# 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.)

	Prepared B	y: The Pro	ofessional Staff	of the Committee o	n Education Pre-K	-12
BILL:	SB 140					
INTRODUCER:	Senator Gaetz					
SUBJECT:	Education					
DATE:	March 14, 2025 REVISED:					
ANALYST		STAFF DIRECTOR		REFERENCE		ACTION
1. Sabitsch		Bouck		ED	Pre-meeting	
2.				CA		
3.				RC		

# I. Summary:

SB 140 modifies procedures regarding charter school conversions and establishes "job engine charter" schools. The bill also provides additional requirements for district school boards related to the acquisition and disposal of property. Specifically, the bill:

- Limits the entities that can apply for charter school conversions by removing school boards, principals, teachers and advisory councils.
- Specifies that a charter school application submitted by parents for a conversion charter school must be by parents whose children are enrolled in the existing public school and removes the required demonstration of support of teachers employed at the school.
- Allows municipalities, under certain circumstances, to apply to operate a "job engine charter" school and sets requirements.
- Provides planning and reporting requirements for district school boards when acquiring real property.
- Sets prohibitions on acquisition of real property by district school boards and requires disposal of surplus real property when there is declining enrollment.
- Provides priorities for the disposal of real property.

The bill takes effect on July 1, 2025.

#### II. Present Situation:

#### Florida's 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. During the 2022-2023 school year, 382,367 students were enrolled in 726 charter schools in 46 school districts.<sup>1</sup>

Charter schools are open to all students residing within the district; however, charter schools are allowed to target students within specific age groups or grade levels, students considered at-risk of dropping out or failing, students wishing to enroll in a charter school-in-the-workplace or charter school-in-a-municipality, students residing within a reasonable distance of the school, students who meet reasonable academic, artistic or other eligibility standards established by the charter school, or students articulating from one charter school to another.<sup>2</sup>

Charter schools are created when an individual, a group of parents or teachers, a business, a municipality, or a legal entity applies to the school district; the school district approves the application; the applicants form a governing board that negotiates a contract with the district school board; and the applicants and district school board agree upon a charter or contract. The district school board then becomes the sponsor of the charter school. The negotiated contract outlines the expectations of both parties regarding the school's academic and financial performance.<sup>3</sup>

A charter school must be organized as, or be operated by, a nonprofit organization. The charter school may serve at-risk students, or offer a specialized curriculum or core academic program, provide early intervention programs, or serve exceptional education students.<sup>4</sup>

All charter applicants must prepare and submit an application on a model application form prepared by the Department of Education, which:<sup>5</sup>

- Demonstrates how the school will use the guiding principles.
- Provides a detailed curriculum.
- Contains goals and objectives for improving student learning.
- Describes the separate reading curricula and differentiated strategies.
- Contains an annual financial plan.

<sup>&</sup>lt;sup>1</sup> Florida Department of Education, Office of Independent Education & Parental Choice, *Fact Sheet Florida's Charter Schools* (October 2023), *available at* https://www.fldoe.org/core/fileparse.php/7696/urlt/Charter-Sept-2022.pdf.

<sup>&</sup>lt;sup>2</sup> Florida Department of Education, *Frequently Asked Questions (Charter Schools)*, <a href="https://www.fldoe.org/schools/schools/charter-schools/charter-schools/sc

<sup>&</sup>lt;sup>3</sup> Florida Department of Education, *Frequently Asked Questions (Charter Schools)*, <a href="https://www.fldoe.org/schools/school-choice/charter-schools/charter-school-fags.stml">https://www.fldoe.org/schools/school-choice/charter-schools/charter-school-fags.stml</a> (last visited Mar. 3, 2025). *See also* s. 1002.33(6), F.S.

<sup>&</sup>lt;sup>4</sup> Florida Department of Education, *Frequently Asked Questions (Charter Schools)*, <a href="https://www.fldoe.org/schools/school-choice/charter-schools/charter-school-faqs.stml">https://www.fldoe.org/schools/school-choice/charter-schools/charter-school-faqs.stml</a> (last visited Mar. 3, 2025). *See also* s. 1002.33(6), F.S.

<sup>&</sup>lt;sup>5</sup> Florida Department of Education, *Frequently Asked Questions (Charter Schools)*, <a href="https://www.fldoe.org/schools/school-choice/charter-schools/charter-school-faqs.stml">https://www.fldoe.org/schools/school-choice/charter-schools/charter-school-faqs.stml</a> (last visited Mar. 3, 2025). *See also* s. 1002.33(6), F.S.

A school board is required to review all charter school applications and, within 90 days of receipt, approve or deny the application.<sup>6</sup>

#### **Conversion Charter Schools**

Florida law allows for applications for conversion charter schools, which are converted from district public schools.<sup>7</sup> The school must have operated for at least two years as a traditional public school (including a school-within-a-school) before conversion. Application for a conversion may be made by a parent, teacher, principal, district school board or school advisory council, but must be approved by a majority of the teachers employed at the school and a majority of the parents whose children are enrolled in the school. A majority of the parents must participate in the vote.<sup>8</sup>

The charter for a conversion charter school must identify the alternative arrangements that will be put in place to serve current students that choose not to attend the school after it is converted. Conversion charter schools are not eligible for charter school capital outlay funding if the conversion charter school operates in facilities provided to them by the school district.<sup>9</sup>

### Charter School in a Municipality

A municipality that possesses a charter of incorporation may be granted a charter school-in-amunicipality. The charter school in a municipality must enroll students based upon a random lottery that involves all of the children of the residents of that municipality who are seeking enrollment and enroll students according to the racial/ethnic balance provisions described in law. Any portion of the land and facility used for a public charter school is exempt from ad valorem taxes, as provided for in s. 1013.54, for the duration of its use as a public school.<sup>10</sup>

A charter school in a municipality may give enrollment preference to a resident or employee of a municipality that operates the charter school-or allows the charter school to use a school facility or portion of land provided by the municipality for the operation of the charter school.<sup>11</sup>

A charter school may limit the enrollment process to target students enrolling in a charter school-in-a-municipality. 12

#### **Educational Facilities**

Requirements for district school boards are provided in Florida law<sup>13</sup> governing the leasing of:

• School district-owned land, facilities and educational plants to outside persons or entities. 14

<sup>&</sup>lt;sup>6</sup> Florida Department of Education, *Frequently Asked Questions (Charter Schools)*, <a href="https://www.fldoe.org/schools/school-choice/charter-schools/charter-school-fags.stml">https://www.fldoe.org/schools/school-choice/charter-schools/school-fags.stml</a> (last visited Feb. 11, 2025). *See also* s. 1002.33(6), F.S.

Section 1002.33(3)(b), F.S.

<sup>&</sup>lt;sup>8</sup> Florida Department of Education, Frequently Asked Questions (Charter Schools), <a href="https://www.fldoe.org/schools/schools/schools/charter-schools/charter-school-faqs.stml">https://www.fldoe.org/schools/scho

<sup>&</sup>lt;sup>10</sup> Section 1002.33(15(c), F.S.

<sup>&</sup>lt;sup>11</sup> Section 1002.33(10)(d)4.b., F.S.

<sup>&</sup>lt;sup>12</sup> Section 1002.33(10)(e)3., F.S.

<sup>&</sup>lt;sup>13</sup> Section 1013.15, F.S.

<sup>&</sup>lt;sup>14</sup> Section 1013.15(1), F.S.

- Educational plants, ancillary please and auxiliary facilities by school districts. 15
- Existing buildings or space within existing buildings originally constructed or used for purposes other than education. <sup>16</sup>

District school boards are allowed to lease any land, facilities, or educational plants owned by the district to any person or entity for terms and rent if the board determines doing so to be in the best interest of the district. A lease may provide for the optional or binding purchase of the land, facilities, or educational plants by the lessee if the board determines the transaction to be in the interest of the district. All leases or lease-purchase agreements must be approved by the district school board at a public meeting and the final copy of the proposed agreement must be available for inspection and review by the public.<sup>17</sup>

District school boards are allowed to lease-purchase educational plants, ancillary plants, and auxiliary facilities and sites for use by the district. The lease-purchase must comply with specific Florida law and must be advertised through a competitive bid process. The lease-purchase is required to be funded using current funds or other funds specifically allowed in law.

Current law allows lease-purchases through direct-support organizations, nonprofit organizations or a consortium of district school boards if the purchase would best serve the public interest.<sup>20</sup>

The terms of any lease-purchase agreement, including the initial term and renewals cannot exceed the useful life of the facility or site or thirty years, whichever is shorter. A lease-purchase agreement entered into by a district school board is not permitted to constitute a debt, liability, or obligation of the state or that board.<sup>21</sup>

A district school board may dispose of any land or real property to which the board holds title which is determined to be unnecessary for educational purposes as recommended in an educational plant survey. The district school board must take diligent measures to dispose of educational property only in the best interests of the public.<sup>22</sup>

# III. Effect of Proposed Changes:

#### **Charter School Conversions**

SB 140 modifies s. 1002.33, F.S., to remove district school boards, school principals, teachers and school advisory councils from the individuals or entities able to apply for a conversion charter school and requires that parents who apply for a conversion charter school must be parents whose children are enrolled in the existing public school. The requirement to

<sup>&</sup>lt;sup>15</sup> Section 1013.15(2), F.S.

<sup>&</sup>lt;sup>16</sup> Section 1013.15(4), F.S.

<sup>&</sup>lt;sup>17</sup> Section 1013.15(1), F.S.

<sup>&</sup>lt;sup>18</sup> Section 1013.15(2)(b), F.S.

<sup>&</sup>lt;sup>19</sup> Section 1013.37, F.S.

<sup>&</sup>lt;sup>20</sup> Section 1013(2)(b)1., F.S.

<sup>&</sup>lt;sup>21</sup> Section 1013(2)(b)3., F.S.

<sup>&</sup>lt;sup>22</sup> Section 1013.28(1)(a), F.S.

demonstrate that 50 percent of the teachers employed at the school demonstrate support for the conversion is also removed.

The change may reduce the number of traditional public schools that are converted to charter schools as there are fewer individuals or entities that may apply for the conversion. However, removing the support of teachers may offer an easier path to conversion once an application is made.

#### **Job Engine Charter Schools**

The bill establishes in s. 1002.33, F.S., "job engine charter" charter schools allowing a municipality located in a school district that has received a school grade below "A" for five consecutive years to apply to operate a "job engine charter" school. The bill requires each municipality operating a "job engine charter" school to:

- Make available an annual report to the sponsor that documents investments made to attract and maintain job-producing entities.
- Provide provisions for exceptional student education.
- Use sufficient security technology to secure facilities.
- Prohibit students transferring to "job engine charter" schools from participation in high school athletic competition during the student's first year of enrollment.
- Accept responsibility for all debts incurred by the school.

## **District School Board Property**

The bill modifies s. 1013.15, F.S., to require district school boards to submit a 5-year plan prior to occupying real property that addresses specific elements such as enrollment growth, demographic shifts, and changes in curriculum. The plan is required to be updated and submitted to the Department of Education annually. It is unclear if the plan must continue to be submitted once the property has been occupied and developed.

The bill prohibits a district school board from purchasing or acquiring real property when enrollment in the district has declined over the preceding five years. The bill requires the school board to dispose of surplus real property. The bill does not specify a threshold for the decline in enrollment in portions or all parts of a district would prompt disposal of real property.

Additionally, the bill sets priorities regarding disposal of surplus property to specify affordable housing for teachers, first responders, military servicemembers, charter schools, and local recreational facilities.

The bill directs the State Board of Education to adopt rules to implement the changes regarding district school board property.

The bill takes effect on July 1, 2025.

# 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.

E. Other Constitutional Issues:

None.

# V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The fiscal impact is undetermined if any.

### VI. Technical Deficiencies:

None.

# VII. Related Issues:

None.

# VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 1002.33 and 1013.15.

Page 7 BILL: SB 140

#### 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.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.