1

2 3

4

5

2006 CS

CHAMBER ACTION

The Education Appropriations Committee recommends the following:

Council/Committee Substitute

Remove the entire bill and insert:

A bill to be entitled

6 An act relating to charter schools; creating s. 1002.335, 7 F.S.; providing findings and intent; establishing the Florida Schools of Excellence Commission as a charter 8 school authorizing entity; providing for startup funds; 9 10 providing for membership of the commission; providing powers and duties of the commission, including serving as 11 a sponsor of charter schools, approving certain entities 12 to act as cosponsors, approving or denying applications 13 14 for Florida Schools of Excellence (FSE) charter schools, and developing standards for and evaluating the 15 16 performance of charter schools; requiring collaboration 17 with municipalities, state universities, community colleges, and regional educational consortia as cosponsors 18 19 for FSE charter schools; providing requirements for approval of cosponsors by the commission; providing 20 21 components of required cosponsor agreements; providing causes for revocation of approval of a cosponsor; 22 23 providing for FSE charter school application and review Page 1 of 17

	HB 7171 2006 CS
24	procedures; authorizing existing charter schools to apply
25	as FSE charter schools; providing for application of
26	specified provisions of law; requiring access to
27	information by parents; requiring the commission to submit
28	an annual report; requiring rulemaking; amending s.
29	1002.33, F.S.; providing requirements with respect to the
30	right to appeal a charter school application denial;
31	revising provisions relating to reporting of charter
32	school student enrollment for purposes of funding;
33	revising requirements relating to charter school
34	facilities created to mitigate a certain educational
35	impact; providing appropriations and authorizing
36	positions; providing an effective date.
37	
38	Be It Enacted by the Legislature of the State of Florida:
39	
40	Section 1. Section 1002.335, Florida Statutes, is created
41	to read:
42	1002.335 Florida Schools of Excellence Commission
43	(1) FINDINGSThe Legislature finds that:
44	(a) Charter schools are a critical component in the
45	state's efforts to provide efficient and high-quality schools
46	within the state's uniform system of public education.
47	(b) Charter schools provide valuable educational options
48	and innovative learning opportunities while expanding the
49	capacity of the state's system of public education and
50	empowering parents with the ability to make choices that best
51	fit the individual needs of their children. Page 2 of 17

	HB 7171 2006 CS
52	(c) The growth of charter schools in the state has
53	contributed to enhanced student performance, greater efficiency,
54	and the improvement of all public schools.
55	(d) The greatest challenges to the continued development
56	and success of uniform, high-quality charter schools are
57	administrative issues, accountability issues, and a lack of
58	sufficient communication and support from sponsors.
59	(2) INTENTIt is the intent of the Legislature that:
60	(a) There be established an independent, state-level
61	commission whose primary focus is the development and support of
62	charter schools in order to better meet the growing and diverse
63	needs of some of the increasing number and array of charter
64	schools in the state and to further ensure that charter schools
65	of the highest academic quality are approved and supported
66	throughout the state in an efficient manner.
67	(b) New sources of community support in the form of
68	municipalities with knowledge of the unique needs of a
69	particular community or state universities, community colleges,
70	or regional educational consortia with special education
71	expertise should be authorized to participate in developing and
72	supporting charter schools that maximize access to a wide
73	variety of high-quality educational options for all students
74	regardless of disability, race, or socioeconomic status.
75	(3) FLORIDA SCHOOLS OF EXCELLENCE COMMISSION
76	(a) The Florida Schools of Excellence Commission is
77	established as an independent, state-level charter school
78	authorizing entity working in collaboration with the Department
79	of Education and under the supervision of the State Board of
	Page 3 of 17

CS 80 Education. Startup funds necessary to establish and operate the 81 commission may be received through private contributions and federal and other institutional grants through the Grants and 82 83 Donations Trust Fund and the Educational Aids Trust Fund housed within the department in addition to funds provided in the 84 85 General Appropriations Act. The department shall assist in securing federal and other institutional grant funds to 86 87 establish the commission. (b) The commission shall be appointed by the State Board 88 89 of Education and shall be composed of three appointees 90 recommended by the Governor, two appointees recommended by the 91 President of the Senate, and two appointees recommended by the 92 Speaker of the House of Representatives. The Governor, the President of the Senate, and the Speaker of the House of 93 Representatives shall each recommend a list of no fewer than two 94 95 nominees for any appointment to the commission. The appointments shall be made as soon as feasible but no later than September 1, 96 97 2006. Each member shall serve a term of 2 years; however, for 98 the purpose of providing staggered terms, of the initial appointments, three members shall be appointed to 1-year terms 99 100 and four members shall be appointed to 2-year terms. Thereafter, 101 each appointee shall serve a 2-year term unless the State Board of Education, after review, extends the appointment. If a 102 103 vacancy occurs on the commission, it shall be filled by the 104 State Board of Education from a recommendation by the 105 appropriate authority according to the procedure set forth in this paragraph. The members of the commission shall annually 106 107 vote to appoint a chair and a vice chair. Page 4 of 17

CODING: Words stricken are deletions; words underlined are additions.

CS 108 The commission is encouraged to convene its first (C) meeting no later than October 1, 2006, and, thereafter, shall 109 meet each month at the call of the chair or upon the request of 110 111 four members of the commission. Four members of the commission 112 shall constitute a quorum. The commission shall appoint an executive director who 113 (d) 114 shall employ such staff as is necessary to perform the 115 administrative duties and responsibilities of the commission. (e) The members of the commission shall not be compensated 116 for their services on the commission but may be reimbursed for 117 118 per diem and travel expenses pursuant to s. 112.061. POWERS AND DUTIES. --119 (4) 120 (a) The commission shall have the power to: 121 1. Authorize and act as a sponsor of charter schools, including the approval or denial of charter school applications 122 pursuant to subsection (8) and the nonrenewal or termination of 123 124 charter schools pursuant to s. 1002.33(8). 125 2. Authorize municipalities, state universities, community 126 colleges, and regional educational consortia to act as 127 cosponsors of charter schools, including the approval or denial of cosponsor applications pursuant to State Board of Education 128 129 rule and subsection (5) and the revocation of approval of 130 cosponsors pursuant to State Board of Education rule and 131 subsection (7). 132 3. Approve or deny Florida Schools of Excellence (FSE) charter school applications and renew or terminate charters of 133 134 FSE charter schools. 135 The commission shall have the following duties: (b) Page 5 of 17

CODING: Words stricken are deletions; words underlined are additions.

FLORIDA HOUSE OF REPRESENTATIVES	F	L	0	R		D	А		Н	0	U	S	Е	0	F	R	I	ΕI	ΡF	२	Е	S	Е	Ν	Т	Α	Т		V	Е	S
----------------------------------	---	---	---	---	--	---	---	--	---	---	---	---	---	---	---	---	---	----	----	---	---	---	---	---	---	---	---	--	---	---	---

	HB 7171 2006 CS
136	1. Review charter school applications and assist in the
137	establishment of Florida Schools of Excellence (FSE) charter
138	schools throughout the state. An FSE charter school shall exist
139	as a public school within the state as a component of the
140	delivery of public education within Florida's K-20 education
141	system.
142	2. Develop, promote, and disseminate best practices for
143	charter schools and charter school sponsors in order to ensure
144	that high-quality charter schools are developed and
145	incentivized. At a minimum, the best practices shall encourage
146	the development and replication of academically and financially
147	proven charter school programs.
148	3. Develop, promote, and require high standards of
149	accountability for any school that applies and is granted a
150	charter under this section.
151	4. Monitor and annually review and evaluate the
152	performance of the charter schools it sponsors and hold the
153	schools accountable for their performance.
154	5. Report the student enrollment in each of its sponsored
155	charter schools to the district school board of the county in
156	which the school is located.
157	6. Work with its cosponsors to monitor the financial
158	management of each FSE charter school.
159	7. Direct charter schools and persons seeking to establish
160	charter schools to sources of private funding and support.
161	8. Actively seek, with the assistance of the department,
162	supplemental revenue from federal grant funds, institutional
163	grant funds, and philanthropic organizations. The commission
	Page 6 of 17

CS 164 may, through the department's Grants and Donations Trust Fund, receive and expend gifts, grants, and donations of any kind from 165 any public or private entity to carry out the purposes of this 166 167 section. 168 9. Review and recommend to the Legislature any necessary 169 revisions to statutory requirements regarding the qualification 170 and approval of municipalities, state universities, community 171 colleges, and regional educational consortia as cosponsors for 172 FSE charter schools. 10. Review and recommend to the Legislature any necessary 173 174 revisions to statutory requirements regarding the standards for 175 accountability and criteria for revocation of approval of 176 cosponsors of FSE charter schools. 177 11. Assist its cosponsors and FSE charter schools in cooperating with district school boards to allow the charter 178 179 schools to utilize unused space within district public schools. 180 12. Collaborate with municipalities, state universities, 181 community colleges, and regional educational consortia as 182 cosponsors for FSE charter schools for the purpose of providing the highest level of public education to low-income, low-183 performing, and underserved student populations. Such 184 185 collaborations shall: a. Allow state universities and community colleges that 186 187 cosponsor FSE charter schools to enable students attending a 188 charter school to take college courses and receive high school 189 and college credit for such courses. 190 b. Be used to determine the feasibility of opening charter 191 schools for children with autism that work with and utilize the Page 7 of 17

CODING: Words stricken are deletions; words underlined are additions.

2006 CS

192	specialized expertise of the Centers for Autism and Related
193	Disabilities established and operated pursuant to s. 1004.55.
194	13. Support municipalities when the mayor or chief
195	executive, through resolution passed by the governing body of
196	the municipality, expresses an intent to cosponsor and establish
197	charter schools within the municipal boundaries.
198	14. Meet the needs of charter schools and school districts
199	by uniformly administering high-quality charter schools, thereby
200	removing administrative burdens from the school districts.
201	15. Work with school districts to assist them in
202	effectively providing administrative services to their charter
203	schools.
204	16. Perform all of the duties of sponsors set forth in s.
205	1002.33(5)(b) and (20).
206	(5) APPROVAL OF COSPONSORS
207	(a) The commission shall begin accepting applications by
208	municipalities, state universities, community colleges, and
209	regional educational consortia no later than January 31, 2007.
210	The commission shall have 90 days from receipt of an application
211	under this paragraph to approve or deny the application unless
212	the 90-day period is waived by the applicant.
213	(b) The commission shall limit the number of charter
214	schools that a cosponsor may approve pursuant to its review of
215	the cosponsor's application under paragraph (c). Upon
216	application by the cosponsor and review by the commission of the
217	performance of a cosponsor's current charter schools, the
218	commission may approve a cosponsor's application to raise the
219	limit previously set by the commission.
	Page 8 of 17

	CS
220	(c) Any entity set forth in paragraph (a) that is
221	interested in becoming a cosponsor pursuant to this section
222	shall prepare and submit an application to the commission that
223	provides evidence that the entity:
224	1. Has the necessary staff and infrastructure or has
225	established the necessary contractual or interagency
226	relationships to ensure its ability to handle all of the
227	administrative responsibilities required of a charter school
228	sponsor as set forth in s. 1002.33(20).
229	2. Has the necessary staff expertise and infrastructure or
230	has established the necessary contractual or interagency
231	relationships to ensure that it will approve and is able to
232	develop and maintain charter schools of the highest academic
233	quality.
234	3. Has and is committed to providing and pursuing the
235	necessary public and private financial resources and staff to
236	ensure that it can monitor and support charter schools that are
237	economically efficient and fiscally sound.
238	4. Is committed to providing equal access to all students
239	and to maintaining a diverse student population within its
240	charter schools.
241	5. Is committed to focusing on low-income, low-performing,
242	and underserved student populations.
243	6. Has articulated annual goals and expected outcomes for
244	its charter schools as well as the methods and plans by which it
245	will achieve those goals and outcomes.
246	7. Has policies in place to protect its cosponsoring
247	practices from conflicts of interest.
	Page 9 of 17

CODING: Words $\ensuremath{\underline{\mathsf{stricken}}}$ are deletions; words $\ensuremath{\underline{\mathsf{underlined}}}$ are additions.

FLORIDA HOUSE OF REPRESENTATIVES	F	L	0	R		D	А		Н	0	U	S	Е	0	F	R	E	Р	R	Е	S	Е	Ν	Т	Α	Т		V	Е	S
----------------------------------	---	---	---	---	--	---	---	--	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	--	---	---	---

The commission's decision to deny an application or to 248 (d) revoke approval of a cosponsor pursuant to subsection (7) is not 249 250 subject to chapter 120 and may be appealed to the State Board of 251 Education pursuant to s. 1002.33(6). 252 (6) COSPONSOR AGREEMENT. --(a) Upon approval of a cosponsor, the commission and the 253 cosponsor shall enter into an agreement that defines the 254 255 cosponsor's rights and obligations and includes the following: 256 1. An explanation of the personnel, contractual and interagency relationships, and potential revenue sources 257 258 referenced in the application as required in paragraph (5)(c). 259 2. Incorporation of the requirements of equal access for 260 all students, including any plans to provide transportation 261 reasonably necessary to provide access to as many students as 262 possible. 3. Incorporation of the requirement to focus on low-263 income, low-performing, and underserved student populations. 264 265 4. An explanation of the goals and expected outcomes for 266 the cosponsor's charter schools and the method and plans by 267 which they will be achieved as referenced in the application. The conflict-of-interest policies referenced in the 268 5. application. 269 270 An explanation of the disposition of facilities and 6. 271 assets upon termination and dissolution of a charter school 272 approved by the cosponsor. 273 7. A provision requiring the cosponsor to annually appear 274 before the commission and provide a report as to the information

CODING: Words stricken are deletions; words underlined are additions.

2006 CS

FL	0	R	I D	А	Н	0	U	S	Е	0	F	R	Е	Ρ	R	Е	S	Е	Ν	Т	Α	Т		V	Е	S
----	---	---	-----	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	--	---	---	---

	HB 7171 2006 CS
275	provided pursuant to s. 1002.33(9)(1) for each of its charter
276	schools.
277	8. A provision requiring that the cosponsor report the
278	student enrollment in each of its sponsored charter schools to
279	the district school board of the county in which the school is
280	located.
281	9. A provision requiring that the cosponsor work with the
282	commission to provide the necessary reports to the State Board
283	of Education.
284	10. Any other reasonable terms deemed appropriate by the
285	commission given the unique characteristics of the cosponsor.
286	(b) No cosponsor may receive applications for charter
287	schools until a cosponsor agreement with the commission has been
288	approved and signed by the commission and the appropriate
289	individuals or governing bodies of the cosponsor.
290	(c) The cosponsor agreement shall be proposed and
291	negotiated pursuant to the timeframes set forth in s.
292	<u>1002.33(6)(i).</u>
293	(d) The cosponsor agreement shall be attached to and shall
294	govern all charter school contracts entered into by the
295	cosponsor.
296	(7) CAUSES FOR REVOCATION OF APPROVAL OF A COSPONSORIf
297	at any time the commission finds that a cosponsor is not in
298	compliance, or is no longer willing to comply, with its contract
299	with a charter school or with its cosponsor agreement with the
300	commission, the commission shall provide notice and a hearing in
301	accordance with State Board of Education rule. If after a
302	hearing the commission confirms its initial finding, the
	Page 11 of 17

CS 303 commission shall revoke the cosponsor's approval. The commission may assume sponsorship over any charter school sponsored by the 304 cosponsor at the time of revocation. Thereafter, the commission 305 306 may assume permanent sponsorship over such school or may direct 307 the school's governing body to apply to another cosponsor or to 308 the appropriate district school board for sponsorship. 309 CHARTER SCHOOL APPLICATION AND REVIEW. -- Charter school (8) 310 applications submitted to the commission or to a cosponsor 311 approved by the commission pursuant to subsection (5) shall be 312 subject to the same requirements set forth in s. 1002.33(6). The 313 commission or cosponsor shall receive and review all 314 applications for FSE charter schools according to the provisions 315 of s. 1002.33(6)(b). All references to a district school board 316 in s. 1002.33(6)(b) shall refer to the commission or its cosponsors that receive applications for review. 317 318 APPLICATIONS OF EXISTING CHARTER SCHOOLS .--(9) 319 (a) An application may be submitted pursuant to this 320 section by an existing charter school approved by a district 321 school board provided that the obligations of its charter contract with the district school board will expire prior to 322 entering into a new charter contract with the commission or one 323 324 of its cosponsors. A district school board may agree to rescind 325 or waive the obligations of a current charter contract to allow 326 an application to be submitted by an existing charter school 327 pursuant to this section. A charter school that changes sponsors 328 pursuant to this subsection shall be allowed to continue the use 329 of all facilities, equipment, and other assets it owned or

Page 12 of 17

CODING: Words stricken are deletions; words underlined are additions.

CS 330 leased prior to the expiration or rescission of its contract 331 with a district school board sponsor. (b) An application to the commission or one of its 332 333 cosponsors by a conversion charter school may only be submitted 334 upon consent of the district school board. In such instance, the district school board may retain the facilities, equipment, and 335 336 other assets of the conversion charter school for its own use or 337 agree to reasonable terms for their continued use by the 338 conversion charter school. (10) APPLICATION OF CHARTER SCHOOL STATUTE.--339 340 (a) The provisions of s. 1002.33(7)-(12), (14), and (16)-341 (19) shall apply to the commission and the cosponsors and 342 charter schools approved pursuant to this section. 343 The provisions of s. 1002.33(20) shall apply to the (b) commission and the cosponsors and charter schools approved 344 345 pursuant to this section with the exception that the commission 346 or a cosponsor of a charter school approved pursuant to this 347 section may retain no more than the actual cost of its 348 administrative overhead costs expended to sponsor the charter school not to exceed 5 percent of the funding provided to the 349 charter school. 350 351 (11) ACCESS TO INFORMATION. -- The commission shall provide 352 maximum access to information to all parents in the state. It 353 shall maintain information systems, including, but not limited 354 to, a user-friendly Internet website, that will provide information and data necessary for parents to make informed 355 356 decisions. At a minimum, the commission must provide parents 357 with information on its accountability standards, links to Page 13 of 17

CODING: Words stricken are deletions; words underlined are additions.

	CS
358	schools of excellence throughout the state, and public education
359	programs available in the state.
360	(12) ANNUAL REPORTEach year, the chair of the
361	commission shall appear before the State Board of Education and
362	submit a report regarding the academic performance and fiscal
363	responsibility of all charter schools and cosponsors approved
364	under this section.
365	(13) IMPLEMENTATIONThe State Board of Education shall
366	adopt rules pursuant to ss. 120.536(1) and 120.54 necessary to
367	facilitate the implementation of this section.
368	Section 2. Paragraphs (d), (e), (f), (g), and (h) of
369	subsection (6) of section 1002.33, Florida Statutes, are
370	redesignated as paragraphs (e), (f), (g), (h), and (i),
371	respectively, a new paragraph (d) is added to that subsection,
372	and paragraph (a) of subsection (17) and paragraph (f) of
373	subsection (18) of that section are amended, to read:
374	1002.33 Charter schools
375	(6) APPLICATION PROCESS AND REVIEWBeginning September
376	1, 2003, applications are subject to the following requirements:
377	(d) The right to appeal an application denial under
378	paragraph (c) shall be contingent on the applicant having
379	submitted the same or a substantially similar application to the
380	Florida Schools of Excellence Commission or one of its
381	cosponsors. Any such applicant whose application is denied by
382	the commission or one of its cosponsors subsequent to its denial
383	by the district school board may exercise its right to appeal
384	the district school board's denial under paragraph (c) within 30
385	days after receipt of the commission's or cosponsor's denial or
	Page 14 of 17

CODING: Words stricken are deletions; words underlined are additions.

386	failure to act on the application. However, the applicant
387	forfeits its right to appeal under paragraph (c) if it fails to
388	submit its application to the commission or one of its
389	cosponsors by August 1 of the school year immediately following
390	the district school board's denial of the application.
391	(17) FUNDINGStudents enrolled in a charter school,
392	regardless of the sponsorship, shall be funded as if they are in
393	a basic program or a special program, the same as students
394	enrolled in other public schools in the school district. Funding
395	for a charter lab school shall be as provided in s. 1002.32.
396	(a) Each charter school shall report its student
397	enrollment to the <u>sponsor</u> district school board as required in
398	s. 1011.62, and in accordance with the definitions in s.
399	1011.61. The <u>sponsor</u> district school board shall include each
400	charter school's enrollment in the district's report of student
401	enrollment. All charter schools submitting student record
402	information required by the Department of Education shall comply
403	with the Department of Education's guidelines for electronic
404	data formats for such data, and all districts shall accept
405	electronic data that complies with the Department of Education's
406	electronic format.
407	(18) FACILITIES
408	(f) To the extent that charter school facilities are
100	appaifically arouted to mitigate the educational impact arouted

409 specifically created to mitigate the educational impact created 410 by the development of new residential dwelling units, pursuant 411 to subparagraph (2)(c)4., some of or all of the educational 412 impact fees required to be paid in connection with the new 413 residential dwelling units may be designated instead for the Page 15 of 17

CODING: Words stricken are deletions; words underlined are additions.

hb7171-01-c1

2006 CS

construction of the charter school facilities that will mitigate 414 415 the student station impact. Such facilities shall be built to the State Requirements for Educational Facilities and shall be 416 417 owned by a public or nonprofit entity. The sponsor local school district retains the right to monitor and inspect such 418 419 facilities to ensure compliance with the State Requirements for Educational Facilities. If a facility ceases to be used for 420 public educational purposes, either the facility shall revert to 421 422 the sponsor school district subject to any debt owed on the facility, or the owner of the facility shall have the option to 423 424 refund all educational impact fees utilized for the facility to 425 the sponsor school district. The district and the owner of the 426 facility may contractually agree to another arrangement for the 427 facilities if the facilities cease to be used for educational 428 purposes. The owner of property planned or approved for new residential dwelling units and the entity levying educational 429 430 impact fees shall enter into an agreement that designates the 431 educational impact fees that will be allocated for the charter 432 school student stations and that ensures the timely construction of the charter school student stations concurrent with the 433 expected occupancy of the residential units. The application for 434 435 use of educational impact fees shall include an approved charter school application. To assist the school district in forecasting 436 student station needs, the entity levying the impact fees shall 437 notify the affected district of any agreements it has approved 438 for the purpose of mitigating student station impact from the 439 440 new residential dwelling units.

Page 16 of 17

CODING: Words stricken are deletions; words underlined are additions.

2006 CS

FL (ORI	DΑ	ΗΟ	US	E O	F	REP	RE	S	E N	ΤА	ТΙ	VΕ	S
------	-----	----	----	----	-----	---	-----	----	---	-----	----	----	----	---

	HB 7171 2006 CS
441	Section 3. The following sums of money and full-time
442	equivalent positions are appropriated from general revenue to
443	the State Board of Education for the 2006-2007 fiscal year for
444	the purpose of administering this act:
445	(1) Three full-time equivalent positions and \$165,000 in
446	approved annual salary rate;
447	(2) The sum of \$214,630 from recurring general revenue
448	funds for salaries and benefits;
449	(3) The sum of \$199,238 from recurring general revenue
450	funds for expenses;
451	(4) The sum of \$5,700 from nonrecurring general revenue
452	funds for operating capital outlay; and
453	(5) The sum of \$1,179 from recurring general revenue funds
454	for transfer to the Department of Management Services for the
455	Human Resource Services Statewide Contract.
456	Section 4. This act shall take effect July 1, 2006.