



1. What led to the 1997 Special Session on Educational Facilities?

Prior to 1995, the Department of Education (DOE) housed the Office of Educational Facilities (office). This office was responsible for oversight of the site planning and placement of schools, the Florida Inventory of School Houses (FISH) database, and capital need surveys of school construction across the State. This office was eliminated during the 1995 Legislative Session an attempt to give more local control to districts in their school construction programs.

A few months prior to eliminating this office, the House formed a Select Committee on Educational Facilities. This committee had two purposes. The first purpose was to do a sunset review of chapter 235, F.S., and the second was to "determine whether increased funding for Florida's educational facilities was necessary and the manner by which such funding should be accomplished." The select committee completed its two-year long research and reported to the House on August 29, 1996: "The committee accomplished the first purpose but not the second, showing no willingness to change an existing revenue source, create a new revenue source or shift any existing revenue to educational facilities."

Less than six months after the select committee's report was issued and the select committee disbanded, the issue of school overcrowding resurfaced. The Legislature, having concluded that the 1995 attempt to give districts control of their school construction programs had led to crisis, responded to the school overcrowding crisis by enacting Ch. 97-384, L.O.F., which required specific cost/square foot and minimum space requirements on new school construction. In addition, districts were required to limit their use of local millage to specific capital expenditures. Chapter 99-384, L.O.F., immediately became a source of great tension between the districts and the Legislature.

In November 1997, the Governor called the Legislature into special session to again deal with the issue of school overcrowding. During this session, Ch. 97-384, L.O.F., the "SMART Schools Act" was passed.

<p>2. What is the SMART Schools Act?</p>	<p>The "SMART Schools Act" (Soundly-Made, Accountable, Reasonable and Thrifty Schools Act) was the Legislature's long-term solution to school overcrowding. This act was based on four basic principles:</p> <ol style="list-style-type: none"> 1) provide <i>immediate assistance</i> to the school districts; 2) maintain <i>functional, frugal</i> school construction standards; 3) be a <i>balanced plan</i> with respect to all 67 school districts; and 4) raise <i>no new taxes</i>. <p>To accomplish a long-term solution and obey the principles established, the Legislature included seven components to the SMART Schools Plan:</p> <ol style="list-style-type: none"> 1) Classrooms First Funding 2) SIT Program 3) Effort Index Grant Fund 4) SMART Schools Clearinghouse 5) Small County Assistance 6) 5-year Capital Plans 7) Frugal Schools Program
<p>3. What is Classrooms First?</p>	<p>Classrooms First Funding is a \$2 billion lottery bonding program. The Legislature made a 20 year pledge of approximately \$180 million a year toward school construction. Depending on their new school needs, districts may choose to receive their funding as bond proceeds or cash. All 67 school districts receive a portion of these funds based on a modified Public Education Capital Outlay (PECO) distribution.</p> <p>As the name indicates, districts must build "Classrooms First." After a school district has met its need for new classroom space, these funds may be used for major repair or maintenance or the replacement of unsatisfactory relocatables. These funds are <i>not</i> to be used to purchase more relocatables. This component of the SMART Schools Plan provided immediate funding assistance to the school districts.</p>
<p>4. What is the SIT program?</p>	<p>The SIT (School Infrastructure Thrift) Program is an incentive fund created to encourage functional, frugal school construction. A school district can receive a SIT award in one of two ways: 1) they can receive an award for "savings realized through functional, frugal construction" or 2) "savings realized through the operation of charter schools in non-school-district facilities." These awards are 50 percent of the savings on the statutorily defined cost-per-student station.</p>

	<p>In the 1999 Legislative Session, the SIT Program was amended to <i>end</i> the SIT award that school districts receive for the operation of charter schools in non-school-district facilities after the 1999-2000 school year. This change was implemented for 2 main reasons: 1) the charter school SIT award was growing so rapidly that the funds available to incentivize functional, frugal school construction would be depleted before the Classrooms First construction was completed, and 2) charter schools were attempting to claim a portion of the school districts' SIT funds for their own capital needs while also receiving other capital funds.</p>
<p>5. What are Effort Index Grants?</p>	<p>The Effort Index Grant (EIG) Fund was originally a \$400 million, long-term incentive program designed to provide <i>select</i> districts with funding for <i>new construction only</i> if these districts still had a <i>need</i> for new student stations after a certain level of <i>local effort</i> was met.</p> <p>The EIG program was amended in the 1999 Legislative Session to do the following:</p> <ol style="list-style-type: none"> 1) EIG funds were allocated to 4 districts identified by the SMART Schools Clearinghouse as being eligible for the original Effort Index Grant Program. Clay County was allocated \$7,442,890, Dade County was allocated \$62,755,920, Hendry County was allocated \$1,628,590, and Madison County was allocated \$414,950; 2) \$100 million from the EIG fund was transferred to the SIT program; and 3) The remaining \$227.8 million of effort index grant funds was distributed based on the 1997 Classrooms First distribution formula to districts which either (1) received, between July 1, 1995 and June 30, 1999, direct proceeds from the one cent sales surtax for public school capital outlay or any portion of the local government infrastructure sales surtax; or (2) met any two of the following criteria: <ol style="list-style-type: none"> a) levy the full 2 mills of nonvoted discretionary capital outlay during 1995 - 1999; b) levy a cumulative voted millage equal to 2.5 mills for fiscal years 1995 - 1999; c) receive proceeds of school impact fees greater than \$500 per dwelling unit which were in effect on July 1, 1998; <p>or</p> <ol style="list-style-type: none"> d) receive direct proceeds from either the one cent sales tax for school capital outlay or any portion of the local government infrastructure sales surtax.

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	<p>Districts may use these EIG funds for construction, renovation, repair, maintenance, or payment of debt service for said activities.</p>
<p>6. What is the SMART Schools Clearinghouse?</p>	<p>The SMART Schools Clearinghouse Board is comprised of five members appointed by the Governor, Speaker of the House of Representatives, and President of the Senate. The Clearinghouse is responsible for making recommendations for SIT Program awards. The Clearinghouse recommends frugal construction standards and reviews school districts' performance in meeting established design and construction standards in the 5-year work plans.</p> <p>Prior to the 1999 Legislative Session, the SMART Schools Clearinghouse also made recommendations for the distribution of Effort Index Grant funds.</p> <p>Chapter 2001-170, L.O.F., eliminates the SMART Schools Clearinghouse Board and moves the Clearinghouse back to the Department of Education's new Office of Educational Facilities and SMART Schools Clearinghouse. This move was in response to the good work already completed by the Clearinghouse board and as part of a consolidation in the education governance structure. (See the Education Governance Fact Sheet.)</p>
<p>7. What is the Small County Assistance Program?</p>	<p>The Small County Assistance Program was another portion of the SMART Schools Act of 1997 that provides immediate assistance in funding school construction. This program provided a one time \$50 million appropriation from bond proceeds for construction, repair, renovation or remodeling in small, rural districts. Districts received grants in a manner similar to the Special Facilities Construction Account.</p>
<p>8. What is a five-year district facilities' work plan?</p>	<p>Each school district must annually prepare a five-year district facilities' work plan. The program must provide for public hearings and input. The program will reflect the estimated revenues, needs, a schedule of all capital outlay projects, and major repair and renovation projects and project costs. (Prior to the SMART School Act, districts had only a one-year capital plan.)</p>
<p>9. What is the Frugal Schools Program?</p>	<p>The Frugal Schools Program was created to publicly recognize school districts that implement "best financial management practices" when planning, constructing and operating educational facilities. Districts who qualify under s. 235.2197, F.S., may receive a "Seal of Best Financial Management." This program will help restore public confidence in local school</p>

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	boards and their construction programs.
<p>10. What other goals are in the SMART Schools Act?</p>	<p>While the SMART Schools Act created or modified all the above-mentioned programs, it also did the following with respect to school facilities:</p> <ul style="list-style-type: none"> • set as a goal that by July 1, 2003, all relocatables over 20 years of age shall be removed and relocatables at overcrowded schools are to be decreased by half; • established relocatable standards; and • established functional, frugal costs per student station. <p>The Commissioner of Education must also establish construction standards for long-term relocatables (those used as classrooms for a period of 4+ years in the same location) by July 1, 2000. This replacement date was amended in the 2001 session to require the replacement of relocatables that did not meet the new relocatable standards by July 1, 2002.</p>
<p>11. What is the total amount of SIT, Classroom First, and Effort Index Grant awards provided to date?</p>	<p>As of June 2001, SIT awards totaling \$109.4 million have been distributed to school districts for functional, frugal school construction. As of March 2001, \$1.8 billion in Classrooms First awards has been encumbered for specific school projects.</p> <p>In addition, as of March 2001, \$184.9 million of the \$300 million in Effort Index Grants has been encumbered for school projects.</p>
<p>12. What has been the impact of this legislation?</p>	<p>Since the passage of the Smart Schools Act in the 1997 Special Session, districts have been incentivized to build functional, frugal schools as evidenced by the awards given in the SIT Program. The State's increased role in the construction of local schools has made Florida, except for Hawaii and Alaska, one of the largest state contributors to local school construction.</p>
<p>13. What are the applicable statutes and rules?</p>	<p>Section 235.187, F.S.-- Classrooms First Program Section 235.2155, F.S. -- SIT Program Section 235.216, F.S. -- SIT Program Section 235.186, F.S. -- Effort Index Grants Section 235.271, F.S. -- SMART Schools Clearinghouse Section 235.185, F.S. -- Five year capital plan Section 235.218, F.S. -- Five year capital plan Section 235.2197, F.S. -- Frugal Schools Program Section 235.061, F.S. -- Standards for relocatable Section 235.062, F.S. -- Goal to reduce relocatables Section 235.435(6)(b), F.S. -- Cost per student station</p>

14. Where can I get additional information?

See the following fact sheets:

Educational Facilities Fact Sheet

Small Schools/School-Within-a-School Fact Sheet

Florida Department of Education

Office of Educational Facilities

(850) 487-1130

www.firn.edu/doe (look up facilities information/lottery bond programs)

SMART Schools Clearinghouse

(850) 921-8699 or SC 291-8699

<http://smartschools.state.fl.us>

The Florida House of Representatives

Council for Lifelong Learning

(850) 414-6694 or SC 994-6694