

By the Committee on Education; and Senator Webster

581-2255-06

1 A bill to be entitled
2 An act relating to charter schools; amending s.
3 1002.33, F.S.; revising the purposes for which
4 a charter school may be established; revising
5 certain requirements following the denial of an
6 application for a conversion charter school by
7 a district school board; providing for mutually
8 agreed upon policies of a sponsor to apply to a
9 charter school; requiring that the director,
10 governing board, and sponsor of a charter
11 school take certain action if the school is
12 graded "D" or "F"; revising certain
13 requirements for applying for a charter school;
14 requiring that the district school board
15 provide documentation of its denial of an
16 application to the applicant and the Department
17 of Education; providing for the district court
18 of appeal to review a decision by the State
19 Board of Education to deny an application for a
20 charter school; removing the authority of the
21 Charter School Appeal Commission to review a
22 dispute that is unresolved following mediation;
23 requiring that the Department of Education
24 provide certain training and assistance to
25 applicants for a charter school; revising the
26 requirements for developing a proposed charter;
27 providing that a charter termination or
28 nonrenewal is not subject to administrative
29 review; requiring that the governing board of
30 the charter school, the sponsor, and the
31 Department of Education be notified if an audit

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; amending s.
30 1011.71, F.S.; clarifying the use of funds
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1 generated through additional millage; providing
2 an effective date.

3
4 Be It Enacted by the Legislature of the State of Florida:

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6 Section 1. Section 1002.33, Florida Statutes, is
7 amended to read:

8 1002.33 Charter schools.--

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

16 (2) GUIDING PRINCIPLES; PURPOSE.--

17 (a) Charter schools in Florida shall be guided by the
18 following principles:

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

23 2. Promote enhanced academic success and financial
24 efficiency by aligning responsibility with accountability.

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

29 (b) Charter schools shall fulfill at least one of the
30 following purposes:

31 1. Improve student learning and academic achievement.

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

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

6 4. Encourage the use of innovative learning methods.

7 5. Require the measurement of learning outcomes.

8 (c) Charter schools may fulfill the following
9 purposes:

10 1. Create innovative measurement tools.

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

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

15 4. Mitigate the educational impact created by the
16 development of new residential dwelling units.

17 (3) APPLICATION FOR CHARTER STATUS.--

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

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

1 | employed at the school and 50 percent of the parents voting
2 | whose children are enrolled at the school, provided that a
3 | majority of the parents eligible to vote participate in the
4 | ballot process, according to rules adopted by the State Board
5 | of Education. A district school board denying an application
6 | for a conversion charter school shall provide notice of denial
7 | to the applicants in writing within 10 ~~30~~ days after the
8 | meeting at which the district school board denied the
9 | application. The notice must identify ~~specify~~ the specific
10 | ~~exact~~ reasons for denial and must provide documentation
11 | supporting those reasons. A private school, parochial school,
12 | or home education program shall not be eligible for charter
13 | school status.

14 | (4) UNLAWFUL REPRISAL.--

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

1 | changes in duties or responsibilities that are inconsistent
2 | with the employee's salary or employment classification. The
3 | following procedures shall apply to an alleged unlawful
4 | reprisal that occurs as a consequence of an employee's direct
5 | or indirect involvement with an application to establish a
6 | charter school:

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

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

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

23 | 4. Within 90 days after receiving the complaint, the
24 | Department of Education shall provide the district school
25 | superintendent of the complainant's district and the
26 | complainant with a fact-finding report that may include
27 | recommendations to the parties or a proposed resolution of the
28 | complaint. The fact-finding report shall be presumed
29 | admissible in any subsequent or related administrative or
30 | judicial review.
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1 5. If the Department of Education determines that
2 reasonable grounds exist to believe that an unlawful reprisal
3 has occurred, is occurring, or is to be taken, and is unable
4 to conciliate a complaint within 60 days after receipt of the
5 fact-finding report, the Department of Education shall
6 terminate the investigation. Upon termination of any
7 investigation, the Department of Education shall notify the
8 complainant and the district school superintendent of the
9 termination of the investigation, providing a summary of
10 relevant facts found during the investigation and the reasons
11 for terminating the investigation. A written statement under
12 this paragraph is presumed admissible as evidence in any
13 judicial or administrative proceeding.

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

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

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

3 1. Reinstatement of the employee to the same position
4 held before the unlawful reprisal was commenced, or to an
5 equivalent position, or payment of reasonable front pay as
6 alternative relief.

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

9 3. Compensation, if appropriate, for lost wages,
10 benefits, or other lost remuneration caused by the unlawful
11 reprisal.

12 4. Payment of reasonable costs, including attorney's
13 fees, to a substantially prevailing employee, or to the
14 prevailing employer if the employee filed a frivolous action
15 in bad faith.

16 5. Issuance of an injunction, if appropriate, by a
17 court of competent jurisdiction.

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

26 (5) SPONSOR; DUTIES.--

27 (a) Sponsoring entities.--

28 1. A district school board may sponsor a charter
29 school in the county over which the district school board has
30 jurisdiction.

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

5 (b) Sponsor duties.--

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

9 2. The sponsor shall monitor the revenues and
10 expenditures of the charter school.

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

15 4. The sponsor's policies shall not apply to a charter
16 school unless mutually agreed to by both the sponsor and the
17 charter school.

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

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

26 7. The director and a representative of the governing
27 board of a charter school graded "D" or "F" shall appear
28 before the sponsor or the sponsor's staff at least once each
29 year to present information concerning each contract component
30 having noted deficiencies and to address corrective strategies
31 that are being implemented by the school. The sponsor shall

1 communicate at the meeting, and in writing to the school's
2 director and the Department of Education, the services being
3 provided to the school to help the school address its
4 deficiencies.

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

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

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

23 1. Demonstrates how the school will use the guiding
24 principles and meet the statutorily defined purpose of a
25 charter school.

26 2. Provides a detailed curriculum plan that
27 illustrates how students will be provided services to attain
28 the Sunshine State Standards.

29 3. Contains goals and objectives for improving student
30 learning and measuring that improvement. These goals and
31 objectives must indicate how much academic improvement

1 students are expected to show each year, how success will be
2 evaluated, and the specific results to be attained through
3 instruction.

4 4. Describes the reading curriculum and differentiated
5 strategies that will be used for students reading at grade
6 level or higher and a separate curriculum and strategies for
7 students who are reading below grade level. A sponsor shall
8 deny a charter if the school does not propose a reading
9 curriculum that is consistent with effective teaching
10 strategies that are grounded in scientifically based reading
11 research.

12 5. Contains an annual financial plan for each year
13 requested by the charter for operation of the school for up to
14 5 years. This plan must contain anticipated fund balances
15 based on revenue projections, a spending plan based on
16 projected revenues and expenses, and a description of controls
17 that will safeguard finances and projected enrollment trends.

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

31

1 1. In order to facilitate an accurate budget
2 projection process, a district school board shall be held
3 harmless for FTE students who are not included in the FTE
4 projection due to approval of charter school applications
5 after the FTE projection deadline. In a further effort to
6 facilitate an accurate budget projection, within 15 calendar
7 days after receipt of a charter school application, a district
8 school board or other sponsor shall report to the Department
9 of Education the name of the applicant entity, the proposed
10 charter school location, and its projected FTE.

11 2. In order to ensure fiscal responsibility, an
12 application for a charter school shall include a full
13 accounting of expected assets, a projection of expected
14 sources and amounts of income, including income derived from
15 projected student enrollments and from community support, and
16 an expense projection that includes full accounting of the
17 costs of operation, including start-up costs.

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

3 4. For budget projection purposes, the district school
4 board or other sponsor shall report to the Department of
5 Education the approval or denial of a charter application
6 within 10 calendar days after such approval or denial. In the
7 event of approval, the report to the Department of Education
8 shall include the final projected FTE for the approved charter
9 school.

10 5. Upon approval of a charter application, the initial
11 startup shall commence with the beginning of the public school
12 calendar for the district in which the charter is granted
13 unless the district school board allows a waiver of this
14 provision ~~for good cause~~.

15 (c) An applicant may appeal any denial of that
16 applicant's application or failure to act on an application to
17 the State Board of Education no later than 30 calendar days
18 after receipt of the district school board's decision or
19 failure to act and shall notify the district school board of
20 its appeal. Any response of the district school board shall be
21 submitted to the State Board of Education within 30 calendar
22 days after notification of the appeal. Upon receipt of
23 notification from the State Board of Education that a charter
24 school applicant is filing an appeal, the Commissioner of
25 Education shall convene a meeting of the Charter School Appeal
26 Commission to study and make recommendations to the State
27 Board of Education regarding its pending decision about the
28 appeal. The commission shall forward its recommendation to the
29 state board no later than 7 calendar days prior to the date on
30 which the appeal is to be heard. The State Board of Education
31 shall by majority vote accept or reject the decision of the

1 | district school board no later than 90 calendar days after an
2 | appeal is filed in accordance with State Board of Education
3 | rule. The Charter School Appeal Commission may reject an
4 | appeal submission for failure to comply with procedural rules
5 | governing the appeals process. The rejection shall describe
6 | the submission errors. The appellant may have up to 15
7 | calendar days from notice of rejection to resubmit an appeal
8 | that meets requirements of State Board of Education rule. An
9 | application for appeal submitted subsequent to such rejection
10 | shall be considered timely if the original appeal was filed
11 | within 30 calendar days after receipt of notice of the
12 | specific reasons for the district school board's denial of the
13 | charter application. The State Board of Education shall remand
14 | the application to the district school board with its written
15 | decision that the district school board approve or deny the
16 | application. The district school board shall implement the
17 | decision of the State Board of Education. The decision of the
18 | State Board of Education is not subject to the provisions of
19 | the Administrative Procedure Act, chapter 120.

20 | (d) The district school board shall act upon the
21 | decision of the State Board of Education within 30 calendar
22 | days after it is received. The State Board of Education's
23 | decision is a final action subject to judicial review in the
24 | district court of appeal.

25 | (e)1. A Charter School Appeal Commission is
26 | established to assist the commissioner and the State Board of
27 | Education with a fair and impartial review of appeals by
28 | applicants whose charter applications have been denied, whose
29 | charter contracts have not been renewed, or whose charter
30 | contracts have been terminated by their sponsors, ~~or whose~~
31 |

1 ~~disputes over contract negotiations have not been resolved~~
2 ~~through mediation.~~

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

17 3. The commissioner shall appoint the members of the
18 Charter School Appeal Commission. Members shall serve without
19 compensation but may be reimbursed for travel and per diem
20 expenses in conjunction with their service. One-half of the
21 members must represent currently operating charter schools,
22 and one-half of the members must represent school districts.
23 The commissioner or a named designee shall chair the Charter
24 School Appeal Commission.

25 4. The chair shall convene meetings of the commission
26 and shall ensure that the written recommendations are
27 completed and forwarded in a timely manner. In cases where the
28 commission cannot reach a decision, the chair shall make the
29 written recommendation with justification, noting that the
30 decision was rendered by the chair.

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

19 (f) The Department of Education must offer or arrange
20 for training and technical assistance to each charter school
21 applicant in developing its business plan and estimating costs
22 and income. This assistance must address estimating start-up
23 costs, projecting enrollment, and identifying the types and
24 amounts of state and federal financial assistance the charter
25 school will be eligible to receive. The department ~~of~~
26 ~~Education~~ may provide additional technical assistance to an
27 applicant upon written request.

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

3 (h) The terms and conditions for the operation of a
4 charter school shall be set forth by the sponsor and the
5 applicant in a written contractual agreement, called a
6 charter. The sponsor shall not impose unreasonable rules or
7 regulations that violate the intent of giving charter schools
8 greater flexibility to meet educational goals. The applicant
9 and sponsor shall have 3 ~~6~~ months in which to mutually agree
10 to the provisions of the charter. The proposed charter must be
11 provided to the charter school at least 7 calendar days before
12 the date on which the charter application is scheduled to be
13 heard by the sponsor. The Department of Education shall
14 provide mediation services for any dispute regarding this
15 section subsequent to the approval of a charter application
16 and for any dispute relating to the approved charter, except
17 disputes regarding charter school application denials. If the
18 Commissioner of Education determines that the dispute cannot
19 be settled through mediation, the dispute may be appealed to
20 an administrative law judge appointed by the Division of
21 Administrative Hearings. The administrative law judge may rule
22 on issues of equitable treatment of the charter school as a
23 public school, whether proposed provisions of the charter
24 violate the intended flexibility granted charter schools by
25 statute, or on any other matter regarding this section, except
26 a charter school application denial, a charter termination, or
27 a charter nonrenewal, and shall award the prevailing party
28 reasonable attorney's fees and costs incurred to be paid by
29 the losing party. The costs of the administrative hearing
30 shall be paid by the party whom the administrative law judge
31 rules against.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

15 10. The asset and liability projections required in
16 the application which are incorporated into the charter and
17 which shall be compared with information provided in the
18 annual report of the charter school. The charter shall ensure
19 that, if a charter school internal audit or annual financial
20 audit reveals a state of financial emergency as defined in s.
21 218.503 or a deficit financial position, the auditors are
22 required to notify the charter school governing board, the
23 sponsor, and the Department of Education. The internal auditor
24 shall report such findings in the form of an exit interview to
25 the principal or the principal administrator of the charter
26 school and the chair of the governing board within 7 working
27 days after finding the state of financial emergency or deficit
28 position. A final report shall be provided to the entire
29 governing board, the sponsor, and the Department of Education
30 within 14 working days after the exit interview. When a
31 charter school is in a state of financial emergency, the

1 charter school must file a detailed financial-recovery plan
2 with the sponsor. The department shall establish guidelines,
3 with involvement from school districts and charter schools,
4 for developing such plans.

5 11. A description of procedures that identify various
6 risks and provide for a comprehensive approach to reduce the
7 impact of losses; plans to ensure the safety and security of
8 students and staff; plans to identify, minimize, and protect
9 others from violent or disruptive student behavior; and the
10 manner in which the school will be insured, including whether
11 or not the school will be required to have liability
12 insurance, and, if so, the terms and conditions thereof and
13 the amounts of coverage.

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

1 the term of the charter, but only ~~for specific good cause~~
2 according to the provisions set forth in subsection (8).

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

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

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

10 16. A timetable for implementing the charter which
11 addresses the implementation of each element thereof and the
12 date by which the charter shall be awarded in order to meet
13 this timetable.

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

26 (b) A charter may be renewed every 5 school years,
27 provided that a program review demonstrates that the criteria
28 in paragraph (a) have been successfully accomplished and that
29 none of the grounds for nonrenewal established by paragraph
30 (8)(a) has been documented. In order to facilitate long-term
31 financing for charter school construction, charter schools

1 | operating for a minimum of 2 years and demonstrating exemplary
2 | academic programming and fiscal management are eligible for a
3 | 15-year charter renewal. Such long-term charter is subject to
4 | annual review and may be terminated during the term of the
5 | charter.

6 | (c) A charter may be modified during its initial term
7 | or any renewal term upon the recommendation of the sponsor or
8 | the charter school governing board and the approval of both
9 | parties to the agreement.

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

11 | (a) At the end of the term of a charter, the sponsor
12 | may choose not to renew the charter for any of the following
13 | grounds:

14 | 1. Failure to participate in the state's education
15 | accountability system created in s. 1008.31, as required in
16 | this section, or failure to meet the requirements for student
17 | performance stated in the charter.

18 | 2. Failure to meet generally accepted standards of
19 | fiscal management.

20 | 3. Violation of law.

21 | 4. A determination by the sponsor that the health,
22 | safety, or welfare of the students is threatened ~~Other good~~
23 | ~~cause shown.~~

24 | (b) During the term of a charter, the sponsor may
25 | terminate the charter for any of the grounds listed in
26 | paragraph (a).

27 | (c) Unless the sponsor and charter school mutually
28 | agree that the school will remain open during specified
29 | corrective actions, the sponsor shall not renew the charter or
30 | shall terminate the charter when the charter school receives a
31 |

1 school performance grade of "F" under s. 1008.34 for 2
2 consecutive years.

3 ~~(d)(e)~~ At least 90 days prior to renewing or
4 terminating a charter, the sponsor shall notify the governing
5 body of the school of the proposed action in writing. The
6 notice shall state in reasonable detail the grounds for the
7 proposed action and stipulate that the school's governing body
8 may, within 14 calendar days after receiving the notice,
9 request an informal hearing before the sponsor. The sponsor
10 shall conduct the informal hearing within 30 calendar days
11 after receiving a written request. The charter school's
12 governing body may, within 14 calendar days after receiving
13 the sponsor's decision to terminate or refuse to renew the
14 charter, appeal the decision pursuant to the procedure
15 established in subsection (6).

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

31

1 ~~(f)(e)~~ When a charter is not renewed or is terminated,
2 the school shall be dissolved under the provisions of law
3 under which the school was organized, and any unencumbered
4 public funds of the charter school, except for capital outlay
5 funds and federal charter school program grant funds, ~~from the~~
6 ~~charter school~~ shall revert to the sponsor ~~district school~~
7 ~~board~~. Capital outlay funds provided pursuant to s. 1013.62
8 and federal charter school program grant funds that are
9 unencumbered shall revert to the department to be
10 redistributed among eligible charter schools. In the event a
11 charter school is dissolved or is otherwise terminated, all
12 district school board property and improvements, furnishings,
13 and equipment purchased with public funds shall automatically
14 revert to full ownership by the district school board, subject
15 to complete satisfaction of any lawful liens or encumbrances.
16 Any unencumbered public funds from the charter school,
17 district school board property and improvements, furnishings,
18 and equipment purchased with public funds, or financial or
19 other records pertaining to the charter school, in the
20 possession of any person, entity, or holding company, other
21 than the charter school, shall be held in trust upon the
22 district school board's request, until any appeal status is
23 resolved.

24 ~~(g)(f)~~ If a charter is not renewed or is terminated,
25 the charter school is responsible for all debts of the charter
26 school. The district may not assume the debt from any contract
27 for services made between the governing body of the school and
28 a third party, except for a debt that is previously detailed
29 and agreed upon in writing by both the district and the
30 governing body of the school and that may not reasonably be
31 assumed to have been satisfied by the district.

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

5 (9) CHARTER SCHOOL REQUIREMENTS.--

6 (a) A charter school shall be nonsectarian in its
7 programs, admission policies, employment practices, and
8 operations.

9 (b) A charter school shall admit students as provided
10 in subsection (10).

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

13 (d) A charter school shall not charge tuition or
14 registration fees, except those fees normally charged by other
15 public schools. However, a charter lab school may charge a
16 student activity and service fee as authorized by s.
17 1002.32(5).

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

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

22 (g) A charter school shall provide for an annual
23 financial audit in accordance with s. 218.39. A financial
24 audit that is conducted by a certified public accountant or
25 auditor in accordance with s. 218.39 and that indicates a
26 state of financial emergency, as defined in s. 218.503, must
27 be provided to the governing body of the charter school within
28 7 working days after the finding that a state of financial
29 emergency exists. When a charter school is found to be in a
30 state of financial emergency by a certified public accountant
31 or auditor, the charter school must file a detailed

1 financial-recovery plan with the sponsor within 30 days after
2 receipt of the audit.

3 (h) No organization shall hold more than 15 charters
4 statewide.

5 (i) In order to provide financial information that is
6 comparable to that reported for other public schools, charter
7 schools are to maintain all financial records which constitute
8 their accounting system:

9 1. In accordance with the accounts and codes
10 prescribed in the most recent issuance of the publication
11 titled "Financial and Program Cost Accounting and Reporting
12 for Florida Schools"; or

13 2. At the discretion of the charter school governing
14 board, a charter school may elect to follow generally accepted
15 accounting standards for not-for-profit organizations, but
16 must reformat this information for reporting according to this
17 paragraph.

18
19 Charter schools shall ~~are to~~ provide annual financial report
20 and program cost report information in the state-required
21 formats for inclusion in district reporting in compliance with
22 s. 1011.60(1). Charter schools that are operated by a
23 municipality or are a component unit of a parent nonprofit
24 organization may use the accounting system of the municipality
25 or the parent but must reformat this information for reporting
26 according to this paragraph.

27 (j) The governing board of the charter school shall
28 annually adopt and maintain an operating budget.

29 (k) The governing body of the charter school shall
30 exercise continuing oversight over charter school operations.

31

1 (1) The governing body of the charter school shall
2 report its progress annually to its sponsor, which shall
3 forward the report to the Commissioner of Education at the
4 same time as other annual school accountability reports. The
5 Department of Education shall develop a uniform, on-line
6 annual accountability report that must be completed by each
7 charter school. This report must be easy to use and provide
8 for reporting demographic information, student performance
9 data, and financial accountability information. A charter
10 school may not be required to provide information and data
11 that is duplicative and already in the possession of the
12 Department of Education. The Department of Education shall
13 include in its compilation a notation if a school failed to
14 file its report by the deadline established by the department.
15 The report shall include at least the following components:
16 1. Student achievement performance data, including the
17 information required for the annual school report and the
18 education accountability system governed by ss. 1008.31 and
19 1008.345. Charter schools are subject to the same
20 accountability requirements as other public schools, including
21 reports of student achievement information that links baseline
22 student data to the school's performance projections
23 identified in the charter. The charter school shall identify
24 reasons for any difference between projected and actual
25 student performance.
26 2. Financial status of the charter school which must
27 include revenues and expenditures at a level of detail that
28 allows for analysis of the ability to meet financial
29 obligations and timely repayment of debt.
30 3. Documentation of the facilities in current use and
31 any planned facilities for use by the charter school for

1 instruction of students, administrative functions, or
2 investment purposes.

3 4. Descriptive information about the charter school's
4 personnel, including salary and benefit levels of charter
5 school employees, the proportion of instructional personnel
6 who hold professional or temporary certificates, and the
7 proportion of instructional personnel teaching in-field or
8 out-of-field.

9 (m) A charter school shall not levy taxes or issue
10 bonds secured by tax revenues.

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

14 (10) ELIGIBLE STUDENTS.--

15 (a) A charter school shall be open to any student
16 covered in an interdistrict agreement or residing in the
17 school district in which the charter school is located;
18 however, in the case of a charter lab school, the charter lab
19 school shall be open to any student eligible to attend the lab
20 school as provided in s. 1002.32 or who resides in the school
21 district in which the charter lab school is located. Any
22 eligible student shall be allowed interdistrict transfer to
23 attend a charter school when based on good cause.

24 (b) The charter school shall enroll an eligible
25 student who submits a timely application, unless the number of
26 applications exceeds the capacity of a program, class, grade
27 level, or building. In such case, all applicants shall have an
28 equal chance of being admitted through a random selection
29 process.

30
31

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

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

6 1. Students who are siblings of a student enrolled in
7 the charter school.

8 2. Students who are the children of a member of the
9 governing board of the charter school.

10 3. Students who are the children of an employee of the
11 charter school.

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

14 1. Students within specific age groups or grade
15 levels.

16 2. Students considered at risk of dropping out of
17 school or academic failure. Such students shall include
18 exceptional education students.

19 3. Students enrolling in a charter
20 school-in-the-workplace or charter school-in-a-municipality
21 established pursuant to subsection (15).

22 4. Students residing within a reasonable distance of
23 the charter school, as described in paragraph (20)(c). Such
24 students shall be subject to a random lottery and to the
25 racial/ethnic balance provisions described in subparagraph
26 (7)(a)8. or any federal provisions that require a school to
27 achieve a racial/ethnic balance reflective of the community it
28 serves or within the racial/ethnic range of other public
29 schools in the same school district.

30 5. Students who meet reasonable academic, artistic, or
31 other eligibility standards established by the charter school

1 and included in the charter school application and charter or,
2 in the case of existing charter schools, standards that are
3 consistent with the school's mission and purpose. Such
4 standards shall be in accordance with current state law and
5 practice in public schools and may not discriminate against
6 otherwise qualified individuals.

7 6. Students articulating from one charter school to
8 another pursuant to an articulation agreement between the
9 charter schools that has been approved by the sponsor.

10 (f) Students with handicapping conditions and students
11 served in English for Speakers of Other Languages programs
12 shall have an equal opportunity of being selected for
13 enrollment in a charter school.

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

17 (h) The capacity of the charter school shall be
18 determined annually by the governing board, in conjunction
19 with the sponsor, of the charter school in consideration of
20 the factors identified in this subsection.

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

26 (12) EMPLOYEES OF CHARTER SCHOOLS.--

27 (a) A charter school shall select its own employees. A
28 charter school may contract with its sponsor for the services
29 of personnel employed by the sponsor.

30 (b) Charter school employees shall have the option to
31 bargain collectively. Employees may collectively bargain as a

1 separate unit or as part of the existing district collective
2 bargaining unit as determined by the structure of the charter
3 school.

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

7 (d) The teachers at a charter school may choose to be
8 part of a professional group that subcontracts with the
9 charter school to operate the instructional program under the
10 auspices of a partnership or cooperative that they
11 collectively own. Under this arrangement, the teachers would
12 not be public employees.

13 (e) Employees of a school district may take leave to
14 accept employment in a charter school upon the approval of the
15 district school board. While employed by the charter school
16 and on leave that is approved by the district school board,
17 the employee may retain seniority accrued in that school
18 district and may continue to be covered by the benefit
19 programs of that school district, if the charter school and
20 the district school board agree to this arrangement and its
21 financing. School districts shall not require resignations of
22 teachers desiring to teach in a charter school. This paragraph
23 shall not prohibit a district school board from approving
24 alternative leave arrangements consistent with chapter 1012.

25 (f) Teachers employed by or under contract to a
26 charter school shall be certified as required by chapter 1012.
27 A charter school governing board may employ or contract with
28 skilled selected noncertified personnel to provide
29 instructional services or to assist instructional staff
30 members as education paraprofessionals in the same manner as
31 defined in chapter 1012, and as provided by State Board of

1 Education rule for charter school governing boards. A charter
2 school may not knowingly employ an individual to provide
3 instructional services or to serve as an education
4 paraprofessional if the individual's certification or
5 licensure as an educator is suspended or revoked by this or
6 any other state. A charter school may not knowingly employ an
7 individual who has resigned from a school district in lieu of
8 disciplinary action with respect to child welfare or safety,
9 or who has been dismissed for just cause by any school
10 district with respect to child welfare or safety. The
11 qualifications of teachers shall be disclosed to parents.

12 (g) A charter school shall employ or contract with
13 employees who have undergone background screening as provided
14 in s. 1012.32. Members of the governing board of the charter
15 school shall also undergo background screening in a manner
16 similar to that provided in s. 1012.32.

17 (h) For the purposes of tort liability, the governing
18 body and employees of a charter school shall be governed by s.
19 768.28.

20 (i) A charter school shall organize as, or be operated
21 by, a nonprofit organization. A charter school may be operated
22 by a municipality or other public entity as provided for by
23 law. As such, the charter school may be either a private or a
24 public employer. As a public employer, a charter school may
25 participate in the Florida Retirement System upon application
26 and approval as a "covered group" under s. 121.021(34). If a
27 charter school participates in the Florida Retirement System,
28 the charter school employees shall be compulsory members of
29 the Florida Retirement System. As either a private or a public
30 employer, a charter school may contract for services with an
31 individual or group of individuals who are organized as a

1 | partnership or a cooperative. Individuals or groups of
2 | individuals who contract their services to the charter school
3 | are not public employees.

4 | (13) CHARTER SCHOOL COOPERATIVES.--Charter schools may
5 | enter into cooperative agreements to form charter school
6 | cooperative organizations that may provide the following
7 | services: charter school planning and development, direct
8 | instructional services, and contracts with charter school
9 | governing boards to provide personnel administrative services,
10 | payroll services, human resource management, evaluation and
11 | assessment services, teacher preparation, and professional
12 | development.

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

30 | (15) CHARTER SCHOOLS-IN-THE-WORKPLACE; CHARTER
31 | SCHOOLS-IN-A-MUNICIPALITY.--

1 (a) In order to increase business partnerships in
2 education, to reduce school and classroom overcrowding
3 throughout the state, and to offset the high costs for
4 educational facilities construction, the Legislature intends
5 to encourage the formation of business partnership schools or
6 satellite learning centers and municipal-operated schools
7 through charter school status.

8 (b) A charter school-in-the-workplace may be
9 established when a business partner provides the school
10 facility to be used; enrolls students based upon a random
11 lottery that involves all of the children of employees of that
12 business or corporation who are seeking enrollment, as
13 provided for in subsection (10); and enrolls students
14 according to the racial/ethnic balance provisions described in
15 subparagraph (7)(a)8. Any portion of a facility used for a
16 public charter school shall be exempt from ad valorem taxes,
17 as provided for in s. 1013.54, for the duration of its use as
18 a public school.

19 (c) A charter school-in-a-municipality designation may
20 be granted to a municipality that possesses a charter; enrolls
21 students based upon a random lottery that involves all of the
22 children of the residents of that municipality who are seeking
23 enrollment, as provided for in subsection (10); and enrolls
24 students according to the racial/ethnic balance provisions
25 described in subparagraph (7)(a)8. When a municipality has
26 submitted charter applications for the establishment of a
27 charter school feeder pattern, consisting of elementary,
28 middle, and senior high schools, and each individual charter
29 application is approved by the district school board, such
30 schools shall then be designated as one charter school for all
31 purposes listed pursuant to this section. Any portion of the

1 land and facility used for a public charter school shall be
2 exempt from ad valorem taxes, as provided for in s. 1013.54,
3 for the duration of its use as a public school.

4 (d) As used in this subsection, the terms "business
5 partner" or "municipality" may include more than one business
6 or municipality to form a charter school-in-the-workplace or
7 charter school-in-a-municipality.

8 (16) EXEMPTION FROM STATUTES.--

9 (a) A charter school shall operate in accordance with
10 its charter and shall be exempt from all statutes in chapters
11 1000-1013. However, a charter school shall be in compliance
12 with the following statutes in chapters 1000-1013:

13 1. Those statutes specifically applying to charter
14 schools, including this section.

15 2. Those statutes pertaining to the student assessment
16 program and school grading system.

17 3. Those statutes pertaining to the provision of
18 services to students with disabilities.

19 4. Those statutes pertaining to civil rights,
20 including s. 1000.05, relating to discrimination.

21 5. Those statutes pertaining to student health,
22 safety, and welfare.

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

25 1. Section 286.011, relating to public meetings and
26 records, public inspection, and criminal and civil penalties.

27 2. Chapter 119, relating to public records.

28 (17) FUNDING.--Students enrolled in a charter school,
29 regardless of the sponsorship, shall be funded as if they are
30 in a basic program or a special program, the same as students
31 enrolled in other public schools in the school district.

1 Funding for a charter lab school shall be as provided in s.
2 1002.32.

3 (a) Each charter school shall report its student
4 enrollment to the district school board as required in s.
5 1011.62, and in accordance with the definitions in s. 1011.61.
6 The district school board shall include each charter school's
7 enrollment in the district's report of student enrollment. All
8 charter schools submitting student record information required
9 by the Department of Education shall comply with the
10 Department of Education's guidelines for electronic data
11 formats for such data, and all districts shall accept
12 electronic data that complies with the Department of
13 Education's electronic format.

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

1 equivalent students reported by the charter school during the
2 full-time equivalent student survey periods designated by the
3 Commissioner of Education.

4 (c) If the district school board is providing programs
5 or services to students funded by federal funds, any eligible
6 students enrolled in charter schools in the school district
7 shall be provided federal funds for the same level of service
8 provided students in the schools operated by the district
9 school board. Pursuant to provisions of 20 U.S.C. 8061 s.
10 10306, all charter schools shall receive all federal funding
11 for which the school is otherwise eligible, including Title I
12 funding, not later than 5 months after the charter school
13 first opens and within 5 months after any subsequent expansion
14 of enrollment.

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

1 | percent per month calculated on a daily basis on the unpaid
2 | balance from the expiration of the 30-day period until such
3 | time as the warrant is issued.

4 | (18) FACILITIES.--

5 | (a) A startup charter school shall utilize facilities
6 | ~~that which~~ comply with the Florida Building Code pursuant to
7 | chapter 553 except for the State Requirements for Educational
8 | Facilities. Charter schools are not required to comply, but
9 | may choose to comply, with the State Requirements for
10 | Educational Facilities of the Florida Building Code adopted
11 | pursuant to s. 1013.37. The local governing authority shall
12 | not adopt or impose local building requirements or
13 | restrictions that are more stringent than those found in the
14 | Florida Building Code. The agency having jurisdiction for
15 | inspection of a facility and issuance of a certificate of
16 | occupancy shall be the local municipality or, if in an
17 | unincorporated area, the county governing authority.

18 | (b) A charter school shall utilize facilities that
19 | comply with the Florida Fire Prevention Code, pursuant to s.
20 | 633.025, as adopted by the authority in whose jurisdiction the
21 | facility is located as provided in paragraph (a).

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

1 (d) Charter school facilities are exempt from
2 assessments of fees for building permits, except as provided
3 in s. 553.80, fees ~~and~~ for building and occupational licenses,
4 and ~~from assessments of~~ impact fees or service availability
5 fees.

6 (e) If a district school board facility or property is
7 available because it is surplus, marked for disposal, or
8 otherwise unused, it shall be provided for a charter school's
9 use on the same basis as it is made available to other public
10 schools in the district. A charter school receiving property
11 from the school district may not sell or dispose of such
12 property without written permission of the school district.
13 Similarly, for an existing public school converting to charter
14 status, no rental or leasing fee for the existing facility or
15 for the property normally inventoried to the conversion school
16 may be charged by the district school board to the parents and
17 teachers organizing the charter school. The charter school
18 ~~organizers~~ shall agree to reasonable maintenance provisions in
19 order to maintain the facility in a manner similar to district
20 school board standards. The Public Education Capital Outlay
21 maintenance funds or any other maintenance funds generated by
22 the facility operated as a conversion school shall remain with
23 the conversion school.

24 (f) To the extent that charter school facilities are
25 specifically created to mitigate the educational impact
26 created by the development of new residential dwelling units,
27 pursuant to subparagraph (2)(c)4., some of or all of the
28 educational impact fees required to be paid in connection with
29 the new residential dwelling units may be designated instead
30 for the construction of the charter school facilities that
31 will mitigate the student station impact. Such facilities

1 shall be built to the State Requirements for Educational
2 Facilities and shall be owned by a public or nonprofit entity.
3 The local school district retains the right to monitor and
4 inspect such facilities to ensure compliance with the State
5 Requirements for Educational Facilities. If a facility ceases
6 to be used for public educational purposes, either the
7 facility shall revert to the school district subject to any
8 debt owed on the facility, or the owner of the facility shall
9 have the option to refund all educational impact fees utilized
10 for the facility to the school district. The district and the
11 owner of the facility may contractually agree to another
12 arrangement for the facilities if the facilities cease to be
13 used for educational purposes. The owner of property planned
14 or approved for new residential dwelling units and the entity
15 levying educational impact fees shall enter into an agreement
16 that designates the educational impact fees that will be
17 allocated for the charter school student stations and that
18 ensures the timely construction of the charter school student
19 stations concurrent with the expected occupancy of the
20 residential units. The application for use of educational
21 impact fees shall include an approved charter school
22 application. To assist the school district in forecasting
23 student station needs, the entity levying the impact fees
24 shall notify the affected district of any agreements it has
25 approved for the purpose of mitigating student station impact
26 from the new residential dwelling units.

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

29 (20) SERVICES.--

30 (a) A sponsor shall provide certain administrative and
31 educational services to charter schools. These services shall

1 include contract management services; full-time equivalent and
2 data reporting services; exceptional student education
3 administration and evaluation services; such services as are
4 required to fulfill eligibility and reporting requirements to
5 ensure school lunch services under the federal lunch program,
6 consistent with the needs of the charter school and provided
7 by the school district at the request of the charter school;
8 test administration services, including payment of the costs
9 of state-required or district-required student assessments;
10 processing of teacher certificate data services; and
11 information services, including equal access to student
12 information systems that are used by public schools in the
13 district in which the charter school is located. A total
14 administrative fee for the provision of such services shall be
15 calculated based upon up to 5 percent of the available funds
16 defined in paragraph (17)(b) for all students. However, a
17 sponsor may only withhold up to a 5-percent administrative fee
18 for enrollment for up to and including 500 students. For
19 charter schools with a population of 501 or more students, the
20 difference between the total administrative fee calculation
21 and the amount of the administrative fee withheld may only be
22 used for capital outlay purposes specified in s. 1013.62(4) ~~s.~~
23 ~~1013.62(2)~~. Sponsors shall not charge charter schools any
24 additional fees or surcharges for administrative and
25 educational services in addition to the maximum 5-percent
26 administrative fee withheld pursuant to this paragraph.

27 (b) If goods and services are made available to the
28 charter school through the contract with the school district,
29 they shall be provided to the charter school at a rate no
30 greater than the district's actual cost unless mutually agreed
31 upon by the charter school and the sponsor in a contract

1 negotiated separately from the charter. When mediation has
2 failed to resolve disputes over contracted services or
3 contractual matters not included in the charter, an appeal may
4 be made for a dispute resolution hearing before the Charter
5 School Appeal Commission. To maximize the use of state funds,
6 school districts shall allow charter schools to participate in
7 the sponsor's bulk purchasing program if applicable.

8 (c) Transportation of charter school students shall be
9 provided by the charter school consistent with the
10 requirements of subpart I.E. of chapter 1006 and s. 1012.45.
11 The governing body of the charter school may provide
12 transportation through an agreement or contract with the
13 district school board, a private provider, or parents. The
14 charter school and the sponsor shall cooperate in making
15 arrangements that ensure that transportation is not a barrier
16 to equal access for all students residing within a reasonable
17 distance of the charter school as determined in its charter.

18 (21) PUBLIC INFORMATION ON CHARTER SCHOOLS.--The
19 Department of Education shall provide information to the
20 public, directly and through sponsors, both on how to form and
21 operate a charter school and on how to enroll in charter
22 schools once they are created. This information shall include
23 a standard application format, charter format, and charter
24 renewal format, which shall include the information specified
25 in subsection (7). These formats shall ~~This application format~~
26 ~~may~~ be used by charter school sponsors ~~chartering entities~~.

27 (22) CHARTER SCHOOL REVIEW PANEL AND LEGISLATIVE
28 REVIEW.--

29 (a) The Department of Education shall provide the
30 staff for and regularly convene a Charter School Review Panel
31 in order to review issues, practices, and policies regarding

1 charter schools. The composition of the review panel shall
2 include individuals with experience in finance,
3 administration, law, education, and school governance, and
4 individuals familiar with charter school construction and
5 operation. The panel shall include two appointees each from
6 the Commissioner of Education, the President of the Senate,
7 and the Speaker of the House of Representatives. The Governor
8 shall appoint three members of the panel and shall designate
9 the chair. Each member of the panel shall serve a 1-year term,
10 unless renewed by the office making the appointment. The panel
11 shall make recommendations to the Legislature, to the
12 Department of Education, to charter schools, and to school
13 districts for improving charter school operations and
14 oversight and for ensuring best business practices at and fair
15 business relationships with charter schools.

16 (b) The Legislature shall review the operation of
17 charter schools during the 2010 ~~2005~~ Regular Session of the
18 Legislature.

19 (23) ANALYSIS OF CHARTER SCHOOL PERFORMANCE.--Upon
20 receipt of the annual report required by paragraph (9)(1), the
21 Department of Education shall provide to the State Board of
22 Education, the Commissioner of Education, the Governor, the
23 President of the Senate, and the Speaker of the House of
24 Representatives an analysis and comparison of the overall
25 performance of charter school students, to include all
26 students whose scores are counted as part of the statewide
27 assessment program, versus comparable public school students
28 in the district as determined by the statewide assessment
29 program currently administered in the school district, and
30 other assessments administered pursuant to s. 1008.22(3).
31

1 (24) RULEMAKING.--The Department of Education, after
2 consultation with school districts and charter school
3 directors, shall recommend that the State Board of Education
4 adopt rules to implement specific subsections of this section.
5 Such rules shall require minimum paperwork and shall not limit
6 charter school flexibility authorized by statute.

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

9 1003.05 Assistance to transitioning students from
10 military families.--

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

26 Section 3. Section 1013.62, Florida Statutes, is
27 amended to read:

28 1013.62 Charter schools capital outlay funding.--

29 (1) In each year in which funds are appropriated for
30 charter school capital outlay purposes, the Commissioner of
31 Education shall allocate the funds among eligible charter

1 schools. To be eligible for a funding allocation, a charter
2 school must be one of the following:

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

5 (b) A charter school that is an expanded feeder
6 pattern of a charter school that received capital outlay
7 funding in 2002-2003.

8 (2) If an appropriation for charter school capital
9 outlay funds is less than the 2002-2003 appropriation, the
10 funds shall be prorated among schools eligible pursuant to
11 subsection (1).

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

16 (a)1. Have been in operation for 3 or more years;
17 2. Are ~~Be~~ an expanded feeder chain of a charter school
18 within the same school district that is currently receiving
19 charter school capital outlay funds; or

20 3. Have been accredited by the Commission on Schools
21 of the Southern Association of Colleges and Schools.

22 (b) Have financial stability for future operation as a
23 charter school.

24 (c) Have satisfactory student achievement based on
25 state accountability standards applicable to the charter
26 school.

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

29 (e) Serve students in facilities that are not provided
30 by the charter school's sponsor. First priority for allocating
31 the amount in excess of the 2002-2003 appropriation shall be

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

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

1 | in excess of the one-fifteenth cost per student station
2 | formula if the charter school's combination of state charter
3 | school capital outlay funds, capital outlay funds calculated
4 | through the reduction in the administrative fee provided in s.
5 | 1002.33(20), and capital outlay funds allowed in s.
6 | 1002.32(9)(e) and (h) exceeds the one-fifteenth cost per
7 | student station formula. Funds shall be distributed on the
8 | basis of the capital outlay full-time equivalent membership by
9 | grade level, which shall be calculated by averaging the
10 | results of the second and third enrollment surveys. The
11 | Department of Education shall distribute capital outlay funds
12 | monthly, beginning in the first quarter of the fiscal year,
13 | based on one-twelfth of the amount the department reasonably
14 | expects the charter school to receive during that fiscal year.
15 | The commissioner shall adjust subsequent distributions as
16 | necessary to reflect each charter school's actual student
17 | enrollment as reflected in the second and third enrollment
18 | surveys. The commissioner shall establish the intervals and
19 | procedures for determining the projected and actual student
20 | enrollment of eligible charter schools.

21 | ~~(4)(2)~~ A charter school's governing body may use
22 | charter school capital outlay funds for the following
23 | purposes:

- 24 | (a) Purchase of real property.
25 | (b) Construction of school facilities.
26 | (c) Purchase, lease-purchase, or lease of permanent or
27 | relocatable school facilities.
28 | (d) Purchase of vehicles to transport students to and
29 | from the charter school.
30 | (e) Renovation, repair, furnishing, equipping, and
31 | maintenance of school facilities that the charter school owns

1 or is purchasing through a lease-purchase or long-term lease
2 of 5 years or longer.

3
4 Conversion charter schools may use capital outlay funds
5 received through the reduction in the administrative fee
6 provided in s. 1002.33(20) for renovation, repair, and
7 maintenance of school facilities that are owned by the
8 sponsor.

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

27 (6)~~(4)~~ The Commissioner of Education shall specify
28 procedures for submitting and approving requests for funding
29 under this section and procedures for documenting
30 expenditures.

31

1 ~~(7)~~(5) The annual legislative budget request of the
2 Department of Education shall include a request for capital
3 outlay funding for charter schools. The request shall be based
4 on the projected number of students to be served in charter
5 schools who meet the eligibility requirements of this section.
6 A dedicated funding source, if identified in writing by the
7 Commissioner of Education and submitted along with the annual
8 charter school legislative budget request, may be considered
9 an additional source of funding.

10 ~~(8)~~(6) Unless authorized otherwise by the Legislature,
11 allocation and proration of charter school capital outlay
12 funds shall be made to eligible charter schools by the
13 Commissioner of Education in an amount and in a manner
14 authorized by subsections (2) and (3) ~~subsection (1)~~.

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

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

21 ~~1. The same schools that received funding in~~
22 ~~2002-2003.~~

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

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

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

1 ~~funds shall be prorated among the schools eligible in~~
2 ~~paragraph (a).~~

3 ~~(c) If the appropriation for charter school capital~~
4 ~~outlay funds is greater than the 2002-2003 appropriation, the~~
5 ~~amount of funds provided in the 2002-2003 appropriation shall~~
6 ~~be allocated according to paragraph (a). First priority for~~
7 ~~allocating the amount in excess of the 2002-2003 appropriation~~
8 ~~shall be to prorate the excess funds among the charter schools~~
9 ~~with long term debt or long term lease to the extent that the~~
10 ~~initial allocation is insufficient to provide one fifteenth of~~
11 ~~the cost per student station specified in s. 1013.64(6)(b),~~
12 ~~and second priority shall be to other eligible charter~~
13 ~~schools.~~

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

16 218.39 Annual financial audit reports.--

17 (5) At the conclusion of the audit, the auditor shall
18 discuss with the chair of each local governmental entity or
19 the chair's designee, or with the elected official of each
20 county agency or with the elected official's designee, or with
21 the chair of the district school board or the chair's
22 designee, or with the chair of the board of the charter school
23 or the chair's designee, or with the chair of the charter
24 technical career center or the chair's designee, as
25 appropriate, all of the auditor's comments that will be
26 included in the audit report. If the officer is not available
27 to discuss the auditor's comments, their discussion is
28 presumed when the comments are delivered in writing to his or
29 her office. The auditor shall notify each member of the
30 governing body of a local governmental entity, ~~or~~ or district
31 school board, or charter school for which deteriorating

1 financial conditions exist that may cause a condition
2 described in s. 218.503(1) to occur if actions are not taken
3 to address such conditions.

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

6 218.50 Short title.--Sections 218.50-218.504 may be
7 cited as the "Local Governmental Entity, Charter School, and
8 District School Board Financial Emergencies Act."

9 Section 6. Section 218.501, Florida Statutes, is
10 amended to read:

11 218.501 Purposes.--The purposes of ss. 218.50-218.504
12 are:

13 (1) To promote the fiscal responsibility of local
14 governmental entities, charter schools, and district school
15 boards.

16 (2) To assist local governmental entities, charter
17 schools, and district school boards in providing essential
18 services without interruption and in meeting their financial
19 obligations.

20 (3) To assist local governmental entities, charter
21 schools, and district school boards through the improvement of
22 local financial management procedures.

23 Section 7. Section 218.503, Florida Statutes, is
24 amended to read:

25 218.503 Determination of financial emergency.--

26 (1) Local governmental entities, charter schools, and
27 district school boards shall be subject to review and
28 oversight by the Governor, the charter school sponsor, or the
29 Commissioner of Education, as appropriate, when any one of the
30 following conditions occurs:

31

- 1 (a) Failure within the same fiscal year in which due
2 to pay short-term loans or failure to make bond debt service
3 or other long-term debt payments when due, as a result of a
4 lack of funds.
- 5 (b) Failure to pay uncontested claims from creditors
6 within 90 days after the claim is presented, as a result of a
7 lack of funds.
- 8 (c) Failure to transfer at the appropriate time, due
9 to lack of funds:
- 10 1. Taxes withheld on the income of employees; or
11 2. Employer and employee contributions for:
- 12 a. Federal social security; or
13 b. Any pension, retirement, or benefit plan of an
14 employee.
- 15 (d) Failure for one pay period to pay, due to lack of
16 funds:
- 17 1. Wages and salaries owed to employees; or
18 2. Retirement benefits owed to former employees.
- 19 (e) An unreserved or total fund balance or retained
20 earnings deficit, or unrestricted or total net assets deficit,
21 as reported on the balance sheet or statement of net assets on
22 the general purpose or fund financial statements, for which
23 sufficient resources of the local governmental entity, as
24 reported on the balance sheet or statement of net assets on
25 the general purpose or fund financial statements, are not
26 available to cover the deficit. Resources available to cover
27 reported deficits include net assets that are not otherwise
28 restricted by federal, state, or local laws, bond covenants,
29 contractual agreements, or other legal constraints. Fixed or
30 capital assets, the disposal of which would impair the ability
31

1 of a local governmental entity to carry out its functions, are
2 not considered resources available to cover reported deficits.

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

19 (3) Upon notification that one or more of the
20 conditions in subsection (1) exist, the Governor or his or her
21 designee shall contact the local governmental entity or the
22 Commissioner of Education or his or her designee shall contact
23 the district school board to determine what actions have been
24 taken by the local governmental entity or the district school
25 board to resolve the condition. The Governor or the
26 Commissioner of Education, as appropriate, shall determine
27 whether the local governmental entity or the district school
28 board needs state assistance to resolve the condition. If
29 state assistance is needed, the local governmental entity or
30 district school board is considered to be in a state of
31 financial emergency. The Governor or the Commissioner of

1 Education, as appropriate, has the authority to implement
2 measures as set forth in ss. 218.50-218.504 to assist the
3 local governmental entity or district school board in
4 resolving the financial emergency. Such measures may include,
5 but are not limited to:

6 (a) Requiring approval of the local governmental
7 entity's budget by the Governor or approval of the district
8 school board's budget by the Commissioner of Education.

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

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

15 (d) Making such inspections and reviews of records,
16 information, reports, and assets of the local governmental
17 entity or district school board. The appropriate local
18 officials shall cooperate in such inspections and reviews.

19 (e) Consulting with officials and auditors of the
20 local governmental entity or the district school board and the
21 appropriate state officials regarding any steps necessary to
22 bring the books of account, accounting systems, financial
23 procedures, and reports into compliance with state
24 requirements.

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

27 (g)1. Establishing a financial emergency board to
28 oversee the activities of the local governmental entity or the
29 district school board. If a financial emergency board is
30 established for a local governmental entity, the Governor
31 shall appoint board members and select a chair. If a financial

1 emergency board is established for a district school board,
2 the State Board of Education shall appoint board members and
3 select a chair. The financial emergency board shall adopt such
4 rules as are necessary for conducting board business. The
5 board may:

6 a. Make such reviews of records, reports, and assets
7 of the local governmental entity or the district school board
8 as are needed.

9 b. Consult with officials and auditors of the local
10 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 of the local governmental entity or
14 the district school board into compliance with state
15 requirements.

16 c. Review the operations, management, efficiency,
17 productivity, and financing of functions and operations of the
18 local governmental entity or the district school board.

19 2. The recommendations and reports made by the
20 financial emergency board must be submitted to the Governor
21 for local governmental entities or to the Commissioner of
22 Education and the State Board of Education for district school
23 boards for appropriate action.

24 (h) Requiring and approving a plan, to be prepared by
25 officials of the local governmental entity or the district
26 school board in consultation with the appropriate state
27 officials, prescribing actions that will cause the local
28 governmental entity or district school board to no longer be
29 subject to this section. The plan must include, but need not
30 be limited to:

31

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

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

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

8 (4) Upon notification that one or more of the
9 conditions in subsection (1) exist, the charter school sponsor
10 or the sponsor's designee shall contact the charter school
11 governing board to determine what actions have been taken by
12 the charter school governing board to resolve the condition.
13 The charter school sponsor may require and approve a
14 financial-recovery plan, to be prepared by the charter school
15 governing board, prescribing actions that will cause the
16 charter school to no longer be subject to this section. The
17 Department of Education must establish guidelines for
18 developing such plans.

19 ~~(5)(4)~~ A local governmental entity or district school
20 board may not seek application of laws under the bankruptcy
21 provisions of the United States Constitution except with the
22 prior approval of the Governor for local governmental entities
23 or the Commissioner of Education for district school boards.

24 ~~(6)(5)(a)~~ The governing authority of any municipality
25 having a resident population of 300,000 or more on or after
26 April 1, 1999, which has been declared in a state of financial
27 emergency pursuant to this section may impose a discretionary
28 per-vehicle surcharge of up to 20 percent on the gross
29 revenues of the sale, lease, or rental of space at parking
30 facilities within the municipality which are open for use to
31 the general public.

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

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

8 2. A portion of the balance of the surcharge proceeds
9 shall be used by the governing authority to increase its
10 budget reserves; however, the governing authority shall not
11 reduce the amount it allocates for budget reserves from other
12 sources below the amount allocated for reserves in the fiscal
13 year prior to the year in which the surcharge is initially
14 imposed. When a 15-percent budget reserve is achieved, based
15 on the average gross revenue for the most recent 3 prior
16 fiscal years, the remaining proceeds from this subparagraph
17 shall be used for the payment of annual debt service related
18 to outstanding obligations backed or secured by a covenant to
19 budget and appropriate from non-ad valorem revenues.

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

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

23 218.504 Cessation of state action.--The Governor or
24 the Commissioner of Education, as appropriate, has the
25 authority to terminate all state actions pursuant to ss.
26 218.50-218.504. Cessation of state action must not occur until
27 the Governor or the Commissioner of Education, as appropriate,
28 has determined that:

29 (1) The local governmental entity, charter school, or
30 district school board:

31

1 (a) Has established and is operating an effective
2 financial accounting and reporting system.

3 (b) Has resolved the conditions outlined in s.
4 218.503(1).

5 Section 9. Paragraph (a) of subsection (9) and
6 paragraph (b) of subsection (11) of section 1002.32, Florida
7 Statutes, are amended to read:

8 1002.32 Developmental research (laboratory) schools.--

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

11 (a) Each lab school shall be allocated its
12 proportional share of operating funds from the Florida
13 Education Finance Program as provided in s. 1011.62 based on
14 the county in which the lab school is located and the General
15 Appropriations Act. The nonvoted ad valorem millage that would
16 otherwise be required for lab schools shall be allocated from
17 state funds. The required local effort funds calculated
18 pursuant to s. 1011.62 shall be allocated from state funds to
19 the schools as a part of the allocation of operating funds
20 pursuant to s. 1011.62. Each eligible lab school in operation
21 as of September 1, 2002, shall also receive a proportional
22 share of the sparsity supplement as calculated pursuant to s.
23 1011.62. In addition, each lab school shall receive its
24 proportional share of all categorical funds, with the
25 exception of s. 1011.68, and new categorical funds enacted
26 after July 1, 1994, for the purpose of elementary or secondary
27 academic program enhancement. However, if a lab school elects
28 to provide student transportation for purposes of fulfilling
29 its requirement for having a representative student population
30 pursuant to s. 1002.32(4), the lab school is eligible for
31 funding pursuant to s. 1011.68. The sum of funds available as

1 provided in this paragraph shall be included annually in the
2 Florida Education Finance Program and appropriate categorical
3 programs funded in the General Appropriations Act.

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

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

13 Reference to district school boards in s. 1001.42(16) shall
14 mean the president of the university or the president's
15 designee.

16 Section 10. Subsection (2) of section 1011.71, Florida
17 Statutes, is amended to read:

18 1011.71 District school tax.--

19 (2) In addition to the maximum millage levy as
20 provided in subsection (1), each school board may levy not
21 more than 2 mills against the taxable value for school
22 purposes for district schools, including charter schools, to
23 fund:

24 (a) New construction and remodeling projects, as set
25 forth in s. 1013.64(3)(b) and (6)(b) and included in the
26 district's educational plant survey pursuant to s. 1013.31,
27 without regard to prioritization, sites and site improvement
28 or expansion to new sites, existing sites, auxiliary
29 facilities, athletic facilities, or ancillary facilities.

1 (b) Maintenance, renovation, and repair of existing
2 school plants or of leased facilities to correct deficiencies
3 pursuant to s. 1013.15(2).

4 (c) The purchase, lease-purchase, or lease of school
5 buses; drivers' education vehicles; motor vehicles used for
6 the maintenance or operation of plants and equipment; security
7 vehicles; or vehicles used in storing or distributing
8 materials and equipment.

9 (d) The purchase, lease-purchase, or lease of new and
10 replacement equipment.

11 (e) Payments for educational facilities and sites due
12 under a lease-purchase agreement entered into by a district
13 school board pursuant to s. 1003.02(1)(f) or s. 1013.15(2),
14 not exceeding, in the aggregate, an amount equal to
15 three-fourths of the proceeds from the millage levied by a
16 district school board pursuant to this subsection.

17 (f) Payment of loans approved pursuant to ss. 1011.14
18 and 1011.15.

19 (g) Payment of costs directly related to complying
20 with state and federal environmental statutes, rules, and
21 regulations governing school facilities.

22 (h) Payment of costs of leasing relocatable
23 educational facilities, of renting or leasing educational
24 facilities and sites pursuant to s. 1013.15(2), or of renting
25 or leasing buildings or space within existing buildings
26 pursuant to s. 1013.15(4).

27 (i) Payment of the cost of school buses when a school
28 district contracts with a private entity to provide student
29 transportation services if the district meets the requirements
30 of this paragraph.

31

1 1. The district's contract must require that the
2 private entity purchase, lease-purchase, or lease, and operate
3 and maintain, one or more school buses of a specific type and
4 size that meet the requirements of s. 1006.25.

5 2. Each such school bus must be used for the daily
6 transportation of public school students in the manner
7 required by the school district.

8 3. Annual payment for each such school bus may not
9 exceed 10 percent of the purchase price of the state pool bid.

10 4. The proposed expenditure of the funds for this
11 purpose must have been included in the district school board's
12 notice of proposed tax for school capital outlay as provided
13 in s. 200.065(9).

14
15 Violations of these expenditure provisions shall result in an
16 equal dollar reduction in the Florida Education Finance
17 Program (FEFP) funds for the violating district in the fiscal
18 year following the audit citation.

19 Section 11. This act shall take effect upon becoming a
20 law.

21
22 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
23 COMMITTEE SUBSTITUTE FOR
24 Senate Bill 2424

25 The committee substitute allows the two mills levy to
26 specifically be used for districts schools, including charter
27 schools. This levy may be used to fund the purposes specified
28 in s. 1011.71(2)(a) through (i), F.S., including, but not
29 limited to, new construction and remodeling projects.
30
31