

By the Committee on Education and Senator Sullivan

304-2173A-99

1                                   A bill to be entitled  
2           An act relating to charter school capital  
3           outlay funding; amending s. 228.0561, F.S.;  
4           removing references to the Public Education  
5           Capital Outlay and Debt Service Trust Fund;  
6           specifying that funds appropriated for charter  
7           schools capital outlay purposes will be  
8           deposited in the General Revenue Fund; revising  
9           a provision related to school district sharing  
10          of capital outlay funds with charter schools;  
11          revising requirements relating to charter  
12          school use of capital outlay funds; revising  
13          eligibility requirements for charter school  
14          receipt of capital outlay funds; removing  
15          obsolete provisions; amending s. 235.42, F.S.,  
16          relating to educational and ancillary plant  
17          construction funds; removing a reference to  
18          charter schools; providing an effective date.

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

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22           Section 1. Subsections (1), (2), (5), and (6) of  
23 section 228.0561, Florida Statutes, 1998 Supplement, are  
24 amended to read:

25           228.0561 Charter schools capital outlay funding.--

26           (1) In each year in which funds are appropriated for  
27 charter school capital outlay purposes ~~from the Public~~  
28 ~~Education Capital Outlay and Debt Service Trust Fund for~~  
29 ~~charter schools~~, the Commissioner of Education shall allocate  
30 the funds among eligible charter schools. To be eligible for  
31 a funding allocation, a charter school ~~must meet the~~

1 ~~provisions of subsection (6),~~ must have received final  
2 approval from its sponsor pursuant to s. 228.056 for operation  
3 during that fiscal year, ~~and~~ must serve students in facilities  
4 that are not provided by the charter school's sponsor, and  
5 must be fiscally stable. Fiscal stability may be documented by  
6 a statement from the school's sponsor, the school's most  
7 recent financial audit, or verification by a certified public  
8 accountant. Prior to the release of capital outlay funds to a  
9 school district on behalf of the charter school, the  
10 Department of Education shall ensure that the district school  
11 board and the charter school governing board enter into a  
12 written agreement that includes provisions for the reversion  
13 of any unencumbered funds and all equipment and property  
14 purchased with public education funds to the ownership of the  
15 district school board, as provided for in subsection (3)  
16 ~~attaching a lien to property that has been improved through~~  
17 ~~the use of these funds,~~ in the event that the school  
18 terminates operations. Any funds recovered by the state shall  
19 be deposited in the General Revenue Fund ~~Public Education~~  
20 ~~Capital Outlay and Debt Service Trust Fund.~~ A charter school  
21 is not eligible for a funding allocation if it was created by  
22 the conversion of a public school and operates in facilities  
23 provided by the charter school's sponsor for a nominal fee or  
24 at no charge. Unless otherwise provided in the General  
25 Appropriations Act, the funding allocation for each eligible  
26 charter school shall be determined by multiplying the school's  
27 projected student enrollment by one-thirtieth of the  
28 cost-per-student station specified in s. 235.435(6)(b) for an  
29 elementary, middle, or high school, as appropriate. If the  
30 funds appropriated are not sufficient, the commissioner shall  
31 prorate the available funds among eligible charter schools.

1 In the first quarter of the fiscal year, funds shall be  
2 distributed on the basis of projected enrollment as provided  
3 in this section. The commissioner shall adjust subsequent  
4 distributions as necessary to reflect each charter school's  
5 actual student enrollment. The commissioner shall establish  
6 the intervals and procedures for determining the projected and  
7 actual student enrollment of eligible charter schools. If a  
8 school district chooses to share funding for the capital  
9 outlay purposes described in subsection (2) with the  
10 applicable charter school or charter schools, any allocation  
11 of charter school capital outlay funds from the Public  
12 ~~Education Capital Outlay and Debt Service Trust Fund~~  
13 ~~allocation~~ to the charter school or charter schools shall be  
14 reduced by the amount shared.

15 (2) A charter school's governing body may use charter  
16 school capital outlay funds ~~with the school board's permission~~  
17 ~~may use funds from the Public Education Capital Outlay and~~  
18 ~~Debt Service Trust Fund~~ for any capital outlay purpose that is  
19 directly related to the functioning of the charter school,  
20 including the:

21 (a) Purchase of real property.

22 (b) Construction, renovation, repair, and maintenance  
23 of school facilities.

24 (c) Purchase, lease-purchase, or lease of permanent or  
25 relocatable school facilities.

26 (d) Purchase of vehicles to transport students to and  
27 from the charter school.

28 (5) The annual legislative budget request of the  
29 Department of Education shall include a request for capital  
30 outlay funding for charter schools ~~from the Public Education~~  
31 ~~Capital Outlay and Debt Service Trust Fund~~. The request shall

1 be based on the projected number of students to be served in  
2 charter schools who meet the eligibility requirements of this  
3 section.

4 ~~(6)(a) Effective July 1, 1998, any charter school~~  
5 ~~which has been in continuous operation in the district in~~  
6 ~~which its charter was approved for at least two school years~~  
7 ~~immediately preceding the school year in which the school~~  
8 ~~seeks an appropriation from the Public Education Capital~~  
9 ~~Outlay and Debt Service Trust Fund shall be eligible to~~  
10 ~~receive funds from that trust fund. No other charter schools~~  
11 ~~are eligible to receive funds from the Public Education~~  
12 ~~Capital Outlay and Debt Service Trust Fund.~~

13 ~~(b) Unless authorized otherwise by the Legislature,~~  
14 ~~allocation and proration of funds from the Public Education~~  
15 ~~Capital Outlay and Debt Service Trust Fund shall be made to~~  
16 ~~eligible charter schools by the Commissioner of Education in~~  
17 ~~an amount and in a manner authorized by subsection (1), and~~  
18 ~~only schools eligible for such funds in this subsection shall~~  
19 ~~be considered "eligible charter schools" for such an~~  
20 ~~allocation or proration.~~

21 ~~(c) There is appropriated from the Public Education~~  
22 ~~Capital Outlay and Debt Service Trust Fund in fiscal year~~  
23 ~~1998-1999 the amount of \$5 million to be used for capital~~  
24 ~~outlay purposes of charter schools eligible under this~~  
25 ~~subsection and allocated or prorated in an amount and in a~~  
26 ~~manner authorized by this subsection. This paragraph shall be~~  
27 ~~repealed July 1, 1999.~~

28 Section 2. Subsection (7) of section 235.42, Florida  
29 Statutes, 1998 Supplement, is amended to read:

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1           235.42 Educational and ancillary plant construction  
2 funds; Public Education Capital Outlay and Debt Service Trust  
3 Fund; allocation of funds.--

4           (7) Boards and entities authorized to participate in  
5 the trust fund are district school boards, the community  
6 college district boards of trustees, the Trustees of the  
7 Florida School for the Deaf and the Blind, the Board of  
8 Regents, ~~charter schools only if eligible pursuant to s.~~  
9 ~~228.0561(6)~~, and other units of the state system of public  
10 education, and other educational entities defined in s.  
11 228.041 for which funds are authorized by the Legislature.

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

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14                           STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
15   COMMITTEE SUBSTITUTE FOR  
16   SB 1066

17 The committee substitute expands the eligibility criteria for  
18 charter school capital outlay funding by requiring evidence of  
19 fiscal stability. It deletes the required lien on property  
20 improved by charter school capital outlay and requires a  
21 written agreement for reversion of unencumbered funds and  
22 certain equipment and property to the district school board  
23 when a charter is terminated or not renewed. Charter schools  
24 are removed for the list of entities that may receive funds  
25 from the Public Education Capital Outlay and Debt Service  
26 Trust Fund.  
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