

1 A bill to be entitled
2 An act relating to education funding; amending s.
3 1002.415, F.S.; providing a mission for the K-8 Virtual
4 School Program; revising eligibility requirements for
5 school participation and student enrollment; providing for
6 enrollment in a K-8 virtual school of eligible students
7 who submit timely applications unless the number of
8 applications exceeds the capacity of a program; removing
9 provisions relating to pilot K-8 virtual schools; revising
10 funding for the K-8 Virtual School Program to include a
11 definition of "full-time equivalent student"; providing
12 reporting requirements; establishing the district cost
13 differential; providing for funding from the General
14 Appropriations Act and authorizing schools to receive
15 other funds; prohibiting a school from increasing
16 enrollment until it achieves a specified performance grade
17 category; amending s. 1003.03, F.S., relating to maximum
18 class size; defining "team teaching," "co-teaching," and
19 "inclusion teaching strategy"; amending s. 1011.61, F.S.;
20 revising the definition of "full-time equivalent student"
21 as it relates to the Florida Virtual School; amending s.
22 1011.62, F.S.; deleting obsolete provisions relating to
23 categorical funding; amending s. 1011.71, F.S.; deleting
24 obsolete provisions relating to expenditure of capital
25 outlay millage; amending s. 1013.64, F.S.; specifying the
26 useful life of certain educational facilities; clarifying
27 the definition of capital outlay full-time equivalent

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28 membership for use in determining school district capital
 29 outlay funds; providing an effective date.

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

33 Section 1. Section 1002.415, Florida Statutes, is amended
 34 to read:

35 1002.415 K-8 Virtual School Program.--

36 (1) PROGRAM; MISSION.--

37 (a) Subject to annual legislative appropriation, a
 38 kindergarten through grade 8 virtual school program is
 39 established within the Department of Education for the purpose
 40 of making academic instruction available to full-time students
 41 in kindergarten through grade 8 using on-line and distance
 42 learning technology. The department shall use an application
 43 process to select schools to deliver program instruction.

44 (b) The mission of the K-8 Virtual School Program is to
 45 provide students with technology-based educational opportunities
 46 to gain the knowledge and skills necessary to succeed. The
 47 school shall serve any student in the state who meets the
 48 profile for success in this educational delivery context and
 49 shall give priority to:

50 1. Students who need access to K-8 courses in order to
 51 meet their educational needs and goals in a home environment.

52 2. Students seeking accelerated access to move at their
 53 own pace in their educational progress.

54 (2) ~~(1)~~ SCHOOL ELIGIBILITY.--

55 (a) To be eligible to participate in the K-8 Virtual

56 School Program a school must:

57 1. Be nonsectarian in its programs, admission policies,
58 employment practices, and operations;

59 2. Comply with the antidiscrimination provisions of s.
60 1000.05;

61 3. Participate in the state's school accountability system
62 created in s. 1008.31;

63 4. Locate its administrative office in this state and
64 require its administrative and instructional staff members to be
65 state residents; and

66 5. Require no tuition or student registration fee.

67 (b) Schools applying to participate in the K-8 Virtual
68 School Program shall ~~may~~ be ~~for-profit~~ or nonprofit entities.

69 (3)~~(2)~~ APPLICATION.--

70 (a) The Department of Education shall provide an
71 application form to be completed by each school seeking to
72 participate in the K-8 Virtual School Program. Initial
73 application forms must be made available in sufficient time to
74 enable schools to apply and be approved to participate in the K-
75 8 Virtual School Program by the beginning of the 2007-2008
76 school year. In addition to information that may be required by
77 the department, applicants must provide verification that:

78 1. The applicant meets the eligibility criteria required
79 by this section;

80 2. All members of the school's instructional staff are
81 certified professional educators under the provisions of chapter
82 1012; and

83 3. All school employees have undergone background

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84 screening as required by s. 1012.32.

85 (b) In addition to a completed application form, each
86 applicant must provide the department with:

87 1. A detailed plan describing how the school curriculum
88 and course content will conform to the Sunshine State Standards;
89 and

90 2. An annual financial plan for each year of operation of
91 the school for a minimum of 3 years. The plan must contain
92 anticipated fund balances based on revenue projections, a
93 spending plan based on projected revenues and expenses, and a
94 description of controls that will safeguard finances and
95 projected enrollment trends.

96 (c) The department must approve or deny a school's
97 participation in the K-8 Virtual School Program within 90 days
98 after receipt of an application.

99 (4)~~(3)~~ PARTICIPATING SCHOOLS.--

100 (a) A school approved by the department to participate in
101 the K-8 Virtual School Program shall receive an initial 3-year
102 contract with the department to provide program services,
103 subject to annual department review and legislative
104 appropriation. Contract renewals may be for up to 5 years upon
105 agreement of both parties, contingent upon annual funding in the
106 General Appropriations Act.

107 (b) A school approved to participate in the program is
108 deemed to be an independent virtual school providing, on behalf
109 of the state, a program of instruction that is full time, of 180
110 days' duration, and an on-line program of instruction to
111 students in kindergarten through grade 8.

112 (c) A school approved to participate in the program must
 113 provide each student enrolled in the virtual school with:

- 114 1. All necessary instructional materials;
- 115 2. All equipment, including, but not limited to, a
 116 computer, computer monitor, and printer for each household that
 117 has a student enrolled in the virtual school; and

118 3. Access to or reimbursement for all Internet services
 119 necessary for on-line delivery of instruction for each household
 120 that has a student enrolled in the virtual school.

121 (d) Except as provided in paragraph (7) (b), a K-8 virtual
 122 school shall enroll an eligible student who meets the profile
 123 for success in this educational delivery context and who submits
 124 a timely application, prioritized in accordance with paragraph
 125 (1) (b), unless the number of such applications exceeds the
 126 capacity of a program. In such case, students who have submitted
 127 such applications shall have an equal chance of being admitted
 128 through a random selection process.

129 ~~(4) PILOT SCHOOLS.—~~

130 ~~(a) The two pilot K-8 virtual schools provided for in the~~
 131 ~~2005 General Appropriations Act may continue operation for the~~
 132 ~~entire 2006-2007 school year.~~

133 ~~(b) With the exception of the application and contracting~~
 134 ~~requirements, the pilot schools are subject to the provisions of~~
 135 ~~this section for the 2006-2007 school year.~~

136 ~~(c) Each pilot school must complete the application~~
 137 ~~requirements of this section and be approved by the department~~
 138 ~~in order to participate in the K-8 Virtual School Program beyond~~
 139 ~~the 2006-2007 school year.~~

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140 (5) STUDENT ELIGIBILITY.--

141 (a) Enrollment in a each participating K-8 virtual school
142 is open to any K-8 student in this state who meets the profile
143 for success in this educational delivery context in accordance
144 with paragraph (1)(b) if the student meets at least one of the
145 following conditions:

146 1. Spent the prior school year in attendance at a public
147 school in this state and was enrolled and reported by a public
148 school district for funding during the preceding October and
149 February for purposes of the Florida Education Finance Program
150 surveys;

151 2. Was enrolled during the prior school year in a K-8
152 virtual school funded pursuant to this section ~~or from funds~~
153 ~~provided in the 2005 General Appropriations Act;~~

154 3. Is eligible to enroll in kindergarten or the first
155 grade; or

156 4. Has a sibling who is currently enrolled in a
157 participating K-8 virtual school and was enrolled at the end of
158 the prior school year.

159 (b) Students enrolled in a K-8 virtual school are subject
160 to the compulsory attendance requirements of s. 1003.21. Student
161 attendance must be verified according to procedures of the
162 Department of Education.

163 (c) Each student enrolled in a K-8 virtual school must
164 take state assessment tests within the student's school district
165 of residence, which must provide that student with access to the
166 district's testing facilities.

167 (6) FUNDING.--

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168 (a) A "full-time equivalent student" for the K-8 Virtual
169 School Program shall be as defined in s. 1011.61(1)(c) and
170 reported under s. 1011.62(1)(c)1.a. and b. State funding for
171 each school participating in the K-8 Virtual School Program
172 shall be based on a total program enrollment and amount per
173 full-time equivalent student established annually in the General
174 Appropriations Act.

175 (b) Full-time equivalent students for the K-8 Virtual
176 School Program shall be reported only by the K-8 virtual school
177 to the Department of Education in the manner prescribed by the
178 department and shall be funded through the Florida Education
179 Finance Program. School districts shall report full-time
180 equivalent student membership only for courses for which the
181 district provides the instruction. Upon proper documentation of
182 student enrollment, which must be reviewed and approved by the
183 department, payments shall be made to participating schools in
184 four equal payments no later than September 1, November 1,
185 February 1, and April 15 of each academic year. The initial
186 payment shall be made after the department verifies each
187 student's admission to the school, and subsequent payments shall
188 be made upon verification of the continued enrollment and
189 attendance of the student.

190 (c) The district cost differential as provided in s.
191 1011.62(2) shall be established as 1.000.

192 (d) A K-8 virtual school that participates in the K-8
193 Virtual School Program shall receive state funds as may be
194 provided in the General Appropriations Act.

195 (e) In addition to the funds provided in the General

196 Appropriations Act, a K-8 virtual school may receive other funds
 197 from grants and donations.

198 (7) ASSESSMENT AND ACCOUNTABILITY.--

199 (a) Each K-8 virtual school must participate in the
 200 statewide assessment program created under s. 1008.22 and shall
 201 be subject to the school grading system created by s. 1008.34.

202 (b) A K-8 virtual school that has a performance grade
 203 category of "D" or "F" must file a school improvement plan with
 204 the department for consultation to determine the causes for low
 205 performance and to develop a plan for correction and
 206 improvement. Such a school may not increase its enrollment until
 207 it achieves a performance grade category of "C" or better.

208 (c) The department shall terminate the contract of any K-8
 209 virtual school that receives a performance grade category of "D"
 210 or "F" for 2 years during any consecutive 4-year period.

211 (8) CAUSES FOR NONRENEWAL OR TERMINATION OF A CONTRACT.--

212 (a) At the end of a contract with a K-8 virtual school,
 213 the department may choose not to renew the contract for any of
 214 the following grounds:

215 1. Failure to participate in the state's education
 216 accountability system created in s. 1008.31, as required in this
 217 section;

218 2. Failure to receive a school performance grade of "C" or
 219 better under the school grading system created by s. 1008.34 for
 220 any 2 years in a consecutive 4-year period;

221 3. Failure to meet generally accepted standards of fiscal
 222 management;

223 4. Violation of law;

224 5. Failure of the Legislature to fund the program; or
 225 6. Other good cause shown.

226 (b) During the term of the contract, the department may
 227 terminate the contract for any of the grounds listed in
 228 paragraph (a).

229 (c) If a contract is not renewed or is terminated, the K-8
 230 virtual school is responsible for all debts of the school.

231 (d) If a contract is not renewed or is terminated, a
 232 student who attended the school must be allowed to be enrolled
 233 in a public school in the county in which the student is a
 234 resident.

235 (9) RULES.--The State Board of Education shall adopt rules
 236 under ss. 120.536(1) and 120.54 to administer this section.

237 Section 2. Paragraphs (c) and (d) are added to subsection
 238 (5) of section 1003.03, Florida Statutes, to read:

239 1003.03 Maximum class size.--

240 (5) TEAM-TEACHING STRATEGIES.--

241 (c) "Team teaching" or "co-teaching" means that two or
 242 more teachers are assigned to a group of students and that each
 243 teacher is responsible for planning, delivering, and evaluating
 244 instruction for all students in a class or subject for the
 245 entire class period.

246 (d) "Inclusion teaching strategy" means that two or more
 247 teachers are assigned to a group of students, but one of the
 248 teachers is only responsible for one student or a small group of
 249 students in the classroom.

250
 251 The use of strategies implemented as outlined in this subsection

252 meets the letter and intent of the Florida Constitution and the
 253 Florida Statutes which relate to implementing class-size
 254 reduction, and this subsection applies retroactively. A school
 255 district may not be penalized financially or otherwise as a
 256 result of the use of any legal strategy, including, but not
 257 limited to, those set forth in subsection (3) and this
 258 subsection.

259 Section 3. Paragraph (c) of subsection (1) of section
 260 1011.61, Florida Statutes, is amended to read:

261 1011.61 Definitions.--Notwithstanding the provisions of s.
 262 1000.21, the following terms are defined as follows for the
 263 purposes of the Florida Education Finance Program:

264 (1) A "full-time equivalent student" in each program of
 265 the district is defined in terms of full-time students and part-
 266 time students as follows:

267 (c)1. A "full-time equivalent student" is:

268 a. A full-time student in any one of the programs listed
 269 in s. 1011.62(1)(c); or

270 b. A combination of full-time or part-time students in any
 271 one of the programs listed in s. 1011.62(1)(c) which is the
 272 equivalent of one full-time student based on the following
 273 calculations:

274 (I) A full-time student, except a postsecondary or adult
 275 student or a senior high school student enrolled in adult
 276 education when such courses are required for high school
 277 graduation, in a combination of programs listed in s.

278 1011.62(1)(c) shall be a fraction of a full-time equivalent
 279 membership in each special program equal to the number of net

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280 hours per school year for which he or she is a member, divided
281 by the appropriate number of hours set forth in subparagraph
282 (a)1. or subparagraph (a)2. The difference between that fraction
283 or sum of fractions and the maximum value as set forth in
284 subsection (4) for each full-time student is presumed to be the
285 balance of the student's time not spent in such special
286 education programs and shall be recorded as time in the
287 appropriate basic program.

288 (II) A prekindergarten handicapped student shall meet the
289 requirements specified for kindergarten students.

290 (III) A Florida Virtual School full-time equivalent
291 student shall consist of six full credit completions in the
292 programs listed in s. 1011.62(1)(c)1. ~~and 4.~~ Credit completions
293 can be a combination of either full credits or half credits.

294 2. A student in membership in a program scheduled for more
295 or less than 180 school days is a fraction of a full-time
296 equivalent membership equal to the number of instructional hours
297 in membership divided by the appropriate number of hours set
298 forth in subparagraph (a)1.; however, for the purposes of this
299 subparagraph, membership in programs scheduled for more than 180
300 days is limited to students enrolled in juvenile justice
301 education programs and the Florida Virtual School.

302
303 The department shall determine and implement an equitable method
304 of equivalent funding for experimental schools and for schools
305 operating under emergency conditions, which schools have been
306 approved by the department to operate for less than the minimum
307 school day.

308 Section 4. Subsection (6) of section 1011.62, Florida
 309 Statutes, is amended to read:

310 1011.62 Funds for operation of schools.--If the annual
 311 allocation from the Florida Education Finance Program to each
 312 district for operation of schools is not determined in the
 313 annual appropriations act or the substantive bill implementing
 314 the annual appropriations act, it shall be determined as
 315 follows:

316 (6) CATEGORICAL FUNDS.--

317 (a) In addition to the basic amount for current operations
 318 for the FEFP as determined in subsection (1), the Legislature
 319 may appropriate categorical funding for specified programs,
 320 activities, or purposes.

321 (b) If a district school board finds and declares in a
 322 resolution adopted at a regular meeting of the school board that
 323 the funds received for any of the following categorical
 324 appropriations are urgently needed to maintain school board
 325 specified academic classroom instruction, the school board may
 326 consider and approve an amendment to the school district
 327 operating budget transferring the identified amount of the
 328 categorical funds to the appropriate account for expenditure:

- 329 1. Funds for student transportation.
- 330 ~~2. Funds for in service educational personnel training.~~
- 331 2.3. Funds for safe schools.
- 332 ~~4. Funds for public school technology.~~
- 333 3.5. Funds for supplemental academic instruction.

334 (c) Each district school board shall include in its annual
 335 financial report to the Department of Education the amount of

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336 funds the school board transferred from each of the categorical
337 funds identified in this subsection and the specific academic
338 classroom instruction for which the transferred funds were
339 expended. The Department of Education shall provide instructions
340 and specify the format to be used in submitting this required
341 information as a part of the district annual financial report.

342 Section 5. Subsection (5) of section 1011.71, Florida
343 Statutes, is amended to read:

344 1011.71 District school tax.--

345 (5) (a) It is the intent of the Legislature that, by July
346 1, 2003, revenue generated by the millage levy authorized by
347 subsection (2) should be used only for the costs of
348 construction, renovation, remodeling, maintenance, and repair of
349 the educational plant; for the purchase, lease, or lease-
350 purchase of equipment, educational plants, and construction
351 materials directly related to the delivery of student
352 instruction; for the rental or lease of existing buildings, or
353 space within existing buildings, originally constructed or used
354 for purposes other than education, for conversion to use as
355 educational facilities; for the opening day collection for the
356 library media center of a new school; for the purchase, lease-
357 purchase, or lease of school buses or the payment to a private
358 entity to offset the cost of school buses pursuant to paragraph
359 (2) (i); and for servicing of payments related to certificates of
360 participation issued for any purpose prior to the effective date
361 of this act. Costs associated with the lease-purchase of
362 equipment, educational plants, and school buses may include the
363 issuance of certificates of participation on or after the

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364 effective date of this act and the servicing of payments related
365 to certificates so issued. For purposes of this section,
366 "maintenance and repair" is defined in s. 1013.01.

367 ~~(b) For purposes not delineated in paragraph (a) for which~~
368 ~~proceeds received from millage levied under subsection (2) may~~
369 ~~be legally expended, a district school board may spend no more~~
370 ~~than the following percentages of the amount the district spent~~
371 ~~for these purposes in fiscal year 1995-1996:~~

372 1. ~~In fiscal year 2000-2001, 40 percent.~~

373 2. ~~In fiscal year 2001-2002, 25 percent.~~

374 3. ~~In fiscal year 2002-2003, 10 percent.~~

375 (b)~~(e)~~ Beginning July 1, 2003, revenue generated by the
376 millage levy authorized by subsection (2) must be used only for
377 the purposes delineated in paragraph (a).

378 (c)~~(d)~~ Notwithstanding any other provision of this
379 subsection, if through its adopted educational facilities plan a
380 district has clearly identified the need for an ancillary plant,
381 has provided opportunity for public input as to the relative
382 value of the ancillary plant versus an educational plant, and
383 has obtained public approval, the district may use revenue
384 generated by the millage levy authorized by subsection (2) for
385 the acquisition, construction, renovation, remodeling,
386 maintenance, or repair of an ancillary plant.

387
388 A district that violates these expenditure restrictions shall
389 have an equal dollar reduction in funds appropriated to the
390 district under s. 1011.62 in the fiscal year following the audit
391 citation. The expenditure restrictions do not apply to any

392 school district that certifies to the Commissioner of Education
 393 that all of the district's instructional space needs for the
 394 next 5 years can be met from capital outlay sources that the
 395 district reasonably expects to receive during the next 5 years
 396 or from alternative scheduling or construction, leasing,
 397 rezoning, or technological methodologies that exhibit sound
 398 management.

399 Section 6. Paragraph (a) of subsection (1) and paragraph
 400 (a) of subsection (3) of section 1013.64, Florida Statutes, are
 401 amended to read:

402 1013.64 Funds for comprehensive educational plant needs;
 403 construction cost maximums for school district capital
 404 projects.--Allocations from the Public Education Capital Outlay
 405 and Debt Service Trust Fund to the various boards for capital
 406 outlay projects shall be determined as follows:

407 (1) (a) Funds for remodeling, renovation, maintenance,
 408 repairs, and site improvement for existing satisfactory
 409 facilities shall be given priority consideration by the
 410 Legislature for appropriations allocated to the boards from the
 411 total amount of the Public Education Capital Outlay and Debt
 412 Service Trust Fund appropriated. These funds shall be calculated
 413 pursuant to the following basic formula: the building value
 414 times the building age over the sum of the years' digits
 415 assuming a 50-year building life. For modular noncombustible
 416 facilities, a 35- year life shall be used and, for relocatable
 417 facilities, a 20-year life shall be used. "Building value" is
 418 calculated by multiplying each building's total assignable
 419 square feet times the appropriate net-to-gross conversion rate

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420 found in state board rules and that product times the current
421 average new construction cost. "Building age" is calculated by
422 multiplying the prior year's building age times 1 minus the
423 prior year's sum received from this subsection divided by the
424 prior year's building value. To the net result shall be added
425 the number 1. Each board shall receive the percentage generated
426 by the preceding formula of the total amount appropriated for
427 the purposes of this section.

428 (3) (a) Each district school board shall receive an amount
429 from the Public Education Capital Outlay and Debt Service Trust
430 Fund to be calculated by computing the capital outlay full-time
431 equivalent membership as determined by the department. Such
432 membership must include, but is not limited to:

433 1. K-12 students for whom the school district is required
434 to provide the educational facility, except hospital and
435 homebound part-time students; and

436 2. Students who are career education students, and adult
437 disabled students and who are enrolled in school district career
438 centers. The capital outlay full-time equivalent membership
439 shall be determined for kindergarten through the 12th grade and
440 for career centers by averaging the unweighted full-time
441 equivalent student membership for the second and third surveys
442 and comparing the results on a school-by-school basis with the
443 Florida Inventory for School Houses. The capital outlay full-
444 time equivalent membership by grade level organization shall be
445 used in making the following calculations: The capital outlay
446 full-time equivalent membership by grade level organization for
447 the 4th prior year must be used to compute the base-year

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448 allocation. The capital outlay full-time equivalent membership
449 by grade-level organization for the prior year must be used to
450 compute the growth over the highest of the 3 years preceding the
451 prior year. From the total amount appropriated by the
452 Legislature pursuant to this subsection, 40 percent shall be
453 allocated among the base capital outlay full-time equivalent
454 membership and 60 percent among the growth capital outlay full-
455 time equivalent membership. The allocation within each of these
456 groups shall be prorated to the districts based upon each
457 district's percentage of base and growth capital outlay full-
458 time membership. The most recent 4-year capital outlay full-time
459 equivalent membership data shall be used in each subsequent
460 year's calculation for the allocation of funds pursuant to this
461 subsection. If a change, correction, or recomputation of data
462 during any year results in a reduction or increase of the
463 calculated amount previously allocated to a district, the
464 allocation to that district shall be adjusted correspondingly.
465 If such recomputation results in an increase or decrease of the
466 calculated amount, such additional or reduced amounts shall be
467 added to or reduced from the district's future appropriations.
468 However, no change, correction, or recomputation of data shall
469 be made subsequent to 2 years following the initial annual
470 allocation.

471 Section 7. This act shall take effect July 1, 2007.