

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

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Prepared By: The Professional Staff of the Committee on Education

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BILL: SB 622

INTRODUCER: Senator Diaz

SUBJECT: Florida Institute for Charter School Innovation

DATE: November 29, 2021      REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Jahnke	Bouck	ED	<b>Favorable</b>
2.			AED	
3.			AP	

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**I. Summary:**

SB 622 establishes the Florida Institute for Charter School Innovation (institute) at Miami Dade College to improve charter school authorizing practices in the state. Additionally, the bill requires the Department of Education to collaborate with the institute in developing the sponsor evaluation framework.

The bill provides an appropriation of \$1 million in recurring general revenue funds. See Section V.

The bill takes effect on July 1, 2022.

**II. Present Situation:**

Charter school authorizers oversee a school’s compliance with the terms of the charter contract, which includes monitoring school performance and ensuring that the schools adhere to criteria in state law. In addition, authorizers grant or deny charter applications and revoke charters when appropriate.<sup>1</sup> According to the National Association of Charter School Authorizers (NACSA), quality authorizing is essential to ensure that charter schools are successful in providing a high-quality education to public school students. Successful authorizers ensure that charter schools use the flexibility they are granted under state law to meet their students’ needs and spend tax dollars appropriately.<sup>2</sup>

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<sup>1</sup> Education Commission of the States, *Charter Authorizers: What they are & why they matter*, available at <https://www.ecs.org/wp-content/uploads/Charter-Authorizers-What-they-are-and-why-they-matter.pdf>.

<sup>2</sup> *Id.*

## Charter Schools

Charter schools are tuition-free public schools created through an agreement or “charter” that provides flexibility relative to regulations created for traditional public schools.<sup>3</sup> Forty-five states and the District of Columbia have enacted charter school laws as of January 2020.<sup>4</sup> Between the 2009-2010 and 2018-2019 school years, the percentage of all public schools that were charter schools increased from 5 to 8 percent, and the total number of charter schools increased from 5,000 to 7,400. The percentage of public school students nationwide attending public charter schools increased from 3 to 7 percent between fall 2009 and fall 2018.<sup>5</sup>

All charter schools in Florida are public schools and are part of the state’s public education system.<sup>6</sup> During the 2020-2021 school year, 341,926 students were enrolled in 687 charter schools in Florida.<sup>7</sup> Seventy percent of the students attending charter schools in the 2020-2021 school year were minorities. Hispanic students comprised 45 percent of Florida’s charter school enrollment, and 19 percent were African-American students.<sup>8</sup>

## Charter School Sponsors

A district school board may sponsor a charter school in the county over which the district school board has jurisdiction.<sup>9</sup> A state university may sponsor a charter developmental research school (charter lab school)<sup>10</sup> and upon the approval by the State Board of Education (SBE), may sponsor a charter school to meet regional education or workforce demands by serving students from multiple school districts.<sup>11</sup> Additionally, Florida College System (FCS) institutions, upon the approval of the SBE, may sponsor a charter school in any county within its service area to meet workforce demands and may offer postsecondary programs leading to industry certification to eligible charter school students.<sup>12</sup>

A charter school sponsor has several responsibilities, including:<sup>13</sup>

- Approving or denying charter school applications.
- Overseeing each sponsored school’s progress toward the goals established in the charter.
- Monitoring the revenues and expenditures of the school.
- Ensuring that the school participates in the state’s education accountability system.

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<sup>3</sup> Florida Department of Education, Fact Sheet Office of Independent Education & Parental Choice, *Florida’s Charter Schools* (September 2021), available at <https://www.fldoe.org/core/fileparse.php/7778/urlt/Charter-Sept-2021.pdf>.

<sup>4</sup> Education Commission of the States, *50-State Comparison: Charter School Policies* <https://www.ecs.org/charter-school-policies/> (last visited November 17, 2021).

<sup>5</sup> National Center for Education Statistics, *Public Charter School Enrollment*, <https://nces.ed.gov/programs/coe/indicator/cgb> (last visited November 17, 2021).

<sup>6</sup> Section 1002.33(1), F.S.

<sup>7</sup> Florida Department of Education, Fact Sheet Office of Independent Education & Parental Choice, *Florida’s Charter Schools* (September 2021), available at <https://www.fldoe.org/core/fileparse.php/7778/urlt/Charter-Sept-2021.pdf>.

<sup>8</sup> *Id.*

<sup>9</sup> Section 1002.33(5)(a)1., F.S.

<sup>10</sup> Section 1002.33(5)(a)2., F.S.

<sup>11</sup> Section 1002.33(5)(a)3, F.S.

<sup>12</sup> A charter school currently operated by an FCS institution is not eligible to be sponsored by an FCS institution until its existing charter with the school district expires. Section 1002.33(5)(a)3.b., F.S. and Section 1002.34(3)(b), F.S.

<sup>13</sup> Section 1002.33(5)(b), F.S.

- Intervening when a sponsored school demonstrates deficient student performance or financial instability.

A sponsor must provide administrative and educational services<sup>14</sup> and may withhold a fee of up to five percent of each charter school's total operating funds.<sup>15</sup>

### **Charter School Sponsor Accountability**

To ensure charter school sponsor accountability, the Department of Education (DOE), in collaboration with charter school sponsors and operators, must develop a sponsor evaluation framework that must address, at a minimum:

- The sponsor's strategic vision for charter school authorizing and progress towards that vision.
- Alignment of the sponsor's policies and practices to best practices for charter school authorizing.
- Academic and financial performance of all operating charter schools overseen by the sponsor.
- The status of charter schools authorized by the sponsor, including approved, operating and closed schools.

Additionally, the DOE must compile the results of the evaluation framework, by sponsor, which must be included in its annual charter school sponsor report.

### **Charter School Authorization**

An application for a new charter school may be made by an individual, teachers, parents, a group of individuals, a municipality, or a legal entity organized under the laws of this state.<sup>16</sup> All charter applicants must prepare and submit a standard application, which:<sup>17</sup>

- Demonstrates how the school will use the guiding principles and meet the statutorily defined purpose of a charter school.
- Provides a detailed curriculum plan that illustrates how students will be provided services to attain the Sunshine State Standards.
- Contains goals and objectives for improving student learning and measuring that improvement.
- 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.
- Contains an annual financial plan for each year requested by the charter for operation of the school for up to five years.

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<sup>14</sup> Administrative and educational services include contract management services; full-time equivalent and data reporting services; exceptional student education administration services; services related to eligibility and reporting duties required to ensure that school lunch services under the National School Lunch Program; test administration services; processing of teacher certificate data services; and information services. Section 1002.33(20)(a)1., F.S.

<sup>15</sup> Section 1002.33(20)(a)2., F.S.

<sup>16</sup> Section 1002.33(3)(a), F.S.

<sup>17</sup> Section 1002.33(6)(a), F.S. Charter school applications are incorporated into SBE Rule 6A-6.0786, F.A.C.

- Discloses the name of each applicant, governing board member, and all proposed education services providers; the name and sponsor of any charter school operated by each applicant, each governing board member, and each proposed education services provider that has closed and the reasons for the closure; and the academic and financial history of such charter schools, which the sponsor must consider in deciding whether to approve or deny the application.
- Contains additional information a sponsor may require.
- Documents, for the establishment of a virtual charter school, the applicant has contracted with a provider of virtual instruction services in accordance with law.<sup>18</sup>

A sponsor receives and reviews all charter school applications using the evaluation instrument developed by the Department of Education and, within 90 calendar days of receipt, must by majority vote approve or deny the application. A sponsor must receive and consider charter school applications received for charter schools to be opened at a time determined by the applicant.<sup>19</sup>

If an application is denied, the sponsor must within ten calendar days provide specific written reasons, based upon good cause, for its denial to the applicant and the DOE.<sup>20</sup> The applicant has 30 calendar days to file an appeal with the SBE after the denial of or failure to act upon an application. The state board's decision is a final action subject to judicial review in the District Court of Appeal.<sup>21</sup>

### **Causes for Nonrenewal or Termination**

A charter school sponsor must make student academic achievement for all students the most important factor when determining whether to renew or terminate a charter, but may terminate or not renew a charter for any of the following reasons:<sup>22</sup>

- Failure to participate in the state's education accountability system or failure to meet the charter's requirements for student performance.
- Failure to meet generally accepted standards of fiscal management.
- Material violation of law.
- Other good cause shown.

A sponsor must provide 90-days written notice to the charter school prior to termination or nonrenewal, except that a charter may be terminated immediately if the sponsor sets forth particular facts and circumstances indicating an immediate and serious danger to the health, safety or welfare of the students.<sup>23</sup> The sponsor must notify in writing the charter school's governing board, the charter school principal, and the DOE of an immediate termination. The governing board is entitled to a formal hearing with an administrative law judge, who must issue a final order to the sponsor. The governing board may appeal the final order in the District Court

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<sup>18</sup> Section 1002.45(1)(d), F.S.

<sup>19</sup> Section 1002.33(6)(b), F.S.

<sup>20</sup> Section 1002.33(6)(b)3.a., F.S.

<sup>21</sup> Section 1002.33(6)(c)-(d), F.S.; *see also* s. 120.68, F.S.

<sup>22</sup> Section 1002.33(8)(a)1.-4., F.S.

<sup>23</sup> Section 1002.33(8)(b) and (c), F.S.

of Appeal. Under these circumstances, the sponsor must assume operation of the charter school throughout the pendency of the hearing.<sup>24</sup>

### **III. Effect of Proposed Changes:**

SB 622 creates s. 1004.88, F.S., to establish the Florida Institute for Charter School Innovation (institute) at Miami Dade College to improve charter school authorizing practices. Specifically, the bill requires the institute to:

- Create a state resource of best practices for charter applications and review.
- Provide charter school sponsors with training, technical assistance, and support in reviewing initial and renewal applications.
- Conduct applied research on policy and practices related to charter schools.
- Conduct or compile basic research on the status of educational choice, charter authorizing, and charter school performance, amongst other topics.
- Collaborate with the Department of Education (DOE) in developing the sponsor evaluation framework.
- Disseminate information to teacher educators regarding research-based charter school teaching practices.
- Host research workshops and conference that allow charter school sponsors, operators, students, and parents to engage in charter school topics.

Additionally, the bill modifies s. 1002.33, F.S., to specify that the DOE must collaborate with the institute, along with charter school sponsors and operators, in developing the sponsor evaluation framework.

The bill takes effect on July 1, 2022.

### **IV. Constitutional Issues:**

#### **A. Municipality/County Mandates Restrictions:**

None.

#### **B. Public Records/Open Meetings Issues:**

None.

#### **C. Trust Funds Restrictions:**

None.

#### **D. State Tax or Fee Increases:**

None.

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<sup>24</sup> Section 1002.33(8)(c), F.S. The sponsor must assume operation of the charter school, unless the continued operation of the charter school would materially threaten the health, safety, or welfare of the students.

E. Other Constitutional Issues:

None.

**V. Fiscal Impact Statement:**

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The bill specifies a \$1 million recurring appropriation from the General Revenue Fund to Miami Dade College to create and implement the Florida Institute for Charter School Innovation.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends section 1002.33 of the Florida Statutes.

This bill creates section 1004.88 of the Florida Statutes.

This bill creates an undesignated section of Florida Law.

**IX. Additional Information:**

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.