# 1999 Legislature

# CS/HB 2147, Second Engrossed

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2	An act relating to charter schools; amending s.
3	228.056, F.S.; revising the date through which
4	a district school board must receive charter
5	school applications; providing for
6	interdistrict transfer to a charter school
7	under certain circumstances; authorizing
, 8	charter schools to be operated by
9	municipalities or other public entities;
10	providing information to be included in the
11	
11	charter of a charter school; providing for
	15-year charters under specified circumstances;
13	providing for one charter for municipality
14	charter schools comprising one feeder pattern;
15	authorizing charter school governing boards to
16	employ or contract with skilled selected
17	noncertified personnel as provided in ch. 231,
18	F.S., and as provided by rule of the State
19	Board of Education; prohibiting a charter
20	school from hiring certain persons who have
21	resigned in lieu of disciplinary action or have
22	been dismissed for good cause; requiring the
23	fingerprinting of members of the governing
24	boards of charter schools; prescribing time
25	limits for charter schools to receive federal
26	funds; providing for a Charter School Review
27	Panel; providing for membership, purpose, and
28	duties; amending s. 228.0561, F.S.; removing
29	references to the Public Education Capital
30	Outlay and Debt Service Trust Fund; providing
31	for the reversion of unencumbered funds and
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1	property to the district school board if the
2	charter school terminates operations; revising
3	requirements relating to charter school use of
4	capital outlay funds; revising eligibility
5	requirements for charter school receipt of
6	capital outlay funds; removing obsolete
7	provisions; amending s. 235.42, F.S., relating
8	to educational and ancillary plant construction
9	funds; removing a reference to charter schools;
10	amending s. 228.057, F.S.; requiring school
11	districts to report the number of students
12	attending the various types of public schools
13	according to the rules of the State Board of
14	Education; creating s. 228.058, F.S.;
15	establishing a charter school districts pilot
16	program; providing requirements for charter
17	school districts; providing for exemptions from
18	statutes and rules; providing for a governing
19	board; providing for charter proposals;
20	providing for a precharter agreement; providing
21	a time period for the pilot project; requiring
22	an annual report; providing for rulemaking;
23	providing for protection and indemnity of the
24	state and charter school from certain
25	liability; providing effective dates.
26	
27	Be It Enacted by the Legislature of the State of Florida:
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29	Section 1. Paragraph (a) of subsection (4), paragraph
30	(a) of subsection (6), subsections (7) and (9), paragraphs (f)
31	and (g) of subsection (12), paragraph (d) of subsection (13),
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COD	<b>ING:</b> Words stricken are deletions; words <u>underlined</u> are additions.

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and subsection (20) of section 228.056, Florida Statutes, 1998
 Supplement, are amended to read:

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228.056 Charter schools.--

4 (4) SPONSOR.--A district school board may sponsor a
5 charter school in the county over which the board has
6 jurisdiction.

7 (a) A district school board shall receive and review all applications for a charter school. A district school board 8 9 shall receive charter school applications through at least November 15 February 1 of each calendar year for charter 10 schools to be opened at the beginning of the school district's 11 12 next school year. A district school board may receive applications later than this date if it chooses. In order to 13 14 facilitate an accurate budget projection process, a district school board shall be held harmless for FTE students which are 15 not included in the FTE projection due to approval of charter 16 school applications after the FTE projection deadline. A 17 district school board must by a majority vote approve or deny 18 19 an application no later than 60 days after the application is received. If an application is denied, the district school 20 board must, within 10 calendar days, articulate in writing the 21 22 specific reasons based upon good cause supporting its denial 23 of the charter application. Upon approval of a charter application, the initial startup must be consistent with the 24 beginning of the public school calendar for the district in 25 26 which the charter is granted unless the district school board allows a waiver of this provision for good cause. 27

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(6) ELIGIBLE STUDENTS.--

(a) A charter school shall be open to any student
covered in an interdistrict agreement or residing in the
school district in which the charter school is located. Any

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eligible student shall be allowed interdistrict transfer to 1 2 attend a charter school when based on good cause.When a 3 public school converts to charter status, enrollment preference shall be given to students who would have otherwise 4 5 attended that public school. A charter school may give enrollment preference to a sibling of a student enrolled in б 7 the charter school or to the child of an employee of the 8 charter school.

9 (7) LEGAL ENTITY.--A charter school shall organize as, 10 or be operated by, a nonprofit organization. A charter school may be operated by a municipality or other public entity as 11 12 provided for by law.As such, the charter school may be either a private or a public employer. As a public employer, a 13 14 charter school may participate in the Florida Retirement 15 System upon application and approval as a "covered group" under s. 121.021(34). If a charter school participates in the 16 17 Florida Retirement System, the charter school employees shall be compulsory members of the Florida Retirement System. As 18 19 either a private or a public employer, a charter school may contract for services with an individual or group of 20 individuals who are organized as a partnership or a 21 22 cooperative. Individuals or groups of individuals who contract 23 their services to the charter school are not public employees. (9) CHARTER.--The major issues involving the operation 24 of a charter school shall be considered in advance and written 25 26 into the charter. The charter shall be signed by the governing body of the charter school and the sponsor, following a public 27 hearing to ensure community input. 28 29 (a) The charter shall address, and criteria for 30 approval of the charter shall be based on: 31

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1. The school's mission, the students to be served, 1 2 and the ages and grades to be included. 3 2. The focus of the curriculum, the instructional 4 methods to be used, and any distinctive instructional 5 techniques to be employed. 6 3. The current incoming baseline standard of student 7 academic achievement, and the outcomes to be achieved, and the method of measurement that will be used. This section shall 8 9 include a detailed description for each of the following: a. How the baseline student academic achievement 10 levels and prior rates of academic progress will be 11 12 established; 13 b. How these baseline rates will be compared to rates 14 of academic progress achieved by these same students while attending the charter school; and 15 To the extent possible, how these rates of progress 16 c. 17 will be evaluated and compared with rates of progress of other closely comparable student populations. 18 19 4. The methods used to identify the educational 20 strengths and needs of students and how well educational goals 21 and performance standards are met by students attending the 22 charter school. Students in charter schools shall, at a minimum, participate in the statewide assessment program. 23 5. In secondary charter schools, a method for 24 25 determining that a student has satisfied the requirements for 26 graduation in s. 232.246. 6. A method for resolving conflicts between the 27 governing body of the charter school and the sponsor. 28 29 7. The admissions procedures and dismissal procedures, 30 including the school's code of student conduct. 31 5

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The ways by which the school will achieve a 1 8. 2 racial/ethnic balance reflective of the community it serves or 3 within the racial/ethnic range of other public schools in the 4 same school district. 5 9. The financial and administrative management of the 6 school, including a reasonable demonstration of the 7 professional experience or competence of those individuals or organizations applying to operate the charter school or those 8 9 hired or retained to perform such professional services. Both public sector and private sector professional experience shall 10 be equally valid in such a consideration. 11 12 10. The manner in which the school will be insured, including whether or not the school will be required to have 13 14 liability insurance, and, if so, the terms and conditions 15 thereof and the amounts of coverage. 11. The term of the charter which shall provide for 16 cancellation of the charter if insufficient progress has been 17 made in attaining the student achievement objectives of the 18 19 charter and if it is not likely that such objectives can be achieved before expiration of the charter. The initial term of 20 a charter shall be for 3, 4, or 5 years. In order to 21 facilitate access to long-term financial resources for charter 22 23 school construction, charter schools that are operated by a municipality or other public entity as provided by law are 24 eligible for up to a 15-year charter, subject to approval by 25 26 the local school board. In addition, to facilitate access to 27 long-term financial resources for charter school construction, charter schools that are operated by a private, 28 not-for-profit, 501(c)3 status corporation are eligible for up 29 to a 10-year charter, subject to approval by the local school 30 board. Such long-term charters remain subject to annual review 31 6

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and may be terminated during the term of the charter, but only 1 2 for specific good cause according to the provisions set forth 3 in subsection (10). 4 12. The facilities to be used and their location. 5 13. The qualifications to be required of the teachers. 6 14. The governance structure of the school, including 7 the status of the charter school as a public or private 8 employer as required in subsection (7). 9 15. A timetable for implementing the charter which addresses the implementation of each element thereof and the 10 date by which the charter shall be awarded in order to meet 11 12 this timetable. 16. In the case of an existing public school being 13 14 converted to charter status, alternative arrangements for current students who choose not to attend the charter school 15 and for current teachers who choose not to teach in the 16 charter school after conversion in accordance with the 17 existing collective bargaining agreement or school board 18 19 policy in the absence of a collective bargaining agreement. 20 (b) A charter may be renewed every 5 school years, provided that a program review demonstrates that the criteria 21 in paragraph (a) have been successfully accomplished. In order 22 23 to facilitate long-term financing for charter school construction, charter schools operating a minimum of 3 years 24 and demonstrating exemplary academic programming and fiscal 25 26 management are eligible for a 15-year charter renewal. Such 27 long-term charter is subject to annual review and may be terminated during the term of the charter. 28 29 (c) A charter may be modified during its initial term or any renewal term upon the recommendation of the sponsor and 30 the approval of both parties to the agreement. 31

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The governing body of the charter school shall 1 (d) 2 make annual progress reports to its sponsor, which upon 3 verification shall be forwarded to the Commissioner of 4 Education at the same time as other annual school 5 accountability reports. The report shall contain at least the 6 following information: 7 The charter school's progress towards achieving the 1. 8 goals outlined in its charter. 9 2. The information required in the annual school report pursuant to s. 229.592. 10 Financial records of the charter school, including 11 3. 12 revenues and expenditures. 13 4. Salary and benefit levels of charter school 14 employees. 15 (e) A sponsor shall ensure that the charter is innovative and consistent with the state education goals 16 17 established by s. 229.591. 18 (f) Upon receipt of the annual report required by 19 paragraph (d), the Department of Education shall provide to the State Board of Education, the Commissioner of Education, 20 the President of the Senate, and the Speaker of the House of 21 22 Representatives an analysis and comparison of the overall 23 performance of charter school students, to include all students whose scores are counted as part of the 24 norm-referenced assessment tests, versus comparable public 25 26 school students in the district as determined by 27 norm-referenced assessment tests currently administered in the school district, and, as appropriate, the Florida Writes 28 29 Assessment Test, the High School Competency Test, and other assessments administered pursuant to s. 229.57(3). 30 31 8

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(g) Whenever a municipality has submitted charter 1 2 applications for the establishment of a charter school feeder 3 pattern (elementary, middle, and senior high schools), and 4 upon approval of each individual charter application by the 5 district school board, such applications will then be 6 designated as one charter for all purposes listed pursuant to 7 this section. 8 (12) EMPLOYEES OF CHARTER SCHOOLS.--9 (f) Teachers employed by or under contract to a charter school shall be certified as required by chapter 231. 10 A charter school governing board may employ or contract with 11 12 skilled selected noncertified personnel to provide instructional services or to assist instructional staff 13 14 members as education paraprofessionals in the same manner as defined in chapter 231, and as provided by State Board of 15 Education rule for charter school governing boards. A charter 16 17 school may not employ an individual to provide instructional services or to serve as an education paraprofessional if the 18 19 individual's certification or licensure as an educator is 20 suspended or revoked by this or any other state. A charter 21 school may not knowingly employ an individual who has resigned from a school district in lieu of disciplinary action with 22 23 respect to child welfare or safety, or who has been dismissed for just cause by any school district with respect to child 24 25 welfare or safety. The qualifications of teachers shall be 26 disclosed to parents. (g) A charter school shall employ or contract with 27 employees who have been fingerprinted as provided in s. 28 29 231.02. Members of the governing board of the charter school 30 shall also be fingerprinted in a manner similar to that provided in s. 231.02 prior to approval of the charter. 31 9

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(13) REVENUE.--Students enrolled in a charter school, 1 2 regardless of the sponsorship, shall be funded as if they are 3 in a basic program or a special program, the same as students 4 enrolled in other public schools in the school district. 5 Funding for a chartered developmental research school shall be 6 as provided in s. 228.053(9). 7 (d) If the district school board is providing programs 8 or services to students funded by federal funds, any eligible students enrolled in charter schools in the school district 9 shall be provided federal funds for the same level of service 10 provided students in the schools operated by the district 11 12 school board. Pursuant to provisions of 20 U.S.C. 8061 s. 10306, all charter schools shall receive all federal funding 13 14 for which the school is otherwise eligible, including Title I 15 funding, not later than 5 months after the charter school first opens and within 5 months after any subsequent expansion 16 17 of enrollment. 18 (20) REVIEW.--19 (a) The Department of Education shall regularly 20 convene a Charter School Review Panel in order to review 21 issues, practices, and policies regarding charter schools. The composition of the review panel shall include individuals with 22 23 experience in finance, administration, law, education, and school governance, and individuals familiar with charter 24 school construction and operation. The panel shall include two 25 26 appointees each from the Commissioner of Education, the President of the Senate, and the Speaker of the House of 27 Representatives. The Governor shall appoint three members of 28 29 the panel, and shall designate the chair. Each member of the 30 panel shall serve a 1-year term, unless renewed by the office making the appointment. The panel shall make recommendations 31 10

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to the Legislature, to the Department of Education, to charter 1 2 schools, and to school districts for improving charter school 3 operations and oversight and for ensuring best business 4 practices at and fair business relationships with charter 5 schools. 6 (b) The Legislature shall review the operation of 7 charter schools during the 2000 Regular Session of the 8 Legislature. 9 Section 2. Subsections (1), (2), (5), and (6) of section 228.0561, Florida Statutes, 1998 Supplement, are 10 amended to read: 11 12 228.0561 Charter schools capital outlay funding .--(1) In each year in which funds are appropriated for 13 14 charter school capital outlay purposes from the Public 15 Education Capital Outlay and Debt Service Trust Fund for charter schools, the Commissioner of Education shall allocate 16 17 the funds among eligible charter schools. To be eligible for a funding allocation, a charter school must meet the 18 19 provisions of subsection (6), must have received final 20 approval from its sponsor pursuant to s. 228.056 for operation during that fiscal year, and must serve students in facilities 21 22 that are not provided by the charter school's sponsor. Prior 23 to the release of capital outlay funds to a school district on behalf of the charter school, the Department of Education 24 shall ensure that the district school board and the charter 25 26 school governing board enter into a written agreement that includes provisions for the reversion of any unencumbered 27 funds and all equipment and property purchased with public 28 29 education funds to the ownership of the district school board, as provided for in subsection (3)attaching a lien to property 30 that has been improved through the use of these funds, in the 31 11

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event that the school terminates operations. Any funds 1 recovered by the state shall be deposited in the General 2 3 Revenue Fund Public Education Capital Outlay and Debt Service 4 Trust Fund. A charter school is not eligible for a funding allocation if it was created by the conversion of a public 5 school and operates in facilities provided by the charter 6 7 school's sponsor for a nominal fee or at no charge. Unless otherwise provided in the General Appropriations Act, the 8 9 funding allocation for each eligible charter school shall be determined by multiplying the school's projected student 10 enrollment by one-thirtieth of the cost-per-student station 11 12 specified in s. 235.435(6)(b) for an elementary, middle, or 13 high school, as appropriate. If the funds appropriated are 14 not sufficient, the commissioner shall prorate the available 15 funds among eligible charter schools. In the first quarter of the fiscal year, funds shall be distributed on the basis of 16 17 projected enrollment as provided in this section. The commissioner shall adjust subsequent distributions as 18 19 necessary to reflect each charter school's actual student enrollment. The commissioner shall establish the intervals 20 and procedures for determining the projected and actual 21 student enrollment of eligible charter schools. 22 If a school 23 district chooses to share funding for the capital outlay purposes described in subsection (2) with the applicable 24 charter school or charter schools, any allocation of charter 25 26 school capital outlay funds from the Public Education Capital Outlay and Debt Service Trust Fund allocation to the charter 27 school or charter schools shall be reduced by the amount 28 29 shared. (2) A charter school's governing body may use charter 30

31 school capital outlay funds with the school board's permission

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may use funds from the Public Education Capital Outlay and 1 Debt Service Trust Fund for any capital outlay purpose that is 2 directly related to the functioning of the charter school, 3 4 including the: 5 (a) Purchase of real property. (b) Construction, renovation, repair, and maintenance б 7 of school facilities. 8 (c) Purchase, lease-purchase, or lease of permanent or 9 relocatable school facilities. (d) Purchase of vehicles to transport students to and 10 11 from the charter school. 12 (5) The annual legislative budget request of the Department of Education shall include a request for capital 13 14 outlay funding for charter schools from the Public Education 15 Capital Outlay and Debt Service Trust Fund. The request shall be based on the projected number of students to be served in 16 17 charter schools who meet the eligibility requirements of this 18 section. 19 (6) (a) Effective July 1, 1998, any charter school 20 which has been in continuous operation in the district in which its charter was approved for at least two school years 21 immediately preceding the school year in which the school 22 23 seeks an appropriation from the Public Education Capital Outlay and Debt Service Trust Fund shall be eligible to 24 receive funds from that trust fund. No other charter schools 25 26 are eligible to receive funds from the Public Education 27 Capital Outlay and Debt Service Trust Fund. 28 (b) Unless authorized otherwise by the Legislature, 29 allocation and proration of charter school capital outlay funds from the Public Education Capital Outlay and Debt 30 Service Trust Fund shall be made to eligible charter schools 31 13

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by the Commissioner of Education in an amount and in a manner 1 authorized by subsection (1), and only schools eligible for 2 3 such funds in this subsection shall be considered "eligible charter schools" for such an allocation or proration. 4 5 (c) There is appropriated from the Public Education 6 Capital Outlay and Debt Service Trust Fund in fiscal year 7 1998-1999 the amount of \$5 million to be used for capital 8 outlay purposes of charter schools eligible under this 9 subsection and allocated or prorated in an amount and in a manner authorized by this subsection. This paragraph shall be 10 repealed July 1, 1999. 11 12 Section 3. Subsection (7) of section 235.42, Florida Statutes, 1998 Supplement, is amended to read: 13 14 235.42 Educational and ancillary plant construction 15 funds; Public Education Capital Outlay and Debt Service Trust 16 Fund; allocation of funds. --(7) Boards and entities authorized to participate in 17 the trust fund are district school boards, the community 18 19 college district boards of trustees, the Trustees of the Florida School for the Deaf and the Blind, the Board of 20 Regents, charter schools only if eligible pursuant to s. 21 228.0561(6), and other units of the state system of public 22 education, and other educational entities defined in s. 23 228.041 for which funds are authorized by the Legislature. 24 25 Section 4. Subsection (9) is added to section 228.057, 26 Florida Statutes, to read: 228.057 Public school parental choice .--27 (9) Each school district shall annually report the 28 29 number of students applying for and attending the various 30 types of public schools of choice in the district, including 31 14

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schools such as magnet schools and public charter schools, 1 2 according to rules adopted by the State Board of Education. 3 Section 5. Effective upon this act becoming a law, 4 section 228.058, Florida Statutes, is created to read: 5 228.058 Charter School Districts Pilot Program.--The 6 State Board of Education is authorized to enter into a 7 performance contract with up to six school districts for the 8 purpose of establishing them as charter school districts. The 9 State Board of Education shall give priority to Hillsborough and Volusia Counties upon the submission of a completed 10 precharter agreement or charter proposal for a charter school 11 12 district. The purpose of this pilot program is to examine a 13 new relationship between the State Board of Education and 14 school districts that may produce significant improvements in 15 student achievement and school management, while complying 16 with constitutional requirements assigned to each entity. 17 (1) CHARTER DISTRICT.--A charter school district is a school district in Florida in which the school board has 18 19 submitted and the state board has approved a charter proposal 20 that exchanges statutory and rule exemption for agreement to meet performance goals in the proposal. The charter school 21 district shall be chartered for 3 years, at the end of which 22 23 the performance shall be evaluated. (2) EXEMPTION FROM STATUTES AND RULES.--Charter school 24 districts shall be exempt from state statutes and state board 25 rules as provided in s. 228.056. The school board of a 26 27 charter school district shall not be exempt from any statute governing election of board members, public meetings and 28 29 public records requirements, financial disclosure, conflicts of interest, operation in the sunshine, or other provisions 30 outside the Florida School Code. 31 15

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1	(3) GOVERNING BOARDThe governing board of the
2	charter school district shall be the duly elected school
3	board. The school board shall be responsible for supervising
4	the schools in the charter district and is authorized to
5	charter each of its existing public schools pursuant to s.
6	228.056, apply for deregulation of its public schools pursuant
7	to s. 228.0565, or otherwise establish performance-based
8	contractual relationships with its public schools for the
9	purpose of giving them greater autonomy with accountability
10	for performance.
11	(4) CHARTER PROPOSAL Competitive charter proposal
12	applications shall be accepted by the State Board of Education
13	no later than October 30, 1999. The charter proposal shall
14	include, but not be limited to:
15	(a) Authorization for participation in the pilot
16	program approved in an open school board meeting.
17	(b) The vision of what the school board proposes to
18	accomplish by becoming a charter school district.
19	(c) A management plan for reaching performance goals,
20	including an anticipated list of the statutes and rules from
21	which the school board desires exemption and the purpose of
22	the exemption.
23	(d) The performance goals proposed by the school
24	board, the measures to be used to assess progress, the
25	district's current baseline status with respect to the goals,
26	and the timeframe for accomplishing the goals.
27	(e) A plan for chartering, deregulating, or otherwise
28	freeing schools in the district from state statutes and rules
29	and school board policies and procedures. This portion may
30	include a phased-in approach, but shall be included as a
31	performance goal.
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(f) Agreement to file an annual report of progress to 1 2 the state board. 3 (g) Any other provisions required by state board rule. 4 (5) PRECHARTER AGREEMENT.--The state board is authorized to approve a precharter agreement with a potential 5 6 charter district. The agreement may grant limited flexibility 7 and direction for developing the full charter proposal. 8 (6) TIME PERIOD FOR PILOT. -- The pilot program shall be 9 authorized for a period of 3 full school years commencing with award of a charter. The charter may be renewed upon action of 10 the state board. 11 12 (7) REPORTS.--The state board shall annually report on the implementation of the charter school district pilot 13 14 program. Upon the completion of the first 3-year term, the 15 state board, through the Commissioner of Education, shall submit to the Legislature a full evaluation of the 16 17 effectiveness of the program. (8) RULEMAKING.--The State Board of Education shall 18 19 have the authority to enact rules to implement this section in 20 accordance with ss. 120.536 and 120.54. 21 Section 6. Any arrangement entered into to borrow or otherwise secure funds for a charter school authorized in 22 23 section 228.056, Florida Statutes, from a source other than the state or a school district shall indemnify the state and 24 the school district from any and all liability, including but 25 26 not limited to financial responsibility for the payment of the principal or interest. Any loans, bonds, or other financial 27 agreements are not obligations of the state or the school 28 29 district but are obligations of the charter school authority and are payable solely from the sources of funds pledged by 30 such agreement. The credit or taxing power of the state or 31 17

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1	the school district shall not be pledged and no debts shall be
2	payable out of any moneys except those of the legal entity in
3	possession of a valid charter approved by a district school
4	board pursuant to section 228.056, Florida Statutes.
5	Section 7. Except as otherwise provided herein, this
6	act shall take effect July 1, 1999.
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