

By Senator McKay

26-109A-98

1 A bill to be entitled
2 An act relating to education; creating a
3 public-private partnership pilot program;
4 providing intent and definitions; providing
5 eligibility requirements for private schools
6 and nonprofit organizations; providing for
7 flexibility in educating students; providing
8 for payment of funds; requiring certain funds
9 to be sent to a direct-support organization for
10 specified use; providing student eligibility
11 requirements; providing for rules; requiring
12 the Department of Education to establish a
13 choice-information center; requiring
14 legislative review; requiring reports;
15 providing for severability; providing an
16 effective date.

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18 Be It Enacted by the Legislature of the State of Florida:

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20 Section 1. Public-private partnership pilot program.--

21 (1) It is the purpose of this section to establish a
22 pilot program to allow residents of this state to have a
23 choice in the type of educational setting in which their
24 children are taught. It is the intent of the Legislature that
25 the pilot program established by this section will create a
26 sustainable competitive educational environment and fiscally
27 responsible process which will enhance per-student funding in
28 the public education system and reduce the pressure on public
29 education to build more school facilities while providing a
30 variety of quality education delivery systems from which
31 parents can choose, including, but not limited to, traditional

1 private schools and courses of instruction offered by
2 nonprofit organizations.

3 (2) As used in this section, the term:

4 (a) "Nonprofit organization" means an organization
5 that meets the requirements for nonprofit status under s.
6 501(c)(3) of the Internal Revenue Code and that charges
7 tuition.

8 (b) "Parent" means the natural or adoptive parent or
9 legal guardian of a dependent child.

10 (c) "Private school" means a school as defined in s.
11 623.02, Florida Statutes, which charges tuition or fees for
12 the services it provides and is in compliance with the laws of
13 the state.

14 (3)(a) There is created a 5-year, public-private
15 partnership pilot program in Clay, Okaloosa, and Orange
16 Counties. Any private school or nonprofit organization in any
17 of those counties is eligible to participate in the program if
18 the criteria of this subsection are met. To be eligible to
19 participate in the pilot program, a private school or
20 nonprofit organization must:

21 (a) Have admission policies that do not discriminate
22 as to race, religion, ethnicity, national origin, or gender.

23 (b) Provide a curriculum that includes the following
24 five core subjects: English, including, for elementary school
25 students, reading fundamentals; mathematics; science; history;
26 and geography. A school formed to meet the special needs of
27 profoundly mentally handicapped, trainable mentally
28 handicapped, dual sensory impaired, or autistic students is
29 exempt from the curriculum requirement of this subparagraph
30 and the testing requirement of subparagraph 4.

31 (c) Disclose teachers' credentials to parents.

1 (d) Except as otherwise provided, post-test all
2 students, utilizing a uniformly applied standardized testing
3 instrument, to determine learning progress, and must provide a
4 copy of the results to the Department of Education.

5 (e) Have been operating for at least 2 calendar years
6 or, if in operation for less than 2 calendar years, have
7 obtained a letter of credit or a bond indemnifying the state
8 from monetary loss.

9 (f) If a nonprofit organization, be registered with
10 the state and Federal Government as a nonprofit corporation
11 under s. 501(c)(3) of the Internal Revenue Code.

12 (4) It is the intent of the Legislature that the pilot
13 program not result in any additional regulation of private
14 schools. Participating schools, regardless of size, are to be
15 accorded maximum flexibility to educate their students and are
16 to be free from unnecessary, burdensome, or onerous
17 regulation.

18 (5) The pilot program must provide for payment as
19 follows:

20 (a)1. For a student who participates in the pilot
21 program by transferring from a public school to a private
22 school or nonprofit organization, the private school or
23 nonprofit organization is entitled to receive a payment of the
24 base rate of 50 percent of the weighted full-time equivalent
25 student funding, based on the assigned program cost factor in
26 the Florida Education Finance Program, for such student in
27 kindergarten through grade 12 for up to 180 days of
28 instruction per local school district fiscal year or payment
29 of the actual cost for tuition at the school, whichever is
30 less.

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1 2. For a student who is eligible to participate in the
2 free lunch program under 42 U.S.C. 1758(b), a payment of 1.5
3 times the base rate or payment of the actual cost for tuition
4 at the school, whichever is less.

5 3. For a student who is eligible to participate in the
6 reduced-price lunch program under 42 U.S.C. 1758(b), a payment
7 of 1.25 times the base rate or payment of the actual cost for
8 tuition at the school, whichever is less.

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10 The parent of an eligible student must sign a form directing
11 payment under this paragraph before the school district may
12 transfer funds at the appropriate level from the school
13 district to the private school or nonprofit organization. Any
14 available funds that are not used to pay tuition must be sent
15 to a direct-support organization that meets the requirements
16 of s. 501(c)(3) of the Internal Revenue Code and that was
17 created by the Department of Education. These funds may be
18 used to reimburse the parent for any transportation costs
19 incurred in getting his or her child to school. The parent
20 may apply to the Department of Education on a transportation
21 reimbursement form that the department provides. Actual
22 mileage or public transportation costs are eligible
23 transportation expenses.

24 (b) Each school district shall receive 10 percent of
25 the weighted full-time equivalent student funding, based on
26 the assigned program cost factor as provided in the Florida
27 Education Finance Program, for each student within the school
28 district who is participating in the pilot program.

29 (c) All remaining moneys of the weighted full-time
30 equivalent student funding, based on the assigned program cost
31 factor as provided in the Florida Education Finance Program,

1 for each student within the school district who is
2 participating in the pilot program must be sent to the
3 direct-support organization specified in paragraph (a). The
4 direct-support organization may seek additional funds from
5 private sources. Beginning the second year of the pilot
6 program, such funds must be used for providing payment to be
7 directed by the parent to a private school or nonprofit
8 organization for students who were attending a private school
9 at the time the students were selected to participate in the
10 pilot program.

11 (d) Private school students shall be selected to
12 participate in the pilot program by means of a lottery until
13 direct-support organization funds are depleted. The
14 Department of Education shall ensure that funds sent to the
15 direct-support organization for a participating school
16 district are earmarked for the school district and returned to
17 the school district in accordance with this section.

18 (6) The pilot program must be made available beginning
19 July 1, 1998, to students who were enrolled in the public
20 school system the entire previous regular school year, with a
21 limit of 5 percent of public school enrollment per school
22 district. On July 1 of each year thereafter, the total public
23 school enrollment must be recalculated, and 5 percent of the
24 students remaining in the public schools shall be eligible for
25 the pilot program in addition to those already in the program.
26 If the number of students in a given school district who
27 desire to participate in any year exceeds 5 percent, the
28 students shall be selected on a lottery basis by a method
29 approved by the commissioner. To the extent possible, the
30 lottery must provide that the percentage of students enrolled
31 in the public school district who are selected for the pilot

1 program and who also are eligible for the free or
2 reduced-price lunch program is the same as the percentage of
3 students enrolled in that school district who are eligible for
4 the free or reduced-price lunch program.

5 (7) At the start of the first year of the pilot
6 program, the department shall determine the percentage of
7 public school students and nonpublic school students attending
8 school in each school district. These percentages must be
9 accurate to the 1/1000 percent and must be used as a benchmark
10 for future formula disbursements to the direct-support
11 organization. Each year thereafter, the number of public
12 school students plus the number of students who are
13 participating in the pilot program by transferring from public
14 schools must be added to determine the percentage of public
15 school students. If the percentage is less than the benchmark
16 percentage of public school students, the amount of money
17 which is sent to the direct-support organization must equal
18 the amount that would have been sent if the benchmark
19 percentage had been attained.

20 (8) A participating private school or nonprofit
21 organization or a district school board may not be required to
22 provide transportation to students participating in the pilot
23 program.

24 (9) The State Board of Education, in order to avoid
25 creating an undue financial burden on the participants in the
26 pilot program, shall adopt rules to ensure the prompt payment
27 on behalf of parents of qualified participants of this
28 program. Upon authorization of the parent, payment must be
29 made directly to the authorized private school or nonprofit
30 organization in nine equal monthly payments. The parent's

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1 signature must be obtained at the school or organization at
2 the time of each payment.

3 (10) The Department of Education shall establish and
4 maintain a choice-information center to provide information
5 and assistance to parents in selecting a private school or
6 nonprofit organization. The center shall obtain and include
7 information from each participating private school and
8 nonprofit organization and shall produce a guide for
9 distribution to interested parents.

10 (11) The Legislature shall conduct a review of the
11 pilot program after the 3rd school year of operation.

12 (12) Each public school district in the pilot program
13 shall provide to the President of the Senate and the Speaker
14 of the House of Representatives a report that includes
15 recommendations for improving the program, including
16 recommendations for reducing rules.

17 (13) No later than December 31 following the end of
18 the 3rd school year of operation, the Office of Program Policy
19 Analysis and Government Accountability shall provide a report
20 to the President of the Senate and the Speaker of the House of
21 Representatives on the pilot program, using all data obtained
22 to analyze the success, progress, or failure of the program
23 and the participating students and schools. The report must
24 detail the operation and cost of the pilot program and include
25 recommendations regarding extension, expansion, or termination
26 of the pilot program after the initial 5-year period.

27 (14) Any other corporation, organization, or
28 association that has an interest in the pilot program may
29 provide a report to the President of the Senate and the
30 Speaker of the House of Representatives with recommendations
31 for improving the program.

1 Section 2. If any provision of this act or the
2 application thereof to any person or circumstance is held
3 invalid, the invalidity shall not affect other provisions or
4 applications of the act which can be given effect without the
5 invalid provision or application, and to this end the
6 provisions of this act are declared severable.

7 Section 3. This act shall take effect July 1 of the
8 year in which enacted.

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11 LEGISLATIVE SUMMARY

12 Creates a 5-year, public-private partnership pilot
13 program in specified counties to allow residents of
14 Florida to have a choice in the type of educational
15 setting in which their children are taught. Provides
16 eligibility requirements for private schools and
17 nonprofit organizations for participation in the program.
18 Provides for payment and use of funds. Provides
19 requirements relating to student enrollment. Requires
20 the Department of Education to establish a
21 choice-information center. Requires legislative review
22 of the program and certain reporting.