

HASA's 2008 Legislative Platform

For the 2008 Florida Legislative session, HASA will advocate for the following four priorities:

1. Extension of the DROP for school and district level administrators for three additional years, aligning it with the law regulating teacher DROP extension:

If the extension is approved it will be permissive legislation giving the district the authority to extend or deny the DROP one year at a time, similar to the provision that now applies for teachers. This legislation has been filed in the Senate as **SB-998** by Senator Stephen Wise and in the House as **HB-67** by Representative Faye Culp. The following are observations regarding this proposal:

- An actuarial study prepared by the state of Florida concluded that there is no financial impact on the FRS or the state budget.
- Administrators are asking for parity with instructional personnel with regards to DROP.
- Districts need the authority to retain the *best and brightest* teachers and administrators beyond the existing five-year DROP.
- Sixty percent of all current administrators are projected to retire within five (5) years, according to the Florida Department of Education.
- While teachers have not stayed for eight years in great numbers, those that have stayed are the key leaders in Florida's push to have every child achieve at high levels. The same results are expected if administrators are given the same extension opportunity.
- Schools that have high-performance administrators have high student achievement, gain higher scores, have fewer drop outs, better attendance and increased community participation.
- Last year this bill passed the House, but died in messages to the Senate.

2. Performance-based pay plans as part of FRS computation:

Florida leads the nation in implementing incentive and performance-based pay plans for instructional and administrative staff in public schools. Currently, these plans are considered bonuses and are not included in the FRS retirement calculations. Teacher bonuses for National Board Certification are, however, included in computing FRS benefits. We are asking the Legislature to include all merit pay, performance pay, and recurring bonus plans in the FRS calculations. As of this date, a bill has not been filed to address this issue. The following are talking points in support of this request:

- If performance pay is to become a permanent part of the compensation package for professional staff, the performance dollars should be included in the calculation of retirement benefits.
- In many situations performance pay is awarded in lieu of increasing the salary base. In those cases performance pay dollars should be included in retirement benefits calculations.
- Employee acceptance of performance pay plans is contingent, in part, upon performance pay being considered salary and, therefore, included in retirement calculations.

3. Revision of class size definition:

The Legislature is urged to redefine *class size* compliance as being met by measuring "school level averages", to meet the requirements of the constitutional amendment. The State of Florida has unnecessarily defined class size in such a way as to be operationally unworkable and financially prohibitive. A bill to address this legislative priority is being considered at this time. The following are observations regarding this proposal:

- When the class size caps were considered in the method of determining school capacity, school capacity was reduced (fewer students could "fit" in each school). For example, the classroom that previously held 25 kindergarten students now can only hold 18 students, reducing the capacity of the classroom by seven.
- While the Legislature's funding of operational dollars to pay for the associated personnel costs of class size has been steady, capital appropriations have been sporadic and late in the implementation timeline, causing additional pressure for school districts with limited local capital dollars.

(Revision of *class size* definition, continued)

- The Class Size Reduction amendment is a costly mandate, both in terms of capital outlay dollars to build classrooms and personnel costs to fill each classroom. This is compounded by the federal requirements under NCLB (i.e. for highly qualified teachers) and IDEA (i.e. for least restrictive environment).
- Revising the class size definition while still conforming to the constitutional requirement would serve to improve school operations and student performance by allowing schools to focus on learning, and will avoid moving teachers and students throughout the school year based on enrollment fluctuations and space available.
- Resources from areas other than the two-mill capital levy are necessary to maintain concurrency standards. The Florida Constitution clearly indicates that funds for the requirements of reducing class size must come from state sources.

4. FRS Death Benefits.

Legislation should be passed to eliminate the discriminatory nature of the Florida Retirement System (FRS) death benefits. Currently, death benefits are payable only to joint annuitants. Joint annuitants are defined as spouses, dependent minor children (up to age 25), and dependent parents. *There is always a death benefit payable on behalf of married employees.* However, **there is NO death benefit payable on behalf of single (unmarried, widowed, or divorced) employees who have no minor dependent children or dependent parents.** The proposed language would provide a death benefit to those single employees currently being excluded. A death benefit limited to a ten-year payout on behalf of these single employees, while still not equal to that of married employees, would help to correct the discriminatory inequity that exists currently. There is no bill filed yet in support of this legislation. The rationale for this change in the law is as follows:

- The current law requires the FRS to always provide death benefits on behalf of married employees.
- The current law prohibits the FRS from providing death benefits on behalf of single (unmarried, widowed, or divorced) employees who have no dependent parents or minor children.
 1. All of the contributions paid by the employer on behalf of the deceased, single employee revert to the FRS pension fund.
 2. In essence, the state is making money on dead FRS employees and the districts that have paid thousands of dollars in contributions on behalf of these unmarried members.
 - Example: a 34 year teacher at Hillsborough County Schools died prior to retiring and no benefits were paid on her behalf – not even after all those years of dedicated service. She worked 34 years to earn pension benefits that were ultimately kept by FRS. She earned the benefits; FRS undeservedly kept the earnings. If this employee had been married, her spouse would have received monthly benefits for the rest of the spouse’s life.