

Bill No. CS for SB 2296

Amendment No. ____ Barcode 121788

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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11	Senators Constantine and Carlton moved the following amendment		
12	:		
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14	Senate Amendment (with title amendment)		
15	On page 7, lines 9 & 10, delete those lines		
16			
17	and insert:		
18	Section 3. Paragraph (b) of subsection (3), paragraph		
19	(c) of subsection (4), and paragraph (a) of subsection (6) of		
20	section 220.187, Florida Statutes, are amended to read:		
21	220.187 Credits for contributions to nonprofit		
22	scholarship-funding organizations.--		
23	(3) AUTHORIZATION TO GRANT SCHOLARSHIP FUNDING TAX		
24	CREDITS; LIMITATIONS ON INDIVIDUAL AND TOTAL CREDITS.--		
25	(b) The total amount of tax credit which may be		
26	granted each state fiscal year under this section is \$70 \$50		
27	million.		
28	(4) OBLIGATIONS OF ELIGIBLE NONPROFIT		
29	SCHOLARSHIP-FUNDING ORGANIZATIONS.--		
30	(c) The amount of a scholarship provided to any child		
31	for any single school year by all eligible nonprofit		

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1 scholarship-funding organizations from eligible contributions
2 shall not exceed the following annual limits:

3 1. Beginning in the 2003-2004 school year, \$3,500
4 ~~Three thousand five hundred dollars~~ for a scholarship awarded
5 to a student enrolled in an eligible nonpublic school. The
6 amount of the scholarship shall be adjusted annually based on
7 the percentage change in the Consumer Price Index for the
8 prior year.

9 2. Beginning in the 2003-2004 school year, \$500 ~~Five~~
10 ~~hundred dollars~~ for a scholarship awarded to a student
11 enrolled in a Florida public school that is located outside
12 the district in which the student resides. The amount of the
13 scholarship shall be adjusted annually based on the percentage
14 change in the Consumer Price Index for the prior year.

15 (6) ADMINISTRATION; RULES.--

16 (a) If the credit granted pursuant to this section is
17 not fully used in any one year because of insufficient tax
18 liability on the part of the corporation, the unused amount
19 may ~~not~~ be carried forward for a period not to exceed 3 years.
20 A taxpayer may not convey, assign, or transfer the credit
21 authorized by this section to another entity unless all of the
22 assets of the taxpayer are conveyed, assigned, or transferred
23 in the same transaction. This carryforward applies to all
24 approved contributions made after January 1, 2002.

25 Section 4. Section 220.1875, Florida Statutes, is
26 created to read:

27 220.1875 Credits for contributions to nonprofit
28 scholarship-funding organizations; scholarships for dependent
29 children of active duty personnel in the United States
30 military and all reserve components, including National Guard
31 personnel who have been deployed in support of active duty

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1 operations.--
2 (1) PURPOSE.--The purpose of this section is to:
3 (a) Encourage private, voluntary contributions to
4 nonprofit scholarship-funding organizations.
5 (b) Expand educational opportunities for dependent
6 children of active duty personnel in the United States
7 military and all reserve components, including National Guard
8 personnel who have been deployed in support of active duty
9 operations, and whose families have limited financial
10 resources.
11 (c) Enable children in this state to achieve a greater
12 level of excellence in their education.
13 (2) DEFINITIONS.--As used in this section, the term:
14 (a) "Department" means the Department of Revenue.
15 (b) "Eligible contribution" means a monetary
16 contribution from a taxpayer, subject to the restrictions
17 provided in this section, to an eligible nonprofit
18 scholarship-funding organization. The taxpayer making the
19 contribution may not designate a specific child as the
20 beneficiary of the contribution. The taxpayer may not
21 contribute more than \$1 million to any single eligible
22 nonprofit scholarship-funding organization.
23 (c) "Eligible nonpublic school" means a nonpublic
24 school located in Florida that offers an education to students
25 in any grades K-12 and that meets the requirements in
26 subsection (5).
27 (d) "Eligible nonprofit scholarship-funding
28 organization" means a charitable organization that is exempt
29 from federal income tax pursuant to s. 501(c)(3) of the
30 Internal Revenue Code and that complies with the provisions of
31 subsection (4).

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1 (e) "Qualified student" means a dependent child of any
2 active duty personnel in the United States military and all
3 reserve components, including National Guard personnel who
4 have been deployed in support of active duty operations, who
5 qualifies for free or reduced-price school lunches under the
6 National School Lunch Act and who:

7 1. Was counted as a full-time equivalent student
8 during the previous state fiscal year for purposes of state
9 per-student funding;

10 2. Received a scholarship from an eligible nonprofit
11 scholarship-funding organization during the previous school
12 year; or

13 3. Is eligible to enter kindergarten or first grade.

14 (3) AUTHORIZATION TO GRANT SCHOLARSHIP FUNDING TAX
15 CREDITS; LIMITATIONS ON INDIVIDUAL AND TOTAL CREDITS.--

16 (a) There is allowed a credit of 100 percent of an
17 eligible contribution against any tax due for a taxable year
18 under this chapter. However, such a credit may not exceed 75
19 percent of the tax due under this chapter for the taxable
20 year, after the application of any other allowable credits by
21 the taxpayer. However, at least 5 percent of the total
22 statewide amount authorized for the tax credit shall be
23 reserved for taxpayers who meet the definition of a small
24 business provided in s. 288.703(1) at the time of application.
25 The credit granted by this section shall be reduced by the
26 difference between the amount of federal corporate income tax
27 taking into account the credit granted by this section and the
28 amount of federal corporate income tax without application of
29 the credit granted by this section.

30 (b) The total amount of tax credit which may be
31 granted each state fiscal year under this section is \$5

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1 million.

2 (c) A taxpayer who files a Florida consolidated return
3 as a member of an affiliated group pursuant to s. 220.131(1)
4 may be allowed the credit on a consolidated return basis;
5 however, the total credit taken by the affiliated group is
6 subject to the limitation established under paragraph (a).

7 (4) OBLIGATIONS OF ELIGIBLE NONPROFIT

8 SCHOLARSHIP-FUNDING ORGANIZATIONS.--

9 (a) An eligible nonprofit scholarship-funding
10 organization shall provide scholarships, from eligible
11 contributions, to qualified students for:

12 1. Tuition or textbook expenses for, or transportation
13 to, an eligible nonpublic school. At least 75 percent of the
14 scholarship funding must be used to pay tuition expenses; or

15 2. Transportation expenses to a Florida public school
16 that is located outside the district in which the student
17 resides.

18 (b) An eligible nonprofit scholarship-funding
19 organization shall give priority to qualified students who
20 received a scholarship from an eligible nonprofit
21 scholarship-funding organization during the previous school
22 year.

23 (c) The amount of a scholarship provided to any child
24 for any single school year by all eligible nonprofit
25 scholarship-funding organizations from eligible contributions
26 shall not exceed the following annual limits:

27 1. Beginning in the 2003-2004 school year, \$3,500 for
28 a scholarship awarded to a student enrolled in an eligible
29 nonpublic school. The amount of the scholarship shall be
30 adjusted annually based on the percentage change in the
31 Consumer Price Index for the prior year.

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1 2. Beginning in the 2003-2004 school year, \$500 for a
2 scholarship awarded to a student enrolled in a Florida public
3 school that is located outside the district in which the
4 student resides. The amount of the scholarship shall adjusted
5 annually based on the percentage change in the Consumer Price
6 Index for the prior year.

7 (d) The amount of an eligible contribution which may
8 be accepted by an eligible nonprofit scholarship-funding
9 organization is limited to the amount needed to provide
10 scholarships for qualified students which the organization has
11 identified and for which vacancies in eligible nonpublic
12 schools have been identified.

13 (e) An eligible nonprofit scholarship-funding
14 organization that receives an eligible contribution must spend
15 100 percent of the eligible contribution to provide
16 scholarships in the same state fiscal year in which the
17 contribution was received. An eligible nonprofit
18 scholarship-funding organization may use eligible
19 contributions to provide scholarships to qualified students,
20 pursuant to s. 220.187, after it has served qualified
21 dependent children of active duty personnel in the United
22 States military and all reserve components, including National
23 Guard personnel who have been deployed in support of active
24 duty operations. No portion of eligible contributions may be
25 used for administrative expenses. All interest accrued from
26 contributions must be used for scholarships.

27 (f) An eligible nonprofit scholarship-funding
28 organization that receives eligible contributions must provide
29 to the Auditor General an annual financial and compliance
30 audit of its accounts and records conducted by an independent
31 certified public accountant and in accordance with rules

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1 adopted by the Auditor General.

2 (g) Payment of the scholarship by the eligible
3 nonprofit scholarship-funding organization shall be by
4 individual warrant or check made payable to the student's
5 parent. If the parent chooses for his or her child to attend
6 an eligible nonpublic school, the warrant or check must be
7 mailed by the eligible nonprofit scholarship-funding
8 organization to the nonpublic school of the parent's choice,
9 and the parent shall restrictively endorse the warrant or
10 check to the nonpublic school. An eligible nonprofit
11 scholarship-funding organization shall ensure that, upon
12 receipt of a scholarship warrant or check, the parent to whom
13 the warrant or check is made restrictively endorses the
14 warrant or check to the nonpublic school of the parent's
15 choice for deposit into the account of the nonpublic school.

16 (5) ELIGIBLE NONPUBLIC SCHOOL OBLIGATIONS.--An
17 eligible nonpublic school must:

18 (a) Demonstrate fiscal soundness by being in operation
19 for one school year or provide the Department of Education
20 with a statement by a certified public accountant confirming
21 that the nonpublic school desiring to participate is insured
22 and the owner or owners have sufficient capital or credit to
23 operate the school for the upcoming year serving the number of
24 students anticipated with expected revenues from tuition and
25 other sources that may be reasonably expected. In lieu of such
26 a statement, a surety bond or letter of credit for the amount
27 equal to the scholarship funds for any quarter may be filed
28 with the department.

29 (b) Comply with the antidiscrimination provisions of
30 42 U.S.C. s. 2000d.

31 (c) Meet state and local health and safety laws and

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1 codes.2 (d) Comply with all state laws relating to general
3 regulation of nonpublic schools.4 (6) ADMINISTRATION; RULES.--5 (a) If the credit granted pursuant to this section is
6 not fully used in any one year because of insufficient tax
7 liability on the part of the corporation, the unused amount
8 may be carried forward for a period not to exceed 3 years. A
9 taxpayer may not convey, assign, or transfer the credit
10 authorized by this section to another entity unless all of the
11 assets of the taxpayer are conveyed, assigned, or transferred
12 in the same transaction.13 (b) An application for a tax credit pursuant to this
14 section shall be submitted to the department on forms
15 established by rule of the department.16 (c) The department and the Department of Education
17 shall develop a cooperative agreement to assist in the
18 administration of this section. The Department of Education
19 shall be responsible for annually submitting, by March 15, to
20 the department a list of eligible nonprofit
21 scholarship-funding organizations that meet the requirements
22 of paragraph (2)(d) and for monitoring eligibility of
23 nonprofit scholarship-funding organizations that meet the
24 requirements of paragraph (2)(d), eligibility of nonpublic
25 schools that meet the requirements of paragraph (2)(c), and
26 eligibility of expenditures under this section as provided in
27 subsection (4).28 (d) The department shall adopt rules necessary to
29 administer this section, including rules establishing
30 application forms and procedures and governing the allocation
31 of tax credits under this section on a first-come,

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1 first-served basis.

2 (e) The Department of Education shall adopt rules
3 necessary to determine eligibility of nonprofit
4 scholarship-funding organizations as defined in paragraph
5 (2)(d) and according to the provisions of subsection (4) and
6 identify qualified students as defined in paragraph (2)(e).

7 (7) DEPOSITS OF ELIGIBLE CONTRIBUTIONS.--All eligible
8 contributions received by an eligible nonprofit
9 scholarship-funding organization shall be deposited in a
10 manner consistent with s. 18.10(2).

11 (8) This section shall apply to tax years beginning on
12 or after January 1, 2003.

13 Section 5. Subsection (8) of section 220.02, Florida
14 Statutes, is amended to read:

15 220.02 Legislative intent.--

16 (8) It is the intent of the Legislature that credits
17 against either the corporate income tax or the franchise tax
18 be applied in the following order: those enumerated in s.
19 631.828, those enumerated in s. 220.191, those enumerated in
20 s. 220.181, those enumerated in s. 220.183, those enumerated
21 in s. 220.182, those enumerated in s. 220.1895, those
22 enumerated in s. 221.02, those enumerated in s. 220.184, those
23 enumerated in s. 220.186, those enumerated in s. 220.1845,
24 those enumerated in s. 220.19, those enumerated in s. 220.185,
25 ~~and~~ those enumerated in s. 220.187 and those enumerated in s.
26 220.1875.

27 Section 6. Subparagraph (12) is added to paragraph
28 (1)(a) of section 220.13, Florida Statutes, to read:

29 220.13 "Adjusted federal income" defined.--

30 (1) The term "adjusted federal income" means an amount
31 equal to the taxpayer's taxable income as defined in

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1 subsection (2), or such taxable income of more than one
2 taxpayer as provided in s. 220.131, for the taxable year,
3 adjusted as follows:

4 (a) Additions.--There shall be added to such taxable
5 income:

6 1. The amount of any tax upon or measured by income,
7 excluding taxes based on gross receipts or revenues, paid or
8 accrued as a liability to the District of Columbia or any
9 state of the United States which is deductible from gross
10 income in the computation of taxable income for the taxable
11 year.

12 2. The amount of interest which is excluded from
13 taxable income under s. 103(a) of the Internal Revenue Code or
14 any other federal law, less the associated expenses disallowed
15 in the computation of taxable income under s. 265 of the
16 Internal Revenue Code or any other law, excluding 60 percent
17 of any amounts included in alternative minimum taxable income,
18 as defined in s. 55(b)(2) of the Internal Revenue Code, if the
19 taxpayer pays tax under s. 220.11(3).

20 3. In the case of a regulated investment company or
21 real estate investment trust, an amount equal to the excess of
22 the net long-term capital gain for the taxable year over the
23 amount of the capital gain dividends attributable to the
24 taxable year.

25 4. That portion of the wages or salaries paid or
26 incurred for the taxable year which is equal to the amount of
27 the credit allowable for the taxable year under s. 220.181.
28 The provisions of this subparagraph shall expire and be void
29 on June 30, 2005.

30 5. That portion of the ad valorem school taxes paid or
31 incurred for the taxable year which is equal to the amount of

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1 the credit allowable for the taxable year under s. 220.182.
 2 The provisions of this subparagraph shall expire and be void
 3 on June 30, 2005.

4 6. The amount of emergency excise tax paid or accrued
 5 as a liability to this state under chapter 221 which tax is
 6 deductible from gross income in the computation of taxable
 7 income for the taxable year.

8 7. That portion of assessments to fund a guaranty
 9 association incurred for the taxable year which is equal to
 10 the amount of the credit allowable for the taxable year.

11 8. In the case of a nonprofit corporation which holds
 12 a pari-mutuel permit and which is exempt from federal income
 13 tax as a farmers' cooperative, an amount equal to the excess
 14 of the gross income attributable to the pari-mutuel operations
 15 over the attributable expenses for the taxable year.

16 9. The amount taken as a credit for the taxable year
 17 under s. 220.1895.

18 10. Up to nine percent of the eligible basis of any
 19 designated project which is equal to the credit allowable for
 20 the taxable year under s. 220.185.

21 11. The amount taken as a credit for the taxable year
 22 under s. 220.187.

23 The amount taken as a credit for the taxable year under
 24 s. 220.1875.

25 (b) Subtractions.--

26 1. There shall be subtracted from such taxable income:

27 a. The net operating loss deduction allowable for
 28 federal income tax purposes under s. 172 of the Internal
 29 Revenue Code for the taxable year,

30 b. The net capital loss allowable for federal income
 31 tax purposes under s. 1212 of the Internal Revenue Code for

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1 the taxable year,

2 c. The excess charitable contribution deduction
3 allowable for federal income tax purposes under s. 170(d)(2)
4 of the Internal Revenue Code for the taxable year, and

5 d. The excess contributions deductions allowable for
6 federal income tax purposes under s. 404 of the Internal
7 Revenue Code for the taxable year.

8

9 However, a net operating loss and a capital loss shall never
10 be carried back as a deduction to a prior taxable year, but
11 all deductions attributable to such losses shall be deemed net
12 operating loss carryovers and capital loss carryovers,
13 respectively, and treated in the same manner, to the same
14 extent, and for the same time periods as are prescribed for
15 such carryovers in ss. 172 and 1212, respectively, of the
16 Internal Revenue Code.

17 2. There shall be subtracted from such taxable income
18 any amount to the extent included therein the following:

19 a. Dividends treated as received from sources without
20 the United States, as determined under s. 862 of the Internal
21 Revenue Code.

22 b. All amounts included in taxable income under s. 78
23 or s. 951 of the Internal Revenue Code.

24

25 However, as to any amount subtracted under this subparagraph,
26 there shall be added to such taxable income all expenses
27 deducted on the taxpayer's return for the taxable year which
28 are attributable, directly or indirectly, to such subtracted
29 amount. Further, no amount shall be subtracted with respect to
30 dividends paid or deemed paid by a Domestic International
31 Sales Corporation.

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1 3. In computing "adjusted federal income" for taxable
2 years beginning after December 31, 1976, there shall be
3 allowed as a deduction the amount of wages and salaries paid
4 or incurred within this state for the taxable year for which
5 no deduction is allowed pursuant to s. 280C(a) of the Internal
6 Revenue Code (relating to credit for employment of certain new
7 employees).

8 4. There shall be subtracted from such taxable income
9 any amount of nonbusiness income included therein.

10 5. There shall be subtracted any amount of taxes of
11 foreign countries allowable as credits for taxable years
12 beginning on or after September 1, 1985, under s. 901 of the
13 Internal Revenue Code to any corporation which derived less
14 than 20 percent of its gross income or loss for its taxable
15 year ended in 1984 from sources within the United States, as
16 described in s. 861(a)(2)(A) of the Internal Revenue Code, not
17 including credits allowed under ss. 902 and 960 of the
18 Internal Revenue Code, withholding taxes on dividends within
19 the meaning of sub-subparagraph 2.a., and withholding taxes on
20 royalties, interest, technical service fees, and capital
21 gains.

22 6. Notwithstanding any other provision of this code,
23 except with respect to amounts subtracted pursuant to
24 subparagraphs 1. and 3., any increment of any apportionment
25 factor which is directly related to an increment of gross
26 receipts or income which is deducted, subtracted, or otherwise
27 excluded in determining adjusted federal income shall be
28 excluded from both the numerator and denominator of such
29 apportionment factor. Further, all valuations made for
30 apportionment factor purposes shall be made on a basis
31 consistent with the taxpayer's method of accounting for

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1 federal income tax purposes.

2 (c) Installment sales occurring after October 19,
3 1980.--

4 1. In the case of any disposition made after October
5 19, 1980, the income from an installment sale shall be taken
6 into account for the purposes of this code in the same manner
7 that such income is taken into account for federal income tax
8 purposes.

9 2. Any taxpayer who regularly sells or otherwise
10 disposes of personal property on the installment plan and
11 reports the income therefrom on the installment method for
12 federal income tax purposes under s. 453(a) of the Internal
13 Revenue Code shall report such income in the same manner under
14 this code.

15 (d) Nonallowable deductions.--A deduction for net
16 operating losses, net capital losses, or excess contributions
17 deductions under ss. 170(d)(2), 172, 1212, and 404 of the
18 Internal Revenue Code which has been allowed in a prior
19 taxable year for Florida tax purposes shall not be allowed for
20 Florida tax purposes, notwithstanding the fact that such
21 deduction has not been fully utilized for federal tax
22 purposes.

23 (2) For purposes of this section, a taxpayer's taxable
24 income for the taxable year means taxable income as defined in
25 s. 63 of the Internal Revenue Code and properly reportable for
26 federal income tax purposes for the taxable year, but subject
27 to the limitations set forth in paragraph (1)(b) with respect
28 to the deductions provided by ss. 172 (relating to net
29 operating losses), 170(d)(2) (relating to excess charitable
30 contributions), 404(a)(1)(D) (relating to excess pension trust
31 contributions), 404(a)(3)(A) and (B) (to the extent relating

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1 to excess stock bonus and profit-sharing trust contributions),
2 and 1212 (relating to capital losses) of the Internal Revenue
3 Code, except that, subject to the same limitations, the term:

4 (a) "Taxable income," in the case of a life insurance
5 company subject to the tax imposed by s. 801 of the Internal
6 Revenue Code, means life insurance company taxable income;
7 however, for purposes of this code, the total of any amounts
8 subject to tax under s. 815(a)(2) of the Internal Revenue Code
9 pursuant to s. 801(c) of the Internal Revenue Code shall not
10 exceed, cumulatively, the total of any amounts determined
11 under s. 815(c)(2) of the Internal Revenue Code of 1954, as
12 amended, from January 1, 1972, to December 31, 1983;

13 (b) "Taxable income," in the case of an insurance
14 company subject to the tax imposed by s. 831(b) of the
15 Internal Revenue Code, means taxable investment income;

16 (c) "Taxable income," in the case of an insurance
17 company subject to the tax imposed by s. 831(a) of the
18 Internal Revenue Code, means insurance company taxable income;

19 (d) "Taxable income," in the case of a regulated
20 investment company subject to the tax imposed by s. 852 of the
21 Internal Revenue Code, means investment company taxable
22 income;

23 (e) "Taxable income," in the case of a real estate
24 investment trust subject to the tax imposed by s. 857 of the
25 Internal Revenue Code, means the income subject to tax,
26 computed as provided in s. 857 of the Internal Revenue Code;

27 (f) "Taxable income," in the case of a corporation
28 which is a member of an affiliated group of corporations
29 filing a consolidated income tax return for the taxable year
30 for federal income tax purposes, means taxable income of such
31 corporation for federal income tax purposes as if such

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1 corporation had filed a separate federal income tax return for
2 the taxable year and each preceding taxable year for which it
3 was a member of an affiliated group, unless a consolidated
4 return for the taxpayer and others is required or elected
5 under s. 220.131;

6 (g) "Taxable income," in the case of a cooperative
7 corporation or association, means the taxable income of such
8 organization determined in accordance with the provisions of
9 ss. 1381-1388 of the Internal Revenue Code;

10 (h) "Taxable income," in the case of an organization
11 which is exempt from the federal income tax by reason of s.
12 501(a) of the Internal Revenue Code, means its unrelated
13 business taxable income as determined under s. 512 of the
14 Internal Revenue Code;

15 (i) "Taxable income," in the case of a corporation for
16 which there is in effect for the taxable year an election
17 under s. 1362(a) of the Internal Revenue Code, means the
18 amounts subject to tax under s. 1374 or s. 1375 of the
19 Internal Revenue Code for each taxable year;

20 (j) "Taxable income," in the case of a limited
21 liability company, other than a limited liability company
22 classified as a partnership for federal income tax purposes,
23 as defined in and organized pursuant to chapter 608 or
24 qualified to do business in this state as a foreign limited
25 liability company or other than a similar limited liability
26 company classified as a partnership for federal income tax
27 purposes and created as an artificial entity pursuant to the
28 statutes of the United States or any other state, territory,
29 possession, or jurisdiction, if such limited liability company
30 or similar entity is taxable as a corporation for federal
31 income tax purposes, means taxable income determined as if

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1 such limited liability company were required to file or had
2 filed a federal corporate income tax return under the Internal
3 Revenue Code;

4 (k) "Taxable income," in the case of a taxpayer liable
5 for the alternative minimum tax as defined in s. 55 of the
6 Internal Revenue Code, means the alternative minimum taxable
7 income as defined in s. 55(b)(2) of the Internal Revenue Code,
8 less the exemption amount computed under s. 55(d) of the
9 Internal Revenue Code. A taxpayer is not liable for the
10 alternative minimum tax unless the taxpayer's federal tax
11 return, or related federal consolidated tax return, if
12 included in a consolidated return for federal tax purposes,
13 reflect a liability on the return filed for the alternative
14 minimum tax as defined in s. 55(b)(2) of the Internal Revenue
15 Code;

16 (l) "Taxable income," in the case of a taxpayer whose
17 taxable income is not otherwise defined in this subsection,
18 means the sum of amounts to which a tax rate specified in s.
19 11 of the Internal Revenue Code plus the amount to which a tax
20 rate specified in s. 1201(a)(2) of the Internal Revenue Code
21 are applied for federal income tax purposes.

22 Section 7. Subsections (14) and (15) are added to
23 section 1003.01, Florida Statutes, to read:

24 1003.01 Definitions.--As used in this chapter, the
25 term:

26 (14) "Core-curricula courses" mean courses defined by
27 the Department of Education as mathematics, language
28 arts/reading, science, social studies, foreign language,
29 English for Speakers of Other Languages, exceptional student
30 education, and courses taught in traditional self-contained
31 elementary school classrooms.

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1 (15) "Extracurricular courses" means all courses that
2 are not defined as "core-curricula courses," which may
3 include, but are not limited to, physical education, fine
4 arts, performing fine arts, vocational education, and career
5 and technical education. The term is limited in meaning and
6 used for the sole purpose of designating classes that are not
7 subject to the maximum class size requirements established in
8 s. 1, Art. IX of the State Constitution.

9 Section 8. Section 1003.03, Florida Statutes, is
10 amended to read:

11 (Substantial rewording of section. See
12 s. 1003.03, F.S., for present text.)
13 1003.03 Maximum class size.--

14 (1) CONSTITUTIONAL CLASS SIZE MAXIMUM.--Pursuant to s.
15 1, Art. IX of the State Constitution, beginning in the
16 2010-2011 school year:

17 (a) The maximum number of students assigned to each
18 teacher who is teaching core-curricula courses in public
19 school classrooms for prekindergarten through grade 3 may not
20 exceed 18 students.

21 (b) The maximum number of students assigned to each
22 teacher who is teaching core-curricula courses in public
23 school classrooms for grades 4 through 8 may not exceed 22
24 students.

25 (c) The maximum number of students assigned to each
26 teacher who is teaching core-curricula courses in public
27 school classrooms for grades 9 through 12 may not exceed 25
28 students.

29 (2) IMPLEMENTATION.--

30 (a) Beginning with the 2003-2004 fiscal year, each
31 school district that is not in compliance with the maximums in

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1 subsection (1) shall reduce the average number of students per
2 classroom in each of the following grade groupings:
3 prekindergarten through grade 3, grade 4 through grade 8, and
4 grade 9 through grade 12, by at least two students each year.

5 (b) Determination of the number of students per
6 classroom in paragraph (a) shall be calculated as follows:

7 1. For fiscal years 2003-2004 through 2005-2006, the
8 calculation for compliance for each of the 3 grade groupings
9 shall be the average at the district level.

10 2. For fiscal years 2006-2007 through 2007-2008, the
11 calculation for compliance for each of the 3 grade groupings
12 shall be the average at the school level.

13 3. For fiscal years 2008-2009 and 2009-2010, the
14 calculation for compliance shall be at the individual
15 classroom level.

16 (c) The Department of Education shall annually
17 calculate each of the three average class size measures
18 defined in paragraphs (a) and (b) based upon the October
19 student membership survey. For purposes of determining the
20 baseline from which each district's average class size must be
21 reduced for the 2003-2004 school year, the department shall
22 use data from the February 2003 student membership survey
23 updated to include classroom identification numbers as
24 required by the department.

25 (d) Prior to the adoption of the district school
26 budget for 2003-2004, each district school board shall hold
27 public hearings to review school attendance zones in order to
28 ensure maximum use of facilities while minimizing the
29 additional use of transportation in order to comply with the
30 two-student-per-year reduction required in paragraph (a).
31 School districts that meet the constitutional class size

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1 maximum described in subsection (1) are exempt from this
2 requirement.

3 (3) IMPLEMENTATION OPTIONS.--District school boards
4 must consider, but are not limited to, implementing the
5 following items in order to meet the constitutional class size
6 maximum described in subsection (1) and the
7 two-student-per-year reduction required in subsection (2):

8 (a) Adopt policies to encourage qualified students to
9 take dual enrollment courses.

10 (b) Adopt policies to encourage students to take
11 courses from the Florida Virtual School.

12 (c) Repeal district school board policies that require
13 students to have more than 24 credits to graduate from high
14 school.

15 (d) Use methods to maximize use of instructional
16 staff, such as changing required teaching loads and scheduling
17 of planning periods, deploying district employees that have
18 professional certification to the classroom, using adjunct
19 educators, or any other method not prohibited by law.

20 (e) Use innovative methods to reduce the cost of
21 school construction by using prototype school designs, using
22 SMART Schools designs, participating in the School
23 Infrastructure Thrift Program, or any other method not
24 prohibited by law.

25 (f) Use joint-use facilities through partnerships with
26 community colleges, state universities, and private colleges
27 and universities.

28 (g) Adopt alternative methods of class scheduling,
29 such as block scheduling.

30 (h) Redraw school attendance zones to maximize use of
31 facilities while minimizing the additional use of

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1 transportation.

2 (i) Operate schools beyond the normal operating hours
3 to provide classes in the evening or operate more than one
4 session of school during the day.

5 (j) Use year-round schools and other nontraditional
6 calendars that do not adversely impact annual assessment of
7 student achievement.

8 (k) Review and consider amending any collective
9 bargaining contracts that hinder the implementation of class
10 size reduction.

11 (l) Use any other approach not prohibited by law.

12 (4) ACCOUNTABILITY.--

13 (a) Beginning in the 2003-2004 fiscal year, if the
14 department determines for any year that a school district has
15 not reduced average class size as required in subsection (2)
16 at the time of the third FEFP calculation, the department
17 shall calculate an amount from the class size reduction
18 operating categorical which is proportionate to the amount of
19 class size reduction not accomplished. Upon verification of
20 the department's calculation by the Florida Education Finance
21 Program Appropriation Allocation Conference, the Executive
22 Office of the Governor shall transfer undistributed funds
23 equivalent to the calculated amount from the district's class
24 size reduction operating categorical to an approved fixed
25 capital outlay appropriation for class size reduction in the
26 affected district pursuant to s. 216.292(13). The amount of
27 funds transferred shall be the lesser of the amount verified
28 by the Florida Education Finance Program Appropriation
29 Allocation Conference or the undistributed balance of the
30 district's class size reduction operating categorical.

31 However, based upon a recommendation by the Commissioner of

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1 Education that the State Board of Education has reviewed
2 evidence indicating that a district has been unable to meet
3 class size reduction requirements despite appropriate effort
4 to do so, the Legislative Budget Commission may approve an
5 alternative amount of funds to be transferred from the
6 district's class size reduction operating categorical to its
7 approved fixed capital outlay account for class size
8 reduction.

9 (b) Beginning in the 2005-2006 school year, the
10 department shall determine by January 15 of each year which
11 districts have not met the two-student-per-year reduction
12 required in subsection (2) based upon a comparison of the
13 district's October student membership survey for the current
14 school year and the February 2003 baseline student membership
15 survey. The department shall report such districts to the
16 Legislature. Each district that has not met the
17 two-student-per-year reduction shall be required to implement
18 one of the following policies in the subsequent school year
19 unless the department finds that the district comes into
20 compliance based upon the February student membership survey:

- 21 1. Year-round schools;
- 22 2. Double sessions;
- 23 3. Extended school year; or
- 24 4. Rezoning.

25
26 A school district that is required to implement the policies
27 outlined in subparagraphs 1. through 4. shall correct in the
28 year of implementation any past deficiencies and bring the
29 district into compliance with the two-student-per-year
30 reduction goals established for the district by the department
31 pursuant to subsection (2). A school district may choose to

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1 implement more than one of these policies. The district school
2 superintendent shall report to the Commissioner of Education
3 the extent to which the district implemented any of the
4 policies outlined in subparagraphs 1. through 4. in a format
5 to be specified by the Commissioner of Education. The
6 Department of Education shall use the enforcement authority
7 provided in s. 1008.32, to ensure that districts comply with
8 the provisions of this paragraph.

9 (c) Beginning in the 2006-2007 school year, the
10 department shall annually determine which districts do not
11 meet the requirements described in subsection (2). In addition
12 to enforcement authority provided in s. 1008.32, the
13 Department of Education shall develop a constitutional
14 compliance plan for each such district which includes, but is
15 not limited to, redrawing school attendance zones to maximize
16 use of facilities while minimizing the additional use of
17 transportation unless the department finds that the district
18 comes into compliance based upon the February student
19 membership survey and the other accountability policies listed
20 in paragraph (b). Each district school board shall implement
21 the constitutional compliance plan developed by the state
22 board until the district complies with the constitutional
23 class size maximum.

24 (d) Any district school board that does not comply
25 with the requirements of this section and s. 1, Art. IX of the
26 State Constitution shall be subject to suspension by the
27 Governor pursuant to s. 7, Art. IV of the State Constitution.

28 Section 9. Section 1011.685, Florida Statutes, is
29 created to read:

30 1011.685 Class size reduction; operating categorical
31 fund.--

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1 (1) There is created an operating categorical fund for
2 implementing the class size reduction provisions of s. 1, Art.
3 IX of the State Constitution. These funds shall be allocated
4 to each school district in the amount prescribed by the
5 Legislature in the General Appropriations Act.

6 (2) Class size reduction operating categorical funds
7 shall be used by school districts for the following:

8 (a) To reduce class size in any lawful manner, if the
9 district has not met the constitutional maximum identified in
10 s. 1003.03(1) or the reduction of two students per year
11 required by s. 1003.03(2).

12 (b) For any lawful operating expenditure, if the
13 district has met the constitutional maximum identified in s.
14 1003.03(1) or the reduction of two students per year required
15 by s. 1003.03(2); however, priority should be given to
16 increase salaries of classroom teachers as defined in s.
17 1012.01(2)(a).

18 Section 10. Section 1013.735, Florida Statutes, is
19 created to read:

20 1013.735 Classrooms for Kids Program.--

21 (1) ALLOCATION.--The department shall allocate funds
22 appropriated for the Classrooms for Kids Program. It is the
23 intent of the Legislature that this program be administered as
24 nearly as practicable in the same manner as the capital outlay
25 program authorized under s. 9(a), Art. XII of the State
26 Constitution. Each district school board's share of the annual
27 appropriation for the Classrooms for Kids Program must be
28 calculated according to the following formula:

29 (a) Twenty-five percent of the appropriation shall be
30 prorated to the districts based on each district's percentage
31 of base capital outlay full-time equivalent membership, and 65

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1 percent shall be based on each district's percentage of growth
2 capital outlay full-time equivalent membership as specified
3 for the allocation of funds from the Public Education Capital
4 Outlay and Debt Service Trust Fund by s. 1013.64(3).

5 (b) Ten percent of the appropriation must be allocated
6 among district school boards according to the allocation
7 formula in s. 1013.64(1)(a).

8 (2) DISTRICT PARTICIPATION.--In order to participate
9 in the Classrooms for Kids Program, a district school board
10 shall:

11 (a) Enter into an interlocal agreement pursuant to s.
12 1013.33.

13 (b) Certify that the district's inventory of
14 facilities listed in the Florida Inventory of School Houses is
15 accurate and up-to-date pursuant to s. 1013.31.

16 (3) USE OF FUNDS.--In order to increase capacity to
17 reduce class size, a district school board shall expend the
18 funds received pursuant to this section only to:

19 (a) Construct, renovate, remodel, or repair
20 educational facilities that are in excess of projects
21 identified in the district's 5-year work program adopted prior
22 to March 15, 2003; or

23 (b) Purchase or lease-purchase relocatable facilities
24 that are in excess of relocatables identified in the
25 district's 5-year work program adopted prior to March 15,
26 2003.

27 Section 11. Effective upon this act becoming a law,
28 section 1013.736, Florida Statutes, is created to read:

29 1013.736 District Effort Recognition Program.--

30 (1) RECOGNITION FUNDS.--From funds appropriated by the
31 Legislature, district effort recognition capital outlay grants

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1 shall be made to eligible school districts in accordance with
 2 the provisions of this section and the General Appropriations
 3 Act. The funds appropriated in this section are not subject to
 4 the provisions of s. 216.301.

5 (2) ELIGIBILITY.--Annually, the Department of
 6 Education shall determine each district's compliance with the
 7 provisions of s. 1003.03 and determine the district's
 8 eligibility to receive a district effort recognition grant for
 9 local school facilities projects pursuant to this section.

10 Districts shall be eligible for a district effort recognition
 11 grant based upon participation in any of the following:

12 (a) The district levies a half-cent school capital
 13 outlay surtax authorized in s. 212.055(6).

14 (b) The district participates in the levy of the local
 15 government infrastructure sales surtax authorized in s.
 16 212.055(2).

17 (c) The district levies voted millage for capital
 18 outlay purposes as authorized in s. 9, Art. VII of the State
 19 Constitution.

20 (3) DISTRICT EFFORT RECOGNITION PROGRAM.--The
 21 department shall annually calculate a district effort amount
 22 for each district by September 1 after each fiscal year. The
 23 total amount of revenue for the prior year from each revenue
 24 levied as described in subsection (2) shall be divided by the
 25 number of months for which revenue was received and multiplied
 26 by the number of authorized months remaining in each voter
 27 referendum. The amount so determined for each revenue levied
 28 shall be totaled. The Department of Revenue shall report the
 29 amount of voter-approved revenue described in paragraphs
 30 (2)(a) and (b). The district shall report the amount of
 31 revenue described in paragraph (2)(b) identified for district

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1 fixed capital outlay in the prior fiscal year. To determine
 2 the amount of revenue levied pursuant to paragraph (2)(c), the
 3 district shall annually report to the department the
 4 outstanding debt service by bond series and date of maturity.
 5 The total of annual debt service to maturity remaining as of
 6 July 1 of each year shall be added to the other revenues
 7 levied pursuant to paragraphs (2)(a) and (b) in determining
 8 the total district effort amount. Only the amount of
 9 voter-approved revenue described in paragraph (2)(b) which has
 10 been identified for district fixed capital outlay from the
 11 prior fiscal year shall be used in the calculation.

12 (4) ALLOCATION AND DISTRIBUTION OF FUNDS.--The
 13 department shall allocate the annual amount of funds provided
 14 among all eligible districts based upon the district's
 15 proportion of the funds as determined in subsection (3). Funds
 16 shall be distributed once a district has encumbered the funds.

17 (5) USE OF FUNDS.--School districts that do not meet
 18 the constitutional class size maximum described in s.
 19 1003.03(1) must use the funds for capital outlay to reduce
 20 class size. School districts that meet the constitutional
 21 class size maximum may use the funds for any lawful capital
 22 outlay purpose.

23 Section 12. Section 1013.737, Florida Statutes, is
 24 created to read:

25 1013.737 The Class Size Reduction Lottery Revenue Bond
 26 Program.--There is established the Class Size Reduction
 27 Lottery Revenue Bond Program.

28 (1) The issuance of revenue bonds is authorized to
 29 finance or refinance the construction, acquisition,
 30 reconstruction, or renovation of educational facilities. Such
 31 bonds shall be issued pursuant to and in compliance with the

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1 provisions of s. 11(d), Art. VII of the State Constitution,
2 the provisions of the State Bond Act, ss. 215.57-215.83, as
3 amended, and the provisions of this section. Pursuant to s.
4 215.98, the Legislature determines that the issuance of the
5 debt authorized herein is necessary to address a critical
6 state emergency.

7 (2) The bonds are payable from, and secured by a first
8 lien on, the first lottery revenues transferred to the
9 Educational Enhancement Trust Fund each fiscal year, as
10 provided by s. 24.121(2), and do not constitute a general
11 obligation of, or a pledge of the full faith and credit of,
12 the state.

13 (3) The state hereby covenants with the holders of
14 such revenue bonds that it will not take any action that will
15 materially and adversely affect the rights of such holders so
16 long as bonds authorized by this section are outstanding. The
17 state does hereby additionally authorize the establishment of
18 a covenant in connection with the bonds which provides that
19 any additional funds received by the state from new or
20 enhanced lottery programs, video gaming, or other similar
21 activities will first be available for payments relating to
22 bonds pledging revenues available pursuant to s. 24.121(2),
23 prior to use for any other purpose.

24 (4) The bonds shall be issued by the Division of Bond
25 Finance of the State Board of Administration on behalf of the
26 Department of Education in such amount as shall be requested
27 by resolution of the State Board of Education. However, the
28 total principal amount of bonds, excluding refunding bonds,
29 issued pursuant to this section shall not exceed \$1.4 billion.

30 (5) Proceeds available from the sale of the bonds
31 shall be deposited in the Lottery Capital Outlay and Debt

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1 Service Trust Fund within the Department of Education.

2 (6) The facilities to be financed with the proceeds of
3 such bonds are designated as state fixed capital outlay
4 projects for purposes of s. 11(d), Art. VII of the State
5 Constitution, and the specific facilities to be financed shall
6 be determined in accordance with state law and appropriations
7 from the Educational Enhancement Trust Fund. Projects shall be
8 funded from the Lottery Capital Outlay and Debt Service Trust
9 Fund. Each educational facility to be financed with the
10 proceeds of the bonds issued pursuant to this section is
11 hereby approved as required by s. 11(f), Art. VII of the State
12 Constitution.

13 (7) Any complaint for validation of such bonds is
14 required to be filed only in the circuit court of the county
15 where the seat of state government is situated. The notice
16 required to be published by s. 75.06 is required to be
17 published only in the county where the complaint is filed, and
18 the complaint and order of the circuit court need be served
19 only on the state attorney of the circuit in which the action
20 is pending.

21 (8) The Commissioner of Education shall provide for
22 timely encumbrances of funds for duly authorized projects.
23 Encumbrances may include proceeds to be received under a
24 resolution approved by the State Board of Education
25 authorizing issuance of class size reduction lottery bonds
26 pursuant to s. 11(d), Art. VII of the State Constitution, s.
27 1013.737, and other applicable law.

28 Section 13. Subsection (2) of section 24.121, Florida
29 Statutes, is amended to read:

30 24.121 Allocation of revenues and expenditure of funds
31 for public education.--

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1 (2) Each fiscal year, at least 38 percent of the gross
2 revenue from the sale of on-line lottery tickets, variable
3 percentages of the gross revenue from the sale of instant
4 lottery tickets as determined by the department consistent
5 with subsection (1), and other earned revenue, excluding
6 application processing fees, shall be deposited in the
7 Educational Enhancement Trust Fund, which is hereby created in
8 the State Treasury to be administered by the Department of
9 Education. The Department of the Lottery shall transfer moneys
10 to the Educational Enhancement Trust Fund at least once each
11 quarter. Funds in the Educational Enhancement Trust Fund shall
12 be used to the benefit of public education in accordance with
13 the provisions of this act. Notwithstanding any other
14 provision of law, ~~a maximum of \$180 million of lottery~~
15 revenues transferred to the Educational Enhancement Trust Fund
16 ~~in fiscal year 1997-1998 and for 30 years thereafter~~ shall be
17 reserved as needed and used to meet the requirements of the
18 documents authorizing the bonds issued by the state pursuant
19 to s. 1013.68, ~~or~~ s. 1013.70, or s. 1013.737 or distributed to
20 school districts for the Classrooms First Program as provided
21 in s. 1013.68. Such lottery revenues are hereby pledged to the
22 payment of debt service on bonds issued by the state pursuant
23 to s. 1013.68, ~~or~~ s. 1013.70, or s. 1013.737. Debt service
24 payable on bonds issued by the state pursuant to s. 1013.68,
25 ~~or~~ s. 1013.70, or s. 1013.737 shall be payable from, and are
26 secured by a first lien on, the first lottery revenues
27 transferred to the Educational Enhancement Trust Fund in each
28 fiscal year. Amounts distributable to school districts that
29 request the issuance of bonds pursuant to s. 1013.68(3) are
30 hereby pledged to such bonds pursuant to s. 11(d), Art. VII of
31 the State Constitution. ~~The amounts distributed through the~~

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1 ~~Classrooms First Program shall equal \$145 million in each~~
2 ~~fiscal year. These funds are intended to provide up to \$2.5~~
3 ~~billion for public school facilities.~~

4 Section 14. Paragraphs (a) and (b) of subsection (13)
5 of section 121.091, Florida Statutes, are amended to read:

6 121.091 Benefits payable under the system.--Benefits
7 may not be paid under this section unless the member has
8 terminated employment as provided in s. 121.021(39)(a) or
9 begun participation in the Deferred Retirement Option Program
10 as provided in subsection (13), and a proper application has
11 been filed in the manner prescribed by the department. The
12 department may cancel an application for retirement benefits
13 when the member or beneficiary fails to timely provide the
14 information and documents required by this chapter and the
15 department's rules. The department shall adopt rules
16 establishing procedures for application for retirement
17 benefits and for the cancellation of such application when the
18 required information or documents are not received.

19 (13) DEFERRED RETIREMENT OPTION PROGRAM.--In general,
20 and subject to the provisions of this section, the Deferred
21 Retirement Option Program, hereinafter referred to as the
22 DROP, is a program under which an eligible member of the
23 Florida Retirement System may elect to participate, deferring
24 receipt of retirement benefits while continuing employment
25 with his or her Florida Retirement System employer. The
26 deferred monthly benefits shall accrue in the System Trust
27 Fund on behalf of the participant, plus interest compounded
28 monthly, for the specified period of the DROP participation,
29 as provided in paragraph (c). Upon termination of employment,
30 the participant shall receive the total DROP benefits and
31 begin to receive the previously determined normal retirement

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1 benefits. Participation in the DROP does not guarantee
2 employment for the specified period of DROP.

3 (a) Eligibility of member to participate in the
4 DROP.--All active Florida Retirement System members in a
5 regularly established position, and all active members of
6 either the Teachers' Retirement System established in chapter
7 238 or the State and County Officers' and Employees'
8 Retirement System established in chapter 122 which systems are
9 consolidated within the Florida Retirement System under s.
10 121.011, are eligible to elect participation in the DROP
11 provided that:

12 1. The member is not a renewed member of the Florida
13 Retirement System under s. 121.122, or a member of the State
14 Community College System Optional Retirement Program under s.
15 121.051, the Senior Management Service Optional Annuity
16 Program under s. 121.055, or the optional retirement program
17 for the State University System under s. 121.35.

18 2. Except as provided in subparagraph 6., election to
19 participate is made within 12 months immediately following the
20 date on which the member first reaches normal retirement date,
21 or, for a member who reaches normal retirement date based on
22 service before he or she reaches age 62, or age 55 for Special
23 Risk Class members, election to participate may be deferred to
24 the 12 months immediately following the date the member
25 attains 57, or age 52 for Special Risk Class members. For a
26 member who first reached normal retirement date or the
27 deferred eligibility date described above prior to the
28 effective date of this section, election to participate shall
29 be made within 12 months after the effective date of this
30 section. A member who fails to make an election within such
31 12-month limitation period shall forfeit all rights to

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1 participate in the DROP. The member shall advise his or her
2 employer and the division in writing of the date on which the
3 DROP shall begin. Such beginning date may be subsequent to the
4 12-month election period, but must be within the 60-month or,
5 with respect to members who are instructional personnel as
6 defined in s. 1012.01(2)(a)-(d) in grades K-12 and who have
7 received authorization by the district school superintendent
8 to participate in DROP for more than 60 months, the 96-month
9 limitation period as provided in subparagraph (b)1. When
10 establishing eligibility of the member to participate in the
11 DROP for the 60-month or, with respect to members who are
12 instructional personnel as defined in s. 1012.01(2)(a)-(d) in
13 grades K-12 and who have received authorization by the
14 district school superintendent to participate in DROP for more
15 than 60 months, the 96-month maximum participation period, the
16 member may elect to include or exclude any optional service
17 credit purchased by the member from the total service used to
18 establish the normal retirement date. A member with dual
19 normal retirement dates shall be eligible to elect to
20 participate in DROP within 12 months after attaining normal
21 retirement date in either class.

22 3. The employer of a member electing to participate in
23 the DROP, or employers if dually employed, shall acknowledge
24 in writing to the division the date the member's participation
25 in the DROP begins and the date the member's employment and
26 DROP participation will terminate.

27 4. Simultaneous employment of a participant by
28 additional Florida Retirement System employers subsequent to
29 the commencement of participation in the DROP shall be
30 permissible provided such employers acknowledge in writing a
31 DROP termination date no later than the participant's existing

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1 termination date or the 60-month limitation period as provided
2 in subparagraph (b)1.

3 5. A DROP participant may change employers while
4 participating in the DROP, subject to the following:

5 a. A change of employment must take place without a
6 break in service so that the member receives salary for each
7 month of continuous DROP participation. If a member receives
8 no salary during a month, DROP participation shall cease
9 unless the employer verifies a continuation of the employment
10 relationship for such participant pursuant to s.

11 121.021(39)(b).

12 b. Such participant and new employer shall notify the
13 division on forms required by the division as to the identity
14 of the new employer.

15 c. The new employer shall acknowledge, in writing, the
16 participant's DROP termination date, which may be extended but
17 not beyond the original 60-month or, with respect to members
18 who are instructional personnel as defined in s.

19 1012.01(2)(a)-(d) in grades K-12 and who have received
20 authorization by the district school superintendent to
21 participate in DROP for more than 60 months, the 96-month
22 period provided in subparagraph (b)1., shall acknowledge
23 liability for any additional retirement contributions and
24 interest required if the participant fails to timely terminate
25 employment, and shall be subject to the adjustment required in
26 sub-subparagraph (c)5.d.

27 6. Effective July 1, 2001, for instructional personnel
28 as defined in s. 1012.01(2), election to participate in the
29 DROP shall be made at any time following the date on which the
30 member first reaches normal retirement date. The member shall
31 advise his or her employer and the division in writing of the

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1 date on which the Deferred Retirement Option Program shall
2 begin. When establishing eligibility of the member to
3 participate in the DROP for the 60-month or, with respect to
4 members who are instructional personnel as defined in s.
5 1012.01(2)(a)-(d) in grades K-12 and who have received
6 authorization by the district school superintendent to
7 participate in DROP for more than 60 months, the 96-month
8 maximum participation period, as provided in subparagraph
9 (b)1., the member may elect to include or exclude any optional
10 service credit purchased by the member from the total service
11 used to establish the normal retirement date. A member with
12 dual normal retirement dates shall be eligible to elect to
13 participate in either class.

14 (b) Participation in the DROP.--

15 1. An eligible member may elect to participate in the
16 DROP for a period not to exceed a maximum of 60 calendar
17 months or, with respect to members who are instructional
18 personnel as defined in s. 1012.01(2)(a)-(d) in grades K-12
19 and who have received authorization by the district school
20 superintendent to participate in DROP for more than 60
21 calendar months, a maximum of 96 calendar months immediately
22 following the date on which the member first reaches his or
23 her normal retirement date or the date to which he or she is
24 eligible to defer his or her election to participate as
25 provided in subparagraph (a)2. However, a member who has
26 reached normal retirement date prior to the effective date of
27 the DROP shall be eligible to participate in the DROP for a
28 period of time not to exceed 60 calendar months or, with
29 respect to members who are instructional personnel as defined
30 in s. 1012.01(2)(a)-(d) in grades K-12 and who have received
31 authorization by the district school superintendent to

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1 participate in DROP for more than 60 calendar months, 96
2 calendar months immediately following the effective date of
3 the DROP, except a member of the Special Risk Class who has
4 reached normal retirement date prior to the effective date of
5 the DROP and whose total accrued value exceeds 75 percent of
6 average final compensation as of his or her effective date of
7 retirement shall be eligible to participate in the DROP for no
8 more than 36 calendar months immediately following the
9 effective date of the DROP.

10 2. Upon deciding to participate in the DROP, the
11 member shall submit, on forms required by the division:

12 a. A written election to participate in the DROP;

13 b. Selection of the DROP participation and termination
14 dates, which satisfy the limitations stated in paragraph (a)
15 and subparagraph 1. Such termination date shall be in a
16 binding letter of resignation with the employer, establishing
17 a deferred termination date. The member may change the
18 termination date within the limitations of subparagraph 1.,
19 but only with the written approval of his or her employer;

20 c. A properly completed DROP application for service
21 retirement as provided in this section; and

22 d. Any other information required by the division.

23 3. The DROP participant shall be a retiree under the
24 Florida Retirement System for all purposes, except for
25 paragraph (5)(f) and subsection (9) and ss. 112.3173, 112.363,
26 121.053, and 121.122. However, participation in the DROP does
27 not alter the participant's employment status and such
28 employee shall not be deemed retired from employment until his
29 or her deferred resignation is effective and termination
30 occurs as provided in s. 121.021(39).

31 4. Elected officers shall be eligible to participate

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1 in the DROP subject to the following:

2 a. An elected officer who reaches normal retirement
3 date during a term of office may defer the election to
4 participate in the DROP until the next succeeding term in that
5 office. Such elected officer who exercises this option may
6 participate in the DROP for up to 60 calendar months or a
7 period of no longer than such succeeding term of office,
8 whichever is less.

9 b. An elected or a nonelected participant may run for
10 a term of office while participating in DROP and, if elected,
11 extend the DROP termination date accordingly, except, however,
12 if such additional term of office exceeds the 60-month
13 limitation established in subparagraph 1., and the officer
14 does not resign from office within such 60-month limitation,
15 the retirement and the participant's DROP shall be null and
16 void as provided in sub-subparagraph (c)5.d.

17 c. An elected officer who is dually employed and
18 elects to participate in DROP shall be required to satisfy the
19 definition of termination within the 60-month or, with respect
20 to members who are instructional personnel as defined in s.
21 1012.01(2)(a)-(d) in grades K-12 and who have received
22 authorization by the district school superintendent to
23 participate in DROP for more than 60 months, the 96-month
24 limitation period as provided in subparagraph 1. for the
25 nonelected position and may continue employment as an elected
26 officer as provided in s. 121.053. The elected officer will be
27 enrolled as a renewed member in the Elected Officers' Class or
28 the Regular Class, as provided in ss. 121.053 and 121.22, on
29 the first day of the month after termination of employment in
30 the nonelected position and termination of DROP. Distribution
31 of the DROP benefits shall be made as provided in paragraph

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1 (c).

2 Section 15. Subsection (20) of section 1001.42,
3 Florida Statutes, is amended to read:

4 1001.42 Powers and duties of district school
5 board.--The district school board, acting as a board, shall
6 exercise all powers and perform all duties listed below:

7 (20) SCHOOL-WITHIN-A-SCHOOL.--In order to reduce the
8 anonymity of students in large schools, adopt policies to
9 encourage any large school ~~that does not meet the definition~~
10 ~~of a small school, as established by s. 1013.43(2)~~, to
11 subdivide into schools-within-a-school that shall operate
12 within existing resources in accordance with the provisions of
13 chapter 1003.

14 Section 16. Paragraph (i) is added to subsection (1)
15 of section 1003.02, Florida Statutes, and subsection (4) of
16 that section is amended, to read:

17 1003.02 District school board operation and control of
18 public K-12 education within the school district.--As provided
19 in part II of chapter 1001, district school boards are
20 constitutionally and statutorily charged with the operation
21 and control of public K-12 education within their school
22 district. The district school boards must establish, organize,
23 and operate their public K-12 schools and educational
24 programs, employees, and facilities. Their responsibilities
25 include staff development, public K-12 school student
26 education including education for exceptional students and
27 students in juvenile justice programs, special programs, adult
28 education programs, and career and technical education
29 programs. Additionally, district school boards must:

30 (1) Provide for the proper accounting for all students
31 of school age, for the attendance and control of students at

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1 school, and for proper attention to health, safety, and other
2 matters relating to the welfare of students in the following
3 fields:

4 (i) Parental notification of acceleration
5 mechanisms.--At the beginning of each school year, notify
6 parents of students in or entering high school of the
7 opportunity and benefits of advanced placement, International
8 Baccalaureate, Advanced International Certificate of
9 Education, dual enrollment, and Florida Virtual School
10 courses.

11 ~~(4) For any school within the district that is not in~~
12 ~~compliance with the small school size requirements of chapter~~
13 ~~1013, In order to reduce the anonymity of students in large~~
14 ~~schools, adopt policies that encourage subdivision of the~~
15 ~~school into schools-within-a-school, which shall operate~~
16 ~~within existing resources. A "school-within-a-school" means an~~
17 ~~operational program that uses flexible scheduling, team~~
18 ~~planning, and curricular and instructional innovation to~~
19 ~~organize groups of students with groups of teachers as smaller~~
20 ~~units, so as to functionally operate as a smaller school.~~
21 ~~Examples of this include, but are not limited to:~~

22 (a) An organizational arrangement assigning both
23 students and teachers to smaller units in which the students
24 take some or all of their coursework with their fellow grouped
25 students and from the teachers assigned to the smaller unit. A
26 unit may be grouped together for 1 year or on a vertical,
27 multiyear basis.

28 (b) An organizational arrangement similar to that
29 described in paragraph (a) with additional variations in
30 instruction and curriculum. The smaller unit usually seeks to
31 maintain a program different from that of the larger school,

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1 or of other smaller units. It may be vertically organized, but
2 is dependent upon the school principal for its existence,
3 budget, and staff.

4 (c) A separate and autonomous smaller unit formally
5 authorized by the district school board or district school
6 superintendent. The smaller unit plans and runs its own
7 program, has its own staff and students, and receives its own
8 separate budget. The smaller unit must negotiate the use of
9 common space with the larger school and defer to the building
10 principal on matters of safety and building operation.

11 Section 17. Paragraph (i) of subsection (1) of section
12 1003.43, Florida Statutes, is amended to read:

13 1003.43 General requirements for high school
14 graduation.--

15 (1) Graduation requires successful completion of
16 either a minimum of 24 academic credits in grades 9 through 12
17 or an International Baccalaureate curriculum. The 24 credits
18 shall be distributed as follows:

19 (i) One-half credit in life management skills to
20 include consumer education, positive emotional development,
21 marriage and relationship skill-based education, nutrition,
22 parenting skills, prevention of human immunodeficiency virus
23 infection and acquired immune deficiency syndrome and other
24 sexually transmissible diseases, benefits of sexual abstinence
25 and consequences of teenage pregnancy, information and
26 instruction on breast cancer detection and breast
27 self-examination, cardiopulmonary resuscitation, drug
28 education, and the hazards of smoking. ~~Such credit shall be
29 given for a course to be taken by all students in either the
30 9th or 10th grade.~~

31

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1 District school boards may award a maximum of one-half credit
2 in social studies and one-half elective credit for student
3 completion of nonpaid voluntary community or school service
4 work. Students choosing this option must complete a minimum
5 of 75 hours of service in order to earn the one-half credit in
6 either category of instruction. Credit may not be earned for
7 service provided as a result of court action. District school
8 boards that approve the award of credit for student volunteer
9 service shall develop guidelines regarding the award of the
10 credit, and school principals are responsible for approving
11 specific volunteer activities. A course designated in the
12 Course Code Directory as grade 9 through grade 12 that is
13 taken below the 9th grade may be used to satisfy high school
14 graduation requirements or Florida Academic Scholars award
15 requirements as specified in a district school board's student
16 progression plan. A student shall be granted credit toward
17 meeting the requirements of this subsection for equivalent
18 courses, as identified pursuant to s. 1007.271(6), taken
19 through dual enrollment.

20 Section 18. Paragraph (a) of subsection (1) of section
21 1003.436, Florida Statutes, is amended to read:

22 1003.436 Definition of "credit".--

23 (1)(a) For the purposes of requirements for high
24 school graduation, one full credit means a minimum of 135
25 hours of bona fide instruction in a designated course of study
26 that contains student performance standards. One full credit
27 means a minimum of 120 hours of bona fide instruction in a
28 designated course of study that contains student performance
29 standards for purposes of meeting high school graduation
30 requirements in a district school that has been authorized to
31 implement block scheduling by the district school board. The

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1 State Board of Education shall determine the number of
 2 postsecondary credit hours earned through dual enrollment
 3 pursuant to s. 1007.271 that satisfy the requirements of a
 4 district's interinstitutional articulation agreement according
 5 to s. 1007.235 and that equal one full credit of the
 6 equivalent high school course identified pursuant to s.
 7 1007.271(6).

8 Section 19. Paragraph (b) of subsection (5) of section
 9 1011.62, Florida Statutes, is amended to read:

10 1011.62 Funds for operation of schools.--If the annual
 11 allocation from the Florida Education Finance Program to each
 12 district for operation of schools is not determined in the
 13 annual appropriations act or the substantive bill implementing
 14 the annual appropriations act, it shall be determined as
 15 follows:

16 (5) CATEGORICAL FUNDS.--

17 (b) ~~For fiscal year 2002-2003,~~ If a district school
 18 board finds and declares in a resolution adopted at a regular
 19 meeting of the school board that the funds received for any of
 20 the following categorical appropriations are urgently needed
 21 to maintain school board specified academic classroom
 22 instruction, the school board may consider and approve an
 23 amendment to the school district operating budget transferring
 24 the identified amount of the categorical funds to the
 25 appropriate account for expenditure:

- 26 1. Funds for student transportation.
- 27 2. Funds for in-service educational personnel
- 28 training.
- 29 3. Funds for safe schools.
- 30 4. Funds for public school technology.
- 31 5. ~~Funds for teacher recruitment and retention.~~

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1 ~~5.6.~~ Funds for supplemental academic instruction.

2 Section 20. Section 1011.69, Florida Statutes, is
3 amended to read:

4 1011.69 Equity in School-Level Funding Act.--

5 (1) This section may be cited as the "Equity in
6 School-Level Funding Act."

7 ~~(2)(a) Beginning in the 2000-2001 fiscal year,~~
8 ~~district school boards shall allocate to each school within~~
9 ~~the district at least 50 percent of the funds generated by~~
10 ~~that school based upon the Florida Education Finance Program~~
11 ~~as provided in s. 1011.62 and the General Appropriations Act,~~
12 ~~including gross state and local funds, discretionary lottery~~
13 ~~funds, and funds from the school district's current operating~~
14 ~~discretionary millage levy.~~

15 ~~(b) Beginning in the 2001-2002 fiscal year, district~~
16 ~~school boards shall allocate to each school within the~~
17 ~~district at least 65 percent of the funds generated by that~~
18 ~~school based upon the Florida Education Finance Program as~~
19 ~~provided in s. 1011.62 and the General Appropriations Act,~~
20 ~~including gross state and local funds, discretionary lottery~~
21 ~~funds, and funds from the school district's current operating~~
22 ~~discretionary millage levy.~~

23 ~~(c) Beginning in the 2002-2003 fiscal year, district~~
24 ~~school boards shall allocate to each school within the~~
25 ~~district at least 80 percent of the funds generated by that~~
26 ~~school based upon the Florida Education Finance Program as~~
27 ~~provided in s. 1011.62 and the General Appropriations Act,~~
28 ~~including gross state and local funds, discretionary lottery~~
29 ~~funds, and funds from the school district's current operating~~
30 ~~discretionary millage levy.~~

31 ~~(d) Beginning in the 2003-2004 fiscal year, district~~

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1 school boards shall allocate to schools ~~each school~~ within the
2 district an average of ~~at least~~ 90 percent of the funds
3 generated by all schools and guarantee that each school
4 receives at least 80 percent of the funds generated by that
5 school based upon the Florida Education Finance Program as
6 provided in s. 1011.62 and the General Appropriations Act,
7 including gross state and local funds, discretionary lottery
8 funds, and funds from the school district's current operating
9 discretionary millage levy. Total funding for each school
10 shall be recalculated during the year to reflect the revised
11 calculations under the Florida Education Finance Program by
12 the state and the actual weighted full-time equivalent
13 students reported by the school during the full-time
14 equivalent student survey periods designated by the
15 Commissioner of Education. If the district school board is
16 providing programs or services to students funded by federal
17 funds, any eligible students enrolled in the schools in the
18 district shall be provided federal funds. Only academic
19 performance-based charter school ~~those districts that~~
20 ~~initially applied for charter school district status, pursuant~~
21 ~~to s. 1003.62, and have been approved by the State Board of~~
22 ~~Education~~ are exempt from the provisions of this section.

23 (3) Funds allocated to a school pursuant to this
24 section that are unused at the end of the fiscal year shall
25 not revert to the district, but shall remain with the school.
26 These carryforward funds may be used for any purpose provided
27 by law at the discretion of the principal of the school.

28 (4) The following funds are excluded from the
29 school-level allocation under this section:

30 ~~(4) Recommendations made by the Governor's Equity in~~
31 ~~Educational Opportunity Task Force shall be reviewed to~~

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1 ~~identify potential categorical funds to be included in the~~
 2 ~~district allocation methodology required in subsection (2).~~

3 ~~(a)(5) Funds appropriated in the General~~
 4 ~~Appropriations Act for supplemental academic instruction to be~~
 5 ~~used for the purposes described in s. 1011.62(1)(f); and~~

6 ~~(b) Funds appropriated in the General Appropriations~~
 7 ~~Act for the class size reduction operating categorical fund~~
 8 ~~established in s. 1011.685 are excluded from the school-level~~
 9 ~~allocation under this section.~~

10 Section 21. Paragraph (b) of subsection (1) and
 11 subsections (3), (4), and (5) of section 1012.56, Florida
 12 Statutes, are amended to read:

13 1012.56 Educator certification requirements.--

14 (1) APPLICATION.--Each person seeking certification
 15 pursuant to this chapter shall submit a completed application
 16 containing the applicant's social security number to the
 17 Department of Education and remit the fee required pursuant to
 18 s. 1012.59 and rules of the State Board of Education. Pursuant
 19 to the federal Personal Responsibility and Work Opportunity
 20 Reconciliation Act of 1996, each party is required to provide
 21 his or her social security number in accordance with this
 22 section. Disclosure of social security numbers obtained
 23 through this requirement shall be limited to the purpose of
 24 administration of the Title IV-D program of the Social
 25 Security Act for child support enforcement. Pursuant to s.
 26 120.60, the department shall issue within 90 calendar days
 27 after the stamped receipted date of the completed application:

28 (a) A certificate covering the classification, level,
 29 and area for which the applicant is deemed qualified; or

30 (b) An official statement of status of eligibility.

31 The statement of status of eligibility must advise the

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1 applicant of any qualifications that must be completed to
2 qualify for certification. Each statement of status of
3 eligibility is valid for 2 years after its date of issuance,
4 except as provided in paragraph (2)(d). ~~A statement of status
5 of eligibility may be reissued for one additional 2-year
6 period if application is made while the initial statement of
7 status of eligibility is valid or within 1 year after the
8 initial statement expires, and if the certification subject
9 area is authorized to be issued by the state board at the time
10 the application requesting a reissued statement of status of
11 eligibility is received.~~

12 (3) MASTERY OF GENERAL KNOWLEDGE.--Acceptable means of
13 demonstrating mastery of general knowledge are:

14 (a) Achievement of passing scores on basic skills
15 examination required by state board rule;

16 (b) Achievement of passing scores on the College Level
17 Academic Skills Test earned prior to July 1, 2002;

18 (c) A valid professional standard teaching certificate
19 issued by another state ~~that requires an examination of
20 mastery of general knowledge;~~

21 (d) ~~A valid standard teaching certificate issued by
22 another state and valid certificate issued by the National
23 Board for Professional Teaching Standards; or~~

24 (e) Documentation of two semesters of successful
25 teaching in a community college, state university, or private
26 college or university that awards an associate's or higher
27 degree and is an accredited institution or an institution of
28 higher education identified by the Department of Education as
29 having a quality program. ~~A valid standard teaching
30 certificate issued by another state and documentation of 2
31 years of continuous successful full-time teaching or~~

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1 ~~administrative experience during the 5-year period immediately~~
2 ~~preceding the date of application for certification.~~

3 (4) MASTERY OF SUBJECT AREA KNOWLEDGE.--Acceptable
4 means of demonstrating mastery of subject area knowledge are:

5 (a) Achievement of passing scores on subject area
6 examinations required by state board rule;

7 (b) Completion of the subject area specialization
8 requirements specified in state board rule and verification of
9 the attainment of the essential subject matter competencies by
10 the district school superintendent of the employing school
11 district or chief administrative officer of the employing
12 state-supported or private school for a subject area for which
13 a subject area examination has not been developed and required
14 by state board rule;

15 (c) Completion of the graduate level subject area
16 specialization requirements specified in state board rule for
17 a subject coverage requiring a master's or higher degree and
18 achievement of a passing score on the subject area examination
19 specified in state board rule;

20 (d) A valid standard teaching certificate issued by
21 another state ~~that requires an examination of mastery of~~
22 ~~subject area knowledge; or~~

23 (e) A valid standard teaching certificate issued by
24 another state and valid certificate issued by the National
25 Board for Professional Teaching Standards. ~~† or~~

26 ~~(f) A valid standard teaching certificate issued by~~
27 ~~another state and documentation of 2 years of continuous~~
28 ~~successful full-time teaching or administrative experience~~
29 ~~during the 5-year period immediately preceding the date of~~
30 ~~application for certification.~~

31 (5) MASTERY OF PROFESSIONAL PREPARATION AND EDUCATION

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1 COMPETENCE.--Acceptable means of demonstrating mastery of
2 professional preparation and education competence are:

3 (a) Completion of an approved teacher preparation
4 program at a postsecondary educational institution within this
5 state and achievement of a passing score on the professional
6 education competency examination required by state board rule;

7 (b) Completion of a teacher preparation program at a
8 postsecondary educational institution outside Florida and
9 achievement of a passing score on the professional education
10 competency examination required by state board rule;

11 (c) A valid professional standard teaching certificate
12 issued by another state ~~that requires an examination of~~
13 ~~mastery of professional education competence;~~

14 (d) A ~~valid standard teaching certificate issued by~~
15 ~~another state and~~ valid certificate issued by the National
16 Board for Professional Teaching Standards;

17 (e) Documentation of two semesters of successful
18 teaching in a community college, state university, or private
19 college or university that awards an associate's or higher
20 degree and is an accredited institution or an institution of
21 higher education identified by the Department of Education as
22 having a quality program ~~A valid standard teaching certificate~~
23 ~~issued by another state and documentation of 2 years of~~
24 ~~continuous successful full-time teaching or administrative~~
25 ~~experience during the 5-year period immediately preceding the~~
26 ~~date of application for certification;~~

27 (f) Completion of professional preparation courses as
28 specified in state board rule, successful completion of a
29 professional education competence demonstration program
30 pursuant to paragraph (7)(b), and achievement of a passing
31 score on the professional education competency examination

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1 required by state board rule; or

2 (g) Successful completion of a professional
3 preparation alternative certification and education competency
4 program, outlined in paragraph (7)(a).

5 Section 22. Subsection (1) of section 1012.57, Florida
6 Statutes, is amended to read:

7 1012.57 Certification of adjunct educators.--

8 (1) Notwithstanding the provisions of ss. 1012.32,
9 1012.55, and 1012.56, or any other provision of law or rule to
10 the contrary, district school boards shall adopt rules to
11 allow for the issuance of ~~may issue~~ an adjunct teaching
12 certificate to any applicant who fulfills the requirements of
13 s. 1012.56(2)(a)-(f) and who has expertise in the subject area
14 to be taught. An applicant shall be considered to have
15 expertise in the subject area to be taught if the applicant
16 has at least a major ~~minor~~ in the subject area or demonstrates
17 sufficient subject area mastery through passage of a subject
18 area test ~~as determined by district school board policy~~. The
19 adjunct teaching certificate shall be used for part-time
20 teaching positions. The intent of this provision is to allow
21 school districts to tap the wealth of talent and expertise
22 represented in Florida's citizens who may wish to teach
23 part-time in a Florida public school by permitting school
24 districts to issue adjunct certificates. Adjunct
25 certificateholders should be used as a strategy to reduce the
26 teacher shortage; thus, adjunct certificateholders should
27 supplement a school's instructional staff, not supplant it.
28 Each school principal shall assign an experienced peer mentor
29 to assist the adjunct teaching certificateholder during the
30 certificateholder's first year of teaching, and an adjunct
31 certificateholder may participate in a district's new teacher

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1 training program. District school boards shall provide the
2 adjunct teaching certificateholder an orientation in classroom
3 management prior to assigning the certificateholder to a
4 school. Each adjunct teaching certificate is valid for 5
5 school years and is renewable if:

6 (a) The applicant completes a minimum of 60 inservice
7 points or 3 semester hours of college credit. The earned
8 credits must include instruction in classroom management,
9 district school board procedures, school culture, and other
10 activities that enhance the professional teaching skills of
11 the certificateholder.

12 (b) The applicant has received satisfactory
13 performance evaluations during each year of teaching under
14 adjunct teaching certification.

15 Section 23. Subsection (13) is added to section
16 1013.03, Florida Statutes, to read:

17 1013.03 Functions of the department.--The functions of
18 the Department of Education as it pertains to educational
19 facilities shall include, but not be limited to, the
20 following:

21 (13) By October 1, 2003, review all rules related to
22 school construction to identify requirements that are
23 outdated, obsolete, unnecessary, or otherwise could be amended
24 in order to provide additional flexibility to school districts
25 to comply with the constitutional class size maximum described
26 in s. 1003.03(1) and make recommendations concerning such
27 rules to the State Board of Education. The State Board of
28 Education shall act on such recommendations by December 31,
29 2003.

30 Section 24. Paragraph (d) is added to subsection (1)
31 of section 1013.31, Florida Statutes, to read:

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1 1013.31 Educational plant survey; localized need
2 assessment; PECO project funding.--

3 (1) At least every 5 years, each board shall arrange
4 for an educational plant survey, to aid in formulating plans
5 for housing the educational program and student population,
6 faculty, administrators, staff, and auxiliary and ancillary
7 services of the district or campus, including consideration of
8 the local comprehensive plan. The Office of Workforce and
9 Economic Development shall document the need for additional
10 career and adult education programs and the continuation of
11 existing programs before facility construction or renovation
12 related to career or adult education may be included in the
13 educational plant survey of a school district or community
14 college that delivers career or adult education programs.
15 Information used by the Office of Workforce and Economic
16 Development to establish facility needs must include, but need
17 not be limited to, labor market data, needs analysis, and
18 information submitted by the school district or community
19 college.

20 (d) Periodic update of Florida Inventory of School
21 Houses.--School districts shall periodically update their
22 inventory of educational facilities as new capacity becomes
23 available and as unsatisfactory space is eliminated. The State
24 Board of Education shall adopt rules to determine the
25 timeframe in which districts must provide a periodic update.

26 Section 25. Paragraph (b) of subsection (1) and
27 subsections (2) and (3) of section 1002.37, Florida Statutes,
28 are amended, subsections (4), (5), and (6) are renumbered as
29 subsections (5), (6) and (7), respectively, and new
30 subsections (3) and (4) are added to that section to read:

31 1002.37 The Florida Virtual School.--

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1 (1)(b) The mission of the Florida Virtual School is to
2 provide students with technology-based educational
3 opportunities to gain the knowledge and skills necessary to
4 succeed and to award high school diplomas pursuant to s.
5 1003.43 (9). The school shall serve any student in the state
6 who meets the profile for success in this educational delivery
7 context and shall give priority to:

8 1. Student enrolled in traditional public school
9 classes that are not in compliance with the maximum class
10 sizes provided in s. 1000.03.

11 2. Students enrolled as full-time students in the
12 Florida Virtual School and seeking a high school diploma
13 awarded by the Florida Virtual School.

14 ~~(3).1.~~ Students who need expanded access to courses in
15 order to meet their educational goals, such as home education
16 students and students in ~~inner-city and~~ rural and other public
17 high schools who do not have access to higher-level courses.

18 ~~4.2.~~ Students seeking accelerated access in order to
19 obtain a high school diploma at least one semester early.

20
21 The board of trustees of the Florida Virtual School shall
22 identify appropriate performance measures and standards based
23 on student achievement that reflect the school's statutory
24 mission and priorities, and shall implement an accountability
25 system for the school that includes assessment of its
26 effectiveness and efficiency in providing quality services
27 that encourage high student achievement, seamless
28 articulation, and maximum access.

29 (2) The Florida Virtual School shall be governed by a
30 board of trustees comprised of seven members appointed by the
31 Governor to 4-year staggered terms. The board of trustees

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1 shall be a public agency entitled to sovereign immunity
2 pursuant to s. 768.28, and board members shall be public
3 officers who shall bear fiduciary responsibility for the
4 Florida Virtual School. The board of trustees shall have the
5 following powers and duties:

6 (a)1. The board of trustees shall meet at least 4
7 times each year, upon the call of the chair, or at the request
8 of a majority of the membership.

9 2. The fiscal year for the Florida Virtual School
10 shall be the state fiscal year as provided in s.
11 216.011(1)(o).

12 (b) The board of trustees shall be responsible for the
13 Florida Virtual School's development of a state-of-the-art
14 technology-based education delivery system that is
15 cost-effective, educationally sound, marketable, and capable
16 of sustaining a self-sufficient delivery system through the
17 Florida Education Finance Program, ~~by fiscal year 2003-2004.~~
18 ~~The school shall collect and report data for all students~~
19 ~~served and credit awarded. This data shall be segregated by~~
20 ~~private, public, and home education students by program.~~
21 ~~Information shall also be collected that reflects any other~~
22 ~~school in which a virtual school student is enrolled.~~

23 (c) The board of trustees shall aggressively seek
24 avenues to generate revenue to support its future endeavors,
25 and shall enter into agreements with distance learning
26 providers. The board of trustees may acquire, enjoy, use, and
27 dispose of patents, copyrights, and trademarks and any
28 licenses and other rights or interests thereunder or therein.
29 Ownership of all such patents, copyrights, trademarks,
30 licenses, and rights or interests thereunder or therein shall
31 vest in the state, with the board of trustees having full

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1 right of use and full right to retain the revenues derived
2 therefrom. Any funds realized from patents, copyrights,
3 trademarks, or licenses shall be considered internal funds as
4 provided in s. 1011.07. Such funds shall be used to support
5 the school's marketing and research and development activities
6 in order to improve courseware and services to its students.

7 (d) The board of trustees shall be responsible for the
8 administration and control of all local school funds derived
9 from all activities or sources and shall prescribe the
10 principles and procedures to be followed in administering
11 these funds.~~annually prepare and submit to the State Board of~~
12 ~~Education a legislative budget request, including funding~~
13 ~~requests for computers for public school students who do not~~
14 ~~have access to public school computers, in accordance with~~
15 ~~chapter 216 and s. 1013.60. The legislative budget request of~~
16 ~~the Florida Virtual School shall be prepared using the same~~
17 ~~format, procedures, and timelines required for the submission~~
18 ~~of the legislative budget of the Department of Education.~~
19 ~~Nothing in this section shall be construed to guarantee a~~
20 ~~computer to any individual student.~~

21 (e) The Florida Virtual School may accrue supplemental
22 revenue from supplemental support organizations, which
23 include, but are not limited to, alumni associations,
24 foundations, parent-teacher associations, and booster
25 associations. The governing body of each supplemental support
26 organization shall recommend the expenditure of moneys
27 collected by the organization for the benefit of the school.
28 Such expenditures shall be contingent upon the review of the
29 executive director. The executive director may override any
30 proposed expenditure of the organization that would violate
31 Florida law or breach sound educational management.

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1 ~~(f)(e)~~ In accordance with law and rules of the State
2 Board of Education, the board of trustees shall administer and
3 maintain personnel programs for all employees of the board of
4 trustees and the Florida Virtual School. The board of trustees
5 may adopt rules, policies, and procedures related to the
6 appointment, employment, and removal of personnel.

7 1. The board of trustees shall determine the
8 compensation, including salaries and fringe benefits, and
9 other conditions of employment for such personnel.

10 2. The board of trustees may establish and maintain a
11 personnel loan or exchange program by which persons employed
12 by the board of trustees for the Florida Virtual School as
13 academic administrative and instructional staff may be loaned
14 to, or exchanged with persons employed in like capacities by,
15 public agencies either within or without this state, or by
16 private industry. With respect to public agency employees, the
17 program authorized by this subparagraph shall be consistent
18 with the requirements of part II of chapter 112. The salary
19 and benefits of board of trustees personnel participating in
20 the loan or exchange program shall be continued during the
21 period of time they participate in a loan or exchange program,
22 and such personnel shall be deemed to have no break in
23 creditable or continuous service or employment during such
24 time. The salary and benefits of persons participating in the
25 personnel loan or exchange program who are employed by public
26 agencies or private industry shall be paid by the originating
27 employers of those participants, and such personnel shall be
28 deemed to have no break in creditable or continuous service or
29 employment during such time.

30 3. The employment of all Florida Virtual School
31 academic administrative and instructional personnel shall be

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1 subject to rejection for cause by the board of trustees, and
2 shall be subject to policies of the board of trustees relative
3 to certification, tenure, leaves of absence, sabbaticals,
4 remuneration, and such other conditions of employment as the
5 board of trustees deems necessary and proper, not inconsistent
6 with law.

7 4. Each person employed by the board of trustees in an
8 academic administrative or instructional capacity with the
9 Florida Virtual School shall be entitled to a contract as
10 provided by rules of the board of trustees.

11 5. All employees except temporary, seasonal, and
12 student employees may be state employees for the purpose of
13 being eligible to participate in the Florida Retirement System
14 and receive benefits. The classification and pay plan,
15 including terminal leave and other benefits, and any
16 amendments thereto, shall be subject to review and approval by
17 the Department of Management Services and the Executive Office
18 of the Governor prior to adoption. ~~In the event that the board
19 of trustees assumes responsibility for governance pursuant to
20 this section before approval is obtained, employees shall be
21 compensated pursuant to the system in effect for the employees
22 of the fiscal agent.~~

23 ~~(g)(f)~~ The board of trustees shall establish
24 priorities for admission of students in accordance with
25 paragraph (1)(b).

26 ~~(h)(g)~~ The board of trustees shall establish and
27 distribute to all school districts and high schools in the
28 state procedures for enrollment of students in courses offered
29 by the Florida Virtual School. ~~Such procedures shall be
30 designed to minimize paperwork and fairly resolve the issue of
31 double funding students taking courses on-line.~~

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1 (i) The board of trustees shall establish criteria
2 defining the elements of an approved franchise. The board of
3 trustees may enter into franchise agreements with Florida
4 district school boards and may establish the terms and
5 conditions governing such agreements. The board of trustees
6 shall establish the performance and accountability measures
7 and report the performance of each school district franchise
8 to the Commissioner of Education.

9 (j)(h) The board of trustees shall ~~annually~~ submit to
10 the State Board of Education both forecasted and actual
11 enrollments and credit completions for the Florida Virtual
12 School, according to procedures established by the State Board
13 of Education. At a minimum, such procedures must include the
14 number of public, private, and home education students served
15 by program and by county of residence~~district~~.

16 (k)(i) The board of trustees shall provide for the
17 content and custody of student and employee personnel records.
18 Student records shall be subject to the provisions of s.
19 1002.22. Employee records shall be subject to the provisions
20 of s. 1012.31.

21 (l)(j) The financial records and accounts of the
22 Florida Virtual School shall be maintained under the direction
23 of the board of trustees and under rules adopted by the State
24 Board of Education for the uniform system of financial records
25 and accounts for the schools of the state.

26
27 The Governor shall designate the initial chair of the board of
28 trustees to serve a term of 4 years. Members of the board of
29 trustees shall serve without compensation, but may be
30 reimbursed for per diem and travel expenses pursuant to s.
31 112.061. The board of trustees shall be a body corporate with

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1 all the powers of a body corporate and such authority as is
2 needed for the proper operation and improvement of the Florida
3 Virtual School. The board of trustees is specifically
4 authorized to adopt rules, policies, and procedures,
5 consistent with law and rules of the State Board of Education
6 related to governance, personnel, budget and finance,
7 administration, programs, curriculum and instruction, travel
8 and purchasing, technology, students, contracts and grants,
9 and property as necessary for optimal, efficient operation of
10 the Florida Virtual School. Tangible personal property owned
11 by the board of trustees shall be subject to the provisions of
12 chapter 273.

13 (3) Funding for the Florida Virtual School shall be
14 provided as follows:

15 (a) A "full-time equivalent student" for the Florida
16 Virtual School is one student who has successfully completed
17 six credits that shall count toward the minimum number of
18 credits required for high school graduation. A student who
19 completes less than six credits shall be a fraction of a
20 full-time equivalent student. Half credit completions shall be
21 included in determining a full-time equivalent student. Credit
22 completed by a student in excess of the minimum required for
23 that student for high school graduation is not eligible for
24 funding.

25 (b) Full-time equivalent student credit completed
26 through the Florida Virtual School, including credits
27 completed during the summer, shall be reported to the
28 Department of Education in the manner prescribed by the
29 department and shall be funded through the Florida Education
30 Finance Program.

31 (c) School districts may not limit student access to

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1 courses offered through the Florida Virtual School.

2 (d) Full-time equivalent student credit completion for
3 courses offered through the Florida Virtual School shall be
4 reported only by the Florida Virtual School. School districts
5 shall report full-time equivalent student membership only for
6 courses for which the district provides the instruction.

7 (e) The district cost differential as provided in s.
8 1011.62(2) shall be established as 1.000.

9 (f) The Florida Virtual School shall receive funds for
10 operating purposes in an amount determined as follows:
11 multiply the maximum allowable nonvoted discretionary millage
12 for operations pursuant to s. 1011.71(1) by the value of 95
13 percent of the current year's taxable value for school
14 purposes for the state; divide the result by the total
15 full-time equivalent membership of the state; and multiply the
16 result by the full-time equivalent membership of the school.
17 The amount thus obtained shall be discretionary operating
18 funds and shall be appropriated from state funds in the
19 General Appropriations Act.

20 (g) The Florida Virtual School shall receive
21 additional state funds as may be provided in the General
22 Appropriations Act.

23 (h) In addition to the funds provided in the General
24 Appropriations Act, the Florida Virtual School may receive
25 other funds from grants and donations.

26 ~~(3)(a) Until fiscal year 2003-2004, the Commissioner~~
27 ~~of Education shall include the Florida Virtual School as a~~
28 ~~grant-in-aid appropriation in the department's legislative~~
29 ~~budget request to the State Board of Education, the Governor,~~
30 ~~and the Legislature, subject to any guidelines imposed in the~~
31 ~~General Appropriations Act.~~

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1 ~~(b) The Orange County District School Board shall be~~
2 ~~the temporary fiscal agent of the Florida Virtual School.~~

3 (4) School districts operating a virtual school that
4 is an approved franchise of the Florida Virtual School may
5 count full-time equivalent students, as provided in paragraph
6 (3)(a), if such school has been certified as an approved
7 franchise by the Commissioner of Education based on criteria
8 established by the board of trustees pursuant to paragraph
9 (2)(i).

10 Section 26. Paragraph (c) of subsection (1) of section
11 1011.61, Florida Statutes, is amended to read:

12 1011.61 Definitions.--Notwithstanding the provisions
13 of s. 1000.21, the following terms are defined as follows for
14 the purposes of the Florida Education Finance Program:

15 (1) A "full-time equivalent student" in each program
16 of the district is defined in terms of full-time students and
17 part-time students as follows:

18 (c)1. A "full-time equivalent student" is:

19 a. A full-time student in any one of the programs
20 listed in s. 1011.62(1)(c); or

21 b. A combination of full-time or part-time students in
22 any one of the programs listed in s. 1011.62(1)(c) which is
23 the equivalent of one full-time student based on the following
24 calculations:

25 (I) A full-time student, except a postsecondary or
26 adult student or a senior high school student enrolled in
27 adult education when such courses are required for high school
28 graduation, in a combination of programs listed in s.

29 1011.62(1)(c) shall be a fraction of a full-time equivalent
30 membership in each special program equal to the number of net
31 hours per school year for which he or she is a member, divided

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1 by the appropriate number of hours set forth in subparagraph
2 (a)1. or subparagraph (a)2. The difference between that
3 fraction or sum of fractions and the maximum value as set
4 forth in subsection (4) for each full-time student is presumed
5 to be the balance of the student's time not spent in such
6 special education programs and shall be recorded as time in
7 the appropriate basic program.

8 (II) A prekindergarten handicapped student shall meet
9 the requirements specified for kindergarten students.

10 (III) A Florida Virtual School full-time equivalent
11 student shall consist of six full credit completions in the
12 programs listed in s. 1011.62(1)(c)1. and 4. Credit
13 completions can be a combination of either full credits or
14 half credits.

15 2. A student in membership in a program scheduled for
16 more or less than 180 school days is a fraction of a full-time
17 equivalent membership equal to the number of instructional
18 hours in membership divided by the appropriate number of hours
19 set forth in subparagraph (a)1.; however, for the purposes of
20 this subparagraph, membership in programs scheduled for more
21 than 180 days is limited to students enrolled in juvenile
22 justice education programs and the Florida Virtual School.

23
24 The department shall determine and implement an equitable
25 method of equivalent funding for experimental schools and for
26 schools operating under emergency conditions, which schools
27 have been approved by the department to operate for less than
28 the minimum school day.

29 Section 27. Florida Business and Education in School
30 Together (Florida BEST) Program.--

31 (1) In order to increase business partnerships in

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1 education, to reduce school and classroom overcrowding
2 throughout the state, and to offset the high costs of
3 educational facilities construction, the Legislature intends
4 to encourage the formation of partnerships between business
5 and education by creating the Florida Business and Education
6 in School Together (Florida BEST) Program.

7 (2) Each school board shall through advertisements in
8 local media and other means request proposals from area
9 businesses to allow the operation of a business and education
10 partnership school in facilities owned or operated by the
11 business.

12 (3) Each school district shall establish a Florida
13 BEST school evaluation committee.

14 (a) The committee shall be appointed by the school
15 board and be composed of one school district administrator, at
16 least one member of the business community, and at least one
17 member of a local chamber of commerce.

18 (b) The committee shall evaluate the feasibility of
19 each proposal, including the operating cost, number of
20 students to be served, proposed student-to-teacher ratio,
21 proposed number of years the satellite school would operate,
22 and any other operational or facilities considerations the
23 school board or committee deems appropriate.

24 (c) The committee shall recommend to the school board
25 those proposals for satellite schools the committee deems
26 viable and worthy of being established. The school board must
27 take official action on the recommendation of the committee
28 within 60 days after receipt of the recommendation.

29 (4) A "Florida Business and Education in School
30 Together (Florida BEST) school" is defined as a public school
31 offering instruction to students from kindergarten through

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1 third grade. The school may offer instruction in any single
2 grade level or for multiple grade levels. Florida BEST schools
3 shall comply with the constitutional class size requirements.

4 (a) First priority for admission of students to the
5 Florida BEST school shall be given to the children of owners
6 and employees of the host business. If additional student
7 capacity remains after those children are admitted, the host
8 business may choose which other neighboring businesses may
9 also participate to generate a viable number of students for
10 the school. The school board shall make the necessary
11 arrangements to accommodate students from other school
12 districts whose parents are associated with the host business
13 or business partners.

14 (b) Parents shall be responsible for providing
15 transportation to and from school for the students.

16 (5) A multiyear contract for operation of the Florida
17 BEST school may be entered into between the school district
18 and the host business. The contract must at least include
19 provisions relating to any cost of facilities modifications,
20 provide for the assignment or waiver of appropriate insurance
21 costs, specify the number of students expected to be served,
22 provide grounds for canceling the lease, and specify the
23 advance notice required before the school may be closed.

24 (a) The school board shall be responsible for
25 providing the appropriate instructional, support, and
26 administrative staff and textbooks, materials, and supplies.
27 The school district may also agree to operate or contract for
28 the operation of a before school and after school program
29 using the donated facilities.

30 (b) The host business shall provide the appropriate
31 types of space for operating the school. If special

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1 facilities, such as restrooms or dining, recreational, or
 2 other areas are required, the district may contribute a part
 3 of the cost of the construction, remodeling, or renovation for
 4 such facilities from capital outlay funds of the district. A
 5 multiyear lease for operation of the facility must be agreed
 6 to if the school district contributes to the cost of such
 7 construction.

8 Section 28. Notwithstanding any local government
 9 ordinance or regulation, any business or corporation may
 10 expand the square footage or floor area of its current or
 11 proposed facility to accommodate a Florida Business and
 12 Education in School Together (Florida BEST) school. Facilities
 13 constructed to house a Florida BEST school must comply with
 14 the State Uniform Building Code for Educational Facilities
 15 Construction adopted pursuant to section 1013.37, Florida
 16 Statutes, and must meet state and local health, environmental,
 17 and safety laws and codes.

18 Section 29. Subsection (13) of section 1002.33,
 19 Florida Statutes, as created by section 98 of ch. 2002-387,
 20 Laws of Florida; section 1012.41, Florida Statutes, as created
 21 by section 716 of chapter 2002-387, Laws of Florida; section
 22 1013.21, Florida Statutes, as created by section 815 of
 23 chapter 2002-387, Laws of Florida; and section 1013.43,
 24 Florida Statutes, as created by section 842 of chapter
 25 2002-387, Laws of Florida, are repealed.

26 Section 30. Subsection (13) is added to section
 27 216.292, Florida Statutes, to read:

28 216.292 Appropriations nontransferable; exceptions.--

29 (13) The Executive Office of the Governor shall
 30 transfer funds from appropriations for public school
 31 operations to a fixed capital outlay appropriation for class

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1 size reduction based on recommendations of the Florida
 2 Education Finance Program Appropriation Allocation Conference
 3 or the Legislative Budget Commission pursuant to s.
 4 1003.03(4)(a). This subsection is subject to the notice and
 5 review provisions of s. 216.177.

6 Section 31. Subsection (1) of section 1003.62, Florida
 7 Statutes, is amended to read:

8 1003.62 Charter school districts pilot program.--The
 9 State Board of Education is authorized to enter into a
 10 performance contract with up to six district school boards for
 11 the purpose of establishing them as charter school districts.
 12 The State Board of Education shall give priority to
 13 Hillsborough and Volusia Counties upon the submission of a
 14 completed precharter agreement or charter proposal for a
 15 charter school district. The purpose of this pilot program is
 16 to examine a new relationship between the State Board of
 17 Education and district school boards that may produce
 18 significant improvements in student achievement and school
 19 management, while complying with constitutional requirements
 20 assigned to each entity.

21 (1) CHARTER DISTRICT.--A charter school district is a
 22 school district in Florida in which the district school board
 23 has submitted and the State Board of Education has approved a
 24 charter proposal that exchanges statutory and rule exemption
 25 for agreement to meet performance goals in the proposal. The
 26 charter school district shall be chartered for 3 years, at the
 27 end of which the performance shall be evaluated. The State
 28 Board of Education shall use the criteria approved in the
 29 charter application to renew the charter of any school
 30 district designated as a charter school district prior to June
 31 30, 2003. A school district in which a minimum of 50 percent

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1 of the schools earn a grade of "A" or "B" and in which no
2 school earns a grade of "D" or "F" pursuant to s. 1008.34(2)
3 is eligible to be designated as a charter school district.
4 Schools that receive a grade of "I" or "N" shall not be
5 included in this calculation. The performance contract for a
6 school district that earns a charter based on school grades
7 shall be predicated upon at least half the schools in the
8 district maintaining a grade of "A" or "B" and no school
9 earning a grade of "D" or "F." The charter for a school
10 district that qualifies based on school grades applies for 2
11 full school years after qualification and shall be extended by
12 1 year for each year that the district continues to qualify
13 based on the school grades within the district. If a school
14 within a district that has qualified based on school grades
15 receives a grade of "D" or "F," the charter may not be
16 extended or renewed until the district again meets the
17 qualifications set forth in the act.

18 Section 32. If any provision of this act or its
19 application to any person or circumstance is held invalid, the
20 invalidity does not affect other provisions or applications of
21 the act which can be given effect without the invalid
22 provision or application, and to this end the provisions of
23 this act are severable.

24 Section 33. Except as otherwise expressly provided in
25 this act, this act shall take effect July 1, 2003, and the
26 changes effected by this act to the Deferred Retirement Option
27 Program shall take effect June 1, 2003.

28
29

30 ===== T I T L E A M E N D M E N T =====

31 And the title is amended as follows:

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1 On page 1, line 17, delete that line
 2
 3 and insert:
 4 funds; amending s. 220.187, F.S.; increasing
 5 the total amount of tax credit which may be
 6 granted each state fiscal year; allowing tax
 7 credits to be carried forward; providing for
 8 the scholarship amounts awarded to be annually
 9 adjusted based on the percentage change in the
 10 Consumer Price Index; creating s. 220.1875,
 11 F.S.; establishing a program for contributions
 12 to nonprofit scholarship-funding organizations
 13 to be used for dependent children of military
 14 personnel; providing for tax credits that may
 15 be granted each fiscal year for such
 16 contributions; providing requirements and
 17 limitations; amending s. 220.02, F.S.;
 18 providing for the order of tax credits;
 19 amending s. 220.13, F.S.; providing an add-back
 20 to adjusted federal income; implementing
 21 Amendment 9 to the State Constitution (November
 22 2002 election); amending s. 1003.01, F.S.;
 23 defining the terms "core-curricula courses" and
 24 "extracurricular courses"; amending s. 1003.03,
 25 F.S.; establishing the constitutional class
 26 size maximum; providing for the determination
 27 of averages; providing for the department to
 28 calculate averages based upon student
 29 membership surveys; providing implementation
 30 options for school districts; providing
 31 accountability for the class size reduction

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1 measures; providing that a district school
2 board that fails to comply with maximum class
3 size requirements is subject to suspension by
4 the Governor; creating s. 1011.685, F.S.;
5 establishing an operating categorical fund for
6 implementing class size reduction; providing
7 for the use of the funds by school districts;
8 creating s. 1013.735, F.S.; establishing the
9 Classrooms for Kids Program; providing for the
10 allocation of funds; providing requirements for
11 district participation in the program;
12 providing for the use of the funds; creating s.
13 1013.736, F.S.; establishing the District
14 Equity Recognition Program; providing for
15 eligibility for school district participation;
16 establishing a district equity ratio for
17 purposes of calculating the allocation for the
18 program; providing for the use of the funds;
19 creating s. 1013.737, F.S.; establishing the
20 Class Size Reduction Lottery Revenue Bond
21 Program; authorizing the issuance of revenue
22 bonds to finance or refinance the construction,
23 acquisition, reconstruction, or renovation of
24 educational facilities; providing legislative
25 findings; specifying that the bonds are payable
26 from first proceeds of lottery revenues
27 transferred to the Educational Enhancement
28 Trust Fund; establishing a covenant with
29 bondholders to not materially and adversely
30 affect their rights; providing for issuance of
31 the bonds by the Division of Bond Finance on

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1 behalf of the Department of Education; limiting
2 the total amount of such bonds issued;
3 providing for deposit of bond proceeds in the
4 Lottery Capital Outlay and Debt Service Trust
5 Fund; providing for the filing of complaints
6 for validation; providing for timely
7 encumbrances of funds for authorized projects;
8 amending s. 24.121, F.S.; removing limitations
9 on lottery revenues that may be pledged to the
10 payment of debt service; amending s. 121.091,
11 F.S.; authorizing instructional personnel who
12 receive authorization to extend participation
13 in the Deferred Retirement Option Program;
14 amending s. 1001.42, F.S.; clarifying
15 provisions concerning a school-within-a-school;
16 amending s. 1003.02, F.S.; requiring school
17 districts to notify parents of acceleration
18 mechanisms; eliminating a cross-reference to
19 conform to changes made by the act; amending s.
20 1003.43, F.S.; removing the requirement that a
21 life management course be offered during the
22 9th and 10th grade years; amending s. 1003.436,
23 F.S.; reducing the number of hours required for
24 one full credit for district schools
25 implementing block scheduling; amending s.
26 1011.62, F.S.; removing a date limitation to
27 provide for categorical flexibility; amending
28 s. 1011.69, F.S.; deleting obsolete provisions;
29 revising allocation amount to average percent
30 of funds generated; revising the exemption for
31 certain charter schools; providing that

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1 Classrooms for Kids operating categorial funds
2 are not subject to provisions requiring equity
3 in school funding; amending s. 1012.56, F.S.;
4 revising the time period for an authorized
5 statement of status of eligibility for educator
6 certification requirements; amending
7 requirements for mastery of general knowledge
8 for a teaching certificate; revising
9 requirements for mastery of subject area
10 knowledge; revising requirements for mastery of
11 professional competence; amending s. 1012.57,
12 F.S.; requiring district school boards to adopt
13 rules to allow for the issuance of adjunct
14 educator certificates; amending s. 1013.03,
15 F.S.; requiring the Department of Education to
16 review rules relating to school construction
17 and make recommendations to the State Board of
18 Education; amending s. 1013.31, F.S.; requiring
19 school districts to periodically update the
20 inventory of educational facilities; amending
21 s. 1002.37, F.S.; revising priorities of the
22 Florida Virtual School; providing that certain
23 funds are internal funds; authorizing
24 supplemental support organization; revising
25 administrative responsibilities regarding
26 funding and reporting requirements for the
27 board of trustees of the Florida Virtual
28 School; authorizing franchise agreements;
29 providing for funding the Florida Virtual
30 School within the Florida Education Finance
31 Program; providing for funding based on credit

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1 completion; providing a calculation;
2 eliminating obsolete provisions; amending s.
3 1011.61, F.S.; redefining the term "full-time
4 equivalent student" to include a Florida
5 Virtual School student; providing for
6 membership to exceed certain maximum days of
7 instruction; creating the Florida Business and
8 Education in School Together (Florida BEST)
9 Program; requiring school districts to seek
10 business partners for Florida BEST schools;
11 requiring each school district to create a
12 Florida BEST school evaluation committee;
13 defining a "Florida Business and Education in
14 School Together (Florida BEST) school";
15 providing for priority in admission of
16 students; providing parental responsibility;
17 providing for contracts to operate Florida BEST
18 schools; providing school district and business
19 responsibilities for Florida BEST schools;
20 providing exemptions from local government
21 ordinances or regulations relating to square
22 footage or floor area; repealing ss.
23 1002.33(13), 1012.41, 1013.21, and 1013.43,
24 F.S., relating to number of charter schools,
25 directors of career and technical education,
26 reduction of relocatable facilities in use, and
27 the small school requirement; amending s.
28 216.292, F.S.; requiring the Executive Office
29 of the Governor to transfer funds for class
30 size reduction based on recommendations of the
31 Florida Education Finance Program Appropriation

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1 Allocation Conference or the Legislative Budget
2 Commission; requiring notice and review;
3 amending s. 1003.62, F.S.; providing additional
4 criteria for the establishment of a charter
5 school district; providing for renewal of the
6 charter; providing for severability; providing
7 effective dates.

8
9 WHEREAS, in 1998 the voters approved an amendment to
10 Section 1, Article IX of the State Constitution that required
11 the Legislature to establish by law a uniform, efficient,
12 safe, secure, and high-quality system of free public schools
13 that allows students to obtain a high-quality education, and

14 WHEREAS, in 2002 the voters of Florida approved a
15 further amendment to Section 1, Article IX of the State
16 Constitution to assure that students obtain a high-quality
17 education, and

18 WHEREAS, the voters defined a high-quality education
19 as, by 2010 a prekindergarten through grade 3 core-curricula
20 class size of no more than 18 students assigned to a teacher,
21 a grade 4 through grade 8 core-curricula class size of no more
22 than 22 students assigned to a teacher, and a grade 9 through
23 grade 12 core-curricula class size of no more than 25 students
24 assigned to a teacher, and

25 WHEREAS, Section 1, Article IX of the State
26 Constitution further requires that such reduced class sizes be
27 accomplished through a system that is both efficient and
28 uniform, and

29 WHEREAS, there are a number of ways that the
30 Legislature could implement the provisions of Amendment 9 to
31 Section 1, Article IX of the State Constitution, and

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1 WHEREAS, the Legislature has chosen to focus on student
2 achievement, provide clarity of goals, allow flexibility to
3 reach those goals, recognize issues relating to equity of
4 implementation, and require accountability to meet the
5 standards set forth in the State Constitution, NOW, THEREFORE,
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