



1 reveals a state of financial emergency with  
2 respect to the school; requiring such a school  
3 to file a financial-recovery plan with the  
4 sponsor; requiring the department to establish  
5 guidelines for financial-recovery plans;  
6 revising the initial term for a charter school  
7 and extending the authorized length of the  
8 charter for a school operated by specified  
9 entities; revising circumstances under which a  
10 charter may be terminated or not renewed;  
11 providing notice requirements following the  
12 termination of a charter; providing for certain  
13 funds to revert to the sponsor rather than the  
14 district school board following nonrenewal or  
15 termination of a charter; requiring that a  
16 charter school notify the sponsor and file a  
17 financial-recovery plan following an audit  
18 indicating a state of financial emergency;  
19 requiring that the Department of Education  
20 develop an on-line annual accountability report  
21 for charter schools; authorizing a charter  
22 school to use certain specified facilities to  
23 house the school; exempting a charter school  
24 from occupational fees; requiring that a  
25 sponsor assist the charter school in fulfilling  
26 eligibility requirements for the federal lunch  
27 program; revising requirements for the  
28 Department of Education in providing  
29 information to the public regarding charter  
30 schools; requiring the department to provide  
31 the staff for a Charter School Review Panel;

1 requiring future legislative review of the  
2 operation of charter schools; amending s.  
3 1003.05, F.S.; removing charter schools from  
4 the special academic programs provided for  
5 students from military families; amending s.  
6 1013.62, F.S.; revising eligibility  
7 requirements for a charter school to receive  
8 capital outlay funding; providing an order of  
9 priority for allocations; providing for such  
10 funds to be used for additional purposes;  
11 amending s. 218.39, F.S.; including charter  
12 schools within provisions governing annual  
13 financial audit reports; amending ss. 218.50,  
14 218.501, 218.503, and 218.504, F.S.;  
15 designating ss. 218.50-218.504, F.S., as the  
16 "Local Governmental Entity, Charter School, and  
17 District School Board Financial Emergencies  
18 Act"; including charter schools within  
19 provisions requiring review and oversight by  
20 the Governor, the charter school sponsor, or  
21 the Commissioner of Education in the event of a  
22 financial emergency; requiring that a charter  
23 school notify the charter school sponsor and  
24 the Legislative Auditing Committee when certain  
25 events occur; prescribing actions to be taken  
26 by the charter school; amending s. 1002.32,  
27 F.S.; providing for a charter lab school to  
28 receive funding for student transportation  
29 under certain circumstances; providing an  
30 effective date.

31

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

2

3 Section 1. Section 1002.33, Florida Statutes, is  
4 amended to read:

5 1002.33 Charter schools.--

6 (1) AUTHORIZATION.--Charter schools shall be part of  
7 the state's program of public education. All charter schools  
8 in Florida are public schools. A charter school may be formed  
9 by creating a new school or converting an existing public  
10 school to charter status. A public school may not use the term  
11 charter in its name unless it has been approved under this  
12 section.

13 (2) GUIDING PRINCIPLES; PURPOSE.--

14 (a) Charter schools in Florida shall be guided by the  
15 following principles:

16 1. Meet high standards of student achievement while  
17 providing parents flexibility to choose among diverse  
18 educational opportunities within the state's public school  
19 system.

20 2. Promote enhanced academic success and financial  
21 efficiency by aligning responsibility with accountability.

22 3. Provide parents with sufficient information on  
23 whether their child is reading at grade level and whether the  
24 child gains at least a year's worth of learning for every year  
25 spent in the charter school.

26 (b) Charter schools shall fulfill at least one of the  
27 following purposes:

28 1. Improve student learning and academic achievement.

29 2. Increase learning opportunities for all students,  
30 with special emphasis on low-performing students and reading.

31

1           3. Create new professional opportunities for teachers,  
2 including ownership of the learning program at the school  
3 site.

4           4. Encourage the use of innovative learning methods.

5           5. Require the measurement of learning outcomes.

6           (c) Charter schools may fulfill the following  
7 purposes:

8           1. Create innovative measurement tools.

9           2. Provide rigorous competition within the public  
10 school district to stimulate continual improvement in all  
11 public schools.

12           3. Expand the capacity of the public school system.

13           4. Mitigate the educational impact created by the  
14 development of new residential dwelling units.

15           (3) APPLICATION FOR CHARTER STATUS.--

16           (a) An application for a new charter school may be  
17 made by an individual, teachers, parents, a group of  
18 individuals, a municipality, or a legal entity organized under  
19 the laws of this state.

20           (b) An application for a conversion charter school  
21 shall be made by the district school board, the principal,  
22 teachers, parents, ~~or and/or~~ the school advisory council at an  
23 existing public school that has been in operation for at least  
24 2 years prior to the application to convert., ~~including~~ A  
25 public school-within-a-school that is designated as a school  
26 by the district school board may also submit an application to  
27 convert to charter status. An application submitted proposing  
28 to convert an existing public school to a charter school shall  
29 demonstrate the support of at least 50 percent of the teachers  
30 employed at the school and 50 percent of the parents voting  
31 whose children are enrolled at the school, provided that a

1 majority of the parents eligible to vote participate in the  
2 ballot process, according to rules adopted by the State Board  
3 of Education. A district school board denying an application  
4 for a conversion charter school shall provide notice of denial  
5 to the applicants in writing within 10 ~~30~~ days after the  
6 meeting at which the district school board denied the  
7 application. The notice must identify ~~specify~~ the specific  
8 ~~exact~~ reasons for denial and must provide documentation  
9 supporting those reasons. A private school, parochial school,  
10 or home education program shall not be eligible for charter  
11 school status.

12 (4) UNLAWFUL REPRISAL.--

13 (a) No district school board, or district school board  
14 employee who has control over personnel actions, shall take  
15 unlawful reprisal against another district school board  
16 employee because that employee is either directly or  
17 indirectly involved with an application to establish a charter  
18 school. As used in this subsection, the term "unlawful  
19 reprisal" means an action taken by a district school board or  
20 a school system employee against an employee who is directly  
21 or indirectly involved in a lawful application to establish a  
22 charter school, which occurs as a direct result of that  
23 involvement, and which results in one or more of the  
24 following: disciplinary or corrective action; adverse transfer  
25 or reassignment, whether temporary or permanent; suspension,  
26 demotion, or dismissal; an unfavorable performance evaluation;  
27 a reduction in pay, benefits, or rewards; elimination of the  
28 employee's position absent of a reduction in workforce as a  
29 result of lack of moneys or work; or other adverse significant  
30 changes in duties or responsibilities that are inconsistent  
31 with the employee's salary or employment classification. The

1 following procedures shall apply to an alleged unlawful  
2 reprisal that occurs as a consequence of an employee's direct  
3 or indirect involvement with an application to establish a  
4 charter school:

5           1. Within 60 days after the date upon which a reprisal  
6 prohibited by this subsection is alleged to have occurred, an  
7 employee may file a complaint with the Department of  
8 Education.

9           2. Within 3 working days after receiving a complaint  
10 under this section, the Department of Education shall  
11 acknowledge receipt of the complaint and provide copies of the  
12 complaint and any other relevant preliminary information  
13 available to each of the other parties named in the complaint,  
14 which parties shall each acknowledge receipt of such copies to  
15 the complainant.

16           3. If the Department of Education determines that the  
17 complaint demonstrates reasonable cause to suspect that an  
18 unlawful reprisal has occurred, the Department of Education  
19 shall conduct an investigation to produce a fact-finding  
20 report.

21           4. Within 90 days after receiving the complaint, the  
22 Department of Education shall provide the district school  
23 superintendent of the complainant's district and the  
24 complainant with a fact-finding report that may include  
25 recommendations to the parties or a proposed resolution of the  
26 complaint. The fact-finding report shall be presumed  
27 admissible in any subsequent or related administrative or  
28 judicial review.

29           5. If the Department of Education determines that  
30 reasonable grounds exist to believe that an unlawful reprisal  
31 has occurred, is occurring, or is to be taken, and is unable

1 to conciliate a complaint within 60 days after receipt of the  
2 fact-finding report, the Department of Education shall  
3 terminate the investigation. Upon termination of any  
4 investigation, the Department of Education shall notify the  
5 complainant and the district school superintendent of the  
6 termination of the investigation, providing a summary of  
7 relevant facts found during the investigation and the reasons  
8 for terminating the investigation. A written statement under  
9 this paragraph is presumed admissible as evidence in any  
10 judicial or administrative proceeding.

11           6. The Department of Education shall either contract  
12 with the Division of Administrative Hearings under s. 120.65,  
13 or otherwise provide for a complaint for which the Department  
14 of Education determines reasonable grounds exist to believe  
15 that an unlawful reprisal has occurred, is occurring, or is to  
16 be taken, and is unable to conciliate, to be heard by a panel  
17 of impartial persons. Upon hearing the complaint, the panel  
18 shall make findings of fact and conclusions of law for a final  
19 decision by the Department of Education.

20  
21 It shall be an affirmative defense to any action brought  
22 pursuant to this section that the adverse action was  
23 predicated upon grounds other than, and would have been taken  
24 absent, the employee's exercise of rights protected by this  
25 section.

26           (b) In any action brought under this section for which  
27 it is determined reasonable grounds exist to believe that an  
28 unlawful reprisal has occurred, is occurring, or is to be  
29 taken, the relief shall include the following:

30           1. Reinstatement of the employee to the same position  
31 held before the unlawful reprisal was commenced, or to an



1 equivalent position, or payment of reasonable front pay as  
2 alternative relief.

3           2. Reinstatement of the employee's full fringe  
4 benefits and seniority rights, as appropriate.

5           3. Compensation, if appropriate, for lost wages,  
6 benefits, or other lost remuneration caused by the unlawful  
7 reprisal.

8           4. Payment of reasonable costs, including attorney's  
9 fees, to a substantially prevailing employee, or to the  
10 prevailing employer if the employee filed a frivolous action  
11 in bad faith.

12           5. Issuance of an injunction, if appropriate, by a  
13 court of competent jurisdiction.

14           6. Temporary reinstatement to the employee's former  
15 position or to an equivalent position, pending the final  
16 outcome of the complaint, if it is determined that the action  
17 was not made in bad faith or for a wrongful purpose, and did  
18 not occur after a district school board's initiation of a  
19 personnel action against the employee that includes  
20 documentation of the employee's violation of a disciplinary  
21 standard or performance deficiency.

22           (5) SPONSOR; DUTIES.--

23           (a) Sponsoring entities.--

24           1. A district school board may sponsor a charter  
25 school in the county over which the district school board has  
26 jurisdiction.

27           2. A state university may grant a charter to a lab  
28 school created under s. 1002.32 and shall be considered to be  
29 the school's sponsor. Such school shall be considered a  
30 charter lab school.

31           (b) Sponsor duties.--

1           1. The sponsor shall monitor and review the charter  
2 school in its progress toward the goals established in the  
3 charter.

4           2. The sponsor shall monitor the revenues and  
5 expenditures of the charter school.

6           3. The sponsor may approve a charter for a charter  
7 school before the applicant has secured space, equipment, or  
8 personnel, ~~if the applicant indicates approval is necessary~~  
9 for it to raise working funds ~~capital~~.

10          4. The sponsor's policies shall not apply to a charter  
11 school unless mutually agreed to by both the sponsor and the  
12 charter school.

13          5. The sponsor shall ensure that the charter is  
14 innovative and consistent with the state education goals  
15 established by s. 1000.03(5).

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

21          7. The director and a representative of the governing  
22 board of a charter school graded "D" or "F" shall appear  
23 before the sponsor or the sponsor's staff at least once each  
24 year to present information concerning each contract component  
25 having noted deficiencies and to address corrective strategies  
26 that are being implemented by the school. The sponsor shall  
27 communicate at the meeting, and in writing to the school's  
28 director and the Department of Education, the services being  
29 provided to the school to help the school address its  
30 deficiencies.

1 A community college may work with the school district or  
2 school districts in its designated service area to develop  
3 charter schools that offer secondary education. These charter  
4 schools must include an option for students to receive an  
5 associate degree upon high school graduation. District school  
6 boards shall cooperate with and assist the community college  
7 on the charter application. Community college applications for  
8 charter schools are not subject to the time deadlines outlined  
9 in subsection (6) and may be approved by the district school  
10 board at any time during the year. Community colleges shall  
11 not report FTE for any students who receive FTE funding  
12 through the Florida Education Finance Program.

13 (6) APPLICATION PROCESS AND REVIEW.--Each application  
14 for a charter school is ~~Beginning September 1, 2003,~~  
15 ~~applications are~~ subject to the following requirements:

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

18 1. Demonstrates how the school will use the guiding  
19 principles and meet the statutorily defined purpose of a  
20 charter school.

21 2. Provides a detailed curriculum plan that  
22 illustrates how students will be provided services to attain  
23 the Sunshine State Standards.

24 3. Contains goals and objectives for improving student  
25 learning and measuring that improvement. These goals and  
26 objectives must indicate how much academic improvement  
27 students are expected to show each year, how success will be  
28 evaluated, and the specific results to be attained through  
29 instruction.

30 4. Describes the reading curriculum and differentiated  
31 strategies that will be used for students reading at grade

1 level or higher and a separate curriculum and strategies for  
2 students who are reading below grade level. A sponsor shall  
3 deny a charter if the school does not propose a reading  
4 curriculum that is consistent with effective teaching  
5 strategies that are grounded in scientifically based reading  
6 research.

7           5. Contains an annual financial plan for each year  
8 requested by the charter for operation of the school for up to  
9 5 years. This plan must contain anticipated fund balances  
10 based on revenue projections, a spending plan based on  
11 projected revenues and expenses, and a description of controls  
12 that will safeguard finances and projected enrollment trends.

13           (b) A district school board shall receive and review  
14 all applications for a charter school. Beginning with the  
15 2007-2008 school year, a district school board shall receive  
16 and consider charter school applications received on or before  
17 August ~~September~~ 1 of each calendar year for charter schools  
18 to be opened at the beginning of the school district's next  
19 school year, or to be opened at a time agreed to by the  
20 applicant and the district school board. A district school  
21 board may receive applications later than this date if it  
22 chooses. A sponsor may not charge an applicant for a charter  
23 any fee for the processing or consideration of an application,  
24 and a sponsor may not base its consideration or approval of an  
25 application upon the promise of future payment of any kind.

26           1. In order to facilitate an accurate budget  
27 projection process, a district school board shall be held  
28 harmless for FTE students who are not included in the FTE  
29 projection due to approval of charter school applications  
30 after the FTE projection deadline. In a further effort to  
31 facilitate an accurate budget projection, within 15 calendar

1 days after receipt of a charter school application, a district  
2 school board or other sponsor shall report to the Department  
3 of Education the name of the applicant entity, the proposed  
4 charter school location, and its projected FTE.

5 2. In order to ensure fiscal responsibility, an  
6 application for a charter school shall include a full  
7 accounting of expected assets, a projection of expected  
8 sources and amounts of income, including income derived from  
9 projected student enrollments and from community support, and  
10 an expense projection that includes full accounting of the  
11 costs of operation, including start-up costs.

12 3. A district school board shall by a majority vote  
13 approve or deny an application no later than 60 calendar days  
14 after the application is received, unless the district school  
15 board and the applicant mutually agree in writing to  
16 temporarily postpone the vote to a specific date, at which  
17 time the district school board shall by a majority vote  
18 approve or deny the application. If the district school board  
19 fails to act on the application, an applicant may appeal to  
20 the State Board of Education as provided in paragraph (c). If  
21 an application is denied, the district school board shall,  
22 within 10 calendar days, articulate in writing the specific  
23 reasons ~~for based upon good cause supporting~~ its denial of the  
24 charter application and provide a letter of denial and  
25 supporting documentation to the applicant and to the  
26 Department of Education supporting those reasons.

27 4. For budget projection purposes, the district school  
28 board or other sponsor shall report to the Department of  
29 Education the approval or denial of a charter application  
30 within 10 calendar days after such approval or denial. In the  
31 event of approval, the report to the Department of Education

1 shall include the final projected FTE for the approved charter  
2 school.

3           5. Upon approval of a charter application, the initial  
4 startup shall commence with the beginning of the public school  
5 calendar for the district in which the charter is granted  
6 unless the district school board allows a waiver of this  
7 provision ~~for good cause~~.

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

1 | that meets requirements of State Board of Education rule. An  
2 | application for appeal submitted subsequent to such rejection  
3 | shall be considered timely if the original appeal was filed  
4 | within 30 calendar days after receipt of notice of the  
5 | specific reasons for the district school board's denial of the  
6 | charter application. The State Board of Education shall remand  
7 | the application to the district school board with its written  
8 | decision that the district school board approve or deny the  
9 | application. The district school board shall implement the  
10 | decision of the State Board of Education. The decision of the  
11 | State Board of Education is not subject to the provisions of  
12 | the Administrative Procedure Act, chapter 120.

13 |         (d) The district school board shall act upon the  
14 | decision of the State Board of Education within 30 calendar  
15 | days after it is received. The State Board of Education's  
16 | decision is a final action subject to judicial review in the  
17 | district court of appeal.

18 |         (e)1. A Charter School Appeal Commission is  
19 | established to assist the commissioner and the State Board of  
20 | Education with a fair and impartial review of appeals by  
21 | applicants whose charter applications have been denied, whose  
22 | charter contracts have not been renewed, or whose charter  
23 | contracts have been terminated by their sponsors, ~~or whose~~  
24 | ~~disputes over contract negotiations have not been resolved~~  
25 | ~~through mediation~~.

26 |         2. The Charter School Appeal Commission may receive  
27 | copies of the appeal documents forwarded to the State Board of  
28 | Education, review the documents, gather other applicable  
29 | information regarding the appeal, and make a written  
30 | recommendation to the commissioner. The recommendation must  
31 | state whether the appeal should be upheld or denied and

1 include the reasons for the recommendation being offered. The  
2 commissioner shall forward the recommendation to the State  
3 Board of Education no later than 7 calendar days prior to the  
4 date on which the appeal is to be heard. The state board must  
5 consider the commission's recommendation in making its  
6 decision, but is not bound by the recommendation. The decision  
7 of the Charter School Appeal Commission is not subject to the  
8 provisions of the Administrative Procedure Act, chapter 120.

9           3. The commissioner shall appoint the members of the  
10 Charter School Appeal Commission. Members shall serve without  
11 compensation but may be reimbursed for travel and per diem  
12 expenses in conjunction with their service. One-half of the  
13 members must represent currently operating charter schools,  
14 and one-half of the members must represent school districts.  
15 The commissioner or a named designee shall chair the Charter  
16 School Appeal Commission.

17           4. The chair shall convene meetings of the commission  
18 and shall ensure that the written recommendations are  
19 completed and forwarded in a timely manner. In cases where the  
20 commission cannot reach a decision, the chair shall make the  
21 written recommendation with justification, noting that the  
22 decision was rendered by the chair.

23           5. Commission members shall thoroughly review the  
24 materials presented to them from the appellant and the  
25 sponsor. The commission may request information to clarify the  
26 documentation presented to it. In the course of its review,  
27 the commission may facilitate the postponement of an appeal in  
28 those cases where additional time and communication may negate  
29 the need for a formal appeal and both parties agree, in  
30 writing, to postpone the appeal to the State Board of  
31 Education. A new date certain for the appeal shall then be set



1 based upon the rules and procedures of the State Board of  
2 Education. Commission members shall provide a written  
3 recommendation to the state board as to whether the appeal  
4 should be upheld or denied. A fact-based justification for the  
5 recommendation must be included. The chair must ensure that  
6 the written recommendation is submitted to the State Board of  
7 Education members no later than 7 calendar days prior to the  
8 date on which the appeal is to be heard. Both parties in the  
9 case shall also be provided a copy of the recommendation.

10 (f) The Department of Education must offer or arrange  
11 for training and technical assistance to each charter school  
12 applicant in developing its business plan and estimating costs  
13 and income. This assistance must address estimating start-up  
14 costs, projecting enrollment, and identifying the types and  
15 amounts of state and federal financial assistance the charter  
16 school will be eligible to receive. The department ~~of~~  
17 ~~Education~~ may provide additional technical assistance to an  
18 applicant upon written request.

19 (g) In considering charter applications for a lab  
20 school, a state university shall consult with the district  
21 school board of the county in which the lab school is located.  
22 The decision of a state university may be appealed pursuant to  
23 the procedure established in this subsection.

24 (h) The terms and conditions for the operation of a  
25 charter school shall be set forth by the sponsor and the  
26 applicant in a written contractual agreement, called a  
27 charter. The sponsor shall not impose unreasonable rules or  
28 regulations that violate the intent of giving charter schools  
29 greater flexibility to meet educational goals. The applicant  
30 and sponsor shall have 3 6 months in which to mutually agree  
31 to the provisions of the charter. The proposed charter must be

1 provided to the charter school at least 7 calendar days before  
2 the date on which the charter application is scheduled to be  
3 heard by the sponsor. The Department of Education shall  
4 provide mediation services for any dispute regarding this  
5 section subsequent to the approval of a charter application  
6 and for any dispute relating to the approved charter, except  
7 disputes regarding charter school application denials. If the  
8 Commissioner of Education determines that the dispute cannot  
9 be settled through mediation, the dispute may be appealed to  
10 an administrative law judge appointed by the Division of  
11 Administrative Hearings. The administrative law judge may rule  
12 on issues of equitable treatment of the charter school as a  
13 public school, whether proposed provisions of the charter  
14 violate the intended flexibility granted charter schools by  
15 statute, or on any other matter regarding this section, except  
16 a charter school application denial, a charter termination, or  
17 a charter nonrenewal, and shall award the prevailing party  
18 reasonable attorney's fees and costs incurred to be paid by  
19 the losing party. The costs of the administrative hearing  
20 shall be paid by the party whom the administrative law judge  
21 rules against.

22 (7) CHARTER.--The major issues involving the operation  
23 of a charter school shall be considered in advance and written  
24 into the charter. The charter shall be signed by the governing  
25 body of the charter school and the sponsor, following a public  
26 hearing to ensure community input.

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

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

31

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

14           3. The current incoming baseline standard of student  
15 academic achievement, the outcomes to be achieved, and the  
16 method of measurement that will be used. The criteria listed  
17 in this subparagraph shall include a detailed description for  
18 each of the following:

19           a. How the baseline student academic achievement  
20 levels and prior rates of academic progress will be  
21 established.

22           b. How these baseline rates will be compared to rates  
23 of academic progress achieved by these same students while  
24 attending the charter school.

25           c. To the extent possible, how these rates of progress  
26 will be evaluated and compared with rates of progress of other  
27 closely comparable student populations.

28  
29 The district school board is required to provide academic  
30 student performance data to charter schools for each of their  
31 students coming from the district school system, as well as

1 rates of academic progress of comparable student populations  
2 in the district school system.

3 4. The methods used to identify the educational  
4 strengths and needs of students and how well educational goals  
5 and performance standards are met by students attending the  
6 charter school. Included in the methods is a means for the  
7 charter school to ensure accountability to its constituents by  
8 analyzing student performance data and by evaluating the  
9 effectiveness and efficiency of its major educational  
10 programs. Students in charter schools shall, at a minimum,  
11 participate in the statewide assessment program created under  
12 s. 1008.22.

13 5. In secondary charter schools, a method for  
14 determining that a student has satisfied the requirements for  
15 graduation in s. 1003.43.

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

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

20 8. The ways by which the school will achieve a  
21 racial/ethnic balance reflective of the community it serves or  
22 within the racial/ethnic range of other public schools in the  
23 same school district.

24 9. The financial and administrative management of the  
25 school, including a reasonable demonstration of the  
26 professional experience or competence of those individuals or  
27 organizations applying to operate the charter school or those  
28 hired or retained to perform such professional services and  
29 the description of clearly delineated responsibilities and the  
30 policies and practices needed to effectively manage the  
31 charter school. A description of internal audit procedures and

1 establishment of controls to ensure that financial resources  
2 are properly managed must be included. Both public sector and  
3 private sector professional experience shall be equally valid  
4 in such a consideration.

5           10. The asset and liability projections required in  
6 the application which are incorporated into the charter and  
7 which shall be compared with information provided in the  
8 annual report of the charter school. The charter shall ensure  
9 that, if a charter school internal audit or annual financial  
10 audit reveals a state of financial emergency as defined in s.  
11 218.503 or a deficit financial position, the auditors are  
12 required to notify the charter school governing board, the  
13 sponsor, and the Department of Education. The internal auditor  
14 shall report such findings in the form of an exit interview to  
15 the principal or the principal administrator of the charter  
16 school and the chair of the governing board within 7 working  
17 days after finding the state of financial emergency or deficit  
18 position. A final report shall be provided to the entire  
19 governing board, the sponsor, and the Department of Education  
20 within 14 working days after the exit interview. When a  
21 charter school is in a state of financial emergency, the  
22 charter school must file a detailed financial-recovery plan  
23 with the sponsor. The department shall establish guidelines,  
24 with involvement from school districts and charter schools,  
25 for developing such plans.

26           11. A description of procedures that identify various  
27 risks and provide for a comprehensive approach to reduce the  
28 impact of losses; plans to ensure the safety and security of  
29 students and staff; plans to identify, minimize, and protect  
30 others from violent or disruptive student behavior; and the  
31 manner in which the school will be insured, including whether

1 or not the school will be required to have liability  
2 insurance, and, if so, the terms and conditions thereof and  
3 the amounts of coverage.

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

24           13. The facilities to be used and their location.

25           14. The qualifications to be required of the teachers  
26 and the potential strategies used to recruit, hire, train, and  
27 retain qualified staff to achieve best value.

28           15. The governance structure of the school, including  
29 the status of the charter school as a public or private  
30 employer as required in paragraph (12)(i).

31

1           16. A timetable for implementing the charter which  
2 addresses the implementation of each element thereof and the  
3 date by which the charter shall be awarded in order to meet  
4 this timetable.

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

17           (b) A charter may be renewed every 5 school years,  
18 provided that a program review demonstrates that the criteria  
19 in paragraph (a) have been successfully accomplished and that  
20 none of the grounds for nonrenewal established by paragraph  
21 (8)(a) has been documented. In order to facilitate long-term  
22 financing for charter school construction, charter schools  
23 operating for a minimum of 2 years and demonstrating exemplary  
24 academic programming and fiscal management are eligible for a  
25 15-year charter renewal. Such long-term charter is subject to  
26 annual review and may be terminated during the term of the  
27 charter.

28           (c) A charter may be modified during its initial term  
29 or any renewal term upon the recommendation of the sponsor or  
30 the charter school governing board and the approval of both  
31 parties to the agreement.

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

2 (a) At the end of the term of a charter, the sponsor  
3 may choose not to renew the charter for any of the following  
4 grounds:

5 1. Failure to participate in the state's education  
6 accountability system created in s. 1008.31, as required in  
7 this section, or failure to meet the requirements for student  
8 performance stated in the charter.

9 2. Failure to meet generally accepted standards of  
10 fiscal management.

11 3. Violation of law.

12 4. A determination by the sponsor that the health,  
13 safety, or welfare of the students is threatened ~~Other good~~  
14 ~~cause shown.~~

15 (b) During the term of a charter, the sponsor may  
16 terminate the charter for any of the grounds listed in  
17 paragraph (a).

18 (c) Unless the sponsor and charter school mutually  
19 agree that the school will remain open during specified  
20 corrective actions, the sponsor shall not renew the charter or  
21 shall terminate the charter when the charter school receives a  
22 school performance grade of "F" under s. 1008.34 for 2  
23 consecutive years.

24 ~~(d)(e)~~ At least 90 days prior to renewing or  
25 terminating a charter, the sponsor shall notify the governing  
26 body of the school of the proposed action in writing. The  
27 notice shall state in reasonable detail the grounds for the  
28 proposed action and stipulate that the school's governing body  
29 may, within 14 calendar days after receiving the notice,  
30 request an informal hearing before the sponsor. The sponsor  
31 shall conduct the informal hearing within 30 calendar days



1 after receiving a written request. The charter school's  
2 governing body may, within 14 calendar days after receiving  
3 the sponsor's decision to terminate or refuse to renew the  
4 charter, appeal the decision pursuant to the procedure  
5 established in subsection (6).

6 ~~(e)(d)~~ A charter may be terminated immediately if the  
7 sponsor determines that ~~good cause has been shown or~~ if the  
8 health, safety, or welfare of the students is threatened. The  
9 charter sponsor must notify, in writing, the charter school's  
10 governing body, the charter school's principal, and the  
11 department if a charter is immediately terminated. The sponsor  
12 must clearly identify the specific issues that resulted in the  
13 immediate termination and provide evidence that the charter  
14 school received prior notification of issues resulting in the  
15 immediate termination. The school district in which the  
16 charter school is located shall assume operation of the school  
17 under these circumstances. The charter school's governing  
18 board may, within 14 days after receiving the sponsor's  
19 decision to terminate the charter, appeal the decision  
20 pursuant to the procedure established in subsection (6).

21 ~~(f)(e)~~ When a charter is not renewed or is terminated,  
22 the school shall be dissolved under the provisions of law  
23 under which the school was organized, and any unencumbered  
24 public funds of the charter school, except for capital outlay  
25 funds and federal charter school program grant funds, ~~from the~~  
26 ~~charter school~~ shall revert to the sponsor district school  
27 ~~board~~. Capital outlay funds provided pursuant to s. 1013.62  
28 and federal charter school program grant funds that are  
29 unencumbered shall revert to the department to be  
30 redistributed among eligible charter schools. In the event a  
31 charter school is dissolved or is otherwise terminated, all

1 district school board property and improvements, furnishings,  
2 and equipment purchased with public funds shall automatically  
3 revert to full ownership by the district school board, subject  
4 to complete satisfaction of any lawful liens or encumbrances.  
5 Any unencumbered public funds from the charter school,  
6 district school board property and improvements, furnishings,  
7 and equipment purchased with public funds, or financial or  
8 other records pertaining to the charter school, in the  
9 possession of any person, entity, or holding company, other  
10 than the charter school, shall be held in trust upon the  
11 district school board's request, until any appeal status is  
12 resolved.

13 ~~(g)(f)~~ If a charter is not renewed or is terminated,  
14 the charter school is responsible for all debts of the charter  
15 school. The district may not assume the debt from any contract  
16 for services made between the governing body of the school and  
17 a third party, except for a debt that is previously detailed  
18 and agreed upon in writing by both the district and the  
19 governing body of the school and that may not reasonably be  
20 assumed to have been satisfied by the district.

21 ~~(h)(g)~~ If a charter is not renewed or is terminated, a  
22 student who attended the school may apply to, and shall be  
23 enrolled in, another public school. Normal application  
24 deadlines shall be disregarded under such circumstances.

25 (9) CHARTER SCHOOL REQUIREMENTS.--

26 (a) A charter school shall be nonsectarian in its  
27 programs, admission policies, employment practices, and  
28 operations.

29 (b) A charter school shall admit students as provided  
30 in subsection (10).  
31

1 (c) A charter school shall be accountable to its  
2 sponsor for performance as provided in subsection (7).

3 (d) A charter school shall not charge tuition or  
4 registration fees, except those fees normally charged by other  
5 public schools. However, a charter lab school may charge a  
6 student activity and service fee as authorized by s.  
7 1002.32(5).

8 (e) A charter school shall meet all applicable state  
9 and local health, safety, and civil rights requirements.

10 (f) A charter school shall not violate the  
11 antidiscrimination provisions of s. 1000.05.

12 (g) A charter school shall provide for an annual  
13 financial audit in accordance with s. 218.39. A financial  
14 audit that is conducted by a certified public accountant or  
15 auditor in accordance with s. 218.39 and that indicates a  
16 state of financial emergency, as defined in s. 218.503, must  
17 be provided to the governing body of the charter school within  
18 7 working days after the finding that a state of financial  
19 emergency exists. When a charter school is found to be in a  
20 state of financial emergency by a certified public accountant  
21 or auditor, the charter school must file a detailed  
22 financial-recovery plan with the sponsor within 30 days after  
23 receipt of the audit.

24 (h) No organization shall hold more than 15 charters  
25 statewide.

26 (i) In order to provide financial information that is  
27 comparable to that reported for other public schools, charter  
28 schools are to maintain all financial records which constitute  
29 their accounting system:

30 1. In accordance with the accounts and codes  
31 prescribed in the most recent issuance of the publication

1 | titled "Financial and Program Cost Accounting and Reporting  
2 | for Florida Schools"; or

3 |         2. At the discretion of the charter school governing  
4 | board, a charter school may elect to follow generally accepted  
5 | accounting standards for not-for-profit organizations, but  
6 | must reformat this information for reporting according to this  
7 | paragraph.

8 |  
9 | Charter schools shall ~~are to~~ provide annual financial report  
10 | and program cost report information in the state-required  
11 | formats for inclusion in district reporting in compliance with  
12 | s. 1011.60(1). Charter schools that are operated by a  
13 | municipality or are a component unit of a parent nonprofit  
14 | organization may use the accounting system of the municipality  
15 | or the parent but must reformat this information for reporting  
16 | according to this paragraph.

17 |         (j) The governing board of the charter school shall  
18 | annually adopt and maintain an operating budget.

19 |         (k) The governing body of the charter school shall  
20 | exercise continuing oversight over charter school operations.

21 |         (l) The governing body of the charter school shall  
22 | report its progress annually to its sponsor, which shall  
23 | forward the report to the Commissioner of Education at the  
24 | same time as other annual school accountability reports. The  
25 | Department of Education shall develop a uniform, on-line  
26 | annual accountability report that must be completed by each  
27 | charter school. This report must be easy to use and provide  
28 | for reporting demographic information, student performance  
29 | data, and financial accountability information. A charter  
30 | school may not be required to provide information and data  
31 | that is duplicative and already in the possession of the

1 Department of Education. The Department of Education shall  
2 include in its compilation a notation if a school failed to  
3 file its report by the deadline established by the department.  
4 The report shall include at least the following components:  
5       1. Student achievement performance data, including the  
6 information required for the annual school report and the  
7 education accountability system governed by ss. 1008.31 and  
8 1008.345. Charter schools are subject to the same  
9 accountability requirements as other public schools, including  
10 reports of student achievement information that links baseline  
11 student data to the school's performance projections  
12 identified in the charter. The charter school shall identify  
13 reasons for any difference between projected and actual  
14 student performance.  
15       2. Financial status of the charter school which must  
16 include revenues and expenditures at a level of detail that  
17 allows for analysis of the ability to meet financial  
18 obligations and timely repayment of debt.  
19       3. Documentation of the facilities in current use and  
20 any planned facilities for use by the charter school for  
21 instruction of students, administrative functions, or  
22 investment purposes.  
23       4. Descriptive information about the charter school's  
24 personnel, including salary and benefit levels of charter  
25 school employees, the proportion of instructional personnel  
26 who hold professional or temporary certificates, and the  
27 proportion of instructional personnel teaching in-field or  
28 out-of-field.  
29       (m) A charter school shall not levy taxes or issue  
30 bonds secured by tax revenues.  
31

1           (n) A charter school shall provide instruction for at  
2 least the number of days required by law for other public  
3 schools, and may provide instruction for additional days.

4           (10) ELIGIBLE STUDENTS.--

5           (a) A charter school shall be open to any student  
6 covered in an interdistrict agreement or residing in the  
7 school district in which the charter school is located;  
8 however, in the case of a charter lab school, the charter lab  
9 school shall be open to any student eligible to attend the lab  
10 school as provided in s. 1002.32 or who resides in the school  
11 district in which the charter lab school is located. Any  
12 eligible student shall be allowed interdistrict transfer to  
13 attend a charter school when based on good cause.

14           (b) The charter school shall enroll an eligible  
15 student who submits a timely application, unless the number of  
16 applications exceeds the capacity of a program, class, grade  
17 level, or building. In such case, all applicants shall have an  
18 equal chance of being admitted through a random selection  
19 process.

20           (c) When a public school converts to charter status,  
21 enrollment preference shall be given to students who would  
22 have otherwise attended that public school.

23           (d) A charter school may give enrollment preference to  
24 the following student populations:

25           1. Students who are siblings of a student enrolled in  
26 the charter school.

27           2. Students who are the children of a member of the  
28 governing board of the charter school.

29           3. Students who are the children of an employee of the  
30 charter school.

31

1 (e) A charter school may limit the enrollment process  
2 only to target the following student populations:

3 1. Students within specific age groups or grade  
4 levels.

5 2. Students considered at risk of dropping out of  
6 school or academic failure. Such students shall include  
7 exceptional education students.

8 3. Students enrolling in a charter  
9 school-in-the-workplace or charter school-in-a-municipality  
10 established pursuant to subsection (15).

11 4. Students residing within a reasonable distance of  
12 the charter school, as described in paragraph (20)(c). Such  
13 students shall be subject to a random lottery and to the  
14 racial/ethnic balance provisions described in subparagraph  
15 (7)(a)8. or any federal provisions that require a school to  
16 achieve a racial/ethnic balance reflective of the community it  
17 serves or within the racial/ethnic range of other public  
18 schools in the same school district.

19 5. Students who meet reasonable academic, artistic, or  
20 other eligibility standards established by the charter school  
21 and included in the charter school application and charter or,  
22 in the case of existing charter schools, standards that are  
23 consistent with the school's mission and purpose. Such  
24 standards shall be in accordance with current state law and  
25 practice in public schools and may not discriminate against  
26 otherwise qualified individuals.

27 6. Students articulating from one charter school to  
28 another pursuant to an articulation agreement between the  
29 charter schools that has been approved by the sponsor.

30 (f) Students with handicapping conditions and students  
31 served in English for Speakers of Other Languages programs

1 shall have an equal opportunity of being selected for  
2 enrollment in a charter school.

3 (g) A student may withdraw from a charter school at  
4 any time and enroll in another public school as determined by  
5 district school board rule.

6 (h) The capacity of the charter school shall be  
7 determined annually by the governing board, in conjunction  
8 with the sponsor, of the charter school in consideration of  
9 the factors identified in this subsection.

10 (11) PARTICIPATION IN INTERSCHOLASTIC EXTRACURRICULAR  
11 ACTIVITIES.--A charter school student is eligible to  
12 participate in an interscholastic extracurricular activity at  
13 the public school to which the student would be otherwise  
14 assigned to attend pursuant to s. 1006.15(3)(d).

15 (12) EMPLOYEES OF CHARTER SCHOOLS.--

16 (a) A charter school shall select its own employees. A  
17 charter school may contract with its sponsor for the services  
18 of personnel employed by the sponsor.

19 (b) Charter school employees shall have the option to  
20 bargain collectively. Employees may collectively bargain as a  
21 separate unit or as part of the existing district collective  
22 bargaining unit as determined by the structure of the charter  
23 school.

24 (c) The employees of a conversion charter school shall  
25 remain public employees for all purposes, unless such  
26 employees choose not to do so.

27 (d) The teachers at a charter school may choose to be  
28 part of a professional group that subcontracts with the  
29 charter school to operate the instructional program under the  
30 auspices of a partnership or cooperative that they  
31



1 collectively own. Under this arrangement, the teachers would  
2 not be public employees.

3 (e) Employees of a school district may take leave to  
4 accept employment in a charter school upon the approval of the  
5 district school board. While employed by the charter school  
6 and on leave that is approved by the district school board,  
7 the employee may retain seniority accrued in that school  
8 district and may continue to be covered by the benefit  
9 programs of that school district, if the charter school and  
10 the district school board agree to this arrangement and its  
11 financing. School districts shall not require resignations of  
12 teachers desiring to teach in a charter school. This paragraph  
13 shall not prohibit a district school board from approving  
14 alternative leave arrangements consistent with chapter 1012.

15 (f) Teachers employed by or under contract to a  
16 charter school shall be certified as required by chapter 1012.  
17 A charter school governing board may employ or contract with  
18 skilled selected noncertified personnel to provide  
19 instructional services or to assist instructional staff  
20 members as education paraprofessionals in the same manner as  
21 defined in chapter 1012, and as provided by State Board of  
22 Education rule for charter school governing boards. A charter  
23 school may not knowingly employ an individual to provide  
24 instructional services or to serve as an education  
25 paraprofessional if the individual's certification or  
26 licensure as an educator is suspended or revoked by this or  
27 any other state. A charter school may not knowingly employ an  
28 individual who has resigned from a school district in lieu of  
29 disciplinary action with respect to child welfare or safety,  
30 or who has been dismissed for just cause by any school  
31

1 district with respect to child welfare or safety. The  
2 qualifications of teachers shall be disclosed to parents.

3 (g) A charter school shall employ or contract with  
4 employees who have undergone background screening as provided  
5 in s. 1012.32. Members of the governing board of the charter  
6 school shall also undergo background screening in a manner  
7 similar to that provided in s. 1012.32.

8 (h) For the purposes of tort liability, the governing  
9 body and employees of a charter school shall be governed by s.  
10 768.28.

11 (i) A charter school shall organize as, or be operated  
12 by, a nonprofit organization. A charter school may be operated  
13 by a municipality or other public entity as provided for by  
14 law. As such, the charter school may be either a private or a  
15 public employer. As a public employer, a charter school may  
16 participate in the Florida Retirement System upon application  
17 and approval as a "covered group" under s. 121.021(34). If a  
18 charter school participates in the Florida Retirement System,  
19 the charter school employees shall be compulsory members of  
20 the Florida Retirement System. As either a private or a public  
21 employer, a charter school may contract for services with an  
22 individual or group of individuals who are organized as a  
23 partnership or a cooperative. Individuals or groups of  
24 individuals who contract their services to the charter school  
25 are not public employees.

26 (13) CHARTER SCHOOL COOPERATIVES.--Charter schools may  
27 enter into cooperative agreements to form charter school  
28 cooperative organizations that may provide the following  
29 services: charter school planning and development, direct  
30 instructional services, and contracts with charter school  
31 governing boards to provide personnel administrative services,

1 payroll services, human resource management, evaluation and  
2 assessment services, teacher preparation, and professional  
3 development.

4 (14) CHARTER SCHOOL FINANCIAL ARRANGEMENTS;  
5 INDEMNIFICATION OF THE STATE AND SCHOOL DISTRICT; CREDIT OR  
6 TAXING POWER NOT TO BE PLEDGED.--Any arrangement entered into  
7 to borrow or otherwise secure funds for a charter school  
8 authorized in this section from a source other than the state  
9 or a school district shall indemnify the state and the school  
10 district from any and all liability, including, but not  
11 limited to, financial responsibility for the payment of the  
12 principal or interest. Any loans, bonds, or other financial  
13 agreements are not obligations of the state or the school  
14 district but are obligations of the charter school authority  
15 and are payable solely from the sources of funds pledged by  
16 such agreement. The credit or taxing power of the state or the  
17 school district shall not be pledged and no debts shall be  
18 payable out of any moneys except those of the legal entity in  
19 possession of a valid charter approved by a district school  
20 board pursuant to this section.

21 (15) CHARTER SCHOOLS-IN-THE-WORKPLACE; CHARTER  
22 SCHOOLS-IN-A-MUNICIPALITY.--

23 (a) In order to increase business partnerships in  
24 education, to reduce school and classroom overcrowding  
25 throughout the state, and to offset the high costs for  
26 educational facilities construction, the Legislature intends  
27 to encourage the formation of business partnership schools or  
28 satellite learning centers and municipal-operated schools  
29 through charter school status.

30 (b) A charter school-in-the-workplace may be  
31 established when a business partner provides the school

1 facility to be used; enrolls students based upon a random  
2 lottery that involves all of the children of employees of that  
3 business or corporation who are seeking enrollment, as  
4 provided for in subsection (10); and enrolls students  
5 according to the racial/ethnic balance provisions described in  
6 subparagraph (7)(a)8. Any portion of a facility used for a  
7 public charter school shall be exempt from ad valorem taxes,  
8 as provided for in s. 1013.54, for the duration of its use as  
9 a public school.

10 (c) A charter school-in-a-municipality designation may  
11 be granted to a municipality that possesses a charter; enrolls  
12 students based upon a random lottery that involves all of the  
13 children of the residents of that municipality who are seeking  
14 enrollment, as provided for in subsection (10); and enrolls  
15 students according to the racial/ethnic balance provisions  
16 described in subparagraph (7)(a)8. When a municipality has  
17 submitted charter applications for the establishment of a  
18 charter school feeder pattern, consisting of elementary,  
19 middle, and senior high schools, and each individual charter  
20 application is approved by the district school board, such  
21 schools shall then be designated as one charter school for all  
22 purposes listed pursuant to this section. Any portion of the  
23 land and facility used for a public charter school shall be  
24 exempt from ad valorem taxes, as provided for in s. 1013.54,  
25 for the duration of its use as a public school.

26 (d) As used in this subsection, the terms "business  
27 partner" or "municipality" may include more than one business  
28 or municipality to form a charter school-in-the-workplace or  
29 charter school-in-a-municipality.

30 (16) EXEMPTION FROM STATUTES.--  
31

1 (a) A charter school shall operate in accordance with  
2 its charter and shall be exempt from all statutes in chapters  
3 1000-1013. However, a charter school shall be in compliance  
4 with the following statutes in chapters 1000-1013:

5 1. Those statutes specifically applying to charter  
6 schools, including this section.

7 2. Those statutes pertaining to the student assessment  
8 program and school grading system.

9 3. Those statutes pertaining to the provision of  
10 services to students with disabilities.

11 4. Those statutes pertaining to civil rights,  
12 including s. 1000.05, relating to discrimination.

13 5. Those statutes pertaining to student health,  
14 safety, and welfare.

15 (b) Additionally, a charter school shall be in  
16 compliance with the following statutes:

17 1. Section 286.011, relating to public meetings and  
18 records, public inspection, and criminal and civil penalties.

19 2. Chapter 119, relating to public records.

20 (17) FUNDING.--Students enrolled in a charter school,  
21 regardless of the sponsorship, shall be funded as if they are  
22 in a basic program or a special program, the same as students  
23 enrolled in other public schools in the school district.  
24 Funding for a charter lab school shall be as provided in s.  
25 1002.32.

26 (a) Each charter school shall report its student  
27 enrollment to the district school board as required in s.  
28 1011.62, and in accordance with the definitions in s. 1011.61.  
29 The district school board shall include each charter school's  
30 enrollment in the district's report of student enrollment. All  
31 charter schools submitting student record information required

1 | by the Department of Education shall comply with the  
2 | Department of Education's guidelines for electronic data  
3 | formats for such data, and all districts shall accept  
4 | electronic data that complies with the Department of  
5 | Education's electronic format.

6 |         (b) The basis for the agreement for funding students  
7 | enrolled in a charter school shall be the sum of the school  
8 | district's operating funds from the Florida Education Finance  
9 | Program as provided in s. 1011.62 and the General  
10 | Appropriations Act, including gross state and local funds,  
11 | discretionary lottery funds, and funds from the school  
12 | district's current operating discretionary millage levy;  
13 | divided by total funded weighted full-time equivalent students  
14 | in the school district; multiplied by the weighted full-time  
15 | equivalent students for the charter school. Charter schools  
16 | whose students or programs meet the eligibility criteria in  
17 | law shall be entitled to their proportionate share of  
18 | categorical program funds included in the total funds  
19 | available in the Florida Education Finance Program by the  
20 | Legislature, including transportation. Total funding for each  
21 | charter school shall be recalculated during the year to  
22 | reflect the revised calculations under the Florida Education  
23 | Finance Program by the state and the actual weighted full-time  
24 | equivalent students reported by the charter school during the  
25 | full-time equivalent student survey periods designated by the  
26 | Commissioner of Education.

27 |         (c) If the district school board is providing programs  
28 | or services to students funded by federal funds, any eligible  
29 | students enrolled in charter schools in the school district  
30 | shall be provided federal funds for the same level of service  
31 | provided students in the schools operated by the district

1 | school board. Pursuant to provisions of 20 U.S.C. 8061 s.  
2 | 10306, all charter schools shall receive all federal funding  
3 | for which the school is otherwise eligible, including Title I  
4 | funding, not later than 5 months after the charter school  
5 | first opens and within 5 months after any subsequent expansion  
6 | of enrollment.

7 |         (d) District school boards shall make every effort to  
8 | ensure that charter schools receive timely and efficient  
9 | reimbursement, including processing paperwork required to  
10 | access special state and federal funding for which they may be  
11 | eligible. The district school board may distribute funds to a  
12 | charter school for up to 3 months based on the projected  
13 | full-time equivalent student membership of the charter school.  
14 | Thereafter, the results of full-time equivalent student  
15 | membership surveys shall be used in adjusting the amount of  
16 | funds distributed monthly to the charter school for the  
17 | remainder of the fiscal year. The payment shall be issued no  
18 | later than 10 working days after the district school board  
19 | receives a distribution of state or federal funds. If a  
20 | warrant for payment is not issued within 30 working days after  
21 | receipt of funding by the district school board, the school  
22 | district shall pay to the charter school, in addition to the  
23 | amount of the scheduled disbursement, interest at a rate of 1  
24 | percent per month calculated on a daily basis on the unpaid  
25 | balance from the expiration of the 30-day period until such  
26 | time as the warrant is issued.

27 |         (18) FACILITIES.--

28 |         (a) A startup charter school shall utilize facilities  
29 | that ~~which~~ comply with the Florida Building Code pursuant to  
30 | chapter 553 except for the State Requirements for Educational  
31 | Facilities. Charter schools are not required to comply, but

1 | may choose to comply, with the State Requirements for  
2 | Educational Facilities of the Florida Building Code adopted  
3 | pursuant to s. 1013.37. The local governing authority shall  
4 | not adopt or impose local building requirements or  
5 | restrictions that are more stringent than those found in the  
6 | Florida Building Code. The agency having jurisdiction for  
7 | inspection of a facility and issuance of a certificate of  
8 | occupancy shall be the local municipality or, if in an  
9 | unincorporated area, the county governing authority.

10 |         (b) A charter school shall utilize facilities that  
11 | comply with the Florida Fire Prevention Code, pursuant to s.  
12 | 633.025, as adopted by the authority in whose jurisdiction the  
13 | facility is located as provided in paragraph (a).

14 |         (c) Any facility, or portion thereof, used to house a  
15 | charter school whose charter has been approved by the sponsor  
16 | and the governing board, pursuant to subsection (7), shall be  
17 | exempt from ad valorem taxes pursuant to s. 196.1983. A  
18 | library, community service facility, museum, performing arts  
19 | facility, theatre, cinema, church, community college, college,  
20 | or university may provide space to a charter school within its  
21 | facilities and under its existing zoning and land use  
22 | designations.

23 |         (d) Charter school facilities are exempt from  
24 | assessments of fees for building permits, except as provided  
25 | in s. 553.80, fees and for building and occupational licenses,  
26 | and ~~from assessments of~~ impact fees or service availability  
27 | fees.

28 |         (e) If a district school board facility or property is  
29 | available because it is surplus, marked for disposal, or  
30 | otherwise unused, it shall be provided for a charter school's  
31 | use on the same basis as it is made available to other public



1 | schools in the district. A charter school receiving property  
2 | from the school district may not sell or dispose of such  
3 | property without written permission of the school district.  
4 | Similarly, for an existing public school converting to charter  
5 | status, no rental or leasing fee for the existing facility or  
6 | for the property normally inventoried to the conversion school  
7 | may be charged by the district school board to the parents and  
8 | teachers organizing the charter school. The charter school  
9 | ~~organizers~~ shall agree to reasonable maintenance provisions in  
10 | order to maintain the facility in a manner similar to district  
11 | school board standards. The Public Education Capital Outlay  
12 | maintenance funds or any other maintenance funds generated by  
13 | the facility operated as a conversion school shall remain with  
14 | the conversion school.

15 |         (f) To the extent that charter school facilities are  
16 | specifically created to mitigate the educational impact  
17 | created by the development of new residential dwelling units,  
18 | pursuant to subparagraph (2)(c)4., some of or all of the  
19 | educational impact fees required to be paid in connection with  
20 | the new residential dwelling units may be designated instead  
21 | for the construction of the charter school facilities that  
22 | will mitigate the student station impact. Such facilities  
23 | shall be built to the State Requirements for Educational  
24 | Facilities and shall be owned by a public or nonprofit entity.  
25 | The local school district retains the right to monitor and  
26 | inspect such facilities to ensure compliance with the State  
27 | Requirements for Educational Facilities. If a facility ceases  
28 | to be used for public educational purposes, either the  
29 | facility shall revert to the school district subject to any  
30 | debt owed on the facility, or the owner of the facility shall  
31 | have the option to refund all educational impact fees utilized

1 for the facility to the school district. The district and the  
2 owner of the facility may contractually agree to another  
3 arrangement for the facilities if the facilities cease to be  
4 used for educational purposes. The owner of property planned  
5 or approved for new residential dwelling units and the entity  
6 levying educational impact fees shall enter into an agreement  
7 that designates the educational impact fees that will be  
8 allocated for the charter school student stations and that  
9 ensures the timely construction of the charter school student  
10 stations concurrent with the expected occupancy of the  
11 residential units. The application for use of educational  
12 impact fees shall include an approved charter school  
13 application. To assist the school district in forecasting  
14 student station needs, the entity levying the impact fees  
15 shall notify the affected district of any agreements it has  
16 approved for the purpose of mitigating student station impact  
17 from the new residential dwelling units.

18 (19) CAPITAL OUTLAY FUNDING.--Charter schools are  
19 eligible for capital outlay funds pursuant to s. 1013.62.

20 (20) SERVICES.--

21 (a) A sponsor shall provide certain administrative and  
22 educational services to charter schools. These services shall  
23 include contract management services; full-time equivalent and  
24 data reporting services; exceptional student education  
25 administration and evaluation services; such services as are  
26 required to fulfill eligibility and reporting requirements to  
27 ensure school lunch services under the federal lunch program,  
28 consistent with the needs of the charter school and provided  
29 by the school district at the request of the charter school;  
30 test administration services, including payment of the costs  
31 of state-required or district-required student assessments;

1 | processing of teacher certificate data services; and  
2 | information services, including equal access to student  
3 | information systems that are used by public schools in the  
4 | district in which the charter school is located. A total  
5 | administrative fee for the provision of such services shall be  
6 | calculated based upon up to 5 percent of the available funds  
7 | defined in paragraph (17)(b) for all students. However, a  
8 | sponsor may only withhold up to a 5-percent administrative fee  
9 | for enrollment for up to and including 500 students. For  
10 | charter schools with a population of 501 or more students, the  
11 | difference between the total administrative fee calculation  
12 | and the amount of the administrative fee withheld may only be  
13 | used for capital outlay purposes specified in s. 1013.62(4) ~~s.~~  
14 | ~~1013.62(2)~~. Sponsors shall not charge charter schools any  
15 | additional fees or surcharges for administrative and  
16 | educational services in addition to the maximum 5-percent  
17 | administrative fee withheld pursuant to this paragraph.

18 |         (b) If goods and services are made available to the  
19 | charter school through the contract with the school district,  
20 | they shall be provided to the charter school at a rate no  
21 | greater than the district's actual cost unless mutually agreed  
22 | upon by the charter school and the sponsor in a contract  
23 | negotiated separately from the charter. When mediation has  
24 | failed to resolve disputes over contracted services or  
25 | contractual matters not included in the charter, an appeal may  
26 | be made for a dispute resolution hearing before the Charter  
27 | School Appeal Commission. To maximize the use of state funds,  
28 | school districts shall allow charter schools to participate in  
29 | the sponsor's bulk purchasing program if applicable.

30 |         (c) Transportation of charter school students shall be  
31 | provided by the charter school consistent with the

1 requirements of subpart I.E. of chapter 1006 and s. 1012.45.  
2 The governing body of the charter school may provide  
3 transportation through an agreement or contract with the  
4 district school board, a private provider, or parents. The  
5 charter school and the sponsor shall cooperate in making  
6 arrangements that ensure that transportation is not a barrier  
7 to equal access for all students residing within a reasonable  
8 distance of the charter school as determined in its charter.

9 (21) PUBLIC INFORMATION ON CHARTER SCHOOLS.--The  
10 Department of Education shall provide information to the  
11 public, directly and through sponsors, both on how to form and  
12 operate a charter school and on how to enroll in charter  
13 schools once they are created. This information shall include  
14 a standard application format, charter format, and charter  
15 renewal format, which shall include the information specified  
16 in subsection (7). These formats shall ~~This application format~~  
17 ~~may~~ be used by charter school sponsors ~~chartering entities~~.

18 (22) CHARTER SCHOOL REVIEW PANEL AND LEGISLATIVE  
19 REVIEW.--

20 (a) The Department of Education shall provide the  
21 staff for and regularly convene a Charter School Review Panel  
22 in order to review issues, practices, and policies regarding  
23 charter schools. The composition of the review panel shall  
24 include individuals with experience in finance,  
25 administration, law, education, and school governance, and  
26 individuals familiar with charter school construction and  
27 operation. The panel shall include two appointees each from  
28 the Commissioner of Education, the President of the Senate,  
29 and the Speaker of the House of Representatives. The Governor  
30 shall appoint three members of the panel and shall designate  
31 the chair. Each member of the panel shall serve a 1-year term,

1 unless renewed by the office making the appointment. The panel  
2 shall make recommendations to the Legislature, to the  
3 Department of Education, to charter schools, and to school  
4 districts for improving charter school operations and  
5 oversight and for ensuring best business practices at and fair  
6 business relationships with charter schools.

7 (b) The Legislature shall review the operation of  
8 charter schools during the 2010 ~~2005~~ Regular Session of the  
9 Legislature.

10 (23) ANALYSIS OF CHARTER SCHOOL PERFORMANCE.--Upon  
11 receipt of the annual report required by paragraph (9)(1), the  
12 Department of Education shall provide to the State Board of  
13 Education, the Commissioner of Education, the Governor, the  
14 President of the Senate, and the Speaker of the House of  
15 Representatives an analysis and comparison of the overall  
16 performance of charter school students, to include all  
17 students whose scores are counted as part of the statewide  
18 assessment program, versus comparable public school students  
19 in the district as determined by the statewide assessment  
20 program currently administered in the school district, and  
21 other assessments administered pursuant to s. 1008.22(3).

22 (24) RULEMAKING.--The Department of Education, after  
23 consultation with school districts and charter school  
24 directors, shall recommend that the State Board of Education  
25 adopt rules to implement specific subsections of this section.  
26 Such rules shall require minimum paperwork and shall not limit  
27 charter school flexibility authorized by statute.

28 Section 2. Subsection (3) of section 1003.05, Florida  
29 Statutes, is amended to read:

30 1003.05 Assistance to transitioning students from  
31 military families.--

1           (3) Dependent children of active duty military  
2 personnel who otherwise meet the eligibility criteria for  
3 special academic programs offered through public schools shall  
4 be given first preference for admission to such programs even  
5 if the program is being offered through a public school other  
6 than the school to which the student would generally be  
7 assigned and the school at which the program is being offered  
8 has reached its maximum enrollment. If such a program is  
9 offered through a public school other than the school to which  
10 the student would generally be assigned, the parent or  
11 guardian of the student must assume responsibility for  
12 transporting the student to that school. For purposes of this  
13 subsection, special academic programs include ~~charter schools,~~  
14 magnet schools, advanced studies programs, advanced placement,  
15 dual enrollment, and International Baccalaureate.

16           Section 3. Section 1013.62, Florida Statutes, is  
17 amended to read:

18           1013.62 Charter schools capital outlay funding.--

19           (1) In each year in which funds are appropriated for  
20 charter school capital outlay purposes, the Commissioner of  
21 Education shall allocate the funds among eligible charter  
22 schools. To be eligible for a funding allocation, a charter  
23 school must be one of the following:

24           (a) The same school that received capital outlay  
25 funding in 2002-2003.

26           (b) A charter school that is an expanded feeder  
27 pattern of a charter school that received capital outlay  
28 funding in 2002-2003.

29           (2) If an appropriation for charter school capital  
30 outlay funds is less than the 2002-2003 appropriation, the  
31

1 funds shall be prorated among schools eligible pursuant to  
2 subsection (1).

3 (3) If an appropriation for charter school capital  
4 outlay funds is greater than the 2002-2003 appropriation, the  
5 funds shall be allocated to schools eligible pursuant to  
6 subsection (1) and to charter schools that:

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

8 2. ~~Are~~ Be an expanded feeder chain of a charter school  
9 within the same school district that is currently receiving  
10 charter school capital outlay funds; or

11 3. Have been accredited by the Commission on Schools  
12 of the Southern Association of Colleges and Schools.

13 (b) Have financial stability for future operation as a  
14 charter school.

15 (c) Have satisfactory student achievement based on  
16 state accountability standards applicable to the charter  
17 school.

18 (d) Have received final approval from its sponsor  
19 pursuant to s. 1002.33 for operation during that fiscal year.

20 (e) Serve students in facilities that are not provided  
21 by the charter school's sponsor. First priority for allocating  
22 the amount in excess of the 2002-2003 appropriation shall be  
23 to prorate the excess funds among charter schools having  
24 long-term debt or a long-term lease, to the extent that the  
25 initial allocation is insufficient to provide one-fifteenth of  
26 the cost-per-student station specified in s. 1013.64(6)(b),  
27 and second priority shall be to other eligible charter  
28 schools.

29  
30 Prior to the release of capital outlay funds to a school  
31 district on behalf of the charter school, the Department of

1 Education shall ensure that the district school board and the  
2 charter school governing board enter into a written agreement  
3 that includes provisions for the reversion of any unencumbered  
4 funds and all equipment and property purchased with public  
5 education funds to the ownership of the district school board,  
6 as provided for in subsection (5)~~(3)~~, in the event that the  
7 school terminates operations. Any funds recovered by the state  
8 shall be deposited in the General Revenue Fund. A charter  
9 school is not eligible for a funding allocation if it was  
10 created by the conversion of a public school and operates in  
11 facilities provided by the charter school's sponsor for a  
12 nominal fee or at no charge or if it is directly or indirectly  
13 operated by the school district. Unless otherwise provided in  
14 the General Appropriations Act, the funding allocation for  
15 each eligible charter school shall be determined by  
16 multiplying the school's projected student enrollment by  
17 one-fifteenth of the cost-per-student station specified in s.  
18 1013.64(6)(b) for an elementary, middle, or high school, as  
19 appropriate. If the funds appropriated are not sufficient, the  
20 commissioner shall prorate the available funds among eligible  
21 charter schools. However, no charter school or charter lab  
22 school shall receive state charter school capital outlay funds  
23 in excess of the one-fifteenth cost per student station  
24 formula if the charter school's combination of state charter  
25 school capital outlay funds, capital outlay funds calculated  
26 through the reduction in the administrative fee provided in s.  
27 1002.33(20), and capital outlay funds allowed in s.  
28 1002.32(9)(e) and (h) exceeds the one-fifteenth cost per  
29 student station formula. Funds shall be distributed on the  
30 basis of the capital outlay full-time equivalent membership by  
31 grade level, which shall be calculated by averaging the



1 results of the second and third enrollment surveys. The  
2 Department of Education shall distribute capital outlay funds  
3 monthly, beginning in the first quarter of the fiscal year,  
4 based on one-twelfth of the amount the department reasonably  
5 expects the charter school to receive during that fiscal year.  
6 The commissioner shall adjust subsequent distributions as  
7 necessary to reflect each charter school's actual student  
8 enrollment as reflected in the second and third enrollment  
9 surveys. The commissioner shall establish the intervals and  
10 procedures for determining the projected and actual student  
11 enrollment of eligible charter schools.

12 ~~(4)(2)~~ A charter school's governing body may use  
13 charter school capital outlay funds for the following  
14 purposes:

- 15 (a) Purchase of real property.  
16 (b) Construction of school facilities.  
17 (c) Purchase, lease-purchase, or lease of permanent or  
18 relocatable school facilities.  
19 (d) Purchase of vehicles to transport students to and  
20 from the charter school.  
21 (e) Renovation, repair, furnishing, equipping, and  
22 maintenance of school facilities that the charter school owns  
23 or is purchasing through a lease-purchase or long-term lease  
24 of 5 years or longer.

25  
26 Conversion charter schools may use capital outlay funds  
27 received through the reduction in the administrative fee  
28 provided in s. 1002.33(20) for renovation, repair, and  
29 maintenance of school facilities that are owned by the  
30 sponsor.  
31

1           ~~(5)(3)~~ When a charter school is nonrenewed or  
2 terminated, any unencumbered funds and all equipment and  
3 property purchased with district public funds shall revert to  
4 the ownership of the district school board, as provided for in  
5 s. 1002.33(8)(e) and (f). In the case of a charter lab school,  
6 any unencumbered funds and all equipment and property  
7 purchased with university public funds shall revert to the  
8 ownership of the state university that issued the charter. The  
9 reversion of such equipment, property, and furnishings shall  
10 focus on recoverable assets, but not on intangible or  
11 irrecoverable costs such as rental or leasing fees, normal  
12 maintenance, and limited renovations. The reversion of all  
13 property secured with public funds is subject to the complete  
14 satisfaction of all lawful liens or encumbrances. If there are  
15 additional local issues such as the shared use of facilities  
16 or partial ownership of facilities or property, these issues  
17 shall be agreed to in the charter contract prior to the  
18 expenditure of funds.

19           ~~(6)(4)~~ The Commissioner of Education shall specify  
20 procedures for submitting and approving requests for funding  
21 under this section and procedures for documenting  
22 expenditures.

23           ~~(7)(5)~~ The annual legislative budget request of the  
24 Department of Education shall include a request for capital  
25 outlay funding for charter schools. The request shall be based  
26 on the projected number of students to be served in charter  
27 schools who meet the eligibility requirements of this section.  
28 A dedicated funding source, if identified in writing by the  
29 Commissioner of Education and submitted along with the annual  
30 charter school legislative budget request, may be considered  
31 an additional source of funding.

1           ~~(8)(6)~~ Unless authorized otherwise by the Legislature,  
2 allocation and proration of charter school capital outlay  
3 funds shall be made to eligible charter schools by the  
4 Commissioner of Education in an amount and in a manner  
5 authorized by subsections (2) and (3) ~~subsection (1)~~.

6           ~~(7) Notwithstanding the provisions of this section,~~  
7 ~~beginning in the 2003-2004 fiscal year:~~

8           ~~(a) If the appropriation for charter school capital~~  
9 ~~outlay funds is no greater than the 2002-2003 appropriation,~~  
10 ~~the funds shall be allocated according to the formula outlined~~  
11 ~~in subsection (1) to:~~

12           ~~1. The same schools that received funding in~~  
13 ~~2002-2003.~~

14           ~~2. Schools that are an expanded feeder pattern of~~  
15 ~~schools that received funding in 2002-2003.~~

16           ~~3. Schools that have an approved charter and are~~  
17 ~~serving students at the start of the 2003-2004 school year and~~  
18 ~~either incurred long term financial obligations prior to~~  
19 ~~January 31, 2003, or began construction on educational~~  
20 ~~facilities prior to December 31, 2002.~~

21           ~~(b) If the appropriation for charter school capital~~  
22 ~~outlay funds is less than the 2002-2003 appropriation, the~~  
23 ~~funds shall be prorated among the schools eligible in~~  
24 ~~paragraph (a).~~

25           ~~(c) If the appropriation for charter school capital~~  
26 ~~outlay funds is greater than the 2002-2003 appropriation, the~~  
27 ~~amount of funds provided in the 2002-2003 appropriation shall~~  
28 ~~be allocated according to paragraph (a). First priority for~~  
29 ~~allocating the amount in excess of the 2002-2003 appropriation~~  
30 ~~shall be to prorate the excess funds among the charter schools~~  
31 ~~with long term debt or long term lease to the extent that the~~

1 ~~initial allocation is insufficient to provide one fifteenth of~~  
2 ~~the cost per student station specified in s. 1013.64(6)(b),~~  
3 ~~and second priority shall be to other eligible charter~~  
4 ~~schools.~~

5 Section 4. Subsection (5) of section 218.39, Florida  
6 Statutes, is amended to read:

7 218.39 Annual financial audit reports.--

8 (5) At the conclusion of the audit, the auditor shall  
9 discuss with the chair of each local governmental entity or  
10 the chair's designee, or with the elected official of each  
11 county agency or with the elected official's designee, or with  
12 the chair of the district school board or the chair's  
13 designee, or with the chair of the board of the charter school  
14 or the chair's designee, or with the chair of the charter  
15 technical career center or the chair's designee, as  
16 appropriate, all of the auditor's comments that will be  
17 included in the audit report. If the officer is not available  
18 to discuss the auditor's comments, their discussion is  
19 presumed when the comments are delivered in writing to his or  
20 her office. The auditor shall notify each member of the  
21 governing body of a local governmental entity, ~~or~~ district  
22 school board, or charter school for which deteriorating  
23 financial conditions exist that may cause a condition  
24 described in s. 218.503(1) to occur if actions are not taken  
25 to address such conditions.

26 Section 5. Section 218.50, Florida Statutes, is  
27 amended to read:

28 218.50 Short title.--Sections 218.50-218.504 may be  
29 cited as the "Local Governmental Entity, Charter School, and  
30 District School Board Financial Emergencies Act."  
31

1           Section 6. Section 218.501, Florida Statutes, is  
2 amended to read:

3           218.501 Purposes.--The purposes of ss. 218.50-218.504  
4 are:

5           (1) To promote the fiscal responsibility of local  
6 governmental entities, charter schools, and district school  
7 boards.

8           (2) To assist local governmental entities, charter  
9 schools, and district school boards in providing essential  
10 services without interruption and in meeting their financial  
11 obligations.

12           (3) To assist local governmental entities, charter  
13 schools, and district school boards through the improvement of  
14 local financial management procedures.

15           Section 7. Section 218.503, Florida Statutes, is  
16 amended to read:

17           218.503 Determination of financial emergency.--

18           (1) Local governmental entities, charter schools, and  
19 district school boards shall be subject to review and  
20 oversight by the Governor, the charter school sponsor, or the  
21 Commissioner of Education, as appropriate, when any one of the  
22 following conditions occurs:

23           (a) Failure within the same fiscal year in which due  
24 to pay short-term loans or failure to make bond debt service  
25 or other long-term debt payments when due, as a result of a  
26 lack of funds.

27           (b) Failure to pay uncontested claims from creditors  
28 within 90 days after the claim is presented, as a result of a  
29 lack of funds.

30           (c) Failure to transfer at the appropriate time, due  
31 to lack of funds:

1           1. Taxes withheld on the income of employees; or  
2           2. Employer and employee contributions for:  
3           a. Federal social security; or  
4           b. Any pension, retirement, or benefit plan of an  
5 employee.  
6           (d) Failure for one pay period to pay, due to lack of  
7 funds:  
8           1. Wages and salaries owed to employees; or  
9           2. Retirement benefits owed to former employees.  
10          (e) An unreserved or total fund balance or retained  
11 earnings deficit, or unrestricted or total net assets deficit,  
12 as reported on the balance sheet or statement of net assets on  
13 the general purpose or fund financial statements, for which  
14 sufficient resources of the local governmental entity, as  
15 reported on the balance sheet or statement of net assets on  
16 the general purpose or fund financial statements, are not  
17 available to cover the deficit. Resources available to cover  
18 reported deficits include net assets that are not otherwise  
19 restricted by federal, state, or local laws, bond covenants,  
20 contractual agreements, or other legal constraints. Fixed or  
21 capital assets, the disposal of which would impair the ability  
22 of a local governmental entity to carry out its functions, are  
23 not considered resources available to cover reported deficits.  
24          (2) A local governmental entity shall notify the  
25 Governor and the Legislative Auditing Committee, a charter  
26 school shall notify the charter school sponsor and the  
27 Legislative Auditing Committee, and a district school board  
28 shall notify the Commissioner of Education and the Legislative  
29 Auditing Committee, when one or more of the conditions  
30 specified in subsection (1) have occurred or will occur if  
31 action is not taken to assist the local governmental entity,

1 charter school, or district school board. In addition, any  
2 state agency must, within 30 days after a determination that  
3 one or more of the conditions specified in subsection (1) have  
4 occurred or will occur if action is not taken to assist the  
5 local governmental entity, charter school, or district school  
6 board, notify the Governor, the charter school sponsor, or the  
7 Commissioner of Education, as appropriate, and the Legislative  
8 Auditing Committee.

9           (3) Upon notification that one or more of the  
10 conditions in subsection (1) exist, the Governor or his or her  
11 designee shall contact the local governmental entity or the  
12 Commissioner of Education or his or her designee shall contact  
13 the district school board to determine what actions have been  
14 taken by the local governmental entity or the district school  
15 board to resolve the condition. The Governor or the  
16 Commissioner of Education, as appropriate, shall determine  
17 whether the local governmental entity or the district school  
18 board needs state assistance to resolve the condition. If  
19 state assistance is needed, the local governmental entity or  
20 district school board is considered to be in a state of  
21 financial emergency. The Governor or the Commissioner of  
22 Education, as appropriate, has the authority to implement  
23 measures as set forth in ss. 218.50-218.504 to assist the  
24 local governmental entity or district school board in  
25 resolving the financial emergency. Such measures may include,  
26 but are not limited to:

27           (a) Requiring approval of the local governmental  
28 entity's budget by the Governor or approval of the district  
29 school board's budget by the Commissioner of Education.

30           (b) Authorizing a state loan to a local governmental  
31 entity and providing for repayment of same.

1 (c) Prohibiting a local governmental entity or  
2 district school board from issuing bonds, notes, certificates  
3 of indebtedness, or any other form of debt until such time as  
4 it is no longer subject to this section.

5 (d) Making such inspections and reviews of records,  
6 information, reports, and assets of the local governmental  
7 entity or district school board. The appropriate local  
8 officials shall cooperate in such inspections and reviews.

9 (e) Consulting with officials and auditors of the  
10 local governmental entity or the district school board and the  
11 appropriate state officials regarding any steps necessary to  
12 bring the books of account, accounting systems, financial  
13 procedures, and reports into compliance with state  
14 requirements.

15 (f) Providing technical assistance to the local  
16 governmental entity or the district school board.

17 (g)1. Establishing a financial emergency board to  
18 oversee the activities of the local governmental entity or the  
19 district school board. If a financial emergency board is  
20 established for a local governmental entity, the Governor  
21 shall appoint board members and select a chair. If a financial  
22 emergency board is established for a district school board,  
23 the State Board of Education shall appoint board members and  
24 select a chair. The financial emergency board shall adopt such  
25 rules as are necessary for conducting board business. The  
26 board may:

27 a. Make such reviews of records, reports, and assets  
28 of the local governmental entity or the district school board  
29 as are needed.

30 b. Consult with officials and auditors of the local  
31 governmental entity or the district school board and the



1 appropriate state officials regarding any steps necessary to  
2 bring the books of account, accounting systems, financial  
3 procedures, and reports of the local governmental entity or  
4 the district school board into compliance with state  
5 requirements.

6 c. Review the operations, management, efficiency,  
7 productivity, and financing of functions and operations of the  
8 local governmental entity or the district school board.

9 2. The recommendations and reports made by the  
10 financial emergency board must be submitted to the Governor  
11 for local governmental entities or to the Commissioner of  
12 Education and the State Board of Education for district school  
13 boards for appropriate action.

14 (h) Requiring and approving a plan, to be prepared by  
15 officials of the local governmental entity or the district  
16 school board in consultation with the appropriate state  
17 officials, prescribing actions that will cause the local  
18 governmental entity or district school board to no longer be  
19 subject to this section. The plan must include, but need not  
20 be limited to:

21 1. Provision for payment in full of obligations  
22 outlined in subsection (1), designated as priority items, that  
23 are currently due or will come due.

24 2. Establishment of priority budgeting or zero-based  
25 budgeting in order to eliminate items that are not affordable.

26 3. The prohibition of a level of operations which can  
27 be sustained only with nonrecurring revenues.

28 (4) Upon notification that one or more of the  
29 conditions in subsection (1) exist, the charter school sponsor  
30 or the sponsor's designee shall contact the charter school  
31 governing board to determine what actions have been taken by

1 the charter school governing board to resolve the condition.  
2 The charter school sponsor may require and approve a  
3 financial-recovery plan, to be prepared by the charter school  
4 governing board, prescribing actions that will cause the  
5 charter school to no longer be subject to this section. The  
6 Department of Education must establish guidelines for  
7 developing such plans.

8       ~~(5)(4)~~ A local governmental entity or district school  
9 board may not seek application of laws under the bankruptcy  
10 provisions of the United States Constitution except with the  
11 prior approval of the Governor for local governmental entities  
12 or the Commissioner of Education for district school boards.

13       ~~(6)(5)(a)~~ The governing authority of any municipality  
14 having a resident population of 300,000 or more on or after  
15 April 1, 1999, which has been declared in a state of financial  
16 emergency pursuant to this section may impose a discretionary  
17 per-vehicle surcharge of up to 20 percent on the gross  
18 revenues of the sale, lease, or rental of space at parking  
19 facilities within the municipality which are open for use to  
20 the general public.

21       (b) A municipal governing authority that imposes the  
22 surcharge authorized by this subsection may use the proceeds  
23 of such surcharge for the following purposes only:

24       1. No less than 60 percent and no more than 80 percent  
25 of the surcharge proceeds shall be used by the governing  
26 authority to reduce its ad valorem tax millage rate or to  
27 reduce or eliminate non-ad valorem assessments.

28       2. A portion of the balance of the surcharge proceeds  
29 shall be used by the governing authority to increase its  
30 budget reserves; however, the governing authority shall not  
31 reduce the amount it allocates for budget reserves from other

1 sources below the amount allocated for reserves in the fiscal  
2 year prior to the year in which the surcharge is initially  
3 imposed. When a 15-percent budget reserve is achieved, based  
4 on the average gross revenue for the most recent 3 prior  
5 fiscal years, the remaining proceeds from this subparagraph  
6 shall be used for the payment of annual debt service related  
7 to outstanding obligations backed or secured by a covenant to  
8 budget and appropriate from non-ad valorem revenues.

9 (c) This subsection expires June 30, 2006.

10 Section 8. Subsection (1) of section 218.504, Florida  
11 Statutes, is amended to read:

12 218.504 Cessation of state action.--The Governor or  
13 the Commissioner of Education, as appropriate, has the  
14 authority to terminate all state actions pursuant to ss.  
15 218.50-218.504. Cessation of state action must not occur until  
16 the Governor or the Commissioner of Education, as appropriate,  
17 has determined that:

18 (1) The local governmental entity, charter school, or  
19 district school board:

20 (a) Has established and is operating an effective  
21 financial accounting and reporting system.

22 (b) Has resolved the conditions outlined in s.  
23 218.503(1).

24 Section 9. Paragraph (a) of subsection (9) and  
25 paragraph (b) of subsection (11) of section 1002.32, Florida  
26 Statutes, are amended to read:

27 1002.32 Developmental research (laboratory) schools.--

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

30 (a) Each lab school shall be allocated its  
31 proportional share of operating funds from the Florida

1 Education Finance Program as provided in s. 1011.62 based on  
2 the county in which the lab school is located and the General  
3 Appropriations Act. The nonvoted ad valorem millage that would  
4 otherwise be required for lab schools shall be allocated from  
5 state funds. The required local effort funds calculated  
6 pursuant to s. 1011.62 shall be allocated from state funds to  
7 the schools as a part of the allocation of operating funds  
8 pursuant to s. 1011.62. Each eligible lab school in operation  
9 as of September 1, 2002, shall also receive a proportional  
10 share of the sparsity supplement as calculated pursuant to s.  
11 1011.62. In addition, each lab school shall receive its  
12 proportional share of all categorical funds, with the  
13 exception of s. 1011.68, and new categorical funds enacted  
14 after July 1, 1994, for the purpose of elementary or secondary  
15 academic program enhancement. However, if a lab school elects  
16 to provide student transportation for purposes of fulfilling  
17 its requirement for having a representative student population  
18 pursuant to s. 1002.32(4), the lab school is eligible for  
19 funding pursuant to s. 1011.68. The sum of funds available as  
20 provided in this paragraph shall be included annually in the  
21 Florida Education Finance Program and appropriate categorical  
22 programs funded in the General Appropriations Act.

23 (11) EXCEPTIONS TO LAW.--To encourage innovative  
24 practices and facilitate the mission of the lab schools, in  
25 addition to the exceptions to law specified in s. 1001.23(2),  
26 the following exceptions shall be permitted for lab schools:

27 (b) With the exception of s. 1001.42(16), s. 1001.42  
28 shall be held in abeyance, except that a lab school may elect  
29 to provide transportation in accordance with s. 1001.42(8) for  
30 purposes of fulfilling the requirement for having a  
31 representative student population pursuant to s. 1002.32(4).

1 Reference to district school boards in s. 1001.42(16) shall  
2 mean the president of the university or the president's  
3 designee.

4 Section 10. This act shall take effect upon becoming a  
5 law.

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8 SENATE SUMMARY

9 Revises various provisions governing the operation of a  
10 charter school. Requires that the district school board  
11 document its denial of an application for a charter  
12 school. Requires the Department of Education to assist  
13 applicants for a charter school and establish guidelines  
14 for financial-recovery plans. Revises procedures for  
15 terminating or nonrenewing a charter. Provides that the  
16 termination or nonrenewal of a charter is not subject to  
17 administrative review. Requires a charter school to file  
18 a financial-recovery plan under certain circumstances.  
19 Provides that charter schools are eligible for certain  
20 capital outlay funds. Provides that charter schools be  
21 included under laws governing financial emergencies. (See  
22 bill for details.)  
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