HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 903 Charter Schools
SPONSOR(S): K-20 Innovation Subcommittee; and Adkins
TIED BILLS: **IDEN./SIM. BILLS:** SB 1852

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) K-20 Innovation Subcommittee	12 Y, 0 N, As CS	Beagle	Sherry
2) PreK-12 Appropriations Subcommittee		Seifert	Heflin
3) Education Committee			

SUMMARY ANALYSIS

The bill increases the accountability of charter schools by:

- Requiring the Commissioner of Education to annually determine a high-performing charter school's, or high-performing charter school system's, continued eligibility for "high-performing" status. A high-performing charter school or charter school system that fails to meet eligibility criteria will lose its classification as "high-performing."
- Prohibiting a sponsor from renewing a charter school's charter if the school has received two school grades of "F" within the three year period prior to renewal. In addition, the bill requires the sponsor to terminate a charter if the school receives two school grades of "F" in any three-year period.
- Requiring each charter school to maintain a website with information or online links to information regarding any entity that owns, operates, or manages the school and any management fees the school pays to such entity.

The bill also:

- Authorizes Florida College System institutions with approved teacher preparation programs to establish one charter school which serves students in kindergarten through grade 12.
- Requires a sponsor to distribute a charter school's share of federal funds directly to the school, unless otherwise mutually agreed to by the charter school and sponsor.

The bill takes effect July 1, 2012.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Charter Schools

Charter schools[1] are nonsectarian, public schools that operate under a performance contract with a sponsor. This performance contract is known as a "charter."[2] The charter exempts the school from many regulations applicable to traditional public schools to encourage the use of innovative learning methods.[3] One of the guiding principles of charter schools is to meet high standards of student achievement and increase parental choice and student learning opportunities.[4]

A charter school may be sponsored by a district school board or, in the case of a charter lab school, by a state university.[5] Each charter school is administered by a governing board.[6] State universities, Florida College System (FCS) institutions, municipalities, and private, nonprofit 501(c)(3) status organizations[7] may operate a charter school.[8]

Florida College System Institution Charter Schools

Present Situation

Florida College System (FCS) institutions are statutorily authorized to, in cooperation with the school board or boards within the institution's service area, develop charter schools that offer secondary education[9] and allow students to obtain an associate degree[10] upon graduation from high school.[11] Students have full access to all college facilities, activities, and services.[12] There are seven FCS institution charter schools operating in Florida:

- Northwest Florida State College (NFSC): NFSC Collegiate High School in Okaloosa County;
- St. Petersburg College: St. Petersburg Collegiate High School in Pinellas County;
- Polk State College (PSC): PSC Lakeland Collegiate High School and PSC Chain of Lakes Collegiate High School in Polk County;
- Indian River State College: Clark Advanced Learning Center in Martin County; and

[1] In the 2011-12 school year, there are 525 charter schools operating in 44 of Florida's 67 school districts and at two state universities. Charter schools currently serve 178,892 students. Florida Department of Education, *Charter Schools Funding Report*, at 1 (Jan. 1, 2012)(on file with the committee).
[2] Section 1002.33(7), F.S.
[3] Section 1002.33(2) and (16), F.S.
[4] Section 1002.33(2), F.S.
[5] Section 1002.33(5)(a), F.S.
[6] Section 1002.33(9)(h)-(j), F.S.
[7] The internal revenue code defines a 501(c)(3) status organization as a private, nonprofit organization that is organized exclusively for religious, scientific, literary, or educational purposes or for the purpose of promoting amateur sports or for preventing cruelty to animals or children. These organizations are exempt from federal income taxes. 26 U.S.C. s. 501(c)(3).
[8] Section 1002.33(5)(b)4., (12)(i), and (15)(b)-(c), F.S.
[9] Under Florida law, the term "secondary school" is synonymous with "high school" (grades 9 through 12). Section 1003.01(2), F.S. (definition of "school"). Generally speaking, elementary schools serve students in kindergarten through grade 5, middle schools serve students in grades 6 through 8, and high schools serve students in grades 9 through 12. Section 1003.01(2), F.S. High school grade levels served by FCS institution charter schools vary. For example, St. Petersburg Collegiate High School serves students in grades 10 through 12. St. Petersburg Collegiate High School, *Admissions*, http://www.spcollege.edu/spchs/Admission.html (last visited Feb. 2, 2012). In contrast, Edison State College's two collegiate high schools serve students in grades 9 through 12. *See, e.g.*, Edison Collegiate High School, *Admissions*, http://echs.edison.edu/about/admission-process/ (last visited Feb. 2, 2012).
[10] Associate degrees include the associate in arts, associate in science, and associate in applied science degrees. *See* rule 6A-14.030(1)-(3), F.A.C.
[11] Section 1002.33(5)(b)4., F.S.
[12] Section 1002.33(5)(b)4., F.S.

- Edison State College: Edison Collegiate High School in Charlotte County and Edison Collegiate High School in Lee County.[13]

FCS institution charter schools may not serve students in the elementary or middle grades.[14]

Effect of Proposed Changes

Currently, FCS institution charter schools may only serve students in the secondary grades. The bill authorizes FCS institutions with approved teacher preparation programs to establish one charter school which serves students in kindergarten through grade 12. This will enable FCS institutions to use these charter schools as teaching labs for prospective teachers enrolled in their teacher preparation programs.

High-Performing Charter Schools and Charter School Systems

Present Situation

Legislation enacted in 2011 established criteria for identifying charter schools and charter school systems with a track record of exemplary academic performance and financial stability. A high-performing charter school is a charter school that during each of the three previous years:

- Received at least two school grades of "A" and no grade below "B;"
- Received an unqualified opinion[15] on each annual financial audit; and
- Has not received an annual financial audit that reveals a financial emergency condition.[16]

A high-performing charter school system is a system of charter schools operated by a municipality or other public entity that is authorized by law to operate a charter school; a private, nonprofit, s. 501(c)(3) of the Internal Revenue Code status corporation; or a private for-profit education management corporation that:

- Includes at least three high-performing charter schools in Florida;
- Has at least 50 percent of its charter schools designated as "high-performing" with no charter school receiving a school grade of "D" or "F;" and
- Has not received an annual financial audit that revealed a financial emergency condition for any charter school operated by the entity in Florida.

In order to receive "high-performing" status, a charter school or charter school system must request verification by the Commissioner of Education that the school meets the eligibility requirements.[17]

Among other benefits,[18] a high-performing charter school may, at its option, receive a 15-year charter. The law provides for removal of a charter school's "high-performing" status if it receives a school grade

[13] Review of FCS institution websites (January 26, 2012).
[14] Section 1002.33(5)(b)4., F.S
[15] An unqualified audit opinion means that the charter school's financial statements are materially correct. Telephone interview with Florida Auditor General staff (Mar. 24, 2011).
[16] Section 1002.331(1), F.S.; ss. 1 and 2, ch. 2011-232, L.O.F. A financial emergency condition includes: failure to pay short-term loans, make bond debt service or pay long-term debt payments due to lack of funds; failure to pay uncontested creditor claims within 90 days; failure to pay withheld employee income taxes; failure for one pay period to pay wages, salaries, and retirement benefits owed; or a fund balance or total net assets deficit. Section 218.503(1), F.S. A charter school in the workplace satisfies audit requirements for "high-performing" status if the auditor finds that sufficient monetary resources are available to cover any reported deficiency or if the deficiency does not result in a deteriorating financial condition. Section 1002.331(1)(c), F.S. A "deteriorating financial condition" is a circumstance that significantly impairs the ability of a charter school to generate enough revenues to meet its expenditures without causing the occurrence of a financial emergency condition. Section 1002.345(1)(a)3., F.S.
[17] Section 1002.332(1), F.S.
[18] Additional high-performing charter school benefits include expansion of enrollment by 15 percent annually, expansion of grade levels served, and replication of its school model in any district in the state, if specified requirements are met. Section 1002.331, F.S.

of "C" in any two years during the term of the 15-year charter.[19] The law does not provide a process for annually reviewing a charter school's, or charter school system's, continued eligibility for "high-performing" status. Nor does it specify a process for removing the status if a school or system is no longer eligible.[20]

Effect of Proposed Changes

The bill requires the commissioner to annually determine a charter school's, or charter school system's, continued eligibility for "high-performing" status. A high-performing charter school or charter school system may maintain its "high-performing" status, unless the commissioner determines that the charter school or system no longer meets eligibility criteria. If a high-performing charter school or system fails to meet eligibility criteria, the commissioner must notify the school or system of its declassification as "high-performing." These changes establish explicit standards for reviewing continued eligibility for "high-performing" status and for declassifying high-performing charter schools and systems that fail to meet eligibility criteria.

Charter School Accountability

Present Situation

Charter schools are subject to the same academic accountability requirements applicable to traditional public schools.[21] Charter school students must participate in statewide assessments.[22] Charter schools receive school grades and are subject to Florida's system of school improvement and intervention.[23]

If a charter school receives a school grade of "D," the school's director and a representative of the governing board must appear before the sponsor at least once a year to address any noted deficiencies. At this meeting and in writing, the sponsor must communicate what services will be provided to help the school address these deficiencies. The governing board must work with the sponsor to improve the school's academic performance.[24]

State law prescribes certain interventions to improve student performance at charter schools graded "D" for two consecutive years or "F."[25] The sponsor of such a charter school must require the governing board to implement a school improvement plan to improve student performance the following year.[26] If poor performance persists, the sponsor must place the school on probation and require it to take one of the following corrective actions:

- Contract with an outside provider to provide educational services at the school;
- Reorganize the school, make necessary staffing changes, and implement a plan that addresses the causes of inadequate progress; or
- Reconstitute the school.

The school must continue with corrective action until student performance improves.[27] The director and a representative of any charter school that has submitted a school improvement plan or has been put on probation must appear before its sponsor at least once a year to inform the sponsor of the corrective

[19] Section 1002.331(4), F.S.
[20] *See* ss. 1002.331 and 1002.332, F.S.
[21] Section 1002.33(16)(a)2., F.S.
[22] Section 1008.22(3), F.S. Statewide assessments include the Florida Comprehensive Assessment Test (FCAT) and state standardized end-of-course examinations. Section 1008.22(3)(c), F.S.
[23] Sections 1002.33(7)(a)4. and (16)(a)2., 1008.33, and 1008.34(3), F.S.; 20 U.S.C. s. 6311(2)(B), (C), and (K). Charter schools with less than 30 students do not receive school grades because at least 30 students are required in order to obtain a valid sample size for school grading purposes. *See* rule 6A-1.09981(4)(a)-(b), F.A.C. A charter school that is classified as an alternative school receives a school improvement rating in lieu of a school grade. Section 1008.341, F.S.
[24] Section 1002.33(9)(n), F.S.
[25] *See* s. 1002.33(9)(n)-(p), F.S.
[26] Section 1002.33(9)(o), F.S.
[27] Section 1002.33(9)(o)2., F.S.

strategies being implemented to improve student performance in accordance with the school improvement plan. At this meeting and in writing, the sponsor must communicate the services that will be provided to help the school address any deficiencies.[28] If poor performance persists, the sponsor may terminate the school's charter.[29]

Additionally, charter schools that fail to meet federal accountability requirements, i.e., adequate yearly progress (AYP), for two consecutive years are required to implement differentiated accountability interventions.[30] Under differentiated accountability, such a school is placed in one of six categories based upon the school's grade, progress towards AYP, and declines in student performance. A school's categorization determines the type and intensity of the intervention and whether the intervention is directed by the school, school district, or Florida Department of Education (DOE). Schools placed in the lowest performing categories are subject to the most intensive interventions and may be restructured if initial interventions fail to improve student performance at the school.[31]

In addition to these accountability requirements, a charter school's charter may be terminated or not renewed by the sponsor for any of the following reasons:

- Failure to participate in the state's education accountability system or meet the requirements for student performance stated in the charter;
- Failure to meet generally accepted standards of financial management;
- A violation of law; or
- Other good cause shown.[32]

The sponsor must provide a charter school with a formal hearing regarding termination or nonrenewal of its charter, if requested by a charter school's governing board. The sponsor may choose to provide either a direct hearing or a hearing before an administrative law judge. A final order on termination or nonrenewal is appealable to the District Court of Appeals.[33]

Effect of Proposed Changes

Currently, sponsors may terminate or not renew the charters of failing charter schools; however, this authority is discretionary and is not always exercised when school improvement interventions do not improve the school's performance. The bill prohibits a sponsor from renewing a charter school's charter if the school has received two grades of "F" within the three year period prior to renewal. In addition, the bill requires the sponsor to terminate a charter school's charter if the school receives two grades of "F" in any three-year period. In such cases, students attending the charter school would be reassigned to new schools based upon the school district's enrollment policies. This provision ensures that failing charter schools are closed by the sponsor if school improvement interventions do not result in improved student academic performance.

Public Information Regarding Charter Schools

Present Situation

[28] Section 1002.33(9)(p), F.S.
[29] Section 1002.33(8) and (9)(o)3., F.S.
[30] 20 U.S.C. s. 6316(b); s. 1008.33(3)(b) and (4), F.S.; rule 6A-1.099811(3), F.A.C. These schools are classified as "schools in need of improvement" under the federal No Child Left Behind Act of 2001. 20 U.S.C. s. 6316(b).
[31] Section 1008.33(3)(b), (4), and (5)(a), F.S.; rule 6A-1.099811(3), F.A.C. On November 14, 2011, DOE submitted a federal Elementary and Secondary Education Act waiver request to the U.S. Secretary of Education which, if granted, will make significant changes to Florida's differentiated accountability system. If approved, categorization of schools and use of AYP status as a basis for school interventions will be eliminated. Instead, schools will be identified for school interventions based solely upon school grades. Florida Department of Education, *ESEA Flexibility Request*, at 75-76 (Nov. 14, 2011).
[32] Section 1002.33(8)(a), F.S. A sponsor may immediately terminate a charter school's charter if circumstances indicate that continued operation of the school is a danger to student health, safety, and welfare. Section 1002.33(8)(d), F.S.
[33] Section 1002.33(8)(b)-(c), F.S.

State law requires dissemination of information to the public regarding charter school performance. DOE must annually provide a statewide analysis and comparison of charter school students and traditional public school students. The comparison is based upon the academic performance of charter school students as measured by the statewide assessment program and information reported in each school's annual progress report.[34]

Charter schools with less than 30 students do not receive school grades because at least 30 students are required in order to obtain a valid sample size for school grading purposes.[35] DOE must report student assessment data to these charter schools, which in turn must report the data to parents of students attending the charter school, parents of children on the charter school's waiting list, the district in which the charter school is located, and the governing board of the charter school.[36] The charter school must post both student performance and comparison data on its internet website and also provide notice to the public at large.[37]

Legislation enacted in 2011 required each charter school's governing board to appoint a representative to facilitate parental involvement, assist stakeholders, and resolve disputes. The representative must reside in the school district where the charter school is located and a separate representative must be appointed for each charter school it operates in the district. Each governing board must hold at least two open public meetings in the district per school year. The charter school principal and appointed representative must be physically present at these meetings.[38]

A charter school's governing board may contract with a private, for-profit management company to provide management services on its behalf. Management companies provide, among other things, curriculum development, administrative, business, compliance, personnel, and student recruiting services.[39] The law does not require charter schools to maintain an internet website or post on a website information regarding entities that own, operate, or manage the charter school.

Effect of Proposed Changes

The bill requires each charter school to maintain an internet website that enables the public to obtain information regarding the school, its personnel, and its programs. The website must include information or online links to information regarding any entity who owns, operates, or manages the school, including any nonprofit or for-profit entity; the names of all governing officers and administrative personnel of the entity; and any management fees the school pays to the entity. The information or online links must be prominently displayed and easily accessible to visitors of the website. This change will provide greater transparency regarding for-profit management companies or other entities that manage a charter school's operations. Members of the public will also be able to access information regarding the fees a charter school pays to a management company.

Federal Funding of Charter Schools

Present Situation

Charter schools, like traditional public schools, receive federal education funding through such programs as the Individuals with Disabilities Education Act (IDEA),[40] Title I programs for disadvantaged

[34] Section 1002.33(23), F.S.
[35] *See* rule 6A-1.09981(4)(a)-(b), F.A.C.
[36] Section 1002.33(21)(b), F.S. Student performance data reporting requirements for ungraded and unrated charter schools apply only to schools with at least 10 students who are tested on statewide assessments. *Id.*
[37] Section 1002.33(21)(b), F.S. Reporting of data must comply with federal law governing education records privacy. *Id., see* 20 U.S.C. s. 1232g.
[38] Chapter 2011-232, L.O.F.; s. 1002.33(7)(d), F.S. A sponsor may not require that governing board members reside in the district if the governing board complies with these requirements. Section 1002.33(7)(d), F.S.
[39] Florida Department of Education, *Charter Schools – FAQs*, https://www.floridaschoolchoice.org/information/charter_schools/faqs.asp (last visited Jan. 26, 2012).
[40] 20 U.S.C. s. 1411(e).

students,[41] and Title II programs for improving teacher quality.[42] Typically, federal education programs are structured so that funding flows from the federal government to a state educational agency,[43] which then awards subgrants to local education agencies (LEA) within the state.[44] School districts are the LEA for district public schools, including charter schools. Federal education funds are received by the school district, which then distributes to the charter school its proportionate share of funding.[45] According to the DOE, school districts distribute federal funds directly to charter schools, provide in-kind services in lieu of funds, or use a combination of both methods.[46]

Effect of Proposes Changes

The bill requires a sponsor to distribute a charter school's share of federal funds directly to the school, unless otherwise mutually agreed to by the charter school and sponsor. The sponsor is required to distribute the funds within 60 days of receipt. This change enables charter schools to choose to receive their federal funds directly from the sponsor instead of receiving services from the sponsor. Charter schools that choose to receive the funds directly must expend these funds in accordance with the expenditure requirements of each federal program. *See* Fiscal Comments.

B. SECTION DIRECTORY:

Section 1. Amends s. 1002.33, F.S., relating to charter schools; authorizes a charter school operated by a FCS institution to serve students in kindergarten through grade 12 if certain criteria are met; requires a sponsor to terminate or not renew the charter of certain low-performing charter schools; requires charter schools to maintain an internet website; requires posting of information regarding any entity who owns, operates, or manages the school on the website; requires that federal education funding be paid directly to a charter school, unless otherwise mutually agreed to by the charter school and sponsor.

Section 2. Amends s. 1002.331, F.S., relating to high-performing charter schools; requires the commissioner to annually review a high-performing charter school's eligibility for high-performing status; requires declassification of charter schools that fail to maintain eligibility.

Section 3. Amends s. 1002.332, F.S., relating to high-performing charter school systems; requires the commissioner to annually review a high-performing charter school system's eligibility for high-performing status; requires declassification of charter school systems that fail to maintain eligibility.

Section 4. Provides an effective date of July 1, 2012.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

   None.

2. Expenditures:

   None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

[41] 20 U.S.C. s. 6301 et. seq.
[42] 20 U.S.C. ss. 6601-6641; s. 1002.33(17)(c)-(d), F.S
[43] The Florida Department of Education is Florida's state educational agency for federal funding purposes. *See* 20 U.S.C. s. 1412(a).
[44] *See* 20 U.S.C. ss. 1412(a) and 1413(a).
[45] Section 1002.33(17)(c), F.S.
[46] Florida Department of Education, *Legislative Bill Analysis for HB 903* (2012).

None.

2. Expenditures:

See Fiscal Comments.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

Federal law requires school districts to provide charter schools with their proportionate share of federal education program funds. School districts may provide either direct funding or in-kind services to students attending charter schools.[47] Florida school districts distribute federal funds directly to charter schools, provide in-kind services in lieu of funds, or use a combination of both methods.[48]

Each federal education program has unique policy goals and expenditure, record keeping, and annual financial and performance accountability reporting requirements.[49] Federal regulations provide penalties for grantees and subgrantees[50] that fail to comply with grant requirements. These penalties include withholding, suspension, or termination of grant funds or designation as a "high risk" grantee.[51]

Federal law requires school districts to ensure that charter schools receiving federal funds comply with federal grant requirements.[52] School districts typically address issues related to a charter school's compliance with federal grant requirements in the charter.[53] In addition, Florida law provides several mechanisms which enable sponsors to provide financial oversight of charter schools. Charter schools must submit annual financial reports,[54] provide for an annual financial audit,[55] and submit to the sponsor monthly financial statements.[56] A charter school's annual financial audit must include any findings regarding material weaknesses in internal control; significant deficiencies in internal control; violations of law, contract provisions, or grant agreements; or abuse that may have a material effect on the charter school's financial statements.[57]

The bill does not require a charter school to take direct disbursements of federal funds if the school and sponsor agree to a different arrangement. This enables charter schools that do not have the capacity or desire to administer federal funds to opt to have services provided by the school district.

Charter schools that do not currently have a website might incur costs associated with website design and online hosting.

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[47] *See, e.g.*, 34 C.F.R. s. 300.209 (IDEA: Treatment of charter schools and their students).
[48] Florida Department of Education, *Legislative Bill Analysis for HB 903* (2012).
[49] 34 C.F.R. ss. 76.702, 80.36, 80.32, 80.33, and 80.42 (fiscal, procurement, and inventory management records); 34 C.F.R. s. 80.41 (financial reports include status, cash transaction, and capital outlay reports).
[50] 34 C.F.R. s. 80.3. Federal regulations governing administration of federal education grant programs define "grantee" to mean the government to which a grant is awarded and which is accountable for the use of the funds provided, i.e. DOE. Subgrantee means the government or other legal entity to which a subgrant is awarded and which is accountable to the grantee for the use of the funds provided, i.e., school districts. *Id.*
[51] 34 C.F.R. s. 80.43 (noncompliance with grant terms); 34 C.F.R. s. 80.12 (high-risk grantees). Special conditions are placed upon "high risk" grantees, including payment of grant funds on a reimbursement basis; withholding of authority to proceed to subsequent grant phases until performance expectations are met; or requiring additional financial reports, project monitoring, and technical or management assistance. 34 C.F.R. s. 80.12. Grant recipients who commit fraud may be debarred or suspended from participation in all federally funded programs. 34 C.F.R. s. 80.43(d); Exec. Order No. 12549, 34 C.F.R. s. 80.35.
[52] 34 C.F.R. s. 80.3; 34 C.F.R. s. 300.209(b).
[53] Telephone interview with Florida Department of Education, Charter Schools Director (Feb. 1, 2012).
[54] Section 1002.33(9)(g), F.S.
[55] Sections 218.39(1)(e) and (f) and 1002.33(9)(j)1. and 2., F.S.
[56] Sections 1002.33(9)(g) and 1002.331(2)(c), F.S. High-performing charter schools may submit quarterly, rather than monthly, financial statements.
[57] Section 10.856(2)(b)2.c., Rules of the Auditor General.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not Applicable. This bill does not appear to affect county or municipal governments.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On January 31, 2012, the K-20 Innovation Subcommittee reported the proposed committee substitute (PCS) for HB 903 favorably as a committee substitute. The PCS added provisions that:

- Required the Commissioner of Education to annually determine a high-performing charter school's, or high-performing charter school system's, continued eligibility for "high-performing" status. A high-performing charter school or charter school system that fails to meet eligibility criteria will lose its classification as "high-performing."
- Prohibited a sponsor from renewing a charter school's charter if the school has received two school grades of "F" within the three year period prior to renewal. In addition, the PCS required the sponsor to terminate a charter if the school receives two school grades of "F" in any three-year period.
- Required each charter school to maintain a website with information or online links to information regarding any entity who owns, operates, or manages the school and any management fees the school pays to such entity.
- Authorized Florida College System institutions with approved teacher preparation programs to establish one charter school which serves students in kindergarten through grade 12.

The PCS removed provisions that:

- Authorized school districts to proportionately share discretionary millage for capital outlay funds with charter schools on a per-student basis, for capital outlay purposes.
- Required recalculation of a school district's Florida Education Finance Program (FEFP) funding if it does not share discretionary millage for capital outlay funds with charter schools.
- Required a school district to distribute recalculated FEFP funds to each charter school in the district in an amount equal to the amount the charter school would have received if the district shared discretionary millage for capital outlay funds.
- Increased the annual number of new charter schools that may be created by a high-performing charter school from one to three.
- Restated that high-performing charter schools within a high-performing charter school system may receive the same benefits as individual high-performing charter schools, e.g., increase enrollment and expand grade levels.