

By the Committees on Appropriations; Education; and Senator
Webster

309-2347-03

1 A bill to be entitled
2 An act relating to charter schools; amending s.
3 1002.33, F.S.; providing guiding principles;
4 requiring an emphasis on reading; authorizing a
5 state university or community college to
6 sponsor a charter school; requiring certain
7 accountability measures; revising application
8 requirements; requiring fiscal projections in a
9 charter application; extending the time allowed
10 for the State Board of Education to act on an
11 appeal; requiring auditors to provide
12 notification of certain financial conditions;
13 providing additional requirements for a charter
14 school's annual report; eliminating limitations
15 on the number of charter schools per school
16 district; revising the administrative fee the
17 sponsor is authorized to withhold; revising
18 provisions relating to the analysis of charter
19 school performance; amending s. 1002.32, F.S.;
20 correcting cross-references; providing duties
21 with respect to lab schools; amending s.
22 1013.62, F.S.; revising conditions for charter
23 schools to receive funding; revising purposes
24 for which charter school capital outlay funds
25 may be used; providing guidelines for
26 allocation of charter school capital outlay
27 funds; providing an effective date.

28
29 WHEREAS, in the 2002-2003 school year, Florida has 223
30 charter schools educating approximately 51,000 Florida
31

1 students, with a projected increase of 117 additional charter
2 schools in the next school year, and

3 WHEREAS, this rate of growth is a dramatic increase
4 over the prior averages of 36 charter schools per year, and

5 WHEREAS, while charter schools are public schools,
6 their unique populations or small size mean that few of them
7 are eligible for inclusion in the state's accountability
8 system, with only 38 of the 173 charter schools receiving a
9 school performance grade in 2002, and

10 WHEREAS, the issue of charter school accountability is
11 of the utmost importance at this time of budget constraints
12 and heightened awareness of public ethics, NOW, THEREFORE,

13

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

15

16 Section 1. Subsections (2), (5), and (6), paragraph
17 (a) of subsection (7), and paragraph (a) of subsection (8) of
18 section 1002.33, Florida Statutes, are amended, paragraph (k)
19 of subsection (9) of that section is amended, present
20 paragraphs (l) and (m) of that subsection are redesignated as
21 paragraphs (m) and (n), respectively, and a new paragraph (l)
22 is added to that subsection, and subsection (13), paragraph
23 (a) of subsection (21), and subsection (24) of that section
24 are amended, to read:

25 1002.33 Charter schools.--

26 (2) GUIDING PRINCIPLES;PURPOSE.--

27 (a) Charter schools in Florida shall be guided by the
28 following principles:

29 1. Meet high standards of student achievement while
30 providing parents flexibility to choose among diverse

31

1 educational opportunities within the state's public school
2 system.
3 2. Promote enhanced academic success and financial
4 efficiency by aligning responsibility with accountability.
5 3. Provide parents with sufficient information on
6 whether their child is reading at grade level and whether the
7 child gains at least a year's worth of learning for every year
8 spent in the charter school.
9 (b)(a) Charter schools shall fulfill the following
10 purposes:
11 1. Improve student learning and academic achievement.
12 2. Increase learning opportunities for all students,
13 with special emphasis on low-performing students and reading.
14 3. Create new professional opportunities for teachers,
15 including ownership of the learning program at the school
16 site.
17 4. Encourage the use of innovative learning methods.
18 5. Require the measurement of learning outcomes.
19 (c)(b) Charter schools may fulfill the following
20 purposes:
21 1. Create innovative measurement tools.
22 2. Provide rigorous competition within the public
23 school district to stimulate continual improvement in all
24 public schools.
25 3. Expand the capacity of the public school system.
26 (5) SPONSOR; DUTIES.--
27 (a) Sponsoring entities.--
28 1. A district school board may sponsor a charter
29 school in the county over which the district school board has
30 jurisdiction.
31

1 ~~2.(b)~~ A state university may grant a charter to a lab
2 school created under s. 1002.32 and shall be considered to be
3 the school's sponsor. Such school shall be considered a
4 charter lab school.

5 ~~(b)(c)~~ Sponsor duties.--

6 1. The sponsor shall monitor and review the charter
7 school in its progress toward the goals established in the
8 charter.

9 ~~2.(d)~~ The sponsor shall monitor the revenues and
10 expenditures of the charter school.

11 ~~3.(e)~~ The sponsor may approve a charter for a charter
12 school before the applicant has secured space, equipment, or
13 personnel, if the applicant indicates approval is necessary
14 for it to raise working capital.

15 ~~4.(f)~~ The sponsor's policies shall not apply to a
16 charter school.

17 ~~5.(g)~~ The ~~A~~ sponsor shall ensure that the charter is
18 innovative and consistent with the state education goals
19 established by s. 1000.03(5).

20 6. The sponsor shall ensure that the charter school
21 participates in the state's education accountability system.
22 If a charter school falls short of performance measures
23 included in the approved charter, the sponsor shall report
24 such shortcomings to the Department of Education.

25
26 Community colleges may work with the school district in its
27 designated service area to develop charter schools that offer
28 secondary education. These charter schools must include an
29 option for students to receive an associate degree upon high
30 school graduation. District school boards shall cooperate with
31 and assist the community college on the charter application.

1 Community college applications for charter schools are not
2 subject to the time deadlines outlined in subsection (6) and
3 may be approved by the district school board at any time
4 during the year. Community colleges shall not report FTE for
5 any students who receive FTE funding through the Florida
6 Education Finance Program.

7 (6) APPLICATION PROCESS AND REVIEW.--Beginning
8 September 1, 2003, applications are subject to the following
9 requirements:

10 (a) A person or entity wishing to open a charter
11 school shall prepare an application that:

12 1. Demonstrates how the school will use the guiding
13 principles and meet the statutorily defined purpose of a
14 charter school.

15 2. Provides a detailed curriculum plan that
16 illustrates how students will be provided services to attain
17 the Sunshine State Standards.

18 3. Contains goals and objectives for improving student
19 learning and measuring that improvement. These goals and
20 objectives must indicate how much academic improvement
21 students are expected to show each year, how success will be
22 evaluated, and the specific results to be attained through
23 instruction.

24 4. Describes the reading curriculum and differentiated
25 strategies that will be used for students reading at grade
26 level or higher and a separate curriculum and strategies for
27 students who are reading below grade level. A sponsor shall
28 deny a charter if the school does not propose a reading
29 curriculum that is consistent with effective teaching
30 strategies that are grounded in scientifically based reading
31 research.

1 5. Contains an annual financial plan for each year
2 requested by the charter for operation of the school for up to
3 5 years. This plan must contain anticipated fund balances
4 based on revenue projections, a spending plan based on
5 projected revenues and expenses, and a description of controls
6 that will safeguard finances and projected enrollment trends.

7 **(b)(a)** A district school board shall receive and
8 review all applications for a charter school. A district
9 school board shall receive and consider charter school
10 applications received on or before September 1 ~~October 1~~ of
11 each calendar year for charter schools to be opened at the
12 beginning of the school district's next school year, or to be
13 opened at a time agreed to by the applicant and the district
14 school board. A district school board may receive applications
15 later than this date if it chooses. A sponsor may not charge
16 an applicant for a charter any fee for the processing or
17 consideration of an application, and a sponsor may not base
18 its consideration or approval of an application upon the
19 promise of future payment of any kind.

20 1. In order to facilitate an accurate budget
21 projection process, a district school board shall be held
22 harmless for FTE students who are not included in the FTE
23 projection due to approval of charter school applications
24 after the FTE projection deadline. In a further effort to
25 facilitate an accurate budget projection, within 15 calendar
26 days after receipt of a charter school application, a district
27 school board or other sponsor shall report to the Department
28 of Education the name of the applicant entity, the proposed
29 charter school location, and its projected FTE.

30 2. In order to ensure fiscal responsibility, an
31 application for a charter school shall include a full

1 accounting of expected assets, a projection of expected
2 sources and amounts of income, including income derived from
3 projected student enrollments and from community support, and
4 an expense projection that includes full accounting of the
5 costs of operation, including start-up costs.

6 ~~3.2.~~ A district school board shall by a majority vote
7 approve or deny an application no later than 60 calendar days
8 after the application is received, unless the district school
9 board and the applicant mutually agree to temporarily postpone
10 the vote to a specific date, at which time the district school
11 board shall by a majority vote approve or deny the
12 application. If the district school board fails to act on the
13 application, an applicant may appeal to the State Board of
14 Education as provided in paragraph (c)~~(b)~~. If an application
15 is denied, the district school board shall, within 10 calendar
16 days, articulate in writing the specific reasons based upon
17 good cause supporting its denial of the charter application.

18 ~~4.3.~~ For budget projection purposes, the district
19 school board or other sponsor shall report to the Department
20 of Education the approval or denial of a charter application
21 within 10 calendar days after such approval or denial. In the
22 event of approval, the report to the Department of Education
23 shall include the final projected FTE for the approved charter
24 school.

25 ~~5.4.~~ Upon approval of a charter application, the
26 initial startup shall commence with the beginning of the
27 public school calendar for the district in which the charter
28 is granted unless the district school board allows a waiver of
29 this provision for good cause.

30 ~~(c)~~~~(b)~~ An applicant may appeal any denial of that
31 applicant's application or failure to act on an application to

1 the State Board of Education no later than 30 calendar days
2 after receipt of the district school board's decision or
3 failure to act and shall notify the district school board of
4 its appeal. Any response of the district school board shall
5 be submitted to the State Board of Education within 30
6 calendar days after notification of the appeal. Upon receipt
7 of notification from the State Board of Education that a
8 charter school applicant is filing an appeal, the Commissioner
9 of Education shall convene a meeting of the Charter School
10 Appeal Commission to study and make recommendations to the
11 State Board of Education regarding its pending decision about
12 the appeal. The commission shall forward its recommendation
13 to the state board no later than 7 calendar days prior to the
14 date on which the appeal is to be heard. The State Board of
15 Education shall by majority vote accept or reject the decision
16 of the district school board no later than 90 ~~60~~ calendar days
17 after an appeal is filed in accordance with State Board of
18 Education rule. The Charter School Appeal Commission may
19 reject an appeal submission for failure to comply with
20 procedural rules governing the appeals process. The rejection
21 shall describe the submission errors. The appellant may have
22 up to 15 calendar days from notice of rejection to resubmit an
23 appeal that meets requirements of State Board of Education
24 rule. An application for appeal submitted subsequent to such
25 rejection shall be considered timely if the original appeal
26 was filed within 30 calendar days after receipt of notice of
27 the specific reasons for the district school board's denial of
28 the charter application. The State Board of Education shall
29 remand the application to the district school board with its
30 written decision that the district school board approve or
31 deny the application. The district school board shall

1 implement the decision of the State Board of Education. The
2 decision of the State Board of Education is not subject to the
3 provisions of the Administrative Procedure Act, chapter 120.

4 (d)~~(c)~~ The district school board shall act upon the
5 decision of the State Board of Education within 30 calendar
6 days after it is received. The State Board of Education's
7 decision is a final action subject to judicial review.

8 (e)~~(d)~~1. A Charter School Appeal Commission is
9 established to assist the commissioner and the State Board of
10 Education with a fair and impartial review of appeals by
11 applicants whose charters have been denied or whose charter
12 contracts have not been renewed by their sponsors.

13 2. The Charter School Appeal Commission may receive
14 copies of the appeal documents forwarded to the State Board of
15 Education, review the documents, gather other applicable
16 information regarding the appeal, and make a written
17 recommendation to the commissioner. The recommendation must
18 state whether the appeal should be upheld or denied and
19 include the reasons for the recommendation being offered. The
20 commissioner shall forward the recommendation to the State
21 Board of Education no later than 7 calendar days prior to the
22 date on which the appeal is to be heard. The state board must
23 consider the commission's recommendation in making its
24 decision, but is not bound by the recommendation. The
25 decision of the Charter School Appeal Commission is not
26 subject to the provisions of the Administrative Procedure Act,
27 chapter 120.

28 3. The commissioner shall appoint the members of the
29 Charter School Appeal Commission. Members shall serve without
30 compensation but may be reimbursed for travel and per diem
31 expenses in conjunction with their service. One-half of the

1 members must represent currently operating charter schools,
2 and one-half of the members must represent school districts.
3 The commissioner or a named designee shall chair the Charter
4 School Appeal Commission.

5 4. The chair shall convene meetings of the commission
6 and shall ensure that the written recommendations are
7 completed and forwarded in a timely manner. In cases where
8 the commission cannot reach a decision, the chair shall make
9 the written recommendation with justification, noting that the
10 decision was rendered by the chair.

11 5. Commission members shall thoroughly review the
12 materials presented to them from the appellant and the
13 sponsor. The commission may request information to clarify
14 the documentation presented to it. In the course of its
15 review, the commission may facilitate the postponement of an
16 appeal in those cases where additional time and communication
17 may negate the need for a formal appeal and both parties
18 agree, in writing, to postpone the appeal to the State Board
19 of Education. A new date certain for the appeal shall then be
20 set based upon the rules and procedures of the State Board of
21 Education. Commission members shall provide a written
22 recommendation to the state board as to whether the appeal
23 should be upheld or denied. A fact-based justification for
24 the recommendation must be included. The chair must ensure
25 that the written recommendation is submitted to the State
26 Board of Education members no later than 7 calendar days prior
27 to the date on which the appeal is to be heard. Both parties
28 in the case shall also be provided a copy of the
29 recommendation.

30 (f)~~(e)~~ The Department of Education may provide
31 technical assistance to an applicant upon written request.

1 (g)~~(f)~~ In considering charter applications for a lab
2 school, a state university shall consult with the district
3 school board of the county in which the lab school is located.
4 The decision of a state university may be appealed pursuant to
5 the procedure established in this subsection.

6 (h)~~(g)~~ The terms and conditions for the operation of a
7 charter school shall be set forth by the sponsor and the
8 applicant in a written contractual agreement, called a
9 charter. The sponsor shall not impose unreasonable rules or
10 regulations that violate the intent of giving charter schools
11 greater flexibility to meet educational goals. The applicant
12 and sponsor shall have 6 months in which to mutually agree to
13 the provisions of the charter. The Department of Education
14 shall provide mediation services for any dispute regarding
15 this section subsequent to the approval of a charter
16 application and for any dispute relating to the approved
17 charter, except disputes regarding charter school application
18 denials. If the Commissioner of Education determines that the
19 dispute cannot be settled through mediation, the dispute may
20 be appealed to an administrative law judge appointed by the
21 Division of Administrative Hearings. The administrative law
22 judge may rule on issues of equitable treatment of the charter
23 school as a public school, whether proposed provisions of the
24 charter violate the intended flexibility granted charter
25 schools by statute, or on any other matter regarding this
26 section except a charter school application denial, and shall
27 award the prevailing party reasonable attorney's fees and
28 costs incurred to be paid by the losing party. The costs of
29 the administrative hearing shall be paid by the party whom the
30 administrative law judge rules against.

31

1 (7) CHARTER.--The major issues involving the operation
2 of a charter school shall be considered in advance and written
3 into the charter. The charter shall be signed by the governing
4 body of the charter school and the sponsor, following a public
5 hearing to ensure community input.

6 (a) The charter shall address, and criteria for
7 approval of the charter shall be based on:

8 1. The school's mission, the students to be served,
9 and the ages and grades to be included.

10 2. The focus of the curriculum, the instructional
11 methods to be used, any distinctive instructional techniques
12 to be employed, and identification and acquisition of
13 appropriate technologies needed to improve educational and
14 administrative performance which include a means for promoting
15 safe, ethical, and appropriate uses of technology which comply
16 with legal and professional standards. The charter shall
17 ensure that reading is a primary focus of the curriculum and
18 that resources are provided to identify and provide
19 specialized instruction for students who are reading below
20 grade level. The curriculum and instructional strategies for
21 reading must be consistent with the Sunshine State Standards
22 and grounded in scientifically based reading research.

23 3. The current incoming baseline standard of student
24 academic achievement, the outcomes to be achieved, and the
25 method of measurement that will be used. The criteria listed
26 in this subparagraph shall include a detailed description for
27 each of the following:

28 a. How the baseline student academic achievement
29 levels and prior rates of academic progress will be
30 established.

31

1 b. How these baseline rates will be compared to rates
2 of academic progress achieved by these same students while
3 attending the charter school.

4 c. To the extent possible, how these rates of progress
5 will be evaluated and compared with rates of progress of other
6 closely comparable student populations.

7
8 The district school board is required to provide academic
9 student performance data to charter schools for each of their
10 students coming from the district school system, as well as
11 rates of academic progress of comparable student populations
12 in the district school system.

13 4. The methods used to identify the educational
14 strengths and needs of students and how well educational goals
15 and performance standards are met by students attending the
16 charter school. Included in the methods is a means for the
17 charter school to ensure accountability to its constituents by
18 analyzing student performance data and by evaluating the
19 effectiveness and efficiency of its major educational
20 programs. Students in charter schools shall, at a minimum,
21 participate in the statewide assessment program created under
22 s. 1008.22.

23 5. In secondary charter schools, a method for
24 determining that a student has satisfied the requirements for
25 graduation in s. 1003.43.

26 6. A method for resolving conflicts between the
27 governing body of the charter school and the sponsor.

28 7. The admissions procedures and dismissal procedures,
29 including the school's code of student conduct.

30 8. The ways by which the school will achieve a
31 racial/ethnic balance reflective of the community it serves or

1 within the racial/ethnic range of other public schools in the
2 same school district.

3 9. The financial and administrative management of the
4 school, including a reasonable demonstration of the
5 professional experience or competence of those individuals or
6 organizations applying to operate the charter school or those
7 hired or retained to perform such professional services and
8 the description of clearly delineated responsibilities and the
9 policies and practices needed to effectively manage the
10 charter school. A description of internal audit procedures and
11 establishment of controls to ensure that financial resources
12 are properly managed must be included. Both public sector and
13 private sector professional experience shall be equally valid
14 in such a consideration.

15 10. The asset and liability projections required in
16 the application which are incorporated into the charter shall
17 be compared with information provided in the annual report of
18 the charter school. The charter shall ensure that, if a
19 charter school internal audit reveals a deficit financial
20 position, the auditors are required to notify the charter
21 school governing board, the sponsor, and the Department of
22 Education. The internal auditor shall report such findings in
23 the form of an exit interview to the principal or principal
24 administrator of the charter school and the chair of the
25 governing board within 7 working days of finding the deficit
26 position. A final report shall be provided to the entire
27 governing board, the sponsor, and the Department of Education
28 within 14 calendar days after the exit interview.

29 ~~11.10~~. A description of procedures that identify
30 various risks and provide for a comprehensive approach to
31 reduce the impact of losses; plans to ensure the safety and

1 security of students and staff; plans to identify, minimize,
2 and protect others from violent or disruptive student
3 behavior; and the manner in which the school will be insured,
4 including whether or not the school will be required to have
5 liability insurance, and, if so, the terms and conditions
6 thereof and the amounts of coverage.

7 12.11. The term of the charter which shall provide for
8 cancellation of the charter if insufficient progress has been
9 made in attaining the student achievement objectives of the
10 charter and if it is not likely that such objectives can be
11 achieved before expiration of the charter. The initial term of
12 a charter shall be for 3, 4, or 5 years. In order to
13 facilitate access to long-term financial resources for charter
14 school construction, charter schools that are operated by a
15 municipality or other public entity as provided by law are
16 eligible for up to a 15-year charter, subject to approval by
17 the district school board. A charter lab school is eligible
18 for a charter for a term of up to 15 years. In addition, to
19 facilitate access to long-term financial resources for charter
20 school construction, charter schools that are operated by a
21 private, not-for-profit, s. 501(c)(3) status corporation are
22 eligible for up to a 10-year charter, subject to approval by
23 the district school board. Such long-term charters remain
24 subject to annual review and may be terminated during the term
25 of the charter, but only for specific good cause according to
26 the provisions set forth in subsection (8).

27 13.12. The facilities to be used and their location.

28 14.13. The qualifications to be required of the
29 teachers and the potential strategies used to recruit, hire,
30 train, and retain qualified staff to achieve best value.

31

1 ~~15.14.~~ The governance structure of the school,
2 including the status of the charter school as a public or
3 private employer as required in paragraph (12)(i).

4 ~~16.15.~~ A timetable for implementing the charter which
5 addresses the implementation of each element thereof and the
6 date by which the charter shall be awarded in order to meet
7 this timetable.

8 ~~17.16.~~ In the case of an existing public school being
9 converted to charter status, alternative arrangements for
10 current students who choose not to attend the charter school
11 and for current teachers who choose not to teach in the
12 charter school after conversion in accordance with the
13 existing collective bargaining agreement or district school
14 board rule in the absence of a collective bargaining
15 agreement. However, alternative arrangements shall not be
16 required for current teachers who choose not to teach in a
17 charter lab school, except as authorized by the employment
18 policies of the state university which grants the charter to
19 the lab school.

20 (8) CAUSES FOR NONRENEWAL OR TERMINATION OF CHARTER.--

21 (a) At the end of the term of a charter, the sponsor
22 may choose not to renew the charter for any of the following
23 grounds:

24 1. Failure to participate in the state's education
25 accountability system created in s. 1008.31, as required in
26 this section, or failure to meet the requirements for student
27 performance stated in the charter.

28 2. Failure to meet generally accepted standards of
29 fiscal management.

30 3. Violation of law.

31 4. Other good cause shown.

1 (9) CHARTER SCHOOL REQUIREMENTS.--
2 (k) The governing body of the charter school shall
3 exercise continuing oversight over charter school operations.
4 ~~and make annual progress reports to its sponsor, which upon~~
5 ~~verification shall be forwarded to the Commissioner of~~
6 ~~Education at the same time as other annual school~~
7 ~~accountability reports. The report shall contain at least the~~
8 ~~following information:~~
9 1. ~~The charter school's progress toward achieving the~~
10 ~~goals outlined in its charter.~~
11 2. ~~The information required in the annual school~~
12 ~~report pursuant to s. 1008.345.~~
13 3. ~~Financial records of the charter school, including~~
14 ~~revenues and expenditures.~~
15 4. ~~Salary and benefit levels of charter school~~
16 ~~employees.~~
17 (1) The governing body of the charter school shall
18 report its progress annually to its sponsor, which shall
19 forward the report to the Commissioner of Education at the
20 same time as other annual school accountability reports. The
21 department shall include in its compilation a notation that
22 the school failed to file its report by the established
23 deadline. The guidelines shall include at least the following
24 components:
25 1. Student achievement performance data, including the
26 information required for the annual school report and the
27 education accountability system governed by ss. 1008.31 and
28 1008.345. Charter schools are subject to the same
29 accountability requirements as other public schools, including
30 reports of student achievement information that links baseline
31 student data to the school's performance projections

1 identified in the charter. The charter school shall identify
2 reasons for any difference between projected and actual
3 student performance.

4 2. Financial status of the charter school, which must
5 include revenues and expenditures at a level of detail which
6 allows for analysis of the ability to meet financial
7 obligations and timely repayment of debt.

8 3. Documentation of the facilities in current use and
9 any planned facilities for use by the charter school for
10 instruction of students, administrative functions, or
11 investment purposes.

12 4. Descriptive information about the charter school's
13 personnel, including salary and benefit levels of charter
14 school employees and the proportion of instructional personnel
15 who hold professional or temporary certificates.

16 ~~(13) NUMBER OF SCHOOLS.==~~

17 ~~(a) The number of newly created charter schools is~~
18 ~~limited to no more than 28 in each school district that has~~
19 ~~100,000 or more students, no more than 20 in each school~~
20 ~~district that has 50,000 to 99,999 students, and no more than~~
21 ~~12 in each school district with fewer than 50,000 students.~~

22 ~~(b) An existing public school which converts to a~~
23 ~~charter school shall not be counted toward the limit~~
24 ~~established by paragraph (a).~~

25 ~~(c) Notwithstanding any limit established by this~~
26 ~~subsection, a district school board or a charter school~~
27 ~~applicant shall have the right to request an increase of the~~
28 ~~limit on the number of charter schools authorized to be~~
29 ~~established within the district from the State Board of~~
30 ~~Education.~~

31

1 ~~(d) Whenever a municipality has submitted charter~~
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 shall then be~~
6 ~~designated as one charter school for all purposes listed~~
7 ~~pursuant to this section.~~

8 (21) SERVICES.--

9 (a) A sponsor shall provide certain administrative and
10 educational services to charter schools. These services shall
11 include contract management services, full-time equivalent and
12 data reporting services, exceptional student education
13 administration services, test administration services,
14 processing of teacher certificate data services, and
15 information services. The administrative fee charged by the
16 sponsor for the provision of services shall be limited to a
17 percentage of the available funds defined in paragraph (18)(b)
18 according to the following scale:

19 1. Five percent for charter schools with a student
20 population less than 700 students.

21 2. Three percent for charter schools with a student
22 population between 700-999 students.

23 3. One percent for charter schools with a student
24 population of more than 1,000 students.

25
26 Charter schools whose sponsor withholds less than a 5-percent
27 administrative fee may only use the difference between the
28 amount withheld and 5 percent for capital outlay purposes
29 specified in s. 1013.62(2).~~Any administrative fee charged by~~
30 ~~the sponsor for the provision of services shall be limited to~~
31 ~~5 percent of the available funds defined in paragraph (18)(b).~~

1 (24) ANALYSIS OF CHARTER SCHOOL PERFORMANCE.--Upon
2 receipt of the annual report required by paragraph(9)(1)
3 ~~(9)(k)~~, the Department of Education shall provide to the State
4 Board of Education, the Governor, the Commissioner of
5 Education, the President of the Senate, and the Speaker of the
6 House of Representatives an analysis and comparison of the
7 overall performance of charter school students, to include all
8 students whose scores are counted as part of the statewide
9 assessment program, versus comparable public school students
10 in the district as determined by the statewide assessment
11 program currently administered in the school district, and
12 other assessments administered pursuant to s. 1008.22(3).

13 Section 2. Subsection (2) and paragraphs (c) and (h)
14 of subsection (9) of section 1002.32, Florida Statutes, are
15 amended to read:

16 1002.32 Developmental research (laboratory) schools.--

17 (2) ESTABLISHMENT.--There is established a category of
18 public schools to be known as developmental research
19 (laboratory) schools (lab schools). Each lab school shall
20 provide sequential instruction and shall be affiliated with
21 the college of education within the state university of
22 closest geographic proximity. A lab school to which a charter
23 has been issued under s. 1002.33(5)(a)2.~~s. 1002.33(5)(b)~~ must
24 be affiliated with the college of education within the state
25 university that issued the charter, but is not subject to the
26 requirement that the state university be of closest geographic
27 proximity. For the purpose of state funding, Florida
28 Agricultural and Mechanical University, Florida Atlantic
29 University, Florida State University, the University of
30 Florida, and other universities approved by the State Board of
31 Education and the Legislature are authorized to sponsor a lab

1 school ~~one or more lab schools~~. The limitation of one lab
2 school per university shall not apply to the following charter
3 lab schools authorized prior to June 1, 2003: Florida State
4 University Charter Lab Elementary School in Broward County;
5 Florida Atlantic University Charter Lab 9-12 High School in
6 Palm Beach County; and Florida Atlantic University Charter Lab
7 K-12 School in St. Lucie County.

8 (9) FUNDING.--Funding for a lab school, including a
9 charter lab school, shall be provided as follows:

10 (c) All operating funds provided under this section
11 shall be deposited in a Lab School Trust Fund and shall be
12 expended for the purposes of this section. The university
13 assigned a lab school shall be the fiscal agent for these
14 funds, and all rules of the university governing the budgeting
15 and expenditure of state funds shall apply to these funds
16 unless otherwise provided by law or rule of the State Board of
17 Education. The university board of trustees shall be the
18 public employer of lab school personnel for collective
19 bargaining purposes for lab schools in operation prior to the
20 2002-2003 fiscal year. Employees of charter lab schools
21 authorized prior to June 1, 2003, but not in operation prior
22 to the 2002-2003 fiscal year shall be employees of the entity
23 holding the charter and must comply with the provisions of s.
24 1002.33(12).

25 (h) A lab school to which a charter has been issued
26 under s. 1002(5)(a)2.~~s. 1002.33(5)(b)~~ is eligible to receive
27 funding for charter school capital outlay if it meets the
28 eligibility requirements of s. 1013.62. If the lab school
29 receives funds from charter school capital outlay, the school
30 shall receive capital outlay funds otherwise provided in this
31 subsection only to the extent that funds allocated pursuant to

1 s. 1013.62 are insufficient to provide capital outlay funds to
2 the lab school at one-fifteenth of the cost per student
3 station.

4 Section 3. Subsections (1) and (2) of section 1013.62,
5 Florida Statutes, are amended, and subsection (7) is added to
6 that section, to read:

7 1013.62 Charter schools capital outlay funding.--

8 (1) In each year in which funds are appropriated for
9 charter school capital outlay purposes, the Commissioner of
10 Education shall allocate the funds among eligible charter
11 schools. To be eligible for a funding allocation, a charter
12 school must:

13 (a)1. Have been in operation for 3 or more years;

14 2. Be an expanded feeder chain of a charter school
15 within the same district that is currently receiving charter
16 school capital outlay funds; or

17 3. Have been accredited by the Commission on Schools
18 of the Southern Association of Colleges and Schools.

19 (b) Have financial stability for future operation as a
20 charter school;

21 (c) Have satisfactory student achievement based on
22 state accountability standards applicable to the school;

23 (d) Have received final approval from its sponsor
24 pursuant to s. 1002.33 for operation during that fiscal year;
25 and

26 (e) Serve students in facilities that are not provided
27 by the charter's sponsor.

28
29 ~~meet the provisions of subsection (6), must have received~~
30 ~~final approval from its sponsor pursuant to s. 1002.33 for~~
31 ~~operation during that fiscal year, and must serve students in~~

1 ~~facilities that are not provided by the charter school's~~
2 ~~sponsor.~~ Prior to the release of capital outlay funds to a
3 school district on behalf of the charter school, the
4 Department of Education shall ensure that the district school
5 board and the charter school governing board enter into a
6 written agreement that includes provisions for the reversion
7 of any unencumbered funds and all equipment and property
8 purchased with public education funds to the ownership of the
9 district school board, as provided for in subsection (3), in
10 the event that the school terminates operations. Any funds
11 recovered by the state shall be deposited in the General
12 Revenue Fund. A charter school is not eligible for a funding
13 allocation if it was created by the conversion of a public
14 school and operates in facilities provided by the charter
15 school's sponsor for a nominal fee or at no charge or if it is
16 directly or indirectly operated by the school district. Unless
17 otherwise provided in the General Appropriations Act, the
18 funding allocation for each eligible charter school shall be
19 determined by multiplying the school's projected student
20 enrollment by one-fifteenth of the cost-per-student station
21 specified in s. 1013.64(6)(b) for an elementary, middle, or
22 high school, as appropriate. If the funds appropriated are not
23 sufficient, the commissioner shall prorate the available funds
24 among eligible charter schools. Funds shall be distributed on
25 the basis of the capital outlay full-time equivalent
26 membership by grade level, which shall be calculated by
27 averaging the results of the second and third enrollment
28 surveys. The Department of Education shall distribute capital
29 outlay funds monthly, beginning in the first quarter of the
30 fiscal year, based on one-twelfth of the amount the department
31 reasonably expects the charter school to receive during that

1 fiscal year. The commissioner shall adjust subsequent
2 distributions as necessary to reflect each charter school's
3 actual student enrollment as reflected in the second and third
4 enrollment surveys. The commissioner shall establish the
5 intervals and procedures for determining the projected and
6 actual student enrollment of eligible charter schools.

7 (2) A charter school's governing body may use charter
8 school capital outlay funds for the following purposes ~~any~~
9 ~~capital outlay purpose that is directly related to the~~
10 ~~functioning of the charter school, including the:~~

11 (a) Purchase of real property.

12 (b) ~~Construction, renovation, repair, and maintenance~~
13 of school facilities.

14 (c) Purchase, lease-purchase, or lease of permanent or
15 relocatable school facilities.

16 (d) Purchase of vehicles to transport students to and
17 from the charter school.

18 (e) Renovation, repair, and maintenance of school
19 facilities that the charter school owns or is purchasing
20 through a lease-purchase or long-term lease of 5 years or
21 longer.

22 (7) Notwithstanding the provisions of this section,
23 beginning in the 2003-2004 fiscal year, if the future
24 appropriation for charter school capital outlay funds is no
25 greater than the 2002-2003 appropriation, the future
26 appropriation shall be allocated to the same schools in the
27 same amount as the 2002-2003 appropriation was allocated. If
28 the future appropriation is less than the 2002-2003
29 appropriation, the funds shall be prorated among the schools
30 that received an allocation in 2002-2003. If the future
31 appropriation is greater than the 2002-2003 appropriation,

1 first priority for allocating the amount in excess of the
2 2002-2003 appropriation shall be to prorate the excess funds
3 among the charter schools with long-term debt or a long-term
4 lease to the extent that the initial allocation is
5 insufficient to provide one-fifteenth of the cost per student
6 station specified in s. 1013.64(6)(b), and the second priority
7 shall be to other eligible charter schools.

8 Section 4. This act shall take effect September 1,
9 2003.

10
11 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
12 COMMITTEE SUBSTITUTE FOR
13 CS for SB 2242

14 Eliminates the proposed Charter School Accountability and
15 Funding Authority and keeps the funding for charter school
capital outlay within the control of the Legislature.

16 Revises eligibility for charter schools to receive capital
17 outlay funds and revises the purposes for which charter school
capital outlay may be used.

18 Establishes a formula for distributing capital outlay funds in
19 the future, if the Legislature chooses to maintain, decrease,
or increase the current level of funding.

20 Revises the charter school administrative services fee from a
21 uniform rate of five percent to a three tier scale of 5% for
22 schools with less than 700 students; 3% for schools with 700
to 999 students; and 1% for schools with more than 1,000
students.