

By Senator McKay

26-61A-99

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 that 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 section  
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  
11 section 623.02, Florida Statutes, which charges tuition or  
12 fees for the services it provides and is in compliance with  
13 the laws of the state.

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

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

23 (c) 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 paragraph and  
30 the testing requirement of paragraph (d).

31 (d) Disclose teachers' credentials to parents.

1           (e) Except as otherwise provided, post-test all  
2 students, using 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           (f) 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           (g) If a nonprofit organization, be registered with  
10 the state and Federal Government as a nonprofit corporation  
11 under section 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 section 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, 1999, 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 0.001 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 third 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 third school year of operation, the Office of Program  
19 Policy Analysis and Government Accountability shall provide a  
20 report to the President of the Senate and the Speaker of the  
21 House of Representatives on the pilot program, using all data  
22 obtained to analyze the success, progress, or failure of the  
23 program and the participating students and schools. The report  
24 must detail the operation and cost of the pilot program and  
25 include recommendations regarding extension, expansion, or  
26 termination of the pilot program after the initial 5-year  
27 period.

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

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

9       Section 3. This act shall take effect July 1, 1999.

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SENATE SUMMARY

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