee revenue collections.¹⁴⁰ FCS institutions are also authorized to grant waivers for spouses of certain deceased state employees,¹⁴¹ recipients of a Purple Heart or another combat decoration, classroom teachers that meet certain criteria, and state employees. Colleges do not have authority to waive a portion of tuition and fees for other programs or persons. A waiver would allow colleges to reduce the cost of chosen baccalaureate degree programs to meet the \$10,000 challenge.

The average in-state tuition and fee cost to complete a baccalaureate degree at a FCS institution is \$13,264. This cost reflects 60 credit hours at the average rates of \$103.03 for lower-division courses, and 60 credit hours for the upper-division courses at \$118.03 per credit hour.

Effect of Bill

The bill provides FCS institutions with authority to waive any portion of tuition and fees, including the activity and service fee, the financial aid fee, the technology fee, and the capital improvement fee, for the purpose of offering baccalaureate degree programs for state residents at a cost not exceeding \$10,000. The tuition and fee waivers for students apply only to upper-division courses and may not exceed 100 percent of the credit hours required for the baccalaureate degree program.

Disclosure of Financial Information by Bright Futures Applicants

Present Situation

¹³⁷ Section 1006.735, F.S.; The Florida Virtual Campus is accessed online at www.flvc.org.

¹³⁸ Newsletter, The Florida College System, *2012 Year in Review*, (Dec. 2012), available at <http://www.fldoe.org/fcs/newsletters/December2012.htm> (last visited Feb. 26, 2013).

¹³⁹ Press release, Governor’s Press Office, *Gov. Scott Announces All 23 Florida State Colleges with Baccalaureate Degrees Have Accepted \$10k Degree Challenge*, January 28, 2013, available at http://www.fldoe.org/news/2013/2013_01_28.asp (last visited Feb. 26, 2013).

¹⁴⁰ Specific Appropriation 108, ch. 2012-118, L.O.F. (2012-13 GAA).

¹⁴¹ As defined in s. 440.16, F.S.

To be eligible to receive funds under the Florida Bright Futures Scholarship Program,¹⁴² students must submit a complete an error-free Free Application for Federal Student Aid (FAFSA).¹⁴³ This requirement was adopted by the Legislature in 2011 to gather more comprehensive data on students who are provided state tuition assistance funds.¹⁴⁴

Effect of Bill

The bill repeals the FAFSA requirement for receipt of Florida Bright Futures Scholarship. This ends the state's collection of financial data relating to recipients of state tuition assistance funds.

Workforce Education Performance Funds

Present Situation

Workforce education includes adult general education programs, career certificate programs, applied technology diploma programs, continuing workforce education courses, degree career education programs, and apprenticeship and pre-apprenticeship programs.¹⁴⁵ Workforce education programs may be conducted by a FCS institution or a school district.¹⁴⁶

Current performance funding for workforce education programs is based on cost categories, performance output measures, and performance outcome measures.¹⁴⁷ Performance funding was established by the Legislature to reward program outcomes and encourage program completion. Funds are appropriated each year in the GAA and are based on prior-year outcomes for program completions and learning gains, special student populations served, and job placements upon student completions of adult general education programs and career-technical education program. Thirty-six districts currently receive funding for career and technical education programs and 57 districts receive funds for adult general education programs.¹⁴⁸ District performance funds are provided based on performance in six areas, which include: GED, Adult High School, Adult Basic Education, English Literacy, Career Certificates, and Apprenticeship programs.¹⁴⁹ In FY 2012-13, \$4,986,825 was appropriated in the GAA for performance incentive funding.¹⁵⁰ State funds appropriated in FY 2012-13 for school district career and adult education programs totaled \$374.5 million, including the performance incentive funding.¹⁵¹

Effect of Bill

The bill provides for school district workforce education program performance funding based on industry certifications in occupational areas identified by the Chancellor of Career and Adult Education and adopted by the state board. School districts will receive \$1,000 for each industry certification earned by a student. The bill caps total appropriations at \$15 million annually, and provides for proration if funds are insufficient to fully fund the calculated awards.

¹⁴² Section 1009.531(7), F.S.

¹⁴³ Section 1009.891(4)(c), F.S.

¹⁴⁴ Staff of the Florida House of Representatives, *Legislative Bill Analysis for HB 5201* (2011).

¹⁴⁵ Section 1011.80(1), F.S.

¹⁴⁶ Section 1011.80(2), F.S. College credit in an associate in applied science or an associate in science degree may awarded only by a FCS institution.

¹⁴⁷ Section 1011.80(4), F.S.

¹⁴⁸ Florida Department of Education, *2013-14 Legislative Budget Request*, at 212 (Oct. 9, 2012), available at www.fldoe.org/board/meetings/2012_10_09/lbr.pdf (last visited Feb. 28, 2013).

¹⁴⁹ Section 1011.80(4)(b), F.S.

¹⁵⁰ Chapter 2012-118, L.O.F., Specific Appropriation 104.

¹⁵¹ Chapter 2012-118, L.O.F., Specific Appropriations 9, 104, and 106.

Performance Funding for Florida Colleges

Present Situation

In the past, performance funding has been appropriated to the FCS; however, no funds have been provided for this purpose since FY 2007-08.¹⁵² Colleges currently track performance data which includes occupational completion points, program completions, certifications earned, and job placement.

Effect of Bill

The bill makes provisions for performance funding to FCS institutions based on industry certification offerings. Funding is contingent upon specific appropriation in the GAA and is based on occupational areas for which there is an industry certification as identified by the Chancellor of the FCS. Subject to funds allocated in the GAA, each FCS institution will receive \$1,000 for each industry certification earned by a student. The bill caps the total appropriations at \$15 million annually and provides for proration of funds if the amount appropriated is insufficient to fully fund the calculated awards.

The bill requires the state board to recommend to the Legislature, by October 31, 2013, a methodology for allocating performance funding for FCS institutions based on the percentage of graduates employed or enrolled in further education, the average wages of employed graduates, and the average cost per graduate.

Performance Funding for State Universities

Present Situation

Current law requires the BOG to implement an accountability process for the systematic, ongoing evaluation of quality and effectiveness of state universities. This accountability process must monitor performance at the system level in each of the major areas of instruction, research, and public service, while recognizing the differing mission of each of the state universities. The accountability process provides for the adoption of system-wide performance standards and performance goals for each standard identified through a collaborative effort involving state universities, the BOG, the Legislature, and the Governor's office. These standards and goals must be consistent with and maintain congruity with the performance-based budgeting process. This process requires that university accountability reports reflect measures defined through performance based budgeting. The performance based budgeting measures must also reflect the elements of teaching, research, and service inherent in the mission of the state universities.¹⁵³

The BOG must submit an annual report to the Governor, the President of the Senate, and the Speaker of the House of Representatives, providing information on the SUS's performance on quality and effectiveness indicators in the areas of instruction, research, and public service.¹⁵⁴ Each board of trustees must submit to the BOG a university annual report that describes progress regarding articulated goals and summarizes other key data, with accompanying narrative to highlight or explain information. Each university's annual report must include, at a minimum, the following:

- An executive summary that captures key performance data required by the BOG;
- The university's mission and vision;
- Summary information on budgets, enrollments, and other core resources;

¹⁵² Specific Appropriation 128, ch. 2007-72, L.O.F. (2007-08 GAA).

¹⁵³ Section 1008.46, F.S.

¹⁵⁴ Section 1008.46(1), F.S.

- Reports on undergraduate education, graduate education, and research and economic development, as appropriate to the university's mission, including narrative to provide context and perspective on key goals, data trends, and university performance on metrics specified by the BOG; and
- Any other specific performance information requested by the BOG in advance of the submission deadline.¹⁵⁵

In 2012, the Legislature passed HB 7135,¹⁵⁶ which requires the BOG to include as part of its strategic plan each university's contribution to overall system goals and objectives. The strategic plan must include performance metrics and standards common for all institutions, and metrics and standards unique to institutions depending on institutional core missions, including, but not limited to:

- Student admission requirements;
- Graduation;
- Retention;
- Employment;
- Continuing education;
- Licensure passage;
- Excess hours;
- Student loan burden and default rates;
- Faculty awards;
- Total research funding;
- Patents;
- Licenses and royalties;
- Intellectual property;
- Start-up companies;
- Annual giving;
- Endowments; and
- Well-known, highly-respected national rankings for institutional and program achievements.¹⁵⁷

The BOG strategic plan must consider reports and recommendations of the Higher Education Coordinating Committee and the Articulation Coordinating Committee and include student enrollment and performance data, delineated by traditional, online, or distance learning instruction.¹⁵⁸

House Bill 7135 provided an earmark of up to \$15 million for the BOG to disburse to state universities based on certain STEM-based¹⁵⁹ performance metrics. The BOG must review and rank each state university that applies for performance funding based on the following formula:¹⁶⁰

- Twenty-five percent of a state university's score must be based on the percentage of employed graduates who have earned degrees in the following programs:
 - Computer and information science;
 - Computer engineering;
 - Information system technology; and
 - Management information systems.
- Twenty-five percent of a state university's score must be based on the percentage of graduates who earned baccalaureate degrees in computer and information science, computer engineering, information systems technology, and management information systems and who earn industry

¹⁵⁵ Florida Board of Governors Regulation 2.002; *see also* s. 1008.46, F.S.

¹⁵⁶ Chapter 2012-195, L.O.F.

¹⁵⁷ Section 1001.706(5)(b)1., F.S.

¹⁵⁸ Section 1001.706(5)(b), F.S.

¹⁵⁹ STEM is an acronym for the instructional discipline areas of science, technology, engineering, and mathematics.

¹⁶⁰ Section 1011.905(1), F.S.

certifications in a related field from a FCS institution or state university before beginning a baccalaureate degree program.

- Fifty percent of a state university's score must be based on factors determined by the BOG which relate to increasing the probability that graduates who have earned degrees in computer and information science, computer engineering, information systems technology, and management information systems will be employed in high-skill, high-wage, and high-demand jobs.

The amount awarded to a state university must be a minimum of 25 percent of the total amount appropriated.¹⁶¹ The Legislature appropriated \$15 million for this purpose in 2012.¹⁶²

In its first year of implementation, the BOG ranked the eight universities that applied for performance funding as follows:

1. Florida International University;
2. University of Central Florida;
3. University of West Florida;
4. University of Florida;
5. University of South Florida;
6. Florida A&M University;
7. Florida State University; and
8. Florida Atlantic University.

The BOG split the \$15 million equally among the top four universities, with each university receiving \$3.75 million.¹⁶³

Effect of Bill

The bill extends SUS performance funding to new academic areas, including graduate-level degrees in cloud virtualization and related large data management. The bill also extends performance funding to high-demand programs of emphasis as determined by the BOG using gap-analysis data.

The four universities that received performance funding for computer and information technology degree programs will receive the same amounts for FY 2013-14. In addition, the bill specifies that the annual award to the highest-ranked universities be in support of the following degree programs:

- Computer and information science;
- Computer engineering;
- Information systems technology;
- Information technology; and
- Management information systems.

The bill also specifies that, in order for industry certifications earned by students to be considered for purposes of performance funding, they must be identified in the Postsecondary Industry Certification Funding List approved by the state board pursuant to newly created s. 1008.44, F.S.

The bill requires the BOG to recommend to the Legislature, by October 31, 2013, a methodology for allocating performance funding for state universities based on the percentage of graduates employed or enrolled in further education, the average wages of employed graduates, and the average cost per graduate.

¹⁶¹ *Id.*

¹⁶² Section 2, ch. 2012-118, L.O.F.

¹⁶³ State University System of Florida, Board of Governors, News Clips 02/13/2013, *Blog: Four universities split \$15 million bonus tied to STEM goals*, http://www.flbog.edu/pressroom/newsclips_detail.php?id=25364 (last visited Feb. 28, 2013).

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

See Fiscal Comments.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

The fiscal impact of this bill is indeterminate. Costs related to provisions regarding statewide assessments; digital literacy; career education courses; and higher education and workforce cannot be quantified. Funding for student completion of industry certification and AP, IB, and industry certification teacher bonuses is structured as performance incentives.

Statewide Assessments

The bill delays implementation of performance-based funding, which would have kept districts and the FLVS from receiving FTE funding for students who did not pass the required EOC assessments. The scope of such funding is also limited due to the bill's reduction in the number of "must pass" EOC assessments from three to one, i.e., the Algebra I EOC assessment. The bill also states that the reduction in funding is inapplicable if students who failed the EOC assessment are enrolled in a segmented remedial course delivered online.

The bill's reduction in the number of "must pass" EOC assessments will reduce the number of EOC assessment retakes needed, which will reduce DOE's expenses for administering statewide assessments.

When the state transitions to common core assessments in ELA and mathematics, there will be an overlap period wherein some students will continue to take 10th grade FCAT Reading and the Algebra I EOC assessment, while students in other grades and courses will be taking the common core assessments. These costs occur whenever the state transitions to new assessments.

Since the bill does not require transition to common core assessments by a date certain, but authorizes transition pursuant to state board adoption of a transition schedule, there is no immediate fiscal impact.

However, given the predicted rigor and length of the new common core assessments as well as their anticipated online delivery, costs will occur to develop the necessary infrastructure for school districts to be able to manage the assessment schedule and for DOE to deploy the new assessments. In addition, costs are associated with the purchase of the common core assessments as well as recurring costs associated with the distribution, maintenance, and grading of the assessments. Once the state is fully transitioned to common core ELA and mathematics assessments, then the funding for FCAT Reading, FCAT Writing, and the Algebra I EOC assessments will fully shift to support funding for common core assessments.

DOE annually receives funding through a specific appropriation for "Assessment and Evaluation." The costs associated with transition to common core assessments will need to be addressed through that specific appropriation. The GAA for FY 2013-14 provides \$92.3 million for assessment and evaluation.¹⁶⁴

The GAA for FY 2013-14 provides \$11.3 million for District Bandwidth Support to assist school districts in procuring the bandwidth necessary to administer assessments online. A total of \$6 million in Technology Transformation Grants is provided to 30 school districts and three lab schools. Grantees must use the funds to establish wireless networks or enhance existing networks for, among other things, administering assessments online.¹⁶⁵

Digital Literacy

The bill requires school districts to provide students with access to digital instructional materials and specifies that such materials may be provided through open-access options or deployed through online or digital computer applications, subject to available funding. Thus, the bill does not require school districts to develop or purchase new materials, as cost-free options or digital materials already in service may be used to fulfill this requirement. Additionally, current law already requires each school district to expend at least 50 percent of its state instructional materials allocation on digital instructional materials. Furthermore, school districts choosing to purchase new materials may use a portion of their state funds for instructional materials for this purpose.

The GAA for FY 2013-14 provides \$5.5 million for Digital Competency Development and Deployment to DOE. Of that amount, DOE is provided:

- Up to \$1,475,000 to contract for the development and field testing at a maximum of 60 elementary schools a curriculum and assessment for the Cyber Security Recognition.
- Up to \$1,475,000 to contract for the development and field testing at a maximum of 60 elementary and middle schools a curriculum and assessment for the Digital Arts Recognition.
- \$1,950,000 to DOE to deploy as pilots at a maximum of 60 elementary schools, the Cyber Security Recognition and Digital Arts Recognition.
- Up to \$500,000 to DOE to contract for the management and administration of the Digital Tools Certificate for middle school students.

From appropriated funds, DOE must provide \$100,000 to develop appropriate applications to allow students with disabilities to access the Cyber Security Recognition, Digital Arts Recognition, and Digital Tools Certificate program.¹⁶⁶

Career Education Courses

¹⁶⁴ Florida House of Representatives, *Conference Report on SB 1500*. (Specific Appropriation 131).

¹⁶⁵ Florida House of Representatives, *Conference Report on SB 1500*. (Specific Appropriation 102A).

¹⁶⁶ *Id.*

The bill requires DOE to develop more career education courses, contingent upon funding; accordingly that requirement is fiscally neutral. However, in order for the career education program to grow, additional funding would be beneficial.

Industry Certification

Bonuses for student completion of industry certifications do not have a fiscal impact as these funds are currently funded as add-on FTE within the FEFP. The bill does expand the maximum amount of the total funds generated by the add-on FTE from \$15 million to \$60 million.

Teacher Bonuses

The bill's changes to AP, IB, and industry certification teacher bonuses do not have a fiscal impact as these bonuses are currently paid out of funding generated from the add-on FTE within the FEFP and allow a teacher to receive a larger bonus.

Higher Education and Workforce

The bill contains provisions relating to tuition and fees, and fee waivers and exemptions; the establishment of an online institute at a preeminent state university; performance funding for workforce education programs, FCS institutions, and state universities; and the Complete Florida Degree Program Project. The funding for specific provisions of the bill will be considered during the development of the FY 2013-14 GAA.

The bill also expands access to higher education through the online institute's reduced tuition structure and by allowing FCS institutions any portion of tuition and fees for upper-division courses in order to implement the Governor's \$10,000 challenge.