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#### CHAMBER ACTION

1 The Education Appropriations Committee recommends the following: 2 3 Council/Committee Substitute Remove the entire bill and insert: 4 5 6 A bill to be entitled 7 An act relating to charter schools; amending s. 1002.33, F.S.; revising charter school purposes; modifying 8 9 provisions relating to duties of sponsors, the application 10 process, denial of an application, and review of appeals; requiring the Department of Education to provide technical 11 assistance to charter school applicants; providing 12 requirements relating to charter contracts; providing 13 14 procedures when a state of financial emergency exists; revising provisions relating to charter terms and renewal; 15 revising nonrenewal and termination provisions, including 16 17 procedures for immediate termination; revising provisions relating to the reversion of funds; revising duties of a 18 19 charter school governing body relating to audits; requiring the department to develop a uniform 20 21 accountability report; providing procedures with respect to charter schools with deficiencies; requiring a school 22 23 improvement plan to raise student achievement; providing Page 1 of 59

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24 for probation and corrective actions; revising provisions 25 relating to payment and reimbursement to a charter school 26 by a school district and authorizing the withholding of 27 lottery funds under certain circumstances; authorizing the State Board of Education to impose a fine on or withhold 28 29 lottery funds from a school district for certain 30 violations; requiring conversion charter schools to comply with certain facility requirements under specific 31 situations; authorizing certain zoning and land use 32 designations for certain charter school facilities; 33 revising exemption from assessment of fees; authorizing 34 35 the department to recommend that school districts make certain space available to charter schools; providing for 36 37 additional services to charter schools and revising 38 administrative fee requirements; requiring the department to develop a standard format for applications, charters, 39 and charter renewals; requiring legislative review of 40 charter schools in 2010; amending s. 218.39, F.S.; 41 42 requiring the governing body of a charter school to be notified of certain deteriorating financial conditions; 43 amending s. 218.50, F.S.; modifying a short title; 44 45 amending s. 218.501, F.S.; including charter schools in the statement of purpose relating to financial management; 46 amending s. 218.503, F.S.; providing for charter schools 47 to be subject to provisions governing financial 48 49 emergencies; providing procedures; amending s. 218.504, F.S.; providing for cessation of state action related to a 50 51 state of financial emergency; amending s. 11.45, F.S.; Page 2 of 59

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52	conforming provisions; amending s. 1003.05, F.S.;
53	modifying the list of special academic programs for
54	transitioning students from military families; amending s.
55	1012.74, F.S.; providing that educator professional
56	liability insurance shall cover charter school personnel;
57	providing effective dates.
58	
59	Be It Enacted by the Legislature of the State of Florida:
60	
61	Section 1. Section 1002.33, Florida Statutes, is amended
62	to read:
63	1002.33 Charter schools
64	(1) AUTHORIZATIONCharter schools shall be part of the
65	state's program of public education. All charter schools in
66	Florida are public schools. A charter school may be formed by
67	creating a new school or converting an existing public school to
68	charter status. A public school may not use the term charter in
69	its name unless it has been approved under this section.
70	(2) GUIDING PRINCIPLES; PURPOSE
71	(a) Charter schools in Florida shall be guided by the
72	following principles:
73	1. Meet high standards of student achievement while
74	providing parents flexibility to choose among diverse
75	educational opportunities within the state's public school
76	system.
77	2. Promote enhanced academic success and financial
78	efficiency by aligning responsibility with accountability.
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CS 79 Provide parents with sufficient information on whether 3. their child is reading at grade level and whether the child 80 gains at least a year's worth of learning for every year spent 81 82 in the charter school. (b) Charter schools shall fulfill the following purposes: 83 84 1. Improve student learning and academic achievement. Increase learning opportunities for all students, with 85 2. special emphasis on low-performing students and reading. 86 87 3. Create new professional opportunities for teachers, including ownership of the learning program at the school site. 88 89 3.4. Encourage the use of innovative learning methods. 4.5. Require the measurement of learning outcomes. 90 (C) Charter schools may fulfill the following purposes: 91 Create innovative measurement tools. 92 1. Provide rigorous competition within the public school 93 2. district to stimulate continual improvement in all public 94 schools. 95 96 3. Expand the capacity of the public school system. 97 4. Mitigate the educational impact created by the development of new residential dwelling units. 98 5. Create new professional opportunities for teachers, 99 100 including ownership of the learning program at the school site. APPLICATION FOR CHARTER STATUS. --101 (3) 102 An application for a new charter school may be made by (a) 103 an individual, teachers, parents, a group of individuals, a municipality, or a legal entity organized under the laws of this 104 105 state.

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106 An application for a conversion charter school shall (b) 107 be made by the district school board, the principal, teachers, parents, and/or the school advisory council at an existing 108 109 public school that has been in operation for at least 2 years 110 prior to the application to convert., including A public school-111 within-a-school that is designated as a school by the district school board may also submit an application to convert to 112 113 charter status. An application submitted proposing to convert an 114 existing public school to a charter school shall demonstrate the support of at least 50 percent of the teachers employed at the 115 116 school and 50 percent of the parents voting whose children are enrolled at the school, provided that a majority of the parents 117 118 eligible to vote participate in the ballot process, according to 119 rules adopted by the State Board of Education. A district school board denying an application for a conversion charter school 120 shall provide notice of denial to the applicants in writing 121 122 within 10 30 days after the meeting at which the district school 123 board denied the application. The notice must articulate in writing specify the specific exact reasons for denial and must 124 provide documentation supporting those reasons. A private 125 school, parochial school, or home education program shall not be 126 eligible for charter school status. 127

128

(4) UNLAWFUL REPRISAL.--

(a) No district school board, or district school board
employee who has control over personnel actions, shall take
unlawful reprisal against another district school board employee
because that employee is either directly or indirectly involved
with an application to establish a charter school. As used in Page 5 of 59

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this subsection, the term "unlawful reprisal" means an action 134 taken by a district school board or a school system employee 135 against an employee who is directly or indirectly involved in a 136 137 lawful application to establish a charter school, which occurs 138 as a direct result of that involvement, and which results in one 139 or more of the following: disciplinary or corrective action; adverse transfer or reassignment, whether temporary or 140 permanent; suspension, demotion, or dismissal; an unfavorable 141 142 performance evaluation; a reduction in pay, benefits, or rewards; elimination of the employee's position absent of a 143 144 reduction in workforce as a result of lack of moneys or work; or other adverse significant changes in duties or responsibilities 145 146 that are inconsistent with the employee's salary or employment 147 classification. The following procedures shall apply to an 148 alleged unlawful reprisal that occurs as a consequence of an employee's direct or indirect involvement with an application to 149 establish a charter school: 150

151 1. Within 60 days after the date upon which a reprisal 152 prohibited by this subsection is alleged to have occurred, an 153 employee may file a complaint with the Department of Education.

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

160 3. If the Department of Education determines that the
 161 complaint demonstrates reasonable cause to suspect that an
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2 unlawful reprisal has occurred, the Department of Education
3 shall conduct an investigation to produce a fact-finding report.

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

If the Department of Education determines that 171 5. 172 reasonable grounds exist to believe that an unlawful reprisal has occurred, is occurring, or is to be taken, and is unable to 173 174 conciliate a complaint within 60 days after receipt of the fact-175 finding report, the Department of Education shall terminate the investigation. Upon termination of any investigation, the 176 177 Department of Education shall notify the complainant and the district school superintendent of the termination of the 178 179 investigation, providing a summary of relevant facts found 180 during the investigation and the reasons for terminating the investigation. A written statement under this paragraph is 181 presumed admissible as evidence in any judicial or 182 183 administrative proceeding.

6. The Department of Education shall either contract with the Division of Administrative Hearings under s. 120.65, or otherwise provide for a complaint for which the Department of Education determines reasonable grounds exist to believe that an unlawful reprisal has occurred, is occurring, or is to be taken, and is unable to conciliate, to be heard by a panel of impartial Page 7 of 59

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190 persons. Upon hearing the complaint, the panel shall make 191 findings of fact and conclusions of law for a final decision by 192 the Department of Education.

194 It shall be an affirmative defense to any action brought 195 pursuant to this section that the adverse action was predicated 196 upon grounds other than, and would have been taken absent, the 197 employee's exercise of rights protected by this section.

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

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

206 2. Reinstatement of the employee's full fringe benefits207 and seniority rights, as appropriate.

2083. Compensation, if appropriate, for lost wages, benefits,209or other lost remuneration caused by the unlawful reprisal.

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

5. Issuance of an injunction, if appropriate, by a courtof competent jurisdiction.

215 6. Temporary reinstatement to the employee's former
216 position or to an equivalent position, pending the final outcome
217 of the complaint, if it is determined that the action was not
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218 made in bad faith or for a wrongful purpose, and did not occur 219 after a district school board's initiation of a personnel action 220 against the employee that includes documentation of the 221 employee's violation of a disciplinary standard or performance 222 deficiency.

223

(5) SPONSOR; DUTIES.--

224

(a) Sponsoring entities.--

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

228 2. A state university may grant a charter to a lab school 229 created under s. 1002.32 and shall be considered to be the 230 school's sponsor. Such school shall be considered a charter lab 231 school.

232

(b) Sponsor duties.--

2331. The sponsor shall monitor and review the charter school234in its progress toward the goals established in the charter.

235 2. The sponsor shall monitor the revenues and expenditures236 of the charter school.

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

4. The sponsor's policies shall not apply to a charter
school <u>unless mutually agreed to by both the sponsor and the</u>
<u>charter school</u>.

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

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

252 <u>7. The sponsor shall not impose additional reporting</u>
 253 requirements on a charter school without providing reasonable
 254 and specific justification in writing to the charter school.

256 A community college may work with the school district or school 257 districts in its designated service area to develop charter schools that offer secondary education. These charter schools 258 259 must include an option for students to receive an associate 260 degree upon high school graduation. District school boards shall cooperate with and assist the community college on the charter 261 application. Community college applications for charter schools 262 are not subject to the time deadlines outlined in subsection (6) 263 and may be approved by the district school board at any time 264 265 during the year. Community colleges shall not report FTE for any students who receive FTE funding through the Florida Education 266 267 Finance Program.

(6) APPLICATION PROCESS AND REVIEW.--<u>Charter school</u>
 Beginning September 1, 2003, applications are subject to the
 following requirements:

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(a) A person or entity wishing to open a charter schoolshall prepare an application that:

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

276 2. Provides a detailed curriculum plan that illustrates
277 how students will be provided services to attain the Sunshine
278 State Standards.

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

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

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

 (b) A district school board shall receive and review all
 applications for a charter school. <u>Beginning with the 2007-2008</u> Page 11 of 59

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school year, a district school board shall receive and consider 299 300 charter school applications received on or before August September 1 of each calendar year for charter schools to be 301 302 opened at the beginning of the school district's next school 303 year, or to be opened at a time agreed to by the applicant and the district school board. A district school board may receive 304 305 applications later than this date if it chooses. A sponsor may 306 not charge an applicant for a charter any fee for the processing 307 or consideration of an application, and a sponsor may not base 308 its consideration or approval of an application upon the promise 309 of future payment of any kind.

In order to facilitate an accurate budget projection 310 1. 311 process, a district school board shall be held harmless for FTE 312 students who are not included in the FTE projection due to approval of charter school applications after the FTE projection 313 314 deadline. In a further effort to facilitate an accurate budget projection, within 15 calendar days after receipt of a charter 315 school application, a district school board or other sponsor 316 317 shall report to the Department of Education the name of the applicant entity, the proposed charter school location, and its 318 projected FTE. 319

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

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327 A district school board shall by a majority vote 3. approve or deny an application no later than 60 calendar days 328 after the application is received, unless the district school 329 330 board and the applicant mutually agree in writing to temporarily 331 postpone the vote to a specific date, at which time the district 332 school board shall by a majority vote approve or deny the application. If the district school board fails to act on the 333 application, an applicant may appeal to the State Board of 334 335 Education as provided in paragraph (c). If an application is denied, the district school board shall, within 10 calendar 336 337 days, articulate in writing the specific reasons for based upon 338 good cause supporting its denial of the charter application and 339 shall provide the letter of denial and supporting documentation to the applicant and to the Department of Education supporting 340 341 those reasons.

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

5. Upon approval of a charter application, the initial startup shall commence with the beginning of the public school calendar for the district in which the charter is granted unless the <u>sponsor</u> <del>district school board</del> allows a waiver of this provision for good cause.

353 (c) An applicant may appeal any denial of that applicant's
 354 application or failure to act on an application to the State
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Board of Education no later than 30 calendar days after receipt 355 of the district school board's decision or failure to act and 356 shall notify the district school board of its appeal. Any 357 response of the district school board shall be submitted to the 358 359 State Board of Education within 30 calendar days after 360 notification of the appeal. Upon receipt of notification from 361 the State Board of Education that a charter school applicant is 362 filing an appeal, the Commissioner of Education shall convene a 363 meeting of the Charter School Appeal Commission to study and 364 make recommendations to the State Board of Education regarding 365 its pending decision about the appeal. The commission shall 366 forward its recommendation to the state board no later than 7 367 calendar days prior to the date on which the appeal is to be 368 heard. The State Board of Education shall by majority vote accept or reject the decision of the district school board no 369 370 later than 90 calendar days after an appeal is filed in accordance with State Board of Education rule. The Charter 371 372 School Appeal Commission may reject an appeal submission for 373 failure to comply with procedural rules governing the appeals process. The rejection shall describe the submission errors. The 374 appellant may have up to 15 calendar days from notice of 375 376 rejection to resubmit an appeal that meets requirements of State 377 Board of Education rule. An application for appeal submitted 378 subsequent to such rejection shall be considered timely if the 379 original appeal was filed within 30 calendar days after receipt of notice of the specific reasons for the district school 380 381 board's denial of the charter application. The State Board of Education shall remand the application to the district school 382 Page 14 of 59

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383 board with its written decision that the district school board 384 approve or deny the application. The district school board shall 385 implement the decision of the State Board of Education. The 386 decision of the State Board of Education is not subject to the 387 provisions of the Administrative Procedure Act, chapter 120.

(d) The district school board shall act upon the decision of the State Board of Education within 30 calendar days after it is received. The State Board of Education's decision is a final action subject to judicial review <u>in the district court of</u> <u>appeal</u>.

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

The Charter School Appeal Commission may receive copies 400 2. 401 of the appeal documents forwarded to the State Board of Education, review the documents, gather other applicable 402 403 information regarding the appeal, and make a written 404 recommendation to the commissioner. The recommendation must 405 state whether the appeal should be upheld or denied and include 406 the reasons for the recommendation being offered. The 407 commissioner shall forward the recommendation to the State Board 408 of Education no later than 7 calendar days prior to the date on which the appeal is to be heard. The state board must consider 409 410 the commission's recommendation in making its decision, but is Page 15 of 59

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not bound by the recommendation. The decision of the Charter
School Appeal Commission is not subject to the provisions of the
Administrative Procedure Act, chapter 120.

414 The commissioner shall appoint the members of the 3. Charter School Appeal Commission. Members shall serve without 415 416 compensation but may be reimbursed for travel and per diem expenses in conjunction with their service. One-half of the 417 members must represent currently operating charter schools, and 418 419 one-half of the members must represent school districts. The 420 commissioner or a named designee shall chair the Charter School 421 Appeal Commission.

422 4. The chair shall convene meetings of the commission and 423 shall ensure that the written recommendations are completed and 424 forwarded in a timely manner. In cases where the commission 425 cannot reach a decision, the chair shall make the written 426 recommendation with justification, noting that the decision was 427 rendered by the chair.

428 Commission members shall thoroughly review the 5. 429 materials presented to them from the appellant and the sponsor. The commission may request information to clarify the 430 documentation presented to it. In the course of its review, the 431 432 commission may facilitate the postponement of an appeal in those 433 cases where additional time and communication may negate the need for a formal appeal and both parties agree, in writing, to 434 postpone the appeal to the State Board of Education. A new date 435 436 certain for the appeal shall then be set based upon the rules and procedures of the State Board of Education. Commission 437 438 members shall provide a written recommendation to the state Page 16 of 59

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board as to whether the appeal should be upheld or denied. A
fact-based justification for the recommendation must be
included. The chair must ensure that the written recommendation
is submitted to the State Board of Education members no later
than 7 calendar days prior to the date on which the appeal is to
be heard. Both parties in the case shall also be provided a copy
of the recommendation.

(f) The Department of Education shall offer or arrange for 446 447 training and technical assistance to charter school applicants 448 in developing business plans and estimating costs and income. 449 This assistance shall address estimating startup costs, projecting enrollment, and identifying the types and amounts of 450 451 state and federal financial assistance the charter school will be eligible to receive. The department of Education may provide 452 453 other technical assistance to an applicant upon written request.

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

459 The terms and conditions for the operation of a (h) 460 charter school shall be set forth by the sponsor and the 461 applicant in a written contractual agreement, called a charter. The sponsor shall not impose unreasonable rules or regulations 462 463 that violate the intent of giving charter schools greater 464 flexibility to meet educational goals. The applicant and sponsor shall have 60 days to provide an initial proposed charter 465 466 contract to the charter school and 75 days thereafter to

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negotiate the contract and 6 months in which to mutually agree 467 468 to the provisions of the final charter contract. The proposed charter shall be provided to the charter school at least 7 469 470 calendar days prior to the date on which the charter is 471 scheduled to be heard by the sponsor. The Department of 472 Education shall provide mediation services for any dispute regarding this section subsequent to the approval of a charter 473 474 application and for any dispute relating to the approved 475 charter, except disputes regarding charter school application denials. If the Commissioner of Education determines that the 476 477 dispute cannot be settled through mediation, the dispute may be 478 appealed to an administrative law judge appointed by the 479 Division of Administrative Hearings. The administrative law 480 judge may rule on issues of equitable treatment of the charter school as a public school, whether proposed provisions of the 481 charter violate the intended flexibility granted charter schools 482 483 by statute, or on any other matter regarding this section except a charter school application denial, a charter termination, or a 484 485 charter nonrenewal and shall award the prevailing party reasonable attorney's fees and costs incurred to be paid by the 486 losing party. The costs of the administrative hearing shall be 487 488 paid by the party whom the administrative law judge rules 489 against. 490 CHARTER. -- The major issues involving the operation of (7)

491 a charter school shall be considered in advance and written into 492 the charter. The charter shall be signed by the governing body 493 of the charter school and the sponsor, following a public 494 hearing to ensure community input.

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(a) The charter shall address, and criteria for approvalof the charter shall be based on:

497 1. The school's mission, the students to be served, and498 the ages and grades to be included.

499 2. The focus of the curriculum, the instructional methods 500 to be used, any distinctive instructional techniques to be 501 employed, and identification and acquisition of appropriate 502 technologies needed to improve educational and administrative 503 performance which include a means for promoting safe, ethical, and appropriate uses of technology which comply with legal and 504 505 professional standards. The charter shall ensure that reading is a primary focus of the curriculum and that resources are 506 507 provided to identify and provide specialized instruction for 508 students who are reading below grade level. The curriculum and instructional strategies for reading must be consistent with the 509 510 Sunshine State Standards and grounded in scientifically based reading research. 511

512 3. The current incoming baseline standard of student 513 academic achievement, the outcomes to be achieved, and the 514 method of measurement that will be used. The criteria listed in 515 this subparagraph shall include a detailed description for each 516 of the following:

517a. How the baseline student academic achievement levels518and prior rates of academic progress will be established.

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

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522 c. To the extent possible, how these rates of progress 523 will be evaluated and compared with rates of progress of other 524 closely comparable student populations.

526 The district school board is required to provide academic 527 student performance data to charter schools for each of their 528 students coming from the district school system, as well as 529 rates of academic progress of comparable student populations in 530 the district school system.

The methods used to identify the educational strengths 531 4. 532 and needs of students and how well educational goals and 533 performance standards are met by students attending the charter 534 school. Included in the methods is a means for the charter 535 school to ensure accountability to its constituents by analyzing student performance data and by evaluating the effectiveness and 536 537 efficiency of its major educational programs. Students in charter schools shall, at a minimum, participate in the 538 539 statewide assessment program created under s. 1008.22.

540 5. In secondary charter schools, a method for determining 541 that a student has satisfied the requirements for graduation in 542 s. 1003.43.

543 6. A method for resolving conflicts between the governing 544 body of the charter school and the sponsor.

545 7. The admissions procedures and dismissal procedures, 546 including the school's code of student conduct.

547 8. The ways by which the school will achieve a 548 racial/ethnic balance reflective of the community it serves or

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549 within the racial/ethnic range of other public schools in the 550 same school district.

551 The financial and administrative management of the 9. 552 school, including a reasonable demonstration of the professional 553 experience or competence of those individuals or organizations 554 applying to operate the charter school or those hired or 555 retained to perform such professional services and the 556 description of clearly delineated responsibilities and the 557 policies and practices needed to effectively manage the charter school. A description of internal audit procedures and 558 establishment of controls to ensure that financial resources are 559 560 properly managed must be included. Both public sector and 561 private sector professional experience shall be equally valid in 562 such a consideration.

The asset and liability projections required in the 563 10. application which are incorporated into the charter and which 564 shall be compared with information provided in the annual report 565 566 of the charter school. The charter shall ensure that, if a charter school internal audit or annual financial audit reveals 567 568 a state of financial emergency as defined in s. 218.503 or deficit financial position, the auditors are required to notify 569 570 the charter school governing board, the sponsor, and the 571 Department of Education. The internal auditor shall report such 572 findings in the form of an exit interview to the principal or 573 the principal administrator of the charter school and the chair of the governing board within 7 working days after finding the 574 575 state of financial emergency or deficit position. A final report 576 shall be provided to the entire governing board, the sponsor, Page 21 of 59

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and the Department of Education within 14 working days after the exit interview. When a charter school is in a state of financial emergency, the charter school shall file a detailed financial recovery plan with the sponsor. The department, with the involvement of both sponsors and charter schools, shall establish guidelines for developing such plans.

583 A description of procedures that identify various 11. 584 risks and provide for a comprehensive approach to reduce the 585 impact of losses; plans to ensure the safety and security of students and staff; plans to identify, minimize, and protect 586 587 others from violent or disruptive student behavior; and the manner in which the school will be insured, including whether or 588 589 not the school will be required to have liability insurance, 590 and, if so, the terms and conditions thereof and the amounts of 591 coverage.

The term of the charter which shall provide for 592 12. cancellation of the charter if insufficient progress has been 593 594 made in attaining the student achievement objectives of the 595 charter and if it is not likely that such objectives can be 596 achieved before expiration of the charter. The initial term of a charter shall be for  $\frac{2}{7}$  47 or 5 years. In order to facilitate 597 598 access to long-term financial resources for charter school 599 construction, charter schools that are operated by a 600 municipality or other public entity as provided by law are 601 eligible for up to a 15-year charter, subject to approval by the 602 district school board. A charter lab school is eligible for a 603 charter for a term of up to 15 years. In addition, to facilitate 604 access to long-term financial resources for charter school Page 22 of 59

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605 construction, charter schools that are operated by a private, 606 not-for-profit, s. 501(c)(3) status corporation are eligible for 607 up to a <u>15-year</u> <del>10-year</del> charter, subject to approval by the 608 district school board. Such long-term charters remain subject to 609 annual review and may be terminated during the term of the 610 charter, but only <del>for specific good cause</del> according to the 611 provisions set forth in subsection (8).

612

13. The facilities to be used and their location.

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

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

619 16. A timetable for implementing the charter which
620 addresses the implementation of each element thereof and the
621 date by which the charter shall be awarded in order to meet this
622 timetable.

In the case of an existing public school being 623 17. converted to charter status, alternative arrangements for 624 current students who choose not to attend the charter school and 625 626 for current teachers who choose not to teach in the charter school after conversion in accordance with the existing 627 628 collective bargaining agreement or district school board rule in 629 the absence of a collective bargaining agreement. However, alternative arrangements shall not be required for current 630 631 teachers who choose not to teach in a charter lab school, except

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as authorized by the employment policies of the state universitywhich grants the charter to the lab school.

(b)1. A charter may be renewed every 5 school years, 634 635 provided that a program review demonstrates that the criteria in 636 paragraph (a) have been successfully accomplished and that none 637 of the grounds for nonrenewal established by paragraph (8)(a) has been documented. In order to facilitate long-term financing 638 for charter school construction, charter schools operating for a 639 640 minimum of 2 years and demonstrating exemplary academic 641 programming and fiscal management are eligible for a 15-year 642 charter renewal. Such long-term charter is subject to annual review and may be terminated during the term of the charter. 643

644 The 15-year charter renewal that may be granted 2. pursuant to subparagraph 1. shall be granted to a charter school 645 that has received a school grade of "A" or "B" pursuant to s. 646 647 1008.34 in 3 of the past 4 years and is not in a state of 648 financial emergency or deficit position as defined by this 649 section. Such long-term charter is subject to annual review and 650 may be terminated during the term of the charter pursuant to 651 subsection (8).

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

656

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

(a) At the end of the term of a charter, The sponsor may
choose not to renew <u>or may terminate</u> the charter for any of the
following grounds:

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

664 2. Failure to meet generally accepted standards of fiscal665 management.

666

3. Violation of law.

667 4. Determination by the sponsor that the health, safety,
668 or welfare of the students is threatened Other good cause shown.

669 <u>5. Material breach or repeated violations of the terms of</u>670 the charter.

671 (b) During the term of a charter, the sponsor may
 672 terminate the charter for any of the grounds listed in paragraph
 673 (a).

(b) (c) At least 90 days prior to renewing or terminating a 674 charter, the sponsor shall notify the governing body of the 675 school of the proposed action in writing. The notice shall state 676 677 in reasonable detail the grounds for the proposed action and stipulate that the school's governing body may, within 14 678 calendar days after receiving the notice, request an informal 679 hearing before the sponsor. The sponsor shall conduct the 680 681 informal hearing within 30 calendar days after receiving a 682 written request. The charter school's governing body may, within 683 14 calendar days after receiving the sponsor's decision to 684 terminate or refuse to renew the charter, appeal the decision 685 pursuant to the procedure established in subsection (6). 686 If a charter is not renewed or is terminated pursuant (C) 687 to paragraph (b), the sponsor shall, within 10 calendar days,

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688 articulate in writing the specific reasons for its nonrenewal or termination of the charter and must provide the letter of 689 nonrenewal or termination and documentation supporting the 690 691 reasons to the charter school governing body, the charter school 692 principal, and the Department of Education. The charter school's 693 governing body may, within 30 calendar days after receiving the 694 sponsor's final written decision to refuse to renew or to 695 terminate the charter, appeal the decision pursuant to the 696 procedure established in subsection (6).

697 A charter may be terminated immediately if the sponsor (d) 698 determines that good cause has been shown or if the health, 699 safety, or welfare of the students is threatened. The sponsor 700 shall notify in writing the charter school's governing body, the charter school principal, and the department if a charter is 701 702 immediately terminated. The sponsor shall clearly identify the 703 specific issues that resulted in the immediate termination and 704 provide evidence of prior notification of issues resulting in 705 the immediate termination when appropriate. The school district 706 in which the charter school is located shall assume operation of 707 the school under these circumstances. The charter school's governing board may, within 30 14 days after receiving the 708 709 sponsor's decision to terminate the charter, appeal the decision 710 pursuant to the procedure established in subsection (6).

(e) When a charter is not renewed or is terminated, the school shall be dissolved under the provisions of law under which the school was organized, and any unencumbered public funds, except for capital outlay funds <u>and federal charter</u> <u>school program grant funds</u>, from the charter school shall revert Page 26 of 59

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to the sponsor district school board. Capital outlay funds 716 717 provided pursuant to s. 1013.62 and federal charter school program grant funds that are unencumbered shall revert to the 718 719 department to be redistributed among eligible charter schools. 720 In the event a charter school is dissolved or is otherwise terminated, all district school board property and improvements, 721 722 furnishings, and equipment purchased with public funds shall 723 automatically revert to full ownership by the district school 724 board, subject to complete satisfaction of any lawful liens or encumbrances. Any unencumbered public funds from the charter 725 726 school, district school board property and improvements, 727 furnishings, and equipment purchased with public funds, or 728 financial or other records pertaining to the charter school, in 729 the possession of any person, entity, or holding company, other 730 than the charter school, shall be held in trust upon the 731 district school board's request, until any appeal status is resolved. 732

733 (f) If a charter is not renewed or is terminated, the 734 charter school is responsible for all debts of the charter 735 school. The district may not assume the debt from any contract for services made between the governing body of the school and a 736 737 third party, except for a debt that is previously detailed and agreed upon in writing by both the district and the governing 738 739 body of the school and that may not reasonably be assumed to 740 have been satisfied by the district.

(g) If a charter is not renewed or is terminated, astudent who attended the school may apply to, and shall be

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743 enrolled in, another public school. Normal application deadlines744 shall be disregarded under such circumstances.

745

(9) CHARTER SCHOOL REQUIREMENTS.--

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

(b) A charter school shall admit students as provided insubsection (10).

(c) A charter school shall be accountable to its sponsorfor performance as provided in subsection (7).

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

757 (e) A charter school shall meet all applicable state and758 local health, safety, and civil rights requirements.

(f) A charter school shall not violate theantidiscrimination provisions of s. 1000.05.

761 (q) A charter school shall provide for an annual financial 762 audit in accordance with s. 218.39. Financial audits that reveal a state of financial emergency as defined in s. 218.503 and are 763 764 conducted by a certified public accountant or auditor in accordance with s. 218.39 shall be provided to the governing 765 766 body of the charter school within 7 working days after finding 767 that a state of financial emergency exists. When a charter school is found to be in a state of financial emergency by a 768 769 certified public accountant or auditor, the charter school must

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# file a detailed financial recovery plan with the sponsor within 30 days after receipt of the audit.

(h) No organization shall hold more than 15 chartersstatewide.

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

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

782 2. At the discretion of the charter school governing 783 board, a charter school may elect to follow generally accepted 784 accounting standards for not-for-profit organizations, but must 785 reformat this information for reporting according to this 786 paragraph.

787

788 Charter schools shall are to provide annual financial report and 789 program cost report information in the state-required formats for inclusion in district reporting in compliance with s. 790 791 1011.60(1). Charter schools that are operated by a municipality or are a component unit of a parent nonprofit organization may 792 793 use the accounting system of the municipality or the parent but 794 must reformat this information for reporting according to this 795 paragraph.

 (j) The governing board of the charter school shall
 annually adopt and maintain an operating budget. Page 29 of 59

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798 The governing body of the charter school shall (k) exercise continuing oversight over charter school operations. 799 The governing body of the charter school shall be 800 (1) 801 responsible for: 802 1. Ensuring that the charter school has retained the services of a certified public accountant or auditor for the 803 annual financial audit, pursuant to paragraph (g), who shall 804 805 submit the report to the governing body. 2. Reviewing and approving the audit report, including 806 audit findings and recommendations for the financial recovery 807 808 plan. 809 3. Monitoring a financial recovery plan in order to ensure 810 compliance. 811 (m) (1) The governing body of the charter school shall report its progress annually to its sponsor, which shall forward 812 the report to the Commissioner of Education at the same time as 813 other annual school accountability reports. The Department of 814 815 Education shall develop a uniform, on-line annual accountability report to be completed by charter schools. This report shall be 816 817 easy to utilize and contain demographic information, student performance data, and financial accountability information. A 818 819 charter school shall not be required to provide information and data that is duplicative and already in the possession of the 820 821 department. The Department of Education shall include in its 822 compilation a notation if a school failed to file its report by 823 the deadline established by the department. The report shall 824 include at least the following components:

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825 Student achievement performance data, including the 1. information required for the annual school report and the 826 education accountability system governed by ss. 1008.31 and 827 828 1008.345. Charter schools are subject to the same accountability 829 requirements as other public schools, including reports of student achievement information that links baseline student data 830 to the school's performance projections identified in the 831 charter. The charter school shall identify reasons for any 832 833 difference between projected and actual student performance.

834 2. Financial status of the charter school which must
835 include revenues and expenditures at a level of detail that
836 allows for analysis of the ability to meet financial obligations
837 and timely repayment of debt.

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

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

846 (n) (m) A charter school shall not levy taxes or issue
 847 bonds secured by tax revenues.

848 (o) (n) A charter school shall provide instruction for at
849 least the number of days required by law for other public
850 schools, and may provide instruction for additional days.

851 (p) The director and a representative of the governing 852 body of a charter school that has received a school grade of "D" Page 31 of 59

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853 under s. 1008.34(2) shall appear before the sponsor or the 854 sponsor's staff at least once a year to present information 855 concerning each contract component having noted deficiencies. 856 The sponsor shall communicate at the meeting, and in writing to 857 the director, the services provided to the school to help the 858 school address its deficiencies. 859 Upon notification that a charter school receives a (q) 860 school grade of "D" for 2 consecutive years or a school grade of 861 "F" under s. 1008.34(2), the charter school sponsor or the sponsor's staff shall require the director and a representative 862 863 of the governing body to submit to the sponsor for approval a 864 school improvement plan to raise student achievement and to 865 implement the plan. The sponsor has the authority to approve a 866 school improvement plan that the charter school will implement 867 in the following school year. The Department of Education shall 868 offer technical assistance and training to the charter school and its governing body and establish guidelines for developing, 869 870 submitting, and approving such plans. 871 1. If the charter school fails to improve its student performance from the year immediately prior to the 872 implementation of the school improvement plan, the sponsor shall 873 874 place the charter school on probation and shall require the 875 charter school governing body to take one of the following 876 corrective actions: 877 Contract for the educational services of the charter a. 878 school; 879 Reorganize the school at the end of the school year b. 880 under a new director or principal who is authorized to hire new Page 32 of 59

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881 staff and implement a plan that addresses the causes of 882 inadequate progress; or 883 c. Reconstitute the charter school. 884 2. A charter school that is placed on probation shall 885 continue the corrective actions required under subparagraph 1. until the charter school improves its student performance from 886 887 the year prior to the implementation of the school improvement 888 plan. 3. Notwithstanding any provision of this paragraph, the 889 sponsor may terminate the charter at any time pursuant to the 890 891 provisions of subsection (8). 892 The director and a representative of the governing (r) 893 body of a graded charter school that has submitted a school 894 improvement plan or has been placed on probation under paragraph (q) shall appear before the sponsor or the sponsor's staff at 895 896 least once a year to present information regarding the corrective strategies that are being implemented by the school 897 898 pursuant to the school improvement plan. The sponsor shall communicate at the meeting, and in writing to the director, the 899 900 services provided to the school to help the school address its 901 deficiencies. 902 (10)ELIGIBLE STUDENTS. --

903 (a) A charter school shall be open to any student covered 904 in an interdistrict agreement or residing in the school district 905 in which the charter school is located; however, in the case of 906 a charter lab school, the charter lab school shall be open to 907 any student eligible to attend the lab school as provided in s. 908 1002.32 or who resides in the school district in which the Page 33 of 59

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909 charter lab school is located. Any eligible student shall be 910 allowed interdistrict transfer to attend a charter school when 911 based on good cause.

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

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

921 (d) A charter school may give enrollment preference to the922 following student populations:

923 1. Students who are siblings of a student enrolled in the924 charter school.

925 2. Students who are the children of a member of the926 governing board of the charter school.

3. Students who are the children of an employee of thecharter school.

929 (e) A charter school may limit the enrollment process only930 to target the following student populations:

931

1. Students within specific age groups or grade levels.

932 2. Students considered at risk of dropping out of school
933 or academic failure. Such students shall include exceptional
934 education students.

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

938 4. Students residing within a reasonable distance of the 939 charter school, as described in paragraph (20)(c). Such students 940 shall be subject to a random lottery and to the racial/ethnic 941 balance provisions described in subparagraph (7)(a)8. or any 942 federal provisions that require a school to achieve a 943 racial/ethnic balance reflective of the community it serves or within the racial/ethnic range of other public schools in the 944 945 same school district.

Students who meet reasonable academic, artistic, or 946 5. 947 other eligibility standards established by the charter school 948 and included in the charter school application and charter or, in the case of existing charter schools, standards that are 949 consistent with the school's mission and purpose. Such standards 950 shall be in accordance with current state law and practice in 951 952 public schools and may not discriminate against otherwise qualified individuals. 953

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

957 (f) Students with handicapping conditions and students 958 served in English for Speakers of Other Languages programs shall 959 have an equal opportunity of being selected for enrollment in a 960 charter school.

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

964 (h) The capacity of the charter school shall be determined
965 annually by the governing board, in conjunction with the
966 sponsor, of the charter school in consideration of the factors
967 identified in this subsection.

968 (11) PARTICIPATION IN INTERSCHOLASTIC EXTRACURRICULAR 969 ACTIVITIES.--A charter school student is eligible to participate 970 in an interscholastic extracurricular activity at the public 971 school to which the student would be otherwise assigned to 972 attend pursuant to s. 1006.15(3)(d).

973

(12) EMPLOYEES OF CHARTER SCHOOLS. --

974 (a) A charter school shall select its own employees. A
975 charter school may contract with its sponsor for the services of
976 personnel employed by the sponsor.

977 (b) Charter school employees shall have the option to 978 bargain collectively. Employees may collectively bargain as a 979 separate unit or as part of the existing district collective 980 bargaining unit as determined by the structure of the charter 981 school.

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

985 (d) The teachers at a charter school may choose to be part 986 of a professional group that subcontracts with the charter 987 school to operate the instructional program under the auspices 988 of a partnership or cooperative that they collectively own. Page 36 of 59

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989 Under this arrangement, the teachers would not be public 990 employees.

991 Employees of a school district may take leave to (e) 992 accept employment in a charter school upon the approval of the 993 district school board. While employed by the charter school and 994 on leave that is approved by the district school board, the 995 employee may retain seniority accrued in that school district 996 and may continue to be covered by the benefit programs of that 997 school district, if the charter school and the district school 998 board agree to this arrangement and its financing. School 999 districts shall not require resignations of teachers desiring to teach in a charter school. This paragraph shall not prohibit a 1000 1001 district school board from approving alternative leave 1002 arrangements consistent with chapter 1012.

1003 (f) Teachers employed by or under contract to a charter school shall be certified as required by chapter 1012. A charter 1004 school governing board may employ or contract with skilled 1005 1006 selected noncertified personnel to provide instructional 1007 services or to assist instructional staff members as education paraprofessionals in the same manner as defined in chapter 1012, 1008 and as provided by State Board of Education rule for charter 1009 1010 school governing boards. A charter school may not knowingly 1011 employ an individual to provide instructional services or to 1012 serve as an education paraprofessional if the individual's 1013 certification or licensure as an educator is suspended or 1014 revoked by this or any other state. A charter school may not knowingly employ an individual who has resigned from a school 1015 district in lieu of disciplinary action with respect to child 1016 Page 37 of 59

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1017 welfare or safety, or who has been dismissed for just cause by 1018 any school district with respect to child welfare or safety. The 1019 qualifications of teachers shall be disclosed to parents.

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

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

1028 (i) A charter school shall organize as, or be operated by, 1029 a nonprofit organization. A charter school may be operated by a municipality or other public entity as provided for by law. As 1030 1031 such, the charter school may be either a private or a public employer. As a public employer, a charter school may participate 1032 1033 in the Florida Retirement System upon application and approval as a "covered group" under s. 121.021(34). If a charter school 1034 1035 participates in the Florida Retirement System, the charter school employees shall be compulsory members of the Florida 1036 Retirement System. As either a private or a public employer, a 1037 1038 charter school may contract for services with an individual or 1039 group of individuals who are organized as a partnership or a cooperative. Individuals or groups of individuals who contract 1040 1041 their services to the charter school are not public employees.

1042 (13) CHARTER SCHOOL COOPERATIVES.--Charter schools may 1043 enter into cooperative agreements to form charter school 1044 cooperative organizations that may provide the following Page 38 of 59

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1045 services: charter school planning and development, direct 1046 instructional services, and contracts with charter school 1047 governing boards to provide personnel administrative services, 1048 payroll services, human resource management, evaluation and 1049 assessment services, teacher preparation, and professional 1050 development.

CHARTER SCHOOL FINANCIAL ARRANGEMENTS; 1051 (14)INDEMNIFICATION OF THE STATE AND SCHOOL DISTRICT; CREDIT OR 1052 TAXING POWER NOT TO BE PLEDGED. -- Any arrangement entered into to 1053 borrow or otherwise secure funds for a charter school authorized 1054 1055 in this section from a source other than the state or a school 1056 district shall indemnify the state and the school district from 1057 any and all liability, including, but not limited to, financial responsibility for the payment of the principal or interest. Any 1058 1059 loans, bonds, or other financial agreements are not obligations of the state or the school district but are obligations of the 1060 1061 charter school authority and are payable solely from the sources 1062 of funds pledged by such agreement. The credit or taxing power 1063 of the state or the school district shall not be pledged and no debts shall be payable out of any moneys except those of the 1064 1065 legal entity in possession of a valid charter approved by a 1066 district school board pursuant to this section.

1067 (15) CHARTER SCHOOLS-IN-THE-WORKPLACE; CHARTER SCHOOLS-IN-1068 A-MUNICIPALITY.--

(a) In order to increase business partnerships in
education, to reduce school and classroom overcrowding
throughout the state, and to offset the high costs for
educational facilities construction, the Legislature intends to Page 39 of 59

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1073 encourage the formation of business partnership schools or 1074 satellite learning centers and municipal-operated schools 1075 through charter school status.

1076 (b) A charter school-in-the-workplace may be established 1077 when a business partner provides the school facility to be used; 1078 enrolls students based upon a random lottery that involves all of the children of employees of that business or corporation who 1079 are seeking enrollment, as provided for in subsection (10); and 1080 enrolls students according to the racial/ethnic balance 1081 1082 provisions described in subparagraph (7) (a)8. Any portion of a 1083 facility used for a public charter school shall be exempt from 1084 ad valorem taxes, as provided for in s. 1013.54, for the 1085 duration of its use as a public school.

A charter school-in-a-municipality designation may be 1086 (C) 1087 granted to a municipality that possesses a charter; enrolls students based upon a random lottery that involves all of the 1088 1089 children of the residents of that municipality who are seeking 1090 enrollment, as provided for in subsection (10); and enrolls 1091 students according to the racial/ethnic balance provisions described in subparagraph (7)(a)8. When a municipality has 1092 submitted charter applications for the establishment of a 1093 1094 charter school feeder pattern, consisting of elementary, middle, and senior high schools, and each individual charter application 1095 is approved by the district school board, such schools shall 1096 then be designated as one charter school for all purposes listed 1097 pursuant to this section. Any portion of the land and facility 1098 used for a public charter school shall be exempt from ad valorem 1099

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taxes, as provided for in s. 1013.54, for the duration of its 1100 1101 use as a public school.

As used in this subsection, the terms "business 1102 (d) 1103 partner" or "municipality" may include more than one business or municipality to form a charter school-in-the-workplace or 1104 1105 charter school-in-a-municipality.

1106

EXEMPTION FROM STATUTES. --(16)

A charter school shall operate in accordance with its 1107 (a) charter and shall be exempt from all statutes in chapters 1000-1108 1109 1013. However, a charter school shall be in compliance with the 1110 following statutes in chapters 1000-1013:

Those statutes specifically applying to charter 1111 1. 1112 schools, including this section.

Those statutes pertaining to the student assessment 1113 2. 1114 program and school grading system.

Those statutes pertaining to the provision of services 1115 3. to students with disabilities. 1116

1117 Those statutes pertaining to civil rights, including s. 4. 1118 1000.05, relating to discrimination.

Those statutes pertaining to student health, safety, 1119 5. and welfare. 1120

1121 (b) Additionally, a charter school shall be in compliance with the following statutes: 1122

Section 286.011, relating to public meetings and 1123 1. records, public inspection, and criminal and civil penalties. 1124 1125

Chapter 119, relating to public records. 2.

(17)FUNDING.--Students enrolled in a charter school, 1126 regardless of the sponsorship, shall be funded as if they are in 1127 Page 41 of 59

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1128 a basic program or a special program, the same as students
1129 enrolled in other public schools in the school district. Funding
1130 for a charter lab school shall be as provided in s. 1002.32.

1131 (a) Each charter school shall report its student 1132 enrollment to the district school board as required in s. 1133 1011.62, and in accordance with the definitions in s. 1011.61. The district school board shall include each charter school's 1134 enrollment in the district's report of student enrollment. All 1135 charter schools submitting student record information required 1136 1137 by the Department of Education shall comply with the Department 1138 of Education's quidelines for electronic data formats for such data, and all districts shall accept electronic data that 1139 1140 complies with the Department of Education's electronic format.

1141 (b) The basis for the agreement for funding students 1142 enrolled in a charter school shall be the sum of the school district's operating funds from the Florida Education Finance 1143 1144 Program as provided in s. 1011.62 and the General Appropriations 1145 Act, including gross state and local funds, discretionary 1146 lottery funds, and funds from the school district's current operating discretionary millage levy; divided by total funded 1147 weighted full-time equivalent students in the school district; 1148 1149 multiplied by the weighted full-time equivalent students for the charter school. Charter schools whose students or programs meet 1150 the eligibility criteria in law shall be entitled to their 1151 proportionate share of categorical program funds included in the 1152 total funds available in the Florida Education Finance Program 1153 by the Legislature, including transportation. Total funding for 1154 each charter school shall be recalculated during the year to 1155 Page 42 of 59

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1156 reflect the revised calculations under the Florida Education 1157 Finance Program by the state and the actual weighted full-time equivalent students reported by the charter school during the 1159 full-time equivalent student survey periods designated by the 1160 Commissioner of Education.

1161 (C) If the district school board is providing programs or services to students funded by federal funds, any eligible 1162 students enrolled in charter schools in the school district 1163 shall be provided federal funds for the same level of service 1164 1165 provided students in the schools operated by the district school 1166 board. Pursuant to provisions of 20 U.S.C. 8061 s. 10306, all 1167 charter schools shall receive all federal funding for which the 1168 school is otherwise eligible, including Title I funding, not later than 5 months after the charter school first opens and 1169 1170 within 5 months after any subsequent expansion of enrollment.

District school boards shall make every effort to 1171 (d) 1172 ensure that charter schools receive timely and efficient payment 1173 and reimbursement to charter schools, including processing 1174 paperwork required to access special state and federal funding for which they may be eligible. The district school board may 1175 distribute funds to a charter school for up to 3 months based on 1176 1177 the projected full-time equivalent student membership of the charter school. Thereafter, the results of full-time equivalent 1178 student membership surveys shall be used in adjusting the amount 1179 of funds distributed monthly to the charter school for the 1180 remainder of the fiscal year. The payment shall be issued no 1181 later than 10 working days after the district school board 1182 receives a distribution of state or federal funds. If a warrant 1183 Page 43 of 59

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1184 for payment is not issued within 10 30 working days after 1185 receipt of funding by the district school board, the school 1186 district shall pay to the charter school, in addition to the 1187 amount of the scheduled disbursement, interest at a rate of 5  $\pm$ percent per month calculated on a daily basis on the unpaid 1188 1189 balance from the expiration of the 10 working days 30-day period until such time as the warrant is issued. The Commissioner of 1190 Education is authorized to withhold lottery funds from school 1191 districts that repeatedly fail to make timely payments and 1192 1193 reimbursements.

1194 The State Board of Education is authorized to impose a (e) 1195 fine on or withhold lottery funds from a school district for any 1196 violation of the procedural requirements for charter school application, termination, or nonrenewal appeals regardless of 1197 whether the violation affects the fairness of the appeal process 1198 or the correctness of the action taken by the school district. 1199 1200 Prior to the imposition of a fine or the withholding of lottery funds under this paragraph, the State Board of Education shall 1201 1202 provide the school district with notice of the amount of the proposed fine or lottery funds to be withheld and an opportunity 1203 1204 to be heard at a subsequent meeting of the State Board of 1205 Education. The funds collected for fines under this paragraph 1206 shall be taken from the school district's administrative fee 1207 under paragraph (20) (a) and disbursed to the prevailing charter school appellant under this section or, if the charter school 1208 appellant's appeal is denied, in equal amounts to each of the 1209 charter schools within the school district. The imposition of a 1210 1211 fine under this paragraph shall not exceed \$10,000 and is a Page 44 of 59

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1212 final action subject to judicial review in the district court of 1213 appeals.

1214

(18) FACILITIES.--

1215 (a) A startup charter school shall utilize facilities 1216 which comply with the Florida Building Code pursuant to chapter 1217 553 except for the State Requirements for Educational Facilities. Conversion charter schools shall utilize facilities 1218 1219 that comply with the State Requirements for Educational 1220 Facilities, provided that the school district and the charter 1221 school have entered into a mutual management plan with 1222 sufficient funding from the school district to comply with the State Requirements for Educational Facilities. Charter schools, 1223 1224 with the exception of conversion charter schools, are not 1225 required to comply, but may choose to comply, with the State 1226 Requirements for Educational Facilities of the Florida Building Code adopted pursuant to s. 1013.37. The local governing 1227 1228 authority shall not adopt or impose local building requirements 1229 or restrictions that are more stringent than those found in the 1230 Florida Building Code. The agency having jurisdiction for inspection of a facility and issuance of a certificate of 1231 occupancy shall be the local municipality or, if in an 1232 1233 unincorporated area, the county governing authority.

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

(c) Any facility, or portion thereof, used to house a charter school whose charter has been approved by the sponsor Page 45 of 59

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1240 and the governing board, pursuant to subsection (7), shall be 1241 exempt from ad valorem taxes pursuant to s. 196.1983. Library, 1242 community service, museum, performing arts, theatre, cinema, 1243 church, community college, college, and university facilities 1244 may provide space to charter schools within their facilities 1245 under their preexisting zoning and land use designations.

(d) Charter school facilities are exempt from assessments
of fees for building permits, except as provided in s. 553.80,
<u>fees and</u> for building <u>and occupational</u> licenses, and <del>from</del>
<del>assessments of</del> impact fees or service availability fees.

1250 If a district school board facility or property is (e) 1251 available because it is surplus, marked for disposal, or 1252 otherwise unused, it shall be provided for a charter school's use on the same basis as it is made available to other public 1253 1254 schools in the district. A charter school receiving property from the school district may not sell or dispose of such 1255 1256 property without written permission of the school district. 1257 Similarly, for an existing public school converting to charter 1258 status, no rental or leasing fee for the existing facility or for the property normally inventoried to the conversion school 1259 may be charged by the district school board to the parents and 1260 1261 teachers organizing the charter school. The charter school 1262 organizers shall agree to reasonable maintenance provisions in order to maintain the facility in a manner similar to district 1263 school board standards. The Public Education Capital Outlay 1264 maintenance funds or any other maintenance funds generated by 1265 the facility operated as a conversion school shall remain with 1266 1267 the conversion school.

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1268 To the extent that charter school facilities are (f) 1269 specifically created to mitigate the educational impact created by the development of new residential dwelling units, pursuant 1270 1271 to subparagraph (2)(c)4., some of or all of the educational 1272 impact fees required to be paid in connection with the new 1273 residential dwelling units may be designated instead for the 1274 construction of the charter school facilities that will mitigate 1275 the student station impact. Such facilities shall be built to 1276 the State Requirements for Educational Facilities and shall be 1277 owned by a public or nonprofit entity. The local school district 1278 retains the right to monitor and inspect such facilities to 1279 ensure compliance with the State Requirements for Educational 1280 Facilities. If a facility ceases to be used for public educational purposes, either the facility shall revert to the 1281 1282 school district subject to any debt owed on the facility, or the owner of the facility shall have the option to refund all 1283 1284 educational impact fees utilized for the facility to the school 1285 district. The district and the owner of the facility may 1286 contractually agree to another arrangement for the facilities if 1287 the facilities cease to be used for educational purposes. The owner of property planned or approved for new residential 1288 1289 dwelling units and the entity levying educational impact fees 1290 shall enter into an agreement that designates the educational 1291 impact fees that will be allocated for the charter school 1292 student stations and that ensures the timely construction of the charter school student stations concurrent with the expected 1293 occupancy of the residential units. The application for use of 1294 1295 educational impact fees shall include an approved charter school Page 47 of 59

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application. To assist the school district in forecasting student station needs, the entity levying the impact fees shall notify the affected district of any agreements it has approved for the purpose of mitigating student station impact from the new residential dwelling units.

1301 (g) Each school district shall annually provide to the 1302 Department of Education as part of its 5-year work plan the 1303 number of existing vacant classrooms in each school that the 1304 district does not intend to use or does not project will be 1305 needed for educational purposes for the following school year. 1306 The department may recommend that a district make such space 1307 available to an appropriate charter school.

1308 (19) CAPITAL OUTLAY FUNDING.--Charter schools are eligible1309 for capital outlay funds pursuant to s. 1013.62.

1310

(20) SERVICES.--

A sponsor shall provide certain administrative and 1311 (a) 1312 educational services to charter schools. These services shall 1313 include contract management services; full-time equivalent and 1314 data reporting services; exceptional student education administration services; services related to eligibility and 1315 1316 reporting duties required to ensure that school lunch services 1317 under the federal lunch program, consistent with the needs of the charter school, are provided by the school district at the 1318 request of the charter school; test administration services, 1319 including payment of the costs of state-required or district-1320 required student assessments; processing of teacher certificate 1321 1322 data services; and information services, including equal access 1323 to student information systems that are used by public schools Page 48 of 59

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1324 in the district in which the charter school is located. Student 1325 performance data for each student in a charter school, including, but not limited to, FCAT scores, standardized test 1326 1327 scores, individual report cards, and student performance measures, shall be provided by the sponsor to a charter school 1328 1329 in the same manner provided to other public schools in the district. A total administrative fee for the provision of such 1330 services shall be calculated based upon up to 5 percent of the 1331 available funds defined in paragraph (17)(b) for all students. 1332 1333 However, a sponsor may only withhold up to a 5-percent 1334 administrative fee for enrollment for up to and including 500 1335 students. For charter schools with a population of 501 or more 1336 students, the difference between the total administrative fee calculation and the amount of the administrative fee withheld 1337 1338 may only be used for capital outlay purposes specified in s. 1339 1013.62(2). Sponsors shall not charge charter schools any 1340 additional fees or surcharges for administrative and educational services in addition to the maximum 5-percent administrative fee 1341 1342 withheld pursuant to this paragraph.

If goods and services are made available to the 1343 (b) 1344 charter school through the contract with the school district, 1345 they shall be provided to the charter school at a rate no greater than the district's actual cost unless mutually agreed 1346 1347 upon by the charter school and the sponsor in a contract negotiated separately from the charter. When mediation has 1348 1349 failed to resolve disputes over contracted services or contractual matters not included in the charter, an appeal may 1350 1351 be made for a dispute resolution hearing before the Charter Page 49 of 59

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School Appeal Commission. To maximize the use of state funds, school districts shall allow charter schools to participate in the sponsor's bulk purchasing program if applicable.

1355 (C) Transportation of charter school students shall be provided by the charter school consistent with the requirements 1356 1357 of subpart I.E. of chapter 1006 and s. 1012.45. The governing body of the charter school may provide transportation through an 1358 agreement or contract with the district school board, a private 1359 provider, or parents. The charter school and the sponsor shall 1360 1361 cooperate in making arrangements that ensure that transportation 1362 is not a barrier to equal access for all students residing 1363 within a reasonable distance of the charter school as determined 1364 in its charter.

PUBLIC INFORMATION ON CHARTER SCHOOLS. -- The 1365 (21)1366 Department of Education shall provide information to the public, directly and through sponsors, both on how to form and operate a 1367 1368 charter school and on how to enroll in charter schools once they 1369 are created. This information shall include a standard application format, charter format, and charter renewal format 1370 which shall include the information specified in subsection (7). 1371 1372 These formats shall This application format may be used as 1373 guidelines by charter school sponsors chartering entities.

(22) CHARTER SCHOOL REVIEW PANEL AND LEGISLATIVE REVIEW.-(a) The Department of Education shall <u>staff and</u> regularly
convene a Charter School Review Panel in order to review issues,
practices, and policies regarding charter schools. The
composition of the review panel shall include individuals with
experience in finance, administration, law, education, and
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1380 school governance, and individuals familiar with charter school construction and operation. The panel shall include two 1381 1382 appointees each from the Commissioner of Education, the 1383 President of the Senate, and the Speaker of the House of 1384 Representatives. The Governor shall appoint three members of the 1385 panel and shall designate the chair. Each member of the panel shall serve a 1-year term, unless renewed by the office making 1386 the appointment. The panel shall make recommendations to the 1387 Legislature, to the Department of Education, to charter schools, 1388 1389 and to school districts for improving charter school operations 1390 and oversight and for ensuring best business practices at and 1391 fair business relationships with charter schools.

1392(b) The Legislature shall review the operation of charter1393schools during the 2010 2005 Regular Session of the Legislature.

1394 (23)ANALYSIS OF CHARTER SCHOOL PERFORMANCE. -- Upon receipt of the annual report required by paragraph (9)(m)(1), the 1395 1396 Department of Education shall provide to the State Board of 1397 Education, the Commissioner of Education, the Governor, the 1398 President of the Senate, and the Speaker of the House of Representatives an analysis and comparison of the overall 1399 performance of charter school students, to include all students 1400 1401 whose scores are counted as part of the statewide assessment program, versus comparable public school students in the 1402 district as determined by the statewide assessment program 1403 currently administered in the school district, and other 1404 1405 assessments administered pursuant to s. 1008.22(3).

 1406 (24) RULEMAKING.--The Department of Education, after
 1407 consultation with school districts and charter school directors, Page 51 of 59

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1408 shall recommend that the State Board of Education adopt rules to 1409 implement specific subsections of this section. Such rules shall 1410 require minimum paperwork and shall not limit charter school 1411 flexibility authorized by statute.

Section 2. Subsection (5) of section 218.39, FloridaStatutes, is amended to read:

1414

218.39 Annual financial audit reports.--

At the conclusion of the audit, the auditor shall 1415 (5) discuss with the chair of each local governmental entity or the 1416 chair's designee, or with the elected official of each county 1417 1418 agency or with the elected official's designee, or with the 1419 chair of the district school board or the chair's designee, or 1420 with the chair of the board of the charter school or the chair's designee, or with the chair of the charter technical career 1421 1422 center or the chair's designee, as appropriate, all of the auditor's comments that will be included in the audit report. If 1423 1424 the officer is not available to discuss the auditor's comments, their discussion is presumed when the comments are delivered in 1425 1426 writing to his or her office. The auditor shall notify each member of the governing body of a local governmental entity, or 1427 district school board, or charter school for which deteriorating 1428 1429 financial conditions exist that may cause a condition described in s. 218.503(1) to occur if actions are not taken to address 1430 1431 such conditions.

1432 Section 3. Section 218.50, Florida Statutes, is amended to 1433 read:

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1434 218.50 Short title.--Sections 218.50-218.504 may be cited 1435 as the "Local Governmental Entity, Charter School, and District School Board Financial Emergencies Act." 1436 1437 Section 4. Section 218.501, Florida Statutes, is amended to read: 1438 1439 218.501 Purposes.--The purposes of ss. 218.50-218.504 are: To promote the fiscal responsibility of local 1440 (1)governmental entities, charter schools, and district school 1441 boards. 1442 1443 (2)To assist local governmental entities, charter schools, and district school boards in providing essential 1444 services without interruption and in meeting their financial 1445 1446 obligations. To assist local governmental entities, charter 1447 (3) 1448 schools, and district school boards through the improvement of local financial management procedures. 1449 1450 Section 5. Subsections (1) and (2) of section 218.503, Florida Statutes, are amended, a new subsection (4) is added, 1451 1452 and subsections (4) and (5) of that section are renumbered as subsections (5) and (6), respectively, to read: 1453 1454 218.503 Determination of financial emergency.--1455 (1) Local governmental entities, charter schools, and district school boards shall be subject to review and oversight 1456 by the Governor, charter school sponsor, or the Commissioner of 1457 Education, as appropriate, when any one of the following 1458 conditions occurs: 1459 Failure within the same fiscal year in which due to 1460 (a) 1461 pay short-term loans or failure to make bond debt service or

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1490 governmental entity to carry out its functions, are not1491 considered resources available to cover reported deficits.

A local governmental entity shall notify the Governor 1492 (2)1493 and the Legislative Auditing Committee, a charter school shall 1494 notify the charter school sponsor and the Legislative Auditing Committee, and a district school board shall notify the 1495 Commissioner of Education and the Legislative Auditing 1496 Committee, when one or more of the conditions specified in 1497 subsection (1) have occurred or will occur if action is not 1498 taken to assist the local governmental entity, charter school, 1499 1500 or district school board. In addition, any state agency must, 1501 within 30 days after a determination that one or more of the 1502 conditions specified in subsection (1) have occurred or will 1503 occur if action is not taken to assist the local governmental entity, charter school, or district school board, notify the 1504 Governor, charter school sponsor, or the Commissioner of 1505 1506 Education, as appropriate, and the Legislative Auditing 1507 Committee.

1508 (4) Upon notification that one or more of the conditions in subsection (1) exist, the charter school sponsor or the 1509 1510 sponsor's designee shall contact the charter school governing 1511 body to determine what actions have been taken by the charter 1512 school governing body to resolve the condition. The charter school sponsor has the authority to require and approve a 1513 financial recovery plan, to be prepared by the charter school 1514 governing body, prescribing actions that will cause the charter 1515 school to no longer be subject to this section. The Department 1516

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1517 of Education shall establish guidelines for developing such 1518 plans.

Subsection (1) of section 218.504, Florida 1519 Section 6. 1520 Statutes, is amended to read:

1521 218.504 Cessation of state action. -- The Governor or the 1522 Commissioner of Education, as appropriate, has the authority to terminate all state actions pursuant to ss. 218.50-218.504. 1523 1524 Cessation of state action must not occur until the Governor or 1525 the Commissioner of Education, as appropriate, has determined 1526 that:

1527 (1)The local governmental entity, charter school, or 1528 district school board:

1529 Has established and is operating an effective (a) 1530 financial accounting and reporting system.

1531

(b) Has resolved the conditions outlined in s. 218.503(1). Section 7. Paragraph (e) of subsection (7) and subsection (8) of section 11.45, Florida Statutes, are amended to read:

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Definitions; duties; authorities; reports; rules.--11.45 (7)AUDITOR GENERAL REPORTING REQUIREMENTS. --

The Auditor General shall notify the Governor or the 1536 (e) Commissioner of Education, as appropriate, and the Legislative 1537 1538 Auditing Committee of any audit report reviewed by the Auditor 1539 General pursuant to paragraph (b) which contains a statement that a local governmental entity, charter school, or district 1540 1541 school board has met one or more of the conditions specified in 1542 s. 218.503. If the Auditor General requests a clarification regarding information included in an audit report to determine 1543 whether a local governmental entity, charter school, or district 1544 Page 56 of 59

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1545 school board has met one or more of the conditions specified in 1546 s. 218.503, the requested clarification must be provided within 45 days after the date of the request. If the local governmental 1547 1548 entity, charter school, or district school board does not comply 1549 with the Auditor General's request, the Auditor General shall 1550 notify the Legislative Auditing Committee. If, after obtaining the requested clarification, the Auditor General determines that 1551 the local governmental entity, charter school, or district 1552 school board has met one or more of the conditions specified in 1553 1554 s. 218.503, he or she shall notify the Governor or the 1555 Commissioner of Education, as appropriate, and the Legislative 1556 Auditing Committee.

1557 RULES OF THE AUDITOR GENERAL. -- The Auditor General, in (8) consultation with the Board of Accountancy, shall adopt rules 1558 1559 for the form and conduct of all financial audits performed by independent certified public accountants pursuant to ss. 1560 1561 215.981, 218.39, 1001.453, 1004.28, and 1004.70. The rules for 1562 audits of local governmental entities, charter schools, and district school boards must include, but are not limited to, 1563 requirements for the reporting of information necessary to carry 1564 1565 out the purposes of the Local Governmental Entity, Charter 1566 School, and District School Board Financial Emergencies Act as stated in s. 218.501. 1567

1568 Section 8. Subsection (3) of section 1003.05, Florida
1569 Statutes, is amended to read:

1570 1003.05 Assistance to transitioning students from military 1571 families.--

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1572 Dependent children of active duty military personnel (3) 1573 who otherwise meet the eligibility criteria for special academic programs offered through public schools shall be given first 1574 1575 preference for admission to such programs even if the program is 1576 being offered through a public school other than the school to 1577 which the student would generally be assigned and the school at 1578 which the program is being offered has reached its maximum 1579 enrollment. If such a program is offered through a public school 1580 other than the school to which the student would generally be 1581 assigned, the parent or guardian of the student must assume 1582 responsibility for transporting the student to that school. For 1583 purposes of this subsection, special academic programs include 1584 charter schools, magnet schools, advanced studies programs, 1585 advanced placement, dual enrollment, and International 1586 Baccalaureate.

1587Section 9. Effective July 1, 2007, subsection (2) of1588section 1012.74, Florida Statutes, is amended to read:

1589 1012.74 Florida educators professional liability insurance 1590 protection.--

(2) (a) Educator professional liability coverage for all
instructional personnel, <u>including charter school instructional</u>
<u>personnel</u>, as defined by s. 1012.01(2), who are full-time
personnel, as defined by the district school board policy, shall
be provided by specific appropriations under the General
Appropriations Act.

 (b) Educator professional liability coverage shall be
 extended at cost to all instructional personnel, <u>including</u>
 <u>charter school instructional personnel</u>, as defined by s. Page 58 of 59

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1600 1012.01(2), who are part-time personnel, as defined by the 1601 district school board policy, and choose to participate in the 1602 state-provided program.

(c) Educator professional liability coverage shall be extended at cost to all administrative personnel, <u>including</u> administrative personnel in charter schools, as defined by s. 1606 1012.01(3), who choose to participate in the state-provided program.

1608 Section 10. Except as otherwise expressly provided in this 1609 act, this act shall take effect July 1, 2006.

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