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576-03580-20

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Proposed Committee Substitute by the Committee on Appropriations (Appropriations Subcommittee on Education)

A bill to be entitled

2 An act relating to charter schools; amending s. 3 1002.33, F.S.; prohibiting sponsors from refusing to 4 receive a charter school application submitted during 5 the calendar year; revising how charter schools 6 operated by not-for-profit or municipal entities may 7 use certain unrestricted current and capital assets; 8 amending s. 1002.331, F.S.; specifying how many 9 applications a high-performing charter school may 10 submit in any school district in the state to 11 establish and operate a new charter school; providing 12 applicability; amending s. 1002.45, F.S.; revising the 13 virtual instruction a virtual charter school may 14 provide; authorizing virtual charter schools to offer 15 part-time virtual instruction to certain students 16 beginning in a specified school year; providing an 17 effective date.

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

Section 1. Paragraph (b) of subsection (6) and paragraph 21 2.2 (b) of subsection (17) of section 1002.33, Florida Statutes, are 23 amended to read:

24 1002.33 Charter schools.-

25 (6) APPLICATION PROCESS AND REVIEW.-Charter school 26 applications are subject to the following requirements: 27

(b) A sponsor shall receive and review all applications for



576-03580-20

28 a charter school using the evaluation instrument developed by 29 the Department of Education. A sponsor shall receive and 30 consider charter school applications received during on or before August 1 of each calendar year for charter schools to be 31 opened at the beginning of the school district's next school 32 33 year, or to be opened at a time determined agreed to by the 34 applicant and the sponsor. A sponsor may not refuse to receive a 35 charter school application submitted by an applicant during the 36 calendar year. before August 1 and may receive an application 37 submitted later than August 1 if it chooses. Beginning in 2018 38 and thereafter, a sponsor shall receive and consider charter 39 school applications received on or before February 1 of each 40 calendar year for charter schools to be opened 18 months later at the beginning of the school district's school year, or to be 41 42 opened at a time determined by the applicant. A sponsor may not refuse to receive a charter school application submitted before 43 February 1 and may receive an application submitted later than 44 45 February 1 if it chooses. A sponsor may not charge an applicant for a charter any fee for the processing or consideration of an 46 47 application, and a sponsor may not base its consideration or 48 approval of a final application upon the promise of future 49 payment of any kind. Before approving or denying any 50 application, the sponsor shall allow the applicant, upon receipt of written notification, at least 7 calendar days to make 51 52 technical or nonsubstantive corrections and clarifications, 53 including, but not limited to, corrections of grammatical, 54 typographical, and like errors or missing signatures, if such errors are identified by the sponsor as cause to deny the final 55 56 application.



576-03580-20

57 1. In order to facilitate an accurate budget projection process, a sponsor shall be held harmless for FTE students who 58 59 are not included in the FTE projection due to approval of charter school applications after the FTE projection deadline. 60 61 In a further effort to facilitate an accurate budget projection, 62 within 15 calendar days after receipt of a charter school 63 application, a sponsor shall report to the Department of Education the name of the applicant entity, the proposed charter 64 65 school location, and its projected FTE.

66 2. In order to ensure fiscal responsibility, an application 67 for a charter school shall include a full accounting of expected 68 assets, a projection of expected sources and amounts of income, 69 including income derived from projected student enrollments and 70 from community support, and an expense projection that includes 71 full accounting of the costs of operation, including start-up 72 costs.

73 3.a. A sponsor shall by a majority vote approve or deny an application no later than 90 calendar days after the application 74 75 is received, unless the sponsor and the applicant mutually agree 76 in writing to temporarily postpone the vote to a specific date, 77 at which time the sponsor shall by a majority vote approve or deny the application. If the sponsor fails to act on the 78 79 application, an applicant may appeal to the State Board of 80 Education as provided in paragraph (c). If an application is 81 denied, the sponsor shall, within 10 calendar days after such denial, articulate in writing the specific reasons, based upon 82 83 good cause, supporting its denial of the application and shall provide the letter of denial and supporting documentation to the 84 85 applicant and to the Department of Education.

Page 3 of 9

183484

576-03580-20

86 b. An application submitted by a high-performing charter 87 school identified pursuant to s. 1002.331 or a high-performing charter school system identified pursuant to s. 1002.332 may be 88 89 denied by the sponsor only if the sponsor demonstrates by clear 90 and convincing evidence that:

91 (I) The application of a high-performing charter school 92 does not materially comply with the requirements in paragraph (a) or, for a high-performing charter school system, the 93 94 application does not materially comply with s. 1002.332(2)(b);

95 (II) The charter school proposed in the application does 96 not materially comply with the requirements in paragraphs 97 (9)(a) - (f);

(III) The proposed charter school's educational program 98 99 does not substantially replicate that of the applicant or one of the applicant's high-performing charter schools; 100

101 (IV) The applicant has made a material misrepresentation or 102 false statement or concealed an essential or material fact during the application process; or 103

104 (V) The proposed charter school's educational program and 105 financial management practices do not materially comply with the 106 requirements of this section.

Material noncompliance is a failure to follow requirements or a 108 109 violation of prohibitions applicable to charter school 110 applications, which failure is quantitatively or qualitatively 111 significant either individually or when aggregated with other 112 noncompliance. An applicant is considered to be replicating a high-performing charter school if the proposed school is 113 114 substantially similar to at least one of the applicant's high-

Page 4 of 9

107

183484

576-03580-20

115 performing charter schools and the organization or individuals 116 involved in the establishment and operation of the proposed 117 school are significantly involved in the operation of replicated 118 schools.

119 c. If the sponsor denies an application submitted by a 120 high-performing charter school or a high-performing charter 121 school system, the sponsor must, within 10 calendar days after 122 such denial, state in writing the specific reasons, based upon 123 the criteria in sub-subparagraph b., supporting its denial of 124 the application and must provide the letter of denial and 125 supporting documentation to the applicant and to the Department 126 of Education. The applicant may appeal the sponsor's denial of the application in accordance with paragraph (c). 127

4. For budget projection purposes, the sponsor shall report to the Department of Education the approval or denial of an 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 an application, the initial startup 134 135 shall commence with the beginning of the public school calendar 136 for the district in which the charter is granted. A charter school may defer the opening of the school's operations for up 137 138 to 3 years to provide time for adequate facility planning. The 139 charter school must provide written notice of such intent to the sponsor and the parents of enrolled students at least 30 140 141 calendar days before the first day of school.

142 (17) FUNDING.-Students enrolled in a charter school,143 regardless of the sponsorship, shall be funded as if they are in

183484

576-03580-20

144 a basic program or a special program, the same as students 145 enrolled in other public schools in the school district. Funding 146 for a charter lab school shall be as provided in s. 1002.32.

(b) The basis for the agreement for funding students 147 enrolled in a charter school shall be the sum of the school 148 149 district's operating funds from the Florida Education Finance 150 Program as provided in s. 1011.62 and the General Appropriations 151 Act, including gross state and local funds, discretionary 152 lottery funds, and funds from the school district's current 153 operating discretionary millage levy; divided by total funded 154 weighted full-time equivalent students in the school district; 155 multiplied by the weighted full-time equivalent students for the 156 charter school. Charter schools whose students or programs meet 157 the eligibility criteria in law are entitled to their proportionate share of categorical program funds included in the 158 159 total funds available in the Florida Education Finance Program 160 by the Legislature, including transportation, the research-based reading allocation, and the Florida digital classrooms 161 162 allocation. Total funding for each charter school shall be 163 recalculated during the year to reflect the revised calculations 164 under the Florida Education Finance Program by the state and the 165 actual weighted full-time equivalent students reported by the charter school during the full-time equivalent student survey 166 167 periods designated by the Commissioner of Education. For charter 168 schools operated by a not-for-profit or municipal entity, any 169 unrestricted current and capital assets identified in the 170 charter school's annual financial audit may be used for other charter schools operated by the not-for-profit or municipal 171 172 entity within the state school district. Unrestricted current

Page 6 of 9

183484

576-03580-20

173 assets shall be used in accordance with s. 1011.62, and any 174 unrestricted capital assets shall be used in accordance with s. 1013.62(2). For this purpose, only unrestricted assets from 175 176 state sources may be used. For unrestricted assets to be used in 177 accordance with s. 1011.62, if state and local funds cannot be 178 identified, the percentage of state and local funds based on the 179 total funds allocated to the school district from the Florida 180 Education Finance Program shall be applied to the unrestricted 181 assets to determine the unrestricted funds available to be 182 provided to another charter school pursuant to this paragraph.

Section 2. Subsection (3) of section 1002.331, Florida Statutes, is amended to read:

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1002.331 High-performing charter schools.-

186 (3) (a)1. A high-performing charter school may submit an 187 application pursuant to s. 1002.33(6) in any school district in 188 the state to establish and operate a new charter school that 189 will substantially replicate its educational program. An 190 application submitted by a high-performing charter school must 191 state that the application is being submitted pursuant to this 192 paragraph and must include the verification letter provided by 193 the Commissioner of Education pursuant to subsection (4).

194 2. If the sponsor fails to act on the application within 90 195 days after receipt, the application is deemed approved and the 196 procedure in s. 1002.33(7) applies.

(b) A high-performing charter school may <u>submit two</u>
<u>applications for a charter school</u> not establish more than two
charter schools within the state under paragraph (a) <u>to be</u>
<u>opened at a time determined by the high-performing charter</u>
<u>school.</u> in any year. A subsequent application to establish a

183484

576-03580-20

202	charter school under paragraph (a) may not be submitted unless
203	each charter school application commences operations or an
204	application is otherwise withdrawn. each charter school
205	established in this manner achieves high-performing charter
206	school status. However, a high-performing charter school may
207	establish more than one charter school within the state under
208	paragraph (a) in any year if it operates in the area of a
209	persistently low-performing school and serves students from that
210	school.
211	(c) This section applies to any high-performing charter
212	school with an existing approved application.
213	Section 3. Paragraph (d) of subsection (1) of section
214	1002.45, Florida Statutes, is amended to read:
215	1002.45 Virtual instruction programs
216	(1) PROGRAM
217	(d) A virtual charter school may provide full-time virtual
218	instruction for students in kindergarten through grade 12 <u>, and,</u>
219	beginning in the 2020-2021 fiscal year, may provide part-time
220	virtual instruction for students in kindergarten through grade
221	12 who were enrolled in a public school the prior year, if the
222	virtual charter school has a charter approved pursuant to s.
223	1002.33 authorizing full-time virtual instruction. A virtual
224	charter school may:
225	1. Contract with the Florida Virtual School.
226	2. Contract with <u>or be</u> an approved provider under
227	subsection (2).
228	3. Enter into an agreement with a school district to allow
229	the participation of the virtual charter school's students in
230	the school district's virtual instruction program. The agreement

PROPOSED COMMITTEE SUBSTITUTE

Florida Senate - 2020 Bill No. CS for SB 1420



576-03580-20

231 must indicate a process for reporting of student enrollment and 232 the transfer of funds required by paragraph (7)(e).

233 <u>4. Contract with any public or charter school to provide</u>

234 any course that the virtual school cannot otherwise provide.

235 Section 4. This act shall take effect July 1, 2020.