

FLORIDA HOUSE OF REPRESENTATIVES BILL ANALYSIS

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BILL #: [CS/CS/HB 1437](#)

TITLE: Conversion Charter Schools

SPONSOR(S): Sapp

COMPANION BILL: [SB 1704](#) (Yarborough)

LINKED BILLS: None

RELATED BILLS: None

Committee References

[Education Administration](#)

18 Y, 0 N, As CS



[Education & Employment](#)

13 Y, 3 N, As CS

SUMMARY

Effect of the Bill:

The bill provides that a dispute between a conversion charter school and a school district regarding a mutual management plan must be resolved through mediation services provided by the Department of Education or resolution by an administrative law judge at the Division of Administrative Hearings. The bill authorizes conversion charter schools to receive charter school capital outlay funding under specified circumstances.

Fiscal or Economic Impact:

The bill has an indeterminate negative fiscal impact to the state due to provisions impacting eligibility for charter school capital outlay funds.

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ANALYSIS

EFFECT OF THE BILL:

The bill provides that if there is a dispute between a [conversion charter school](#) and a school district regarding their mutual management plan for the reasonable maintenance of the conversion charter school's [facilities](#), the dispute must be resolved according to the process provided in statute¹ for [addressing disputes](#) between a charter school and its sponsor. Such dispute resolution allows for mediation services provided by the Department of Education (DOE) or resolution by an administrative law judge at the Division of Administrative Hearings. (Section [1](#)).

The bill authorizes conversion charter schools to receive [charter school capital outlay funding](#) if the school:

- assumes full responsibility for the repair and maintenance of the facility for the duration of the charter in its mutual management plan with the sponsor, and
- uses the capital outlay funds solely for the renovation, repair, and maintenance of the facility. (Section [2](#)).

The effective date of the bill is July 1, 2026. (Section [3](#)).

FISCAL OR ECONOMIC IMPACT:

STATE GOVERNMENT:

The bill has an indeterminate negative fiscal impact to the state due to provisions impacting conversion charter schools' eligibility for charter school capital outlay funds. Currently there are 22 conversion charter schools with 18,907.50 full-time equivalent (FTE) students. As a result of the change made in the bill, if all 22 conversion charter schools received charter school capital outlay funds, this could potentially result in a \$4.3 million fiscal impact to the state.

¹ Section [1002.33\(7\)\(b\), F.S.](#)

STORAGE NAME: h1437b.EEC

DATE: 2/24/2026

RELEVANT INFORMATION

SUBJECT OVERVIEW:

[Conversion Charter Schools](#)

Conversion charter schools are traditional public schools that have been converted to charter schools. The school must have operated for at least 2 years as a traditional public school (including a school-within-a-school) before conversion. An application for a conversion charter school may be made by a parent whose child is enrolled at the school, teacher, principal, district school board, school advisory council, or a municipality seeking to attract job-producing entities by establishing a job engine charter school. If at least 50 percent of voting parents support the charter proposal, provided that a majority of parents eligible to vote participate in the process, the application for conversion may be submitted to the sponsor. An application for conversion must be made during the same calendar year in which the vote is held. If the voting threshold is not met, an application may not be submitted to the sponsor.²

If a district school board, Florida College System institution, or state university denies an application for a conversion charter school, it must provide written notice of the denial, including specific reasons and supporting documentation, to the applicants within 10 days after the meeting at which the application was denied.³ A district school board may not take unlawful reprisal against another district school board employee because that employee is either directly or indirectly involved with an application to establish a charter school.⁴

The charter for a conversion charter school must identify the alternative arrangements that will be used to serve current students who choose not to attend the school after it is converted.⁵ Upon conversion, the school must give an enrollment preference to students who would otherwise be assigned to the school.⁶

During the 2024-2025 school year, 22 conversion charter schools operated in Florida, representing approximately 3 percent of the total number of charter schools in the state.⁷

[Conversion Charter School Facilities](#)

A conversion charter school and a school district must enter into a mutual management plan for the reasonable maintenance of the charter school's facilities. The plan must include a provision that the district school board will maintain charter school facilities in the same manner as other public school facilities within the district.⁸

A school district may not charge rental or leasing fees for existing facilities or normally inventoried property to parents, principals, teachers, or school advisory councils organizing a conversion charter school. A municipality must negotiate rental or leasing fees with the district school board when organizing a conversion charter school. Property normally inventoried to a school may not be removed in the event of a conversion. A charter school must agree to reasonable maintenance provisions in order to maintain the facility in a manner similar to district school board standards. The Public Education Capital Outlay maintenance funds or any other maintenance funds generated by a conversion charter school must remain with the school.⁹ However, a conversion charter school is not eligible for charter school capital outlay funding if it operates in facilities provided by the school district.¹⁰

² Section [1002.33\(3\)\(b\), F.S.](#); see also r. 6A-6.0787(3)(d), F.A.C.

³ *Id.*

⁴ Section [1002.33\(4\)\(a\), F.S.](#) See also, *Dr. Alberto T. Fernandez, Henny Cristobol, and Patricia E. Ramirez vs. Miami-Dade County School Board, Case No. 13-1492* (2014), available at <https://www.doah.state.fl.us/ROS/2013/13001492.pdf>.

⁵ Section [1002.33\(7\)\(a\)17, F.S.](#)

⁶ Section [1002.33\(10\)\(c\), F.S.](#)

⁷ Email, Florida Department of Education (Oct. 16, 2025). On file with the Education & Employment Committee. Out of 733 currently active charters in the state, 22 are conversion charter schools.

⁸ Section [1002.33\(18\)\(a\)1, F.S.](#)

⁹ Section [1002.33\(18\)\(e\), F.S.](#)

¹⁰ Section [1013.62\(1\)\(b\), F.S.](#)

[Addressing Disputes Between a Charter School and its Sponsor](#)

The DOE provides mediation services for any dispute between an approved charter school and its sponsor relating to the approved charter, except a dispute regarding a charter school application denial. If either party does not want to settle the dispute through the mediation procedures offered by the DOE, a charter school may immediately appeal any formal or informal decision by the sponsor to an administrative law judge appointed by the Division of Administrative Hearings. If the Commissioner of Education determines that the dispute cannot be settled through mediation, the dispute may also be appealed to an administrative law judge appointed by the Division of Administrative Hearings. The administrative law judge has final order authority to rule on issues of equitable treatment of the charter school as a public school, whether proposed provisions of the charter violate the intended flexibility granted charter schools by statute, or any other matter regarding the charter, except a dispute regarding charter school application denial, a charter termination, or a charter nonrenewal. The administrative law judge shall award the prevailing party reasonable attorney fees and costs incurred during the mediation process, administrative proceeding, and any appeals, to be paid by the party against whom the administrative law judge rules.¹¹

[Charter School Capital Outlay Funding](#)

Charter school capital outlay funds consist of state funds when appropriated in the General Appropriations Act and shared revenue from a school district's discretionary millage of up to 1.5 mills.¹² The school district shares the levied millage with charter schools proportionately based on the full-time equivalent students of each eligible charter school.¹³

To be eligible for charter school capital outlay funding, a charter school must meet one of the following criteria:¹⁴

- Be in operation for at least 2 years;
- Be governed by a governing board established in Florida for 2 or more years which operates both charter schools and conversion charter schools within the state;
- Be part of an expanded feeder chain with an existing charter school in the district that is currently receiving charter school capital outlay funds;
- Be accredited by a regional accrediting association as defined by state board rule;
- Serve students in facilities provided by a business partner for a charter school-in-the-workplace; or
- Be operated by a hope operator.

In addition, the school must:¹⁵

- Have an annual audit that does not reveal a financial emergency for the most recent fiscal year for which such audit results are available;
- Have not earned two consecutive grades of "F," three consecutive grades below a "C," or two consecutive school improvement ratings of "Unsatisfactory";
- Have received final approval from its sponsor for operation during that fiscal year;
- Serve students in facilities that are not provided by the charter school sponsor; and
- Attest in writing to the DOE that if the charter school is nonrenewed or terminated, any unencumbered funds and all equipment and property purchased with public funds must revert to the sponsor.

A charter school is not eligible to receive capital outlay funds if it was created by the conversion of a public school and operates in facilities provided by the charter school's sponsor for a nominal fee, or at no charge, or if it is directly or indirectly operated by the school district.¹⁶

¹¹ Section [1002.33\(7\)\(b\), F.S.](#)

¹² Section [1013.62\(1\), F.S.](#)

¹³ Section [1013.62\(3\), F.S.](#)

¹⁴ Section [1013.62\(1\)\(a\)1.a.-f., F.S.](#)

¹⁵ Section [1013.62\(1\)\(a\)2.-6., F.S.](#)

¹⁶ Section [1013.62\(1\)\(b\), F.S.](#)

OTHER RESOURCES:

Education & Employment Committee- [Charter School Funding Fact Sheet](#)

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Education Administration Subcommittee	18 Y, 0 N, As CS	2/12/2026	Sleap	Blalock
THE CHANGES ADOPTED BY THE COMMITTEE:	<ul style="list-style-type: none"> Require that any dispute regarding a mutual management plan must be resolved through mediation provided by the DOE or resolution by an administrative law judge at the Division of Administrative Hearings. Remove provisions regarding district operating millage levy and timely payment to a charter school. Restore a provision that for the purpose of receiving federal funds, all of a charter school system’s schools must be located in the same county. Remove provisions regarding instances in which a landlord may also be a member of a charter school’s governing board. Restore provisions on the use of facilities provided by a charter school sponsor and eligibility for charter school capital outlay, as well as eligible uses of such funds. Remove changes to the methodology the DOE must use in calculating the sharing of the discretionary millage with charter schools. 			
Education & Employment Committee	13 Y, 3 N, As CS	2/24/2026	Hassell	Blalock
THE CHANGES ADOPTED BY THE COMMITTEE:	<ul style="list-style-type: none"> Authorize conversion charter schools to receive charter school capital outlay funding if the school assumes full responsibility for the repair and maintenance of the facility for the duration of the charter in its mutual management plan with the sponsor and uses the capital outlay funds solely for the renovation, repair, and maintenance of the facility. 			

THIS BILL ANALYSIS HAS BEEN UPDATED TO INCORPORATE ALL OF THE CHANGES DESCRIBED ABOVE.
