

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 0047B Charter School Conversion
SPONSOR(S): Arza
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) _____	_____	<u>Ager</u>	<u>Bohannon</u>
2) _____	_____	_____	_____
3) _____	_____	_____	_____
4) _____	_____	_____	_____
5) _____	_____	_____	_____

SUMMARY ANALYSIS

The bill amends s. 1002.33, F.S., to create a pilot program in counties with populations in excess of 1.5 million persons for the purpose of allowing certain EFBDs to apply for the conversion of up to five feeder systems of public schools in such counties to charter-school-feeder systems. The bill defines a conversion charter-school-feeder system as one high school and the middle and elementary schools were more than one-half of the students are zoned to attend the high school.

The bill authorizes district school boards of counties with populations in excess of 1.5 million persons to accept applications for conversion charter-school-feeder systems from up to four EFBDs located in municipalities within the county that have populations in excess of 58,000 persons. At least one application must be from an EFBD located in the unincorporated area of the county.

For purposes of participating in the pilot program and notwithstanding s. 1013.355(3), F.S., the bill provides that EFBDs may be created by the county or municipality within whose jurisdiction the EFBD is located, pursuant to the adoption of an ordinance establishing the EFBD, subject to approval by the electors within the EFBD at a general election.

The bill provides that districts should give priority in their evaluation to those applications that propose to convert poorly-performing feeder systems in which the high school received a performance grade category "D" or "F," as reported on the most recent annual performance of school performance grades. The bill provides that decisions of the district school board concerning the establishment of a conversion charter-school-feeder system may be appealed to the State Board of Education.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. DOES THE BILL:

- | | | | |
|--------------------------------------|-----------------------------------------|-----------------------------|-----------------------------------------|
| 1. Reduce government? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. Lower taxes? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. Expand individual freedom? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| 5. Empower families? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |

For any principle that received a “no” above, please explain:

B. EFFECT OF PROPOSED CHANGES:

BACKGROUND

Educational Facilities Benefit Districts

Section 1013.355, F.S., provides for educational facilities benefit districts (EFBDs), which are intended to encourage and authorize public cooperation among district school boards, affected local general purpose governments, and benefited private interests in order to implement financing for timely construction and maintenance of school facilities, including facilities identified in individual district facilities work programs or proposed by charter schools.

Section 1013.355(3), F.S., provides that EFBDs may be created by a county or municipality upon entering into an interlocal agreement with the school board and any local general purpose government within whose jurisdiction a portion of the district is located, and adoption of an ordinance. Further, an EFBD may only be created upon consent of the district school board, all local general purpose governments within whose jurisdiction any portion of the educational facilities benefit district is located, and all landowners within the district. The membership of the governing board of any benefit district must include representation of the school board, each cooperating local general purpose government, and the landowners within the district. In the case of the benefit district’s decision to create a charter school, the board of directors of the charter school will constitute the members of the governing board for the benefit district.

Section 1013.355(4), F.S., provides for the powers of benefit districts, including the power to finance and construct educational facilities within the boundaries of the district, levy special assessments, issue bonds, and the power of eminent domain.

Charter Schools and Conversion Charter Schools

Section 1002.33, F.S., provides for charter schools. Charter schools are public schools operated pursuant to a performance contract (or charter) that frees them from many of the statutes and rules that govern traditional public schools, but which holds the school strictly accountable for academic and financial results. Section 1002.33(1), F.S., provides that a charter school may be formed by creating a new school or by converting an existing public school to charter status.

Pursuant to s. 1002.33(3), F.S., an application for a new charter school may be made by an individual, teachers, parents, a group of individuals, a municipality, or a legal entity organized under the laws of this state. Alternatively, a public school that has been in operation for at least two years may convert to

a charter school pursuant to an application by the district school board, the principal, teachers, parents, and/or the school advisory council. Under current law, there is no provision to facilitate the conversion of a group of public schools other than through the individual application process.

CONVERSION OF PUBLIC SCHOOL FEEDER SYSTEMS

The bill amends s. 1002.33, F.S., to create a pilot program in counties with populations in excess of 1.5 million persons for the purpose of allowing certain EFBDs to apply for the conversion of up to five feeder systems of public schools in such counties to charter-school-feeder systems. The bill defines a conversion charter-school-feeder system as one high school and the middle and elementary schools where more than one-half of the students are zoned to attend the high school. For purposes of the pilot program, the conversion charter-school-feeder system must include one high school, at least one middle school, and at least one elementary school. Upon conversion, the bill authorizes enrollment preference for students who would have otherwise attended the schools that make up the conversion charter-school-feeder system.

The bill authorizes district school boards of counties with populations in excess of 1.5 million persons to accept applications for conversion charter-school-feeder systems from up to four EFBDs located in municipalities within the county that have populations in excess of 58,000 persons. At least one application must be from an EFBD located in the unincorporated area of the county. To participate in the pilot program, all of the schools proposed for conversion must be located within the boundaries of the EFBD. For purposes of participating in the pilot program and notwithstanding s. 1013.355(3), F.S., the bill provides that EFBDs may be created by the county or municipality within whose jurisdiction the EFBD is located, pursuant to the adoption of an ordinance establishing the EFBD. Although the creation of the EFBD for purposes of participating in the pilot program does not require the consent of the district school board and all landowners within the EFBD, it does require approval by the electors within the EFBD at a general election.

The bill limits the award of feeder system conversion charters to one EFBD per municipality. The bill further provides that districts should give priority in their evaluation to those applications that propose to convert poorly-performing feeder systems in which the high school received a performance grade category "D" or "F," as reported on the most recent annual performance of school performance grades. The bill provides that decisions of the district school board concerning the establishment of a conversion charter-school-feeder system may be appealed to the State Board of Education.

C. SECTION DIRECTORY:

Section 1. Amends s. 1002.33(3), F.S., which relates to charter schools; allows educational facilities benefit districts in counties of specified size to apply for the conversion of public school feeder systems to conversion charter feeder systems; revises criteria relating to student eligibility.

Section 2. Provides for construction of the act in pari material with laws enacted during the 2003 Regular Session or the 2003 Special Session A of the Legislature.

Section 3. Provides that the bill takes effect upon becoming law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

The bill does not appear to have a fiscal impact on state revenues.

2. Expenditures:

The bill does not appear to have a fiscal impact on state expenditures.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

Please refer to the “**Fiscal Comments**” section of the bill analysis, below.

2. Expenditures:

Please refer to the “**Fiscal Comments**” section of the bill analysis, below.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

EFBDs are intended to encourage and authorize public cooperation among district school boards, affected local general purpose governments, and benefited private interests in order to implement financing for timely construction and maintenance of school facilities, including facilities identified in individual district facilities work programs or proposed by charter schools to impose special assessments on property owners. For purposes of participating in the pilot program created by the bill, and notwithstanding s. 1013.355(3), F.S., creation of an EFBD is conditioned upon the approval of the electors within the EFBD at a general election following the adoption of an ordinance creating the EFBD by the county or municipality in which the EFBD is located.

The bill may have a direct impact on the private sector to the extent that the bill may provide additional incentives for developers to participate in the creation of EFBDs, to assist in financing the construction and maintenance of educational facilities that will benefit their property.

D. FISCAL COMMENTS:

To the extent that the bill results in an increased use of the benefit district program, the bill could result in a positive fiscal impact associated certain costs that would be avoided by the school district. For purposes of maintaining equity in funding, the bill specifies that if the EFBD provides operational or capital outlay funding for the conversion charter-school-feeder system, the district’s contribution per full-time equivalent shall be reduced on a dollar-for-dollar basis.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. The bill does not require counties or municipalities to spend or take action requiring the expenditure of funds.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill does not grant additional rule-making authority.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

None.