

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based only on the provisions contained in the legislation as of the latest date listed below.)

Date: March 11, 1998 Revised: \_\_\_\_\_

Subject: Charter School/Municipal Subdistrict

	<u>Analyst</u>	<u>Staff Director</u>	<u>Reference</u>	<u>Action</u>
1.	<u>Hill</u>	<u>O'Farrell</u>	<u>ED</u>	<u>Favorable</u>
2.	_____	_____	<u>CA</u>	_____
3.	_____	_____	<u>WM</u>	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

**I. Summary:**

This bill allows a municipality or municipalities to operate a school or group of schools according to a contract or charter granted by the district school board. The schools would be operated by a municipally appointed charter school board.

This bill creates section 228.0561, of the Florida Statutes.

**II. Present Situation:**

Charter schools are public schools that operate under a performance contract with a public sponsor. Charter schools are free from many state and local regulations and mandates, but are held accountable for the academic and financial performance of the school and its students. As of August 1997, a total of 28 states and Washington, D.C. had statutory authorization for charter schools. Over 750 charter schools are in operation nationwide. Each state's law provides for operational funding for charter schools. Only Arizona and Minnesota currently provide capital outlay funding for charter schools.

**Florida's Charter School Law**

Florida's charter school law, s. 228.056, F.S., was enacted in 1996. Six charter schools were approved between the July 1, 1996, effective date of the law and the late August start of the 1996-97 school year. This school year 33 newly created charter schools are serving approximately 3,000 students. No public school conversions are operational at this time, but two conversion charter schools have been approved for the upcoming school year. The Department of Education, Office of Public School Choice projects a total of 65 to 70 charter schools will be

serving 7,500 students in non-district facilities in the 1998-99 school year. Approximately 95 charter school applications are currently pending.

Section 228.056, F.S., provides for the formation, funding, operation, and accountability of charter schools. Each district school board may sponsor charter schools within its district by granting a charter to a newly formed school (or “start-up”) or to an existing public school that converts to a charter school. A state university, after consulting with the local school board, may grant a charter to convert the university’s developmental research school to a charter school.

Section 228.056, F.S., was amended in 1997 to add municipalities to the list of entities that may apply to establish and operate a charter school. Proposals may also be submitted by an individual, teachers, parents, a group of individuals, or a legal entity authorized under the laws. The principal, teachers, parents, and/or the school advisory council of a public school may apply for a charter to convert that school to a charter school. Proposals for converting an existing public school must have the support of at least 50 percent of teachers employed at the school and 50 percent of the parents whose children attend the school.

### **District School Boards**

The governance structure for Florida’s educational system is established by Article IX of the Florida Constitution. Section 4 provides that district school boards are to operate, control, and supervise all free public schools within the school district. Each county constitutes a school district. Additionally, the state constitution provides that each of the school districts is governed by a school board composed of five or more elected members and a superintendent, who may either be elected or hired by the school board.

### **Municipalities**

Section 2 of Article VIII of the Florida Constitution provides that municipalities may be established or abolished and their charters amended pursuant to general or special law. Municipalities are constitutionally granted all governmental, corporate and proprietary powers to enable them to conduct municipal government, perform municipal functions and render municipal services. Municipalities may exercise any power for municipal purposes except as otherwise provided by law. The only specific constitutional requirement concerning municipal government is that its legislative body must be elected. Florida law governing the formation and dissolution of municipal governments is found in Chapter 165, Florida Statutes, the “Formation of Municipalities Act.”

### **III. Effect of Proposed Changes:**

The bill authorizes the creation of charter municipal subdistricts within the county school district. A municipality or municipalities may submit a proposal to operate a school or group of schools by a municipally appointed charter school board. This would authorize the municipally appointed charter school board to be the governing body of the charter schools within the geographical area,

similar to the current governing body of a single charter school. The proposal must be approved by a majority of the eligible voters voting and must comply with charter school proposal requirements in s. 228.056(3), F.S. The bill does not address the operation of the municipally appointed charter school board; the composition or pay of the members; or address specific powers of a municipal charter school board. These issues would be addressed in the charter.

Unincorporated areas adjacent to incorporated municipalities may be included in the jurisdictional area of the charter municipal subdistrict upon agreement of the municipality or municipalities. After approval of the voters, the proposal will then be presented to the district school board, which will expeditiously authorize the requested charter, if it complies with the requirements and procedures in s. 228.056, F.S. No municipality is required to apply for a charter to operate an individual charter school; that would remain an option for municipalities.

#### **IV. Constitutional Issues:**

##### **A. Municipality/County Mandates Restrictions:**

None. Municipalities must receive voter approval through referendum before applying to operate a school or schools under a charter issued by the district school board. Participation by the municipality is voluntary.

##### **B. Public Records/Open Meetings Issues:**

None.

##### **C. Trust Funds Restrictions:**

None.

##### **D. Other Constitutional Issues:**

Section 4 of Article IX of the State Constitution establishes each county as a school district and provides that two or more school districts may be combined into one school district if approved by vote of the electors of each county. Each of Florida's 67 counties is a school district. Each school district must have a board composed of five or more members chosen by vote of the electors. The district school board is responsible for operating, controlling, and supervising all free public schools within the school district.

This bill would authorize the district school board to establish subdistricts that would be operated under contract with the school board by one or more municipalities within the county. Each subdistrict would be governed by a municipally appointed charter school board. Neither the State Constitution nor Florida Statutes specifically authorize or prohibit such subdivision of a district school board's constitutional duties. There is nothing that prohibits a district school board from subdividing its administrative duties.

**V. Economic Impact and Fiscal Note:**

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The fiscal impact of creating municipally appointed charter school boards is not known. Additional administrative costs may be incurred if reductions in administrative staff at the district level do not offset functions that must be duplicated by the new municipal subdistricts.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Amendments:**

None.