

By the Committees on Appropriations; and Education Pre-K -12;
and Senator Hutson

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1 A bill to be entitled
2 An act relating to charter school capital outlay
3 funding; amending s. 212.055, F.S.; conforming
4 provisions to changes made by the act; amending s.
5 1013.62, F.S.; deleting obsolete language; making
6 technical changes; revising charter school eligibility
7 requirements; revising the calculation methodologies
8 for the distribution of specified funds to eligible
9 charter schools; providing school district
10 requirements for the distribution of capital outlay
11 funds to eligible charter schools; requiring that any
12 purchase, lease-purchase, or lease be at the appraised
13 value; defining the term "appraised value"; requiring
14 that documentation of the appraised value be provided
15 upon request of the department; providing an effective
16 date.

17
18 Be It Enacted by the Legislature of the State of Florida:

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20 Section 1. Paragraph (c) of subsection (6) of section
21 212.055, Florida Statutes, is amended to read:

22 212.055 Discretionary sales surtaxes; legislative intent;
23 authorization and use of proceeds.—It is the legislative intent
24 that any authorization for imposition of a discretionary sales
25 surtax shall be published in the Florida Statutes as a
26 subsection of this section, irrespective of the duration of the
27 levy. Each enactment shall specify the types of counties
28 authorized to levy; the rate or rates which may be imposed; the
29 maximum length of time the surtax may be imposed, if any; the

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30 procedure which must be followed to secure voter approval, if
31 required; the purpose for which the proceeds may be expended;
32 and such other requirements as the Legislature may provide.
33 Taxable transactions and administrative procedures shall be as
34 provided in s. 212.054.

35 (6) SCHOOL CAPITAL OUTLAY SURTAX.—

36 (c) The resolution providing for the imposition of the
37 surtax must set forth a plan for use of the surtax proceeds for
38 fixed capital expenditures or fixed capital costs associated
39 with the construction, reconstruction, or improvement of school
40 facilities and campuses which have a useful life expectancy of 5
41 or more years, and any land acquisition, land improvement,
42 design, and engineering costs related thereto, or any purchase,
43 lease-purchase, lease, or maintenance of school buses, as
44 defined in s. 1006.25, which have a life expectancy of 5 years
45 or more. Additionally, the plan shall include the costs of
46 retrofitting and providing for technology implementation,
47 including hardware and software, for the various sites within
48 the school district. Surtax revenues may be used to service bond
49 indebtedness to finance projects authorized by this subsection,
50 and any interest accrued thereto may be held in trust to finance
51 such projects. Neither the proceeds of the surtax nor any
52 interest accrued thereto shall be used for operational expenses.
53 Surtax revenues shared with charter schools shall be shared
54 based on their proportionate share of total school district
55 capital outlay full-time equivalent enrollment projections as
56 developed by the Education Estimating Conference pursuant to s.
57 216.136 and shall be expended by the charter school in a manner
58 consistent with the allowable uses set forth in s. 1013.62(4).

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59 All revenues and expenditures shall be accounted for in a
60 charter school's monthly or quarterly financial statement
61 pursuant to s. 1002.33(9). The eligibility of a charter school
62 to receive funds under this subsection shall be determined in
63 accordance with s. 1013.62(1). If a school's charter is not
64 renewed or is terminated and the school is dissolved under the
65 provisions of law under which the school was organized, any
66 unencumbered funds received under this subsection shall revert
67 to the sponsor.

68 Section 2. Subsections (1) through (4) of section 1013.62,
69 Florida Statutes, are amended to read:

70 1013.62 Charter schools capital outlay funding.—

71 (1) ~~For the 2022-2023 fiscal year, charter school capital~~
72 ~~outlay funding shall consist of state funds appropriated in the~~
73 ~~2022-2023 General Appropriations Act. Beginning in fiscal year~~
74 ~~2023-2024,~~ Charter school capital outlay funding shall consist
75 of state funds when such funds are appropriated in the General
76 Appropriations Act and revenue resulting from the discretionary
77 millage authorized in s. 1011.71(2) ~~if the amount of state funds~~
78 ~~appropriated for charter school capital outlay in any fiscal~~
79 ~~year is less than the average charter school capital outlay~~
80 ~~funds per unweighted full-time equivalent student for the 2018-~~
81 ~~2019 fiscal year, multiplied by the estimated number of charter~~
82 ~~school students for the applicable fiscal year, and adjusted by~~
83 ~~changes in the Consumer Price Index issued by the United States~~
84 ~~Department of Labor from the previous fiscal year. Nothing in~~
85 ~~this subsection prohibits a school district from distributing to~~
86 ~~charter schools funds resulting from the discretionary millage~~
87 ~~authorized in s. 1011.71(2).~~

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88 (a) To be eligible to receive capital outlay funds, a
89 charter school must:

90 1.a. Have been in operation for 2 or more years;

91 b. Be governed by a governing board established in the
92 state for 2 or more years which operates both charter schools
93 and conversion charter schools within the state;

94 c. Be an expanded feeder chain of a charter school within
95 the same school district that is currently receiving charter
96 school capital outlay funds;

97 d. Have been accredited by a regional accrediting
98 association as defined by State Board of Education rule;

99 e. Serve students in facilities that are provided by a
100 business partner for a charter school-in-the-workplace pursuant
101 to s. 1002.33(15) (b); or

102 f. Be operated by a hope operator pursuant to s. 1002.333.

103 2. Have an annual audit that does not reveal any of the
104 financial emergency conditions provided in s. 218.503(1) for the
105 most recent fiscal year for which such audit results are
106 available.

107 3. Have satisfactory student achievement based on state
108 accountability standards applicable to the charter school.

109 4. Have received final approval from its sponsor pursuant
110 to s. 1002.33 for operation during that fiscal year.

111 5. Serve students in facilities that are not provided by
112 the charter school's sponsor.

113 6. Attest in writing to the department that if the charter
114 school is nonrenewed or terminated, any unencumbered funds and
115 all equipment and property purchased with public funds must
116 revert as prescribed in subsection (5).

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117 (b) A charter school is not eligible to receive capital
118 outlay funds if:

119 1. It was created by the conversion of a public school and
120 operates in facilities provided by the charter school's sponsor
121 for a nominal fee, or at no charge, or if it is directly or
122 indirectly operated by the school district;

123 2. It is a developmental research, or laboratory, school
124 that receives state funding for capital improvement purposes
125 pursuant to s. 1002.32(9)(e); or

126 3. A member of the governing board, or his or her family
127 member as defined in s. 440.13(1)(b), has an interest in or is
128 an employee of the lessor, excluding charter schools operating
129 pursuant to s. 1002.33(15).

130 (2) The department shall use the following calculation
131 methodology to allocate state funds appropriated in the General
132 Appropriations Act to eligible charter schools:

133 ~~(a) Eligible charter schools shall be grouped into~~
134 ~~categories based on their student populations according to the~~
135 ~~following criteria:~~

136 ~~1. Seventy five percent or greater who are eligible for~~
137 ~~free or reduced price school meals under the National School~~
138 ~~Lunch Program or, for schools operating programs under the~~
139 ~~Community Eligibility Provision of the Healthy, Hunger Free Kids~~
140 ~~Act of 2010, an equivalent percentage of the student population~~
141 ~~eligible for free and reduced price meals as determined by~~
142 ~~applying the multiplier authorized under the National School~~
143 ~~Lunch Act, 42 U.S.C. s. 1759a(a)(1)(F)(vii), to the number of~~
144 ~~students reported for direct certification.~~

145 ~~2. Twenty five percent or greater with disabilities as~~

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146 ~~defined in state board rule and consistent with the requirements~~
147 ~~of the Individuals with Disabilities Education Act.~~

148 ~~(b) If an eligible charter school does not meet the~~
149 ~~criteria for either category under paragraph (a), its FTE shall~~
150 ~~be provided as the base amount of funding and shall be assigned~~
151 ~~a weight of 1.0. An eligible charter school that meets the~~
152 ~~criteria under subparagraph (a)1. or subparagraph (a)2. shall be~~
153 ~~provided an additional 25 percent above the base funding amount,~~
154 ~~and the total FTE shall be multiplied by a weight of 1.25. An~~
155 ~~eligible charter school that meets the criteria under both~~
156 ~~subparagraphs (a)1. and (a)2. shall be provided an additional 50~~
157 ~~percent above the base funding amount, and the FTE for that~~
158 ~~school shall be multiplied by a weight of 1.5.~~

159 ~~(a)(e) Divide the state appropriation for charter school~~
160 ~~capital outlay shall be divided by the total weighted FTE for~~
161 ~~all eligible charter schools to determine the base charter~~
162 ~~school per weighted FTE allocation amount. The base charter~~
163 ~~school per weighted FTE allocation amount shall be multiplied by~~
164 ~~the weighted FTE of each charter school to determine each~~
165 ~~charter school's capital outlay allocation.~~

166 ~~(b)(d) The department shall calculate the eligible charter~~
167 ~~school funding allocations. Allocate funds shall be allocated~~
168 ~~using full-time equivalent membership from the second and third~~
169 ~~enrollment surveys and ~~free and reduced price school lunch~~ data.~~
170 ~~The department shall recalculate the allocations periodically~~
171 ~~based on the receipt of revised information, on a schedule~~
172 ~~established by the Commissioner of Education.~~

173 ~~(c)(e) The department shall~~ Distribute capital outlay funds
174 monthly, beginning in the first quarter of the fiscal year,

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175 based on one-twelfth of the amount the department reasonably
176 expects the charter school to receive during that fiscal year.
177 The commissioner shall adjust subsequent distributions as
178 necessary to reflect each charter school's recalculated
179 allocation.

180 (3) If the school board levies the discretionary millage
181 authorized in s. 1011.71(2), ~~and the state funds appropriated~~
182 ~~for charter school capital outlay in any fiscal year are less~~
183 ~~than the average charter school capital outlay funds per~~
184 ~~unweighted full-time equivalent student for the 2018-2019 fiscal~~
185 ~~year, multiplied by the estimated number of charter school~~
186 ~~students for the applicable fiscal year, and adjusted by changes~~
187 ~~in the Consumer Price Index issued by the United States~~
188 ~~Department of Labor from the previous fiscal year, the~~
189 department must ~~shall~~ use the following calculation methodology
190 to determine the amount of revenue that a school district must
191 distribute to each eligible charter school:

192 (a) Reduce the total discretionary millage revenue by the
193 school district's annual debt service obligation incurred as of
194 March 1, 2017, which has not been subsequently retired, and any
195 amount of participation requirement pursuant to s.
196 1013.64(2)(a)8. ~~which that~~ is being satisfied by revenues raised
197 by the discretionary millage.

198 (b) Divide the school district's adjusted discretionary
199 millage revenue by the district's total capital outlay full-time
200 equivalent membership and the total number of ~~unweighted~~ full-
201 time equivalent students of each eligible charter school to
202 determine a capital outlay allocation per full-time equivalent
203 student.

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204 (c) Multiply the capital outlay allocation per full-time
205 equivalent student by the total number of full-time equivalent
206 students of each eligible charter school to determine the
207 capital outlay allocation for each charter school.

208 (d) If applicable, reduce the capital outlay allocation
209 identified in paragraph (c) by the total amount of state funds
210 allocated to each eligible charter school in subsection (2) to
211 determine the maximum calculated capital outlay allocation. The
212 amount of funds a school district shall distribute to charter
213 schools must be as follows:

214 1. For fiscal year 2023-2024, the amount is 20 percent of
215 the amount calculated under this paragraph.

216 2. For fiscal year 2024-2025, the amount is 40 percent of
217 the amount calculated under this paragraph.

218 3. For fiscal year 2025-2026, the amount is 60 percent of
219 the amount calculated under this paragraph.

220 4. For fiscal year 2026-2027, the amount is 80 percent of
221 the amount calculated under this paragraph.

222 5. For fiscal year 2027-2028, and each fiscal year
223 thereafter, the amount is 100 percent of the amount calculated
224 under this paragraph.

225 (e) School districts shall distribute capital outlay funds
226 to eligible charter schools no later than February 1 of each
227 year, as required by this subsection, based on the amount of
228 funds received by the district school board. School districts
229 shall distribute any remaining capital outlay funds, as required
230 by this subsection, upon the receipt of such funds until the
231 total amount calculated pursuant to this subsection is
232 distributed.

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234 By October 1 of each year, each school district shall certify to
235 the department the amount of debt service and participation
236 requirement that complies with the requirement of paragraph (a)
237 and can be reduced from the total discretionary millage revenue.
238 The Auditor General shall verify compliance with the
239 requirements of paragraph (a) and s. 1011.71(2)(e) during
240 scheduled operational audits of school districts.

241 (4) A charter school's governing body may use charter
242 school capital outlay funds for the following purposes:

243 (a) Purchase of real property.

244 (b) Construction of school facilities.

245 (c) Purchase, lease-purchase, or lease of permanent or
246 relocatable school facilities.

247 (d) Purchase of vehicles to transport students to and from
248 the charter school.

249 (e) Renovation, repair, and maintenance of school
250 facilities that the charter school owns or is purchasing through
251 a lease-purchase or long-term lease of 5 years or longer.

252 (f) Payment of the cost of premiums for property and
253 casualty insurance necessary to insure the school facilities.

254 (g) Purchase, lease-purchase, or lease of driver's
255 education vehicles; motor vehicles used for the maintenance or
256 operation of plants and equipment; security vehicles; or
257 vehicles used in storing or distributing materials and
258 equipment.

259 (h) Purchase, lease-purchase, or lease of computer and
260 device hardware and operating system software necessary for
261 gaining access to or enhancing the use of electronic and digital

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262 instructional content and resources; and enterprise resource
263 software applications that are classified as capital assets in
264 accordance with definitions of the Governmental Accounting
265 Standards Board, have a useful life of at least 5 years, and are
266 used to support schoolwide administration or state-mandated
267 reporting requirements. Enterprise resource software may be
268 acquired by annual license fees, maintenance fees, or lease
269 agreement.

270 (i) Payment of the cost of the opening day collection for
271 the library media center of a new school.

272
273 Any purchase, lease-purchase, or lease must be at the appraised
274 value. The term "appraised value" means the fair market value
275 determined by an independent state-licensed and qualified
276 appraiser selected by the governing board. Documentation of the
277 appraised value must be provided upon request of the department.
278 Conversion charter schools may use capital outlay funds received
279 through the reduction in the administrative fee provided in s.
280 1002.33(20) for renovation, repair, and maintenance of school
281 facilities that are owned by the sponsor.

282 Section 3. This act shall take effect July 1, 2023.