



Choice & Innovation Subcommittee

Wednesday, December 2, 2015

4:00 PM – 6:00 PM

306 HOB

REVISED

Meeting Packet

**Steve Crisafulli
Speaker**

**Manny Diaz
Chair**



AGENDA

Choice & Innovation Subcommittee
Wednesday, December 2, 2015
4:00 PM – 6:00 PM
306 HOB

- I. Call to Order/Roll Call
- II. Welcome/Opening Remarks
- III. Update on District Schools of Choice
 - Linda Champion, Deputy Commissioner for Finance and Operations, Florida Department of Education
- IV. Consideration of the following proposed committee substitute(s):
 - PCS for HB 4013 -- Blended Learning Courses
- V. Consideration of the following proposed committee bill(s):
 - PCB CIS 16-01 -- School Choice
- VI. Closing Remarks and Adjournment

**Update on District Schools of Choice
Florida Department of Education**



FLORIDA DEPARTMENT OF
EDUCATION
fldoe.org

Class Size Reduction District-Operated Schools of Choice

Florida House of Representatives
Choice and Innovation Subcommittee
December 2, 2015

www.FLDOE.org

District-Operated Schools of Choice Class Size Reduction

- **Section 1002.31, F.S., specifies that the average number of students at the school level shall be used as the basis for determining compliance with maximum class size requirements for a school or program that is a public school of choice.**

District-Operated Schools of Choice

	2013-14	2014-15
Number of District-Operated Schools	3,052	3,041
Number of District-Operated Schools of Choice	1,193	1,861
Percentage of District Schools	39.09%	61.20%
Number of District-Operated Schools of Choice Not in Compliance with Class Size Requirements	37	22

* Data above is prior to appeals for reporting errors and does not include lab or charter schools.

District-Operated Schools of Choice Class Size Funding Reduction

	2013-14	2014-15
Pre-Appeals Reduction	\$1,000,534	\$396,703
Post-Appeals Reduction	\$475,592	\$177,347
Final Reduction after Restoration	\$118,340	\$44,233

District-Operated Schools of Choice

2014-15	School Average Actual	Class Average Pro Forma	Difference
FTE Students Out of Compliance	77.80	31,231.75	31,153.95
Funding Adjustment (prior to appeals)	\$396,703	\$162,397,493	\$162,000,790



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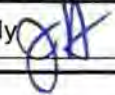


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PCS for HB 4013
Blended Learning Courses

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCS for HB 4013 Blended Learning Courses
SPONSOR(S): Choice & Innovation Subcommittee
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Choice & Innovation Subcommittee		PD Dehmer	Healy 

SUMMARY ANALYSIS

Schools districts are authorized to provide blended learning courses that include both traditional classroom instruction and online instruction techniques; however, the law requires the student in the blended learning course to receive the online instruction in a classroom setting at the school. This prohibits a number of blended learning models from being implemented. The bill removes the requirement that online instruction occur in a classroom setting at a school, expanding the blended learning models available to districts.

The bill does not appear to have a fiscal impact on the state or local governments.

This bill takes effect July 1, 2016.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

In 2011, the legislature authorized districts to provide direct instruction through a virtual environment or through a blended virtual and physical environment. Blended learning courses consist of both traditional classroom and online instructional techniques. Students in a blended learning course must be full-time students of the school and receive the online instruction in a classroom setting at the school. The funding, performance, and accountability requirements for blended learning courses are the same as traditional courses.¹

Blended learning is defined as a formal education program in which a student learns:

- at least in part through online learning, with some element of student control over time, place, path, and/or pace;
- at least in part in a supervised brick-and-mortar location away from home and;
- the modalities along each student's learning path within a course or subject that are connected to provide an integrated learning experience.²

The requirement that students must receive the online instruction in the classroom at the school eliminates several blended learning models that could benefit students and school districts, such as:

- **Flipped Classroom** - a course or subject in which students participate in online learning off-site in place of traditional homework and then attend the brick-and-mortar school for face-to-face, teacher-guided practice or projects.
- **Flex model** - a course or subject in which online learning is the backbone of student learning, even if it directs students to offline activities at times. Students move on an individually customized, fluid schedule among learning modalities. The teacher of record is on-site, and students learn mostly on the brick-and-mortar campus, except for any homework assignments. The teacher of record or other adults provide face-to-face support on a flexible and adaptive as-needed basis through activities such as small-group instruction, group projects, and individual tutoring.
- **A La Carte model** - a course that a student takes entirely online to accompany other experiences that the student is having at a brick-and-mortar school or learning center.³

Effect of Proposed Changes

The bill removes the requirement that online instruction in a blended learning course take place in a classroom setting at a school while still requiring the student to be a full-time student of the school.

B. SECTION DIRECTORY:

Section 1. Amends s. 1003.498, F.S. related to school district virtual course offerings.

Section 2. Provides an effective date of July 1, 2016.

¹ Section 1003.498 (1), F.S.

² Blended Learning Definitions, Clayton Christensen Institute, at <http://www.christenseninstitute.org/blended-learning-definitions-and-models/>

³ *Id.*

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:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

There is no anticipated fiscal impact associated with this bill.

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

Not Applicable.

1 A bill to be entitled
 2 An act relating to blended learning courses; amending
 3 s. 1003.498, F.S.; deleting a requirement that
 4 students in a blended learning course receive online
 5 instruction in a classroom setting at the school;
 6 providing an effective date.

7
 8 Be It Enacted by the Legislature of the State of Florida:

9
 10 Section 1. Subsection (1) of section 1003.498, Florida
 11 Statutes, is amended to read:

12 1003.498 School district virtual course offerings.—

13 (1) School districts may deliver courses in the
 14 traditional school setting by personnel certified pursuant to s.
 15 1012.55 who provide direct instruction through virtual
 16 instruction or through blended learning courses consisting of
 17 both traditional classroom and online instructional techniques.
 18 Students in a blended learning course must be full-time students
 19 of the school ~~and receive the online instruction in a classroom~~
 20 ~~setting at the school~~. The funding, performance, and
 21 accountability requirements for blended learning courses are the
 22 same as those for traditional courses. To facilitate the
 23 delivery and coding of blended learning courses, the department
 24 shall provide identifiers for existing courses to designate that
 25 they are being used for blended learning courses for the purpose
 26 of ensuring the efficient reporting of such courses. A district

27 | may report full-time equivalent student membership for credit
28 | earned by a student who is enrolled in a virtual education
29 | course provided by the district which is completed after the end
30 | of the regular school year if the FTE is reported no later than
31 | the deadline for amending the final student membership report
32 | for that year.

33 | Section 2. This act shall take effect July 1, 2016.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB CIS 16-01 School Choice
SPONSOR(S): Choice & Innovation Subcommittee
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Choice & Innovation Subcommittee		Dehmer <i>DD</i>	Healy <i>JH</i>

SUMMARY ANALYSIS

The bill creates the Florida Institute for Charter School Innovation to provide technical assistance and support to charter school applicants and sponsors; conduct research on policy and practice related to charter school authorizing, accountability, instructional practices, finance, management, and operations; approve replication of high-performing charter schools to contract with district school boards and provide opportunities for aspiring teachers to experience teaching in schools of choice.

The bill strengthens charter school accountability and student access to quality charter schools by:

- Clarifying that a sponsor shall consider a charter school applicant's, governing board member's, and any education services provider's past performance operating charter schools when deciding to approve or deny an application.
- Authorizing a charter school that has been granted a charter to defer opening for up to two years to conduct facilities planning.
- Requiring charter schools to begin submitting monthly financial statements upon approval of the charter contract to enable the sponsor to begin monitoring the school's financial health earlier in time.
- Clarifying that charter schools that earn two consecutive grades of "F" are automatically terminated.
- Removing the limit on replication of high-performing charter schools if the charter school is created to serve high-need areas or school district needs.
- Prohibiting a charter school with financial emergency conditions noted in its most recent annual audit from receiving capital outlay funding.
- Creating a High-Impact Charter Network status for charter operators serving educationally disadvantaged students, defining eligibility criteria, and providing incentives for qualifying operators.
- Authorizing a high-performing charter school to submit an application to replicate its school to the Florida Institute for Charter School Innovation.

The bill revises charter school funding provisions to:

- Clarify that charter schools do not have to adopt the school district's research-based reading plan in order to receive the research-based reading allocation.
- Specify the amount and distribution of Florida Education Finance Program (FEFP) funds based on projected and actual enrollment in a charter school.
- Authorize a nonprofit organization or municipality that operates a charter school to use unrestricted surplus or unrestricted net assets for K-12 educational purposes for other schools they operate in the district.
- Prohibit the sponsor from delaying payments to charter schools based upon the timing of receipt of local funds.

In addition, the bill removes the statutory eligibility requirements for enrollment in public K-12 virtual education, which currently limit virtual education options available to certain students who did not attend public school in the previous school year. The bill also revises criteria triggering automatic termination of a state-approved virtual instruction provider's contract and removal from the list of state approved providers.

See fiscal impact on state government.

The bill takes effect July 1, 2016.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Charter School Authorizing and Oversight

Present Situation

Charter schools are nonsectarian, public schools that operate under a performance contract with a sponsor, which is typically a school district.¹ Charter schools are exempt from many laws and regulations applicable to traditional public schools to encourage the use of innovative learning methods.² The terms and conditions for the operation of the school are set forth in a performance contract or "charter."³

Florida law tasks sponsors with authorizing new charter schools and providing continuing oversight of each charter school in the school district. The law establishes several processes designed to enable the sponsor to perform these roles, including:

- Authority to review and approve or deny charter school applications.⁴
- Authority to enforce the terms and conditions of the charter agreement.⁵
- Annual reporting of student achievement and financial information by each charter school to the sponsor.⁶
- Sponsor monitoring of annual financial audits⁷ and monthly financial statements submitted by charter schools in the school district.⁸
- Interventions for remedying unsatisfactory academic performance and financial instability.⁹
- Authority to close charter schools for academic or financial failure; poor management; violations of law; or child health, safety, and welfare violations.¹⁰

"*The Florida Principles and Standards for Quality Charter School Authorizing*" are a set of guidelines for sponsor authorizing and oversight of charter schools. The "*Principles and Standards*" are a collaborative effort by the Florida Department of Education (DOE), the National Association of Charter School Authorizers (NACSA), sponsors, and charter school stakeholders. Sponsor adherence to the "*Principles and Standards*" is voluntary. The "*Principles and Standards*" emphasize the critical role that sponsors play in evaluating the viability of charter school proposals and holding approved charter schools to high standards of quality.¹¹

The law establishes an application process for establishing a new charter school. An applicant¹² must submit a charter school application to the sponsor.¹³ The sponsor must review and approve or deny the

¹ Section 1002.33(5)(a), (6)(h), (7) and (9)(a), F.S. The law authorizes school districts to sponsor charter schools; state universities to sponsor charter lab schools; and school districts, Florida College System (FCS) institutions, or a consortium of school districts or FCS institutions to sponsor a charter technical career center. Sections 1002.32(2), 1002.33(5)(a)1. and 2., and 1002.34(3)(b), F.S.

² Section 1002.33(2)(b)3. and (16), F.S.

³ Section 1002.33(6)(h) and (7), F.S.

⁴ Section 1002.33(6), F.S.

⁵ Section 1002.33(6)(h) and (7), F.S.

⁶ Section 1002.33(9)(k), F.S.

⁷ Sections 218.39(1)(e) and (f), 1002.33(9)(j)1. and 2., F.S.

⁸ Section 1002.33(9)(g), F.S.

⁹ Sections 1002.33(9)(n) and 1002.345, F.S.

¹⁰ Section 1002.33(8), F.S.

¹¹ Florida Department of Education, *Florida Principles & Standards for Quality Charter School Authorizing*, at 2-5 (2014), <http://www.fldoe.org/core/fileparse.php/5423/urlt/Florida-Principles-and-Standards-Final-Proof.pdf>. [Hereinafter *Principles and Standards*].

¹² An application may be made by an individual, teachers, parents, a group of individuals, a municipality, or a legal entity organized under Florida law. Section 1002.33(3)(a), F.S. The school must be operated by a Florida College System institution, municipality, or

application.¹⁴ The law requires sponsors and applicants to use a standard charter school application and application evaluation instrument. The standard application is designed to enable the sponsor to evaluate the applicant's educational plan, organizational plan, financial viability, and business plan.¹⁵

The law does not expressly require a sponsor to evaluate an applicant's, governing board member's, or management company's past performance operating charter schools.¹⁶ However, the standard application requires the applicant to:

- List each proposed member of the charter school's governing board and his or her background and qualifications.
- Indicate if the governing board will contract with a management company, summarize the company's history operating charter schools, and list other charter schools managed by the company and student achievement and financial performance data of such schools.¹⁷

Additionally, the "*Principles and Standards*" encourage sponsors to evaluate the past history of existing operators and management companies operating charter schools and conduct applicant interviews and other due diligence to examine the applicant's experience and ability to operate charter schools.¹⁸

After approval of the charter by the sponsor, the charter school must begin operation at the beginning of the upcoming school year. The sponsor may waive this requirement for good cause.¹⁹ Additionally, the law prohibits a sponsor from requiring a charter school's governing board to have a certificate of occupancy for its facility earlier than 15 days before the first day of school.²⁰

Among other oversight processes, charter schools must submit monthly financial statements for review by the sponsor. If a financial statement reveals a deteriorating financial condition,²¹ the sponsor and charter school governing board must develop a corrective action plan.²² The sponsor may choose to terminate or not renew the charter school's charter if financial deficiencies noted in the corrective action plan are not corrected within one year or if the school exhibits one or more financial emergency conditions²³ for two consecutive years.²⁴ The date by which a newly established charter school must

nonprofit organization. While a charter school must be a public or nonprofit entity, it may be managed by a for-profit education management organization. Section 1002.33(12)(i), F.S.

¹³ Section 1002.33(6)(a), F.S.; rule 6A-6.0786, F.A.C. (model charter school application and application evaluation instrument).

¹⁴ Section 1002.33(6), F.S. If the application is approved, the applicant and sponsor then negotiate the terms of the charter. If the application is denied, or the sponsor fails to act, the applicant may file an appeal with the State Board of Education, which may uphold or overturn the sponsor's denial. Section 1002.33(6)(c) and (h), F.S.; see also s. 120.68, F.S. The state board's decision is a final action subject to judicial review in the district court of appeal. *Id.*

¹⁵ See Florida Department of Education, *Model Florida Charter School Application* (May 2012), http://www.fldoe.org/core/fileparse.php/7700/urlt/IEPC_M1.pdf [hereinafter *Model Application*].

¹⁶ See s. 1002.33(6)(a), F.S.

¹⁷ Compare s. 1002.33(6)(a), (7), (8), (9), F.S. with *Model Application*, *supra* note 15, at 11 and 14.

¹⁸ *Principles and Standards*, *supra* note 11, at 2-5 and 9-10.

¹⁹ Section 1002.33(6)(b)5., F.S.

²⁰ Section 1002.33(7)(a)13., F.S.

²¹ A deteriorating financial condition is a circumstance that significantly impairs the ability of a charter school to generate enough revenue to meet its expenditures without causing the occurrence of a financial emergency condition. Deteriorating financial conditions include, without limitation, circumstances in which actual enrollment is 70 percent less than the enrollment projection for which its annual budget is based, enrollment is insufficient to generate enough revenue to meet expenditures, actual expenses exceed budgeted expenses for a period of three months or more and there are insufficient reserves to compensate, or an unbudgeted financial event occurs and there are insufficient reserves to compensate. Section 1002.345(1)(a)3., F.S.; rule 6A-1.0081(2)(a), F.A.C.

²² Sections 1002.33(9)(g)3. and 1002.345(1)(b)-(f), F.S.; rule 6A-1.0081, F.A.C. A high-performing charter school may submit quarterly rather than monthly financial statements. Section 1002.331(2)(c), F.S.

²³ A financial emergency exists when any one of the following conditions occurs due to lack of funds: (1) Failure to pay short-term loans or make bond debt service or other long-term debt payments when due; (2) Failure to pay uncontested claims from creditors within 90 days after the claim is presented; (3) Failure to timely transfer taxes withheld from employees or employer or employee contributions for federal social security, pension, or retirement plans; and (4) Failure for one pay period to pay wages, salaries, or retirement benefits. Section 218.503(1)(a)-(d), F.S.

²⁴ Section 1002.345(5), F.S.

begin submitting financial statements typically follows the first payment of state education funds to the charter school, which occurs in July before the start of the school year.²⁵

Beginning in 2013, sponsors were required to submit an annual report to the DOE with the following information:

- The number of draft applications received on or before May 1 and each applicant's contact information.
- The number of final applications received on or before August 1 and each applicant's contact information.
- The date each application was approved, denied, or withdrawn.
- The date each final contract was executed.

The DOE must post a compiled annual report on its website by November 1 of each year.²⁶ In the report, the DOE concluded that “. . . district practices regarding charter schools vary widely,” and there were two notable findings:

- Three districts accounted for nearly half of the state's total number of applicants.
- Approval rates among districts differed markedly.²⁷

Effect of Proposed Changes

The bill establishes the Florida Institute for Charter School Innovation to advance charter school accountability, quality, and innovation by:

- Providing support and technical assistance to charter school applicants and sponsors;
- Researching and analyzing the circumstances that lead to specific charter school closings in order to provide guidance and technical assistance on best practices to future applicants and sponsors.
- Researching and analyzing best practices among sponsors and, based upon those results, create and conduct professional development for sponsors.
- Connecting aspiring teachers to opportunities to experience teaching in schools of choice; and
- Conducting research and developing and promoting best practices for charter school accountability, authorizing, financing, management and operations, and instructional practices.

The primary mission of the institute is to provide technical assistance and support to charter school applicants and sponsors. Technical assistance to applicants should include developing innovative charter school proposals. An applicant would be able to engage the institute for assistance not only in developing its written application, but also in acquiring the financial and operational knowledge and skills necessary to operate a charter school. In this regard, the institute could benefit both applicants and sponsors by increasing the quality of charter school proposals, while also helping to discourage applicants with poorly developed proposals or qualifications from submitting applications for sponsor review. Technical assistance to sponsors should include gathering and researching best practices among sponsors; developing professional development trainings for sponsors, and assisting sponsors in implementing *Florida Principals & Standards for Quality Charter School Authorizing*.

The bill requires the Commissioner of Education to appoint a director of the institute to oversee implementation of the institute's mission. The institute must annually submit a report of its activities to the Governor, the President of the Senate, and the Speaker of the House of Representatives. Among other things, the report must provide specific recommendations for improving the institute's ability to fulfill its mission and changes to statewide charter school policy. The bill also requires the institute to

²⁵ Rule 6A-1.0081, F.A.C. The sponsor and charter school governing board must mutually agree to the date by which the financial statements are to be submitted. *Id.*

²⁶ Section 1002.33(5)(b)1.k, F.S.

²⁷ Florida Department of Education, *Annual Authorizer Report – 2013* at 1, <http://www.fldoe.org/schools/school-choice/charter-schools/authorizers/annual-authorizer-reports.shtml>.

provide for an annual financial audit by a certified public account and submit the audit to the Auditor General and the State Board of Education.

Each charter school applicant must disclose in its application the name of each applicant, governing board member, and proposed education services provider; the name and sponsor of any charter school operated by such parties that closed and the reason for closure; and the academic and financial history of such charter schools. The sponsor must consider the past history of these entities in deciding to approve or deny the application. This change makes clear that sponsors have authority to evaluate the applicant's history operating charter schools and aligns the law with the standard application currently in use and guidelines provided by the "*Principles and Standards*."

Additionally, the bill requires a charter school's governing board to begin submitting financial statements to the sponsor upon approval of the charter contract. This will enable the sponsor to monitor a newly created charter school's finances earlier, thereby strengthening the sponsor's ability to assess the school's financial readiness to begin serving students. Accordingly, the sponsor would have greater ability to identify deteriorating financial conditions and take corrective action to remedy financial deficiencies.

Currently, after approval of the charter by the sponsor, the charter school must begin operation at the beginning of the upcoming school year. The sponsor may waive this requirement for good cause.²⁸ The bill allows a charter school that has been granted a charter to defer opening for up to two years to conduct facilities planning. The charter school must provide written notice of such deferral to the sponsor and parents of enrolled students at least 30 calendar days before the first day of school. Among other things, this change will enable a charter school more time to acquire adequate facilities if difficulties securing facilities arise.

High-Performing Charter Schools

Present Situation

Charter schools and operators of systems of charter schools with a track record of academic excellence and financial stability may earn "high-performing" status.²⁹ 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 school grade below "B;"
- Has received an unqualified opinion³⁰ on each annual financial audit; and
- Has not received an annual financial audit that reveals a financial emergency condition.³¹

A high-performing charter school system (system) may be operated by a municipality or other public entity that is authorized by Florida law to operate a charter school; a private, not-for-profit, s. 501(c)(3) status corporation; or a private for-profit corporation.³² In order to earn "high-performing" status, a system must, in the previous three-year period:

- Operate at least three high-performing charter schools in Florida;
- Have at least 50 percent of its charter schools designated as "high-performing" and no charter school receiving a school grade of "D" or "F;" and
- Not receive an annual financial audit that revealed a financial emergency condition for any charter school operated by the entity in Florida.³³

²⁸ Section 1002.33(6)(b)5., F.S.

²⁹ Section 1002.331(1), F.S.; see s. 218.503(1), F.S. (financial emergency conditions).

³⁰ 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).

³¹ Section 1002.331(1), F.S.; see s. 218.503(1), F.S. (financial emergency conditions).

³² Section 1002.332(1), F.S.

³³ Section 1002.332(1), F.S. Exceptions to the eligibility criteria apply if the system operates a charter school established to turn around a chronically low-performing traditional public school and for charter schools opened to serve areas served by a low-performing traditional public school. Section 1002.33(1)(b)2., F.S.

Initial eligibility for "high-performing" status is verified by the Commissioner of Education, upon request by a charter school or system. Thereafter, the commissioner must annually verify continued eligibility.³⁴

High-performing charter schools may take advantage of various benefits. Among other benefits, the operator of a high-performing charter school may submit an application in any Florida school district to establish and operate a new charter school that substantially replicates one of its high-performing charter schools. The application process for such applications is streamlined to expedite approval.³⁵ A high-performing charter school may not be replicated more than once in any given year and may not replicate again until the new charter school achieves "high-performing" status.³⁶ Systems may replicate their high-performing charter schools using the same process applicable to high-performing charter schools.³⁷ Additionally, a high-performing charter school may have the term of its charter extended to up to 15 years.³⁸

As of November 2015, 167 charter schools in 32 school districts and 1 state university were designated as "high-performing" and three systems were designated as high-performing systems – Doral, Inc., McKeel Academy, and Plato. Doral, Inc. is comprised of six charter schools, five of which are high-performing charter schools. McKeel Academy is comprised of three charter schools, each of which is a high-performing charter school. Plato is comprised of seven charter schools, five of which are high-performing charter schools.³⁹

Effect of Proposed Changes

Currently, a high-performing charter school may only replicate once in a given year, and may not replicate again until the newly created charter school achieves "high-performing" status, which takes at least three years. The bill provides that this limit does not apply to high-performing charter schools replicated to serve the attendance area of a traditional public school identified as in need of intervention and support under Florida's system of school improvement and accountability or to meet needs identified by school districts. In all other cases, existing limits apply. This change expands the ability of high-performing charter schools to provide parental school choice in underserved areas or partner with school districts to meet specific district needs.

The bill provides that a charter school, whose initial application, as a high-performing school, is denied by the sponsor, shall be exempt from the administrative fee requirement. Additionally, the bill provides that a high-performing charter school may submit an application to replicate its school and program in any school district to the Florida Institute for Charter School Innovation. The institute must deny or approve the application within 60 days after receipt of the application. An applicant that is approved must work with the district to develop and execute a contract. If an application is denied, the applicant may appeal to the State Board of Education. This process is similar to *Sch. Bd. of Volusia Cty. v. Acad. of Excellence, Inc.*, where the court held that the state board approval of a previously denied charter application was constitutional because the school board retained authority over the operation, control and supervision of the charter school.⁴⁰ The approval of an application is just the beginning of the process to open a charter school.⁴¹ Once the charter application has been granted, the school board still has control over the process because the applicant and the school board must agree on the provisions of the charter.⁴² The Florida Institute of Charter School Innovation only approves or denies

³⁴ Sections 1002.331(5) and 1002.332(2)(a), F.S.

³⁵ Section 1002.331(2), F.S.

³⁶ Section 1002.331(3)(b), F.S.

³⁷ Section 1002.332(2), F.S.

³⁸ Section 1002.331(4), F.S.

³⁹ Email, Office of Independent Education and Parental Choice (Nov. 16, 2015).

⁴⁰ 974 So. 2d 1186 (Fla. Dist. Ct. App. 2008), *But see Duval Cty Sch Bd. v. State Bd. of Educ.*, 998 So. 2d 641 (Fla. Dist. Ct. App. 2008) (holding that the Excellence Commission's authority over charter schools was unconstitutional because it usurped the district's power to operate, control and supervise charter schools).

⁴¹ *Id.*

⁴² *Id.*

applications for replication of high-performing charter schools, while the contracting school board retains authority over the operation, control and supervision of the charter school.

Legislation enacted in 2013 required 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 the eligibility criteria enumerated in law, one of which requires that the school not receive a grade below a "B". Current language also provides for removal of a charter school's "high-performing" status if it receives a school grade of "C" in any two years during the term of the 15-year charter. Because a high-performing school loses its status once its grade falls below a "B," the provisions regarding consequences for receiving a "C" are obsolete. Accordingly, the bill repeals provisions regarding consequences for "C" grades.

The bill outlines specific timelines for modifications to a high-performing charter school's charter and clarifies that it can be for an additional 15 years or a 15-year renewal. The sponsor has 30 days after a charter school receives its high-performing designation to provide a charter renewal to the charter school. A charter school and sponsor have 20 days to negotiate and notice the charter contract for final approval by the sponsor. The proposed contract must be provided to the charter school at least 7 calendar days prior to the date of the meeting at which the charter is scheduled to be voted upon by the sponsor. Any dispute goes directly to the Division of Administrative Hearings.

The bill creates a High Impact Charter Network status for the charter operators serving educationally disadvantaged students. A qualifying entity must be a non-profit organization under s. 501(c)(3) that successfully operates a system of charter schools that serve primarily educationally disadvantaged students as defined in the Elementary and Secondary Education Act. The entity must apply to the state board for status as a High-Impact Charter Network. The bill requires the state board to adopt rules prescribing the process for determining eligibility as a High-Impact Charter Network which must include a review of all schools currently and previously operated by the entity in the areas of student achievement and financial performance.

Schools operated by a High-Impact Charter Network will receive the following incentives, provided the network maintains its status:

- Automatic eligibility for capital outlay funds;
- Waiver of the administrative fee for the provision of services by the sponsor; and
- Priority in the DOE's Public Charter School Grant Program competitions.

The bill provides that the initial High-Impact Charter Network status shall be valid for up to 4 years. For an entity seeking renewal, the state board shall review the academic and financial performance of the charter schools in accordance with the rules established to define eligibility.

Charter Termination or Nonrenewal

Present Situation

A sponsor may choose to terminate or not renew a charter 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.⁴³

The sponsor may immediately terminate a charter school's charter if conditions at the school threaten the health, safety, or welfare of students.⁴⁴ Due process in the form of notice and, if requested, a formal

hearing and opportunity to appeal must be provided to the charter school prior to a charter termination or nonrenewal. For immediate termination of a charter school, a hearing, if requested, may occur after termination.⁴⁵

In addition, the law requires a sponsor to terminate the charter of a charter school that earns two consecutive school grades of "F," unless the charter school qualifies for one of three exceptions. In general, the exceptions apply to charter schools that specifically target hard-to-serve students and to traditional public schools that are reconstituted as charter schools pursuant to Florida's system of school improvement and education accountability.

When a charter is not renewed or is terminated, unencumbered public funds from the charter school revert to the district school board, except that capital outlay and federal charter school grant funds revert to the DOE for redistribution among eligible charter schools. Additionally, all district school board property and improvements, furnishings, and equipment purchased with public funds automatically revert to the district school board subject to satisfaction of any liens or encumbrances. The charter school's governing board is responsible for all debts incurred by the charter school. Students enrolled in the charter school may apply to, and must be enrolled in, another public school in the school district. The law does not specifically apply these provisions to charter schools that close voluntarily.⁴⁶

Effect of Proposed Changes

The bill clarifies that "double "F"" termination occurs automatically when a charter school earns a second consecutive grade of "F," after school grade appeals are final, unless an exception applies. The sponsor must notify, in writing, the charter school's governing board, the charter school principal, and the DOE. Hearings and appeals applicable to discretionary and immediate charter terminations are not applicable to "double "F"" terminations. The bill specifies that procedures regarding reversion of public funds and property purchased with public funds apply to "double "F"" terminations, as well as, voluntary closures.

Additionally, the bill requires the governing board of a charter school that decides to cease operations voluntarily to make such determination at a public meeting and to notify the parents and sponsor of the public meeting prior to its official notice. Following the meeting, the governing board must notify the sponsor, parents of enrolled students, and the DOE in writing within 24 hours of its decision. The notice must state the charter school's intent to continue operations or the reasons for the closure and acknowledge that the governing board agrees to follow the procedures for dissolution and reversion of public funds specified in law.

The bill also specifically applies existing law regarding dissolution of the charter school, reversion of funds, debt, and reassignment of students to voluntary closures. This change will increase the likelihood that charter schools that close voluntarily follow the law regarding reversion of public funds. It will also provide more information to sponsors and the DOE regarding the reasons leading to voluntary closure.

Eligible Students

The bill provides that a charter school that has not reached capacity may be open to any student in the state and authorizes a charter school to give enrollment preference to students who attended or are assigned to a failing school.

The bill also prohibits a charter school from denying enrollment or withdrawing a student based on the student's academic performance.

Charter School Cooperatives

⁴⁴ Section 1002.33(8)(d), F.S.

⁴⁵ Sections 1002.33(6)(c) and (8)(b)-(d), F.S.

⁴⁶ Section 1002.33(8)(e), F.S.

Present Situation

The law authorizes charter schools to enter into cooperative agreements with other charter schools to provide planning and development, instructional, personnel administration, payroll, human resources, and evaluation and assessment services and teacher preparation and professional development.⁴⁷

Effect of Proposed Changes

The bill deletes the list of specific services that cooperative agreements may serve and instead states that charter schools may enter into such agreements to further any educational, operational, or administrative purposes in which participating charter schools share common interests. This change expands the ability of charter schools to collaborate and pool resources for shared objectives.

Distribution of Student Funding

Present Situation

Charter school students are funded through the Florida Education Finance Program (FEFP), including categorical funding such as the research-based reading instruction allocation (reading allocation).⁴⁸ In general, the reading allocation must be used for such purposes as providing intensive reading instruction to struggling students or to support reading teachers through professional development or utilization of reading coaches. Each school district must annually submit a plan to the DOE specifying how it will use the reading allocation.⁴⁹ Each charter school applicant must include in its application a reading curriculum that provides for differentiated reading instruction for students reading at or above grade level and for those reading below grade level. The curriculum must be aligned to state reading standards and grounded in scientific research. If the application is approved, the reading curriculum is incorporated into the charter school's charter.⁵⁰ Despite the requirement that charter schools adopt a reading curriculum as a condition of approval, some sponsors have required charter schools to use the school district's reading plan as a condition to receiving the reading allocation, and that plan is often dramatically different than the reading curriculum that the sponsor has already approved in the application and charter.⁵¹

Currently, a district school board (school board) must make timely and efficient payments and reimbursements to charter schools. A school board may distribute funds to a charter school for up to 3 months based on the projected full-time equivalent student membership of the charter school. Thereafter, the results of the full-time equivalent student membership surveys are used to adjust the amount of funds distributed to the charter school. Sponsors must distribute funds to a charter school no later than 10 working days after the district school board receives a distribution of state or federal funds. If payment is not made to the charter school within 10 working days, the sponsor must also pay interest at a rate of 1 percent per month calculated daily on the unpaid balance for each day the payment is late.⁵² One sponsor has previously indicated that it would delay disbursement of locally generated funds to charter schools until the funds were received by the school district.⁵³

Effect of Proposed Changes

The bill requires a sponsor to deny a charter application if the proposed charter school reading curriculum is not evidence-based and does not include explicit, systematic, and multisensory reading

⁴⁷ Section 1002.33(13), F.S.

⁴⁸ Sections 1002.33(17)(a)-(b) and 1011.62, F.S. To reflect any changes in enrollment, the charter school's funding is recalculated during the school year, based upon the October and February full-time equivalent (FTE) enrollment surveys. *See s. 1002.33(17)(b), F.S.*

⁴⁹ Section 1011.62(9), F.S.

⁵⁰ Section 1002.33(6)(a)4. and (7)(a)2.a., F.S.

⁵¹ Florida Department of Education, *Legislative Bill Analysis on School Choice Priorities*, (Nov. 6, 2014).

⁵² Section 1002.33(17)(e), F.S.

⁵³ Florida Department of Education, *Legislative Bill Analysis on School Choice Priorities*, (Nov. 6, 2014).

instructional strategies. It also prohibits sponsors from requiring charter schools to adopt the school district's reading curriculum as a condition to receiving the research-based reading allocation.

The bill clarifies that school board payments must be made monthly or bi-monthly, beginning with the start of a school board's fiscal year. Each payment must be one-twelfth (1/12) or one-twenty-fourth (1/24), as applicable. In the first two years of a charter school's operation, a school board must distribute funds for the months of July – October based on the projected full-time equivalent student membership if a minimum of 75 percent of the projected enrollment is entered into the sponsor's student information system by the first day of the current month. If less than 75 percent of the projected enrollment is entered into the sponsor's system, the sponsor shall base payments on the actual number entered into the sponsor's student information system.⁵⁴ This will generate a more accurate distribution of funds prior to the October student count and prevent over-funding and under-enrollment. The bill also prohibits a sponsor from delaying payment of any portion of a charter school's funding based upon the timing of receipt of local funds by the school board.

Additionally, the bill authorizes a nonprofit organization or municipality that operates a charter school that has use any unrestricted surplus or unrestricted net assets identified in its annual audit to use those funds for K-12 educational purposes for charter schools within the district operated by that nonprofit entity or municipality, while meeting expenditure requirements specific to operating funds and capital outlay funds.

Facilities

Present Situation

Currently, startup and conversion charter schools are not required to comply with the State Requirement for Educational Facilities pursuant to s. 1013.37, F.S. The local governing authority cannot adopt or impose any local building requirements or site-development restrictions that are addressed by and more stringent than those found in the State Requirements for Educational Facilities of the Florida Building Code. The local governing authority must treat charter schools equitably in comparison to similar requirements, restrictions, and processes imposed upon public schools that are not charter schools.⁵⁵

Effect of Proposed Changes

The bill permits an aggrieved school the immediate right to bring an action in circuit court to enforce its rights against any authority who fails to comply with this section. An aggrieved school that receives injunctive relief may collect attorney fees and court cost.

Charter School Capital Outlay

Present Situation

To be eligible for charter school capital outlay funding, a charter school must:

- Have been in operation for at least three years, be governed by a governing board established in Florida for three or more years which operates both charter schools and conversion charter schools within the state, be part of an expanded feeder chain⁵⁶ with an existing charter school in the district that is currently receiving charter school capital outlay funds, be accredited by the Commission on Schools of the Southern Association of Colleges and Schools, or serve students in facilities that are provided by a business partner for a charter school-in-the-workplace;

⁵⁴ Note: this language is currently found in the model charter school contract at <http://www.fl DOE.org/schools/school-choice/charter-schools/charter-school-reference> page 20 -21 (last visited November 24, 2015).

⁵⁵ Section 1002.33(18)(a), F.S.

⁵⁶ A charter school may be considered a part of an expanded feeder chain under s. 1013.62, F.S., if it either sends or receives a majority of its students directly to or from a charter school that is currently receiving capital outlay funding pursuant to Section 1013.62, F.S. Rule 6A-2.0020 (1), F.A.C.

- Demonstrate financial stability for future operation as a charter school;
- Have satisfactory student achievement based upon the state accountability standards applicable to charter schools;
- Have received final approval from its sponsor for operation during that fiscal year; and
- Serve students in facilities that are not provided by the charter school sponsor.⁵⁷

Charter school capital outlay funding is allocated based upon the following priorities:

- First priority is given to charter schools that received capital outlay funding in FY 2005-06. Such a school receives the same per-student amount that it received in FY 2005-06 up to the lesser of:
 - The actual number of students enrolled in the current year; or
 - The number of students enrolled in FY 2005-06.
- After calculating the first priority, remaining funds are allocated with the same per-student amount to:
 - Those schools not included in the first priority allocation; and
 - Those schools in the first priority allocation with growth in excess of FY 2005-06 student enrollments.

Any excess funds remaining after the first and second priority calculations are allocated among all eligible charter schools.⁵⁸

Effect of Proposed Changes

The bill clarifies “financial stability” by specifying that a charter school may not have financial emergency conditions noted in its most recent annual audit in order to receive capital outlay funding.

Other Charter School Changes

Governing Board Meetings

Florida law requires each charter school's governing board to hold at least two open public meetings per school year in the school district where the charter school is located. The charter school principal and a parent liaison appointed by the board must be physically present at these meetings. Governing board members are not required to attend these meetings in person.⁵⁹ The bill relocates the aforementioned governing board meeting provisions to a more appropriate section of the charter school statute. Additionally, the bill specifically authorizes a governing board member to attend biannual public meetings by communications media technology used in compliance with Administration Commission rules.⁶⁰

Alternative Teacher Certification

A professional education competence demonstration program (PEC Program) is an alternative teacher certification pathway that enables a classroom teacher who holds a temporary certificate to obtain full

⁵⁷ Section 1013.62(1)(a), F.S. A conversion charter school, i.e., a charter school created by the conversion of an existing public school to charter status, is not eligible for capital outlay funding if it operates in facilities provided by its sponsor at no charge or for a nominal fee or if it is directly or indirectly operated by the school district. Section 1013.62(1)(d), F.S.

⁵⁸ Section 1013.62(1)(b), F.S.

⁵⁹ Section 1002.33(7)(d), F.S. The parent liaison must reside in the school district where the charter school is located and may be a governing board member, charter school employee, or contracted individual. The governing board must appoint a separate liaison for each charter school it operates in the district. The law prohibits a sponsor from requiring governing board members to reside in the school district if the governing board complies with these requirements. *Id.*

⁶⁰ Florida law requires the Administration Commission to adopt uniform rules for conducting public meetings by means of communications media technology. Sections 120.54(5)(b)2. and 1002.33(7)(d), F.S.; ch. 28-109, F.A.C.

professional certification. The law requires each school district to establish a PEC Program. Establishing a PEC Program is optional for other "state-supported public schools" and private schools. PEC Programs must be approved by the DOE prior to implementation and approval is reevaluated annually.⁶¹ The bill clarifies that a charter school, as a "supported public school," may offer a PEC Program to enable its teachers on temporary certificates to obtain a professional teaching certificate.

Student Eligibility for Virtual Instruction

Present Situation

Florida law establishes a variety of options to make virtual instruction accessible to students in kindergarten through grade 12. These options include:

- Full-time or part-time enrollment in a school district virtual instruction program (VIP).⁶²
- Full-time enrollment in a virtual charter school.⁶³
- Enrollment in individual virtual courses offered by school districts and approved by the DOE.⁶⁴
- Full-time or part-time enrollment in the Florida Virtual School (FLVS) or school district FLVS franchises.⁶⁵

Student enrollment in a full-time or part-time school district virtual instruction program (VIP), a full-time virtual charter school, or a school district virtual course offering is open to any student residing in the district who:⁶⁶

- Attended a Florida public school during the prior year and was enrolled and reported for funding during the October and February FEFPS surveys;
- Is the dependent child of a member of the United States military who, within 12 months of the parent's permanent change of station order, transferred to Florida from another state or from a foreign country;
- Was enrolled in a school district virtual instruction program or a full-time FLVS program during the prior school year;
- Has a sibling who is currently enrolled in a school district virtual instruction program and the sibling was enrolled in such program at the end of the prior school year.
- Is eligible to enter kindergarten or first grade; or
- Is eligible to enter grades 2 through 5 and is enrolled full-time in a school district virtual instruction program, virtual charter school or FLVS.⁶⁷

FLVS or a district FLVS franchise may provide full-time and part-time instruction for students in kindergarten through grade 12. However, students in kindergarten through grade 5 must meet at least one of the eligibility criteria listed above to access part-time instruction in such programs.⁶⁸

Eligibility for Virtual Instruction							
Students Not Enrolled in Public School During the Previous School Year							
Grade Level	Full-Time			Part-Time			
	FLVS	District VIP	District FLVS Franchise	FLVS	District VIP	District FLVS Franchise	District Virtual Course
K							
1							
2							

⁶¹ Section 1012.56(8)(b), F.S.; rule 6A-5.066(1)(d) and (2), F.A.C.

⁶² Section 1002.45, F.S.

⁶³ Sections 1002.33(1) and 1002.45(1)(d), F.S.

⁶⁴ Section 1003.498, F.S.

⁶⁵ Sections 1002.37 and 1002.45(1)(a)I. and (c)I., F.S.

⁶⁶ Sections 1002.45(5) and 1002.455(2), F.S.

⁶⁷ Section 1002.455(2), F.S.

⁶⁸ Section 1002.37(8)(a), F.S.

3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
KEY							
	Student is Eligible						
	Student must meet prior public school requirement						
	No part-time virtual options for students who were not enrolled in public school during the prior year						

Consequently, students in 2nd through 5th grades are not eligible for enrollment in part-time virtual instruction unless they were enrolled in public school in the prior year or are dependent children of military personnel, or siblings.⁶⁹

Effect of Proposed Changes

The bill repeals s. 1002.455, F.S., relating to student eligibility for K-12 virtual instruction. This change will open various virtual education options that are not currently available to students who did not attend public school in the prior year, as follows:

- Students in 6th through 12th grades may enroll in full-time school district VIP programs.
- Students in 2nd through 5th grades may enroll in part-time FLVS or district FLVS franchises.
- Students in 2nd through 12th grades may enroll in part-time school district VIP.
- Students in 2nd through 12th grades may enroll in school district virtual course offerings.

Most notably, this change gives students in 2nd through 5th grades who did not attend public school in the prior year the ability to enroll in part-time virtual instruction, whereas under current law, these students have no such options.

Virtual Instruction Providers

Present Situation

The law designates the FLVS, school district FLVS franchises, and Florida College System institutions as "approved providers." The law also prescribes a process in which other virtual instruction providers may obtain DOE-approval to offer services to public school districts. The DOE must annually publish a list of approved providers.⁷⁰ Currently, a DOE-approved virtual instruction provider's contract must be terminated if the provider earns a school grade of "D" or "F" or a school improvement rating of "Unsatisfactory" in any two years of a consecutive four year period. In such cases, the provider must be removed from the DOE-approved provider list for a period of at least one year. Among other things, the provider may not regain "approved provider" status until it demonstrates to the DOE that academic performance deficiencies have been remedied.⁷¹

⁶⁹ Section 1002.455(2), F.S.

⁷⁰ Section 1002.45(2)(a), F.S.

⁷¹ Section 1002.45(8)(d), F.S.

Effect of Proposed Changes

The bill provides that a virtual instruction provider's contract must be terminated, and the provider loses "approved provider" status, if the provider earns two consecutive school grades of "F" after grade appeals are final or 2 consecutive school improvement ratings of "Unsatisfactory."

Acceleration Options

The bill clarifies language for the acceleration options and allows passage of an Advanced Placement (AP) Examination to qualify for high school course credits. The bill also clarifies that a district shall allow any public or home education student not enrolled in the corresponding course to take an end-of-course assessment or AP exam during the regular administration of the assessment.

Finally, the bill clarifies language regarding the minimum term requirement for purposes of the FEFP and removes the requirement that students in a blended learning course receive the online instruction in a classroom setting at the school so more blended learning models can be utilized by public schools and students.

B. SECTION DIRECTORY:

Section 1. Amends s. 1002.33, F.S., relating to charter schools.

Section 2. Amends s. 1002.331, F.S., relating to high-performing charter schools.

Section 3. Creates s. 1002.333, F.S., relating to High Impact Charter Networks.

Section 4. Amends s. 1002.37, F.S., relating to the Florida Virtual School.

Section 5. Repeals s. 1002.45, F.S., relating to virtual instruction programs.

Section 6. Repeals s. 1003.445, F.S., relating to student eligibility for K-12 virtual instruction.

Section 7. Amends s. 1003.4295, F.S., relating to the Credit Acceleration program.

Section 8. Amends s. 1003.498, F.S., relating to school district virtual course offerings.

Section 9. Creates s. 1004.650, F.S., relating to the Florida Institute for Charter School Innovation.

Section 10. Amends s. 1011.61, F.S., relating to definitions.

Section 11. Amends s. 1011.62, F.S., relating to funds for operation of schools.

Section 12. Amends s. 1012.56, F.S., relating to educator certification.

Section 13. Amends s. 1013.62, F.S., relating to charter school capital outlay funding.

Section 14. Provides an effective date of July 1, 2016.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

The bill repeals s. 1002.455, F.S., relating to student eligibility for K-12 virtual instruction. This change will open various virtual education options that are not currently available to students who did not attend public school in the prior year. The estimated fiscal impact on the FEFP to fund the expansion of student eligibility for public virtual education is \$2,374,420.

The bill establishes the Florida Institute for Charter School Innovation. Among other things, the institute will assist applicants in developing charter school application proposals. Performance of these activities will require the institute to hire or subcontract with individuals with expertise in such areas as school finance, governance, operations, academics and curriculum, and exceptional student education services. It is estimated that approximately 5-6 full-time staff are needed to operate the institute. Funds will also be required to hire subcontractors to review applications. Recurring funding in the amount of \$250,000 was provided in the 2015-2016 fiscal year to the Florida State University to begin the implementation of Institute. The total estimated fiscal impact for the creation implementation of the Institute is \$1,000,000. An additional \$750,000 would be necessary for 2016-2017 to meet the requirements of the bill.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

See Fiscal Comments.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Provisions expanding the purposes of cooperative agreements may provide charter schools with new opportunities to pool resources and achieve cost savings.

D. FISCAL COMMENTS:

The bill clarifies that a sponsor may not require a charter school to adopt the school district's reading curriculum as a condition to receiving a share of the research-based reading allocation. This may increase the number of charter schools that receive a share of the allocation.

The bill authorizes a nonprofit organization or municipality that operates a charter school to use unrestricted surplus or unrestricted net assets of the charter school identified in an annual financial audit for K-12 educational purposes for charter schools within the district operated by the not-for-profit or municipal entity organizing or operating the charter school with the surplus. Surplus operating funds shall be used in accordance with s. 1011.62, and surplus capital outlay funds shall be used in accordance with s. 1013.62(2).

The bill provides clearer guidance to the DOE in determining whether a charter school is financially stable enough to merit an award of capital outlay funding.

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

Not Applicable.

1 A bill to be entitled
2 An act relating to school choice; amending s. 1002.33,
3 F.S.; making technical changes relating to
4 requirements for the creation of a virtual charter
5 school; conforming cross-references; specifying that a
6 sponsor may not require a charter school to adopt the
7 sponsor's reading plan and that charter schools are
8 eligible for the research-based reading allocation if
9 certain criteria are met; revising required contents
10 of charter school applications; conforming provisions
11 regarding the appeal process for denial of a high-
12 performing charter school application; requiring an
13 applicant to provide the sponsor with a copy of an
14 appeal to an application denial; authorizing a charter
15 school to defer the opening of its operations for up
16 to a specified time; requiring the charter school to
17 provide written notice to certain entities by a
18 specified date; revising provisions relating to long-
19 term charters and charter terminations; specifying
20 notice requirements for voluntary closure of a charter
21 school; deleting a requirement that students in a
22 blended learning course receive certain instruction in
23 a classroom setting; providing that a student may not
24 be dismissed from a charter school based on his or her
25 academic performance; requiring a charter school
26 applicant to provide monthly financial statements

27 before opening; requiring a sponsor to review each
 28 financial statement of a charter school to identify
 29 the existence of certain conditions; providing for the
 30 automatic termination of a charter contract if certain
 31 conditions are met; requiring a sponsor to notify
 32 certain parties when a charter contract is terminated
 33 for specific reasons; authorizing governing board
 34 members to hold a certain number of public meetings
 35 and participate in such meetings in person or through
 36 communications media technology; revising charter
 37 school student eligibility requirements; revising
 38 requirements for payments to charter schools; allowing
 39 for the use of certain surpluses and assets by
 40 specific entities for certain educational purposes;
 41 providing for an injunction under certain
 42 circumstances; providing an exemption from certain
 43 administrative fees; amending s. 1002.331, F.S.;
 44 providing an exemption from the replication
 45 limitations for a high-performing charter school;
 46 conforming a cross-reference; deleting obsolete
 47 provisions; authorizing a high-performing charter
 48 school to submit an application for a new charter
 49 school to the Florida Institute for Charter School
 50 Innovation; requiring the institute to deny or approve
 51 an application within specified timeframes; providing
 52 deadlines for a high-performing charter contract

53 renewal; providing for an appeal to an administrative
 54 law judge under certain circumstances; creating s.
 55 1002.333, F.S.; providing definitions; establishing a
 56 High Impact Charter Network status for charter school
 57 operators serving educationally disadvantaged
 58 students; defining eligibility criteria; authorizing
 59 charter operators holding the High Impact Charter
 60 Network status to submit applications for charter
 61 schools in certain areas; exempting certain charter
 62 schools from specified fees; requiring the department
 63 to give priority to certain charter schools applying
 64 for specified grants; prohibiting the use of certain
 65 school grades when determining areas of critical need;
 66 providing for rulemaking; amending s. 1002.37, F.S.;
 67 revising the calculation of "full-time equivalent
 68 student"; conforming a cross-reference; amending s.
 69 1002.45, F.S.; conforming a cross-reference; revising
 70 conditions for termination of a virtual instruction
 71 provider's contract; repealing s. 1002.455, F.S.,
 72 relating to student eligibility for K-12 virtual
 73 instruction; amending s. 1003.4295, F.S.; revising the
 74 purpose of the Credit Acceleration Program; requiring
 75 students to earn passing scores on specified
 76 assessments and examinations to earn course credit;
 77 amending s. 1003.498, F.S.; deleting a requirement
 78 that students in a blended learning course must

79 receive certain instruction in a classroom setting;
 80 conforming a cross-reference; creating s. 1004.650,
 81 F.S.; establishing the Florida Institute for Charter
 82 School Innovation; providing the purpose and duties of
 83 the institute; providing for the appointment of a
 84 director of the institute; establishing duties of the
 85 director; requiring a report be posted annually on the
 86 institute's website and an annual financial report to
 87 certain entities; amending s. 1011.61, F.S.; revising
 88 the definition of "full-time equivalent student";
 89 amending s. 1011.62, F.S.; conforming a cross-
 90 reference; amending s. 1012.56, F.S.; authorizing a
 91 charter school to develop and operate a professional
 92 development certification and education competency
 93 program; amending s. 1013.62, F.S.; revising
 94 eligibility requirements for charter school capital
 95 outlay funding; revising charter school funding
 96 allocations; providing an effective date.

97

98 Be It Enacted by the Legislature of the State of Florida:

99

100 Section 1. Subsection (1), paragraph (a) of subsection
 101 (2), paragraphs (a) and (b) of subsection (6), paragraphs (a)
 102 and (d) of subsection (7), paragraphs (g), (n), and (p) of
 103 subsection (9), paragraphs (a) and (d) of subsection (10),
 104 subsection (13), paragraphs (b) and (e) of subsection (17),

105 paragraph (a) of subsection (18), and paragraph (a) of
 106 subsection (20) of section 1002.33, Florida Statutes, are
 107 amended to read:

108 1002.33 Charter schools.—

109 (1) AUTHORIZATION.—Charter schools shall be part of the
 110 state's program of public education. All charter schools in
 111 Florida are public schools. A charter school may be formed by
 112 creating a new school or converting an existing public school to
 113 charter status. A charter school may operate a virtual charter
 114 school pursuant to s. 1002.45(1)(d) to provide full-time online
 115 instruction to eligible students, ~~pursuant to s. 1002.455,~~ in
 116 kindergarten through grade 12. An existing A charter school that
 117 is seeking to become a virtual charter school must amend its
 118 charter or submit a new application pursuant to subsection (6)
 119 to become a virtual charter school. A virtual charter school is
 120 subject to the requirements of this section; however, a virtual
 121 charter school is exempt from subsections (18) and (19),
 122 subparagraphs (20)(a)2., 4., 5., and 7., paragraph (20)(c), and
 123 s. 1003.03. A public school may not use the term charter in its
 124 name unless it has been approved under this section.

125 (2) GUIDING PRINCIPLES; PURPOSE.—

126 (a) Charter schools in Florida shall be guided by the
 127 following principles:

128 1. Meet high standards of student achievement while
 129 providing parents flexibility to choose among diverse
 130 educational opportunities within the state's public school

131 system.

132 2. Promote enhanced academic success and financial
133 efficiency by aligning responsibility with accountability.

134 3. Provide parents with sufficient information on whether
135 their child is reading at grade level and whether the child
136 gains at least a year's worth of learning for every year spent
137 in the charter school. For a student who exhibits a substantial
138 deficiency in reading, as determined by the charter school, the
139 school shall notify the parent of the deficiency, the intensive
140 interventions and supports used, and the student's progress in
141 accordance with s. 1008.25(5).

142 (6) APPLICATION PROCESS AND REVIEW.—Charter school
143 applications are subject to the following requirements:

144 (a) A person or entity seeking ~~wishing~~ to open a charter
145 school shall prepare and submit an application on a model
146 application form prepared by the Department of Education which:

147 1. Demonstrates how the school will use the guiding
148 principles and meet the statutorily defined purpose of a charter
149 school.

150 2. Provides a detailed curriculum plan that illustrates
151 how students will be provided services to attain the Sunshine
152 State Standards.

153 3. Contains goals and objectives for improving student
154 learning and measuring that improvement. These goals and
155 objectives must indicate how much academic improvement students
156 are expected to show each year, how success will be evaluated,

157 and the specific results to be attained through instruction.

158 4. Describes the reading curriculum and differentiated
 159 strategies that will be used for students reading at grade level
 160 or higher and a separate curriculum and strategies for students
 161 who are reading below grade level. A sponsor shall deny an
 162 application ~~a charter~~ if the school does not propose a reading
 163 curriculum that is evidence-based and includes explicit,
 164 systematic, and multisensory reading instructional strategies;
 165 however, a sponsor may not require the charter school to
 166 implement the reading plan adopted by the school district
 167 pursuant to s. 1011.62(9) consistent with effective teaching
 168 ~~strategies that are grounded in scientifically based reading~~
 169 ~~research.~~

170 5. Contains an annual financial plan for each year
 171 requested by the charter for operation of the school for up to 5
 172 years. This plan must contain anticipated fund balances based on
 173 revenue projections, a spending plan based on projected revenues
 174 and expenses, and a description of controls that will safeguard
 175 finances and projected enrollment trends.

176 6. Discloses the name of each applicant, governing board
 177 member, and all proposed education services providers; the name
 178 and sponsor of any charter school operated by each applicant,
 179 each governing board member, and each proposed education
 180 services provider that has closed and the reasons for the
 181 closure; and the academic and financial history of such charter
 182 schools, which the sponsor shall consider in deciding whether to

183 | approve or deny the application.

184 | ~~7.6-~~ Contains additional information a sponsor may
 185 | require, which shall be attached as an addendum to the charter
 186 | school application described in this paragraph.

187 | ~~8.7-~~ For the establishment of a virtual charter school,
 188 | documents that the applicant has contracted with a provider of
 189 | virtual instruction services pursuant to s. 1002.45(1)(d).

190 | (b) A sponsor shall receive and review all applications
 191 | for a charter school using the ~~an~~ evaluation instrument
 192 | developed by the Department of Education. A sponsor shall
 193 | receive and consider charter school applications received on or
 194 | before August 1 of each calendar year for charter schools to be
 195 | opened at the beginning of the school district's next school
 196 | year, or to be opened at a time agreed to by the applicant and
 197 | the sponsor. A sponsor may not refuse to receive a charter
 198 | school application submitted before August 1 and may receive an
 199 | application submitted later than August 1 if it chooses. In
 200 | order to facilitate greater collaboration in the application
 201 | process, an applicant may submit a draft charter school
 202 | application on or before May 1 with an application fee of \$500.
 203 | If a draft application is timely submitted, the sponsor shall
 204 | review and provide feedback as to material deficiencies in the
 205 | application by July 1. The applicant shall then have until
 206 | August 1 to resubmit a revised and final application. The
 207 | sponsor may approve the draft application. Except as provided
 208 | for a draft application, a sponsor may not charge an applicant

209 for a charter any fee for the processing or consideration of an
 210 application, and a sponsor may not base its consideration or
 211 approval of a final application upon the promise of future
 212 payment of any kind. Before approving or denying any final
 213 application, the sponsor shall allow the applicant, upon receipt
 214 of written notification, at least 7 calendar days to make
 215 technical or nonsubstantive corrections and clarifications,
 216 including, but not limited to, corrections of grammatical,
 217 typographical, and like errors or missing signatures, if such
 218 errors are identified by the sponsor as cause to deny the final
 219 application.

220 1. In order to facilitate an accurate budget projection
 221 process, a sponsor shall be held harmless for FTE students who
 222 are not included in the FTE projection due to approval of
 223 charter school applications after the FTE projection deadline.
 224 In a further effort to facilitate an accurate budget projection,
 225 within 15 calendar days after receipt of a charter school
 226 application, a sponsor shall report to the Department of
 227 Education the name of the applicant entity, the proposed charter
 228 school location, and its projected FTE.

229 2. In order to ensure fiscal responsibility, an
 230 application for a charter school shall include a full accounting
 231 of expected assets, a projection of expected sources and amounts
 232 of income, including income derived from projected student
 233 enrollments and from community support, and an expense
 234 projection that includes full accounting of the costs of

235 operation, including start-up costs.

236 3.a. A sponsor shall by a majority vote approve or deny an
 237 application no later than 60 calendar days after the application
 238 is received, unless the sponsor and the applicant mutually agree
 239 in writing to temporarily postpone the vote to a specific date,
 240 at which time the sponsor shall by a majority vote approve or
 241 deny the application. If the sponsor fails to act on the
 242 application, an applicant may appeal to the State Board of
 243 Education as provided in paragraph (c). If an application is
 244 denied, the sponsor shall, within 10 calendar days after such
 245 denial, articulate in writing the specific reasons, based upon
 246 good cause, supporting its denial of the ~~charter~~ application and
 247 shall provide the letter of denial and supporting documentation
 248 to the applicant and to the Department of Education.

249 b. An application submitted by a high-performing charter
 250 school identified pursuant to s. 1002.331 may be denied by the
 251 sponsor only if the sponsor demonstrates by clear and convincing
 252 evidence that:

253 (I) The application does not materially comply with the
 254 requirements in paragraph (a);

255 (II) The charter school proposed in the application does
 256 not materially comply with the requirements in paragraphs
 257 (9) (a) - (f);

258 (III) The proposed charter school's educational program
 259 does not substantially replicate that of the applicant or one of
 260 the applicant's high-performing charter schools;

261 (IV) The applicant has made a material misrepresentation
 262 or false statement or concealed an essential or material fact
 263 during the application process; or

264 (V) The proposed charter school's educational program and
 265 financial management practices do not materially comply with the
 266 requirements of this section.

267
 268 Material noncompliance is a failure to follow requirements or a
 269 violation of prohibitions applicable to charter school
 270 applications, which failure is quantitatively or qualitatively
 271 significant either individually or when aggregated with other
 272 noncompliance. An applicant is considered to be replicating a
 273 high-performing charter school if the proposed school is
 274 substantially similar to at least one of the applicant's high-
 275 performing charter schools and the organization or individuals
 276 involved in the establishment and operation of the proposed
 277 school are significantly involved in the operation of replicated
 278 schools.

279 c. If the sponsor denies an application submitted by a
 280 high-performing charter school, the sponsor must, within 10
 281 calendar days after such denial, state in writing the specific
 282 reasons, based upon the criteria in sub-subparagraph b.,
 283 supporting its denial of the application and must provide the
 284 letter of denial and supporting documentation to the applicant
 285 and to the Department of Education. The applicant may appeal the
 286 sponsor's denial of the application directly to the State Board

287 of Education and, if an appeal is filed, must provide a copy of
 288 the appeal to the sponsor pursuant to paragraph (c) sub-
 289 subparagraph (e)3.b.

290 4. For budget projection purposes, the sponsor shall
 291 report to the Department of Education the approval or denial of
 292 an a-charter application within 10 calendar days after such
 293 approval or denial. In the event of approval, the report to the
 294 Department of Education shall include the final projected FTE
 295 for the approved charter school.

296 5. Upon approval of an a-charter application, the initial
 297 startup shall commence with the beginning of the public school
 298 calendar for the district in which the charter is granted. A
 299 charter school may defer the opening of the school's operations
 300 for up to 2 years to provide time for adequate facility
 301 planning. The charter school must provide written notice of such
 302 intent to the sponsor and the parents of enrolled students at
 303 least 30 calendar days before the first day of school unless the
 304 sponsor allows a waiver of this subparagraph for good cause.

305 (7) CHARTER.—The major issues involving the operation of a
 306 charter school shall be considered in advance and written into
 307 the charter. The charter shall be signed by the governing board
 308 of the charter school and the sponsor, following a public
 309 hearing to ensure community input.

310 (a) The charter shall address and criteria for approval of
 311 the charter shall be based on:

312 1. The school's mission, the students to be served, and

313 the ages and grades to be included.

314 2. The focus of the curriculum, the instructional methods
 315 to be used, any distinctive instructional techniques to be
 316 employed, and identification and acquisition of appropriate
 317 technologies needed to improve educational and administrative
 318 performance which include a means for promoting safe, ethical,
 319 and appropriate uses of technology which comply with legal and
 320 professional standards.

321 a. The charter shall ensure that reading is a primary
 322 focus of the curriculum and that resources are provided to
 323 identify and provide specialized instruction for students who
 324 are reading below grade level. The curriculum and instructional
 325 strategies for reading must be consistent with the Next
 326 Generation Sunshine State Standards and evidence-based ~~grounded~~
 327 ~~in scientifically based reading research~~.

328 b. In order to provide students with access to diverse
 329 instructional delivery models, to facilitate the integration of
 330 technology within traditional classroom instruction, and to
 331 provide students with the skills they need to compete in the
 332 21st century economy, the Legislature encourages instructional
 333 methods for blended learning courses consisting of both
 334 traditional classroom and online instructional techniques.
 335 Charter schools may implement blended learning courses which
 336 combine traditional classroom instruction and virtual
 337 instruction. Students in a blended learning course must be full-
 338 time students of the charter school pursuant to s.

339 1011.61(1)(a)1. ~~and receive the online instruction in a~~
 340 ~~classroom setting at the charter school.~~ Instructional personnel
 341 certified pursuant to s. 1012.55 who provide virtual instruction
 342 for blended learning courses may be employees of the charter
 343 school or may be under contract to provide instructional
 344 services to charter school students. At a minimum, such
 345 instructional personnel must hold an active state or school
 346 district adjunct certification under s. 1012.57 for the subject
 347 area of the blended learning course. The funding and performance
 348 accountability requirements for blended learning courses are the
 349 same as those for traditional courses.

350 3. The current incoming baseline standard of student
 351 academic achievement, the outcomes to be achieved, and the
 352 method of measurement that will be used. The criteria listed in
 353 this subparagraph shall include a detailed description of:

354 a. How the baseline student academic achievement levels
 355 and prior rates of academic progress will be established.

356 b. How these baseline rates will be compared to rates of
 357 academic progress achieved by these same students while
 358 attending the charter school.

359 c. To the extent possible, how these rates of progress
 360 will be evaluated and compared with rates of progress of other
 361 closely comparable student populations.

362

363 The district school board is required to provide academic
 364 student performance data to charter schools for each of their

365 students coming from the district school system, as well as
 366 rates of academic progress of comparable student populations in
 367 the district school system.

368 4. The methods used to identify the educational strengths
 369 and needs of students and how well educational goals and
 370 performance standards are met by students attending the charter
 371 school. The methods shall provide a means for the charter school
 372 to ensure accountability to its constituents by analyzing
 373 student performance data and by evaluating the effectiveness and
 374 efficiency of its major educational programs. Students in
 375 charter schools shall, at a minimum, participate in the
 376 statewide assessment program created under s. 1008.22.

377 5. In secondary charter schools, a method for determining
 378 that a student has satisfied the requirements for graduation in
 379 s. 1002.3105(5), s. 1003.4281, or s. 1003.4282.

380 6. A method for resolving conflicts between the governing
 381 board of the charter school and the sponsor.

382 7. The admissions procedures and dismissal procedures,
 383 including the school's code of student conduct. Admission or
 384 dismissal must not be based on a student's academic performance.

385 8. The ways by which the school will achieve a
 386 racial/ethnic balance reflective of the community it serves or
 387 within the racial/ethnic range of other public schools in the
 388 same school district.

389 9. The financial and administrative management of the
 390 school, including a reasonable demonstration of the professional

391 experience or competence of those individuals or organizations
392 applying to operate the charter school or those hired or
393 retained to perform such professional services and the
394 description of clearly delineated responsibilities and the
395 policies and practices needed to effectively manage the charter
396 school. A description of internal audit procedures and
397 establishment of controls to ensure that financial resources are
398 properly managed must be included. Both public sector and
399 private sector professional experience shall be equally valid in
400 such a consideration.

401 10. The asset and liability projections required in the
402 application which are incorporated into the charter and shall be
403 compared with information provided in the annual report of the
404 charter school.

405 11. A description of procedures that identify various
406 risks and provide for a comprehensive approach to reduce the
407 impact of losses; plans to ensure the safety and security of
408 students and staff; plans to identify, minimize, and protect
409 others from violent or disruptive student behavior; and the
410 manner in which the school will be insured, including whether or
411 not the school will be required to have liability insurance,
412 and, if so, the terms and conditions thereof and the amounts of
413 coverage.

414 12. The term of the charter which shall provide for
415 cancellation of the charter if insufficient progress has been
416 made in attaining the student achievement objectives of the

417 charter and if it is not likely that such objectives can be
 418 achieved before expiration of the charter. The initial term of a
 419 charter shall be for 4 or 5 years. In order to facilitate access
 420 to long-term financial resources for charter school
 421 construction, charter schools that are operated by a
 422 municipality or other public entity as provided by law are
 423 eligible for up to a 15-year charter, subject to approval by the
 424 district school board. A charter lab school is eligible for a
 425 charter for a term of up to 15 years. In addition, to facilitate
 426 access to long-term financial resources for charter school
 427 construction, charter schools that are operated by a private,
 428 not-for-profit, s. 501(c)(3) status corporation are eligible for
 429 up to a 15-year charter, subject to approval by the district
 430 school board. Such long-term charters remain subject to annual
 431 review and may be terminated during the term of the charter, but
 432 only according to the provisions set forth in subsection (8).

433 13. The facilities to be used and their location. The
 434 sponsor may not require a charter school to have a certificate
 435 of occupancy or a temporary certificate of occupancy for such a
 436 facility earlier than 15 calendar days before the first day of
 437 school.

438 14. The qualifications to be required of the teachers and
 439 the potential strategies used to recruit, hire, train, and
 440 retain qualified staff to achieve best value.

441 15. The governance structure of the school, including the
 442 status of the charter school as a public or private employer as

443 required in paragraph (12) (i).

444 16. A timetable for implementing the charter which
 445 addresses the implementation of each element thereof and the
 446 date by which the charter shall be awarded in order to meet this
 447 timetable.

448 17. In the case of an existing public school that is being
 449 converted to charter status, alternative arrangements for
 450 current students who choose not to attend the charter school and
 451 for current teachers who choose not to teach in the charter
 452 school after conversion in accordance with the existing
 453 collective bargaining agreement or district school board rule in
 454 the absence of a collective bargaining agreement. However,
 455 alternative arrangements shall not be required for current
 456 teachers who choose not to teach in a charter lab school, except
 457 as authorized by the employment policies of the state university
 458 which grants the charter to the lab school.

459 18. Full disclosure of the identity of all relatives
 460 employed by the charter school who are related to the charter
 461 school owner, president, chairperson of the governing board of
 462 directors, superintendent, governing board member, principal,
 463 assistant principal, or any other person employed by the charter
 464 school who has equivalent decisionmaking authority. For the
 465 purpose of this subparagraph, the term "relative" means father,
 466 mother, son, daughter, brother, sister, uncle, aunt, first
 467 cousin, nephew, niece, husband, wife, father-in-law, mother-in-
 468 law, son-in-law, daughter-in-law, brother-in-law, sister-in-law,

469 stepfather, stepmother, stepson, stepdaughter, stepbrother,
 470 stepsister, half brother, or half sister.

471 19. Implementation of the activities authorized under s.
 472 1002.331 by the charter school when it satisfies the eligibility
 473 requirements for a high-performing charter school. A high-
 474 performing charter school shall notify its sponsor in writing by
 475 March 1 if it intends to increase enrollment or expand grade
 476 levels the following school year. The written notice shall
 477 specify the amount of the enrollment increase and the grade
 478 levels that will be added, as applicable.

479 ~~(d)1-~~ A charter may be terminated by a charter school's
 480 governing board through voluntary closure. The decision to cease
 481 operations must be determined at a public meeting. The governing
 482 board shall notify the parents and sponsor of the public meeting
 483 in writing before the public meeting. The governing board must
 484 notify the sponsor, parents of enrolled students, and the
 485 department in writing within 24 hours after the public meeting
 486 of its determination. The notice shall state the charter
 487 school's intent to continue operations or the reason for the
 488 closure and acknowledge that the governing board agrees to
 489 follow the procedures for dissolution and reversion of public
 490 funds pursuant to paragraphs (8)(e)-(g) and (9)(o) Each charter
 491 school's governing board must appoint a representative to
 492 facilitate parental involvement, provide access to information,
 493 assist parents and others with questions and concerns, and
 494 resolve disputes. The representative must reside in the school

495 ~~district in which the charter school is located and may be a~~
 496 ~~governing board member, charter school employee, or individual~~
 497 ~~contracted to represent the governing board. If the governing~~
 498 ~~board oversees multiple charter schools in the same school~~
 499 ~~district, the governing board must appoint a separate individual~~
 500 ~~representative for each charter school in the district. The~~
 501 ~~representative's contact information must be provided annually~~
 502 ~~in writing to parents and posted prominently on the charter~~
 503 ~~school's website if a website is maintained by the school. The~~
 504 ~~sponsor may not require that governing board members reside in~~
 505 ~~the school district in which the charter school is located if~~
 506 ~~the charter school complies with this paragraph.~~

507 ~~2. Each charter school's governing board must hold at~~
 508 ~~least two public meetings per school year in the school~~
 509 ~~district. The meetings must be noticed, open, and accessible to~~
 510 ~~the public, and attendees must be provided an opportunity to~~
 511 ~~receive information and provide input regarding the charter~~
 512 ~~school's operations. The appointed representative and charter~~
 513 ~~school principal or director, or his or her equivalent, must be~~
 514 ~~physically present at each meeting.~~

515 (9) CHARTER SCHOOL REQUIREMENTS.—

516 (g)1. In order to provide financial information that is
 517 comparable to that reported for other public schools, charter
 518 schools are to maintain all financial records that constitute
 519 their accounting system:

520 a. In accordance with the accounts and codes prescribed in

521 the most recent issuance of the publication titled "Financial
 522 and Program Cost Accounting and Reporting for Florida Schools";
 523 or

524 b. At the discretion of the charter school's governing
 525 board, a charter school may elect to follow generally accepted
 526 accounting standards for not-for-profit organizations, but must
 527 reformat this information for reporting according to this
 528 paragraph.

529 2. Charter schools shall provide annual financial report
 530 and program cost report information in the state-required
 531 formats for inclusion in district reporting in compliance with
 532 s. 1011.60(1). Charter schools that are operated by a
 533 municipality or are a component unit of a parent nonprofit
 534 organization may use the accounting system of the municipality
 535 or the parent but must reformat this information for reporting
 536 according to this paragraph.

537 3. A charter school shall, upon approval of the charter
 538 contract, provide the sponsor with a concise, uniform, monthly
 539 financial statement summary sheet that contains a balance sheet
 540 and a statement of revenue, expenditures, and changes in fund
 541 balance. The balance sheet and the statement of revenue,
 542 expenditures, and changes in fund balance shall be in the
 543 governmental funds format prescribed by the Governmental
 544 Accounting Standards Board. A high-performing charter school
 545 pursuant to s. 1002.331 may provide a quarterly financial
 546 statement in the same format and requirements as the uniform

547 monthly financial statement summary sheet. The sponsor shall
 548 review each monthly or quarterly financial statement to identify
 549 the existence of any conditions identified in s. 1002.345(1)(a).

550 4. A charter school shall maintain and provide financial
 551 information as required in this paragraph. The financial
 552 statement required in subparagraph 3. must be in a form
 553 prescribed by the Department of Education.

554 (n)1. The director and a representative of the governing
 555 board of a charter school that has earned a grade of "D" or "F"
 556 pursuant to s. 1008.34 shall appear before the sponsor to
 557 present information concerning each contract component having
 558 noted deficiencies. The director and a representative of the
 559 governing board shall submit to the sponsor for approval a
 560 school improvement plan to raise student performance. Upon
 561 approval by the sponsor, the charter school shall begin
 562 implementation of the school improvement plan. The department
 563 shall offer technical assistance and training to the charter
 564 school and its governing board and establish guidelines for
 565 developing, submitting, and approving such plans.

566 2.a. If a charter school earns three consecutive grades of
 567 "D," two consecutive grades of "D" followed by a grade of "F,"
 568 or two nonconsecutive grades of "F" within a 3-year period, the
 569 charter school governing board shall choose one of the following
 570 corrective actions:

571 (I) Contract for educational services to be provided
 572 directly to students, instructional personnel, and school

573 administrators, as prescribed in state board rule;

574 (II) Contract with an outside entity that has a

575 demonstrated record of effectiveness to operate the school;

576 (III) Reorganize the school under a new director or

577 principal who is authorized to hire new staff; or

578 (IV) Voluntarily close the charter school.

579 b. The charter school must implement the corrective action

580 in the school year following receipt of a third consecutive

581 grade of "D," a grade of "F" following two consecutive grades of

582 "D," or a second nonconsecutive grade of "F" within a 3-year

583 period.

584 c. The sponsor may annually waive a corrective action if

585 it determines that the charter school is likely to improve a

586 letter grade if additional time is provided to implement the

587 intervention and support strategies prescribed by the school

588 improvement plan. Notwithstanding this sub-subparagraph, a

589 charter school that earns a second consecutive grade of "F" is

590 subject to subparagraph 4.

591 d. A charter school is no longer required to implement a

592 corrective action if it improves by at least one letter grade.

593 However, the charter school must continue to implement

594 strategies identified in the school improvement plan. The

595 sponsor must annually review implementation of the school

596 improvement plan to monitor the school's continued improvement

597 pursuant to subparagraph 5.

598 e. A charter school implementing a corrective action that

599 does not improve by at least one letter grade after 2 full
 600 school years of implementing the corrective action must select a
 601 different corrective action. Implementation of the new
 602 corrective action must begin in the school year following the
 603 implementation period of the existing corrective action, unless
 604 the sponsor determines that the charter school is likely to
 605 improve a letter grade if additional time is provided to
 606 implement the existing corrective action. Notwithstanding this
 607 sub-subparagraph, a charter school that earns a second
 608 consecutive grade of "F" while implementing a corrective action
 609 is subject to subparagraph 4.

610 3. A charter school with a grade of "D" or "F" that
 611 improves by at least one letter grade must continue to implement
 612 the strategies identified in the school improvement plan. The
 613 sponsor must annually review implementation of the school
 614 improvement plan to monitor the school's continued improvement
 615 pursuant to subparagraph 5.

616 4. A charter school's charter contract is automatically
 617 terminated if the school earns two consecutive grades of "F"
 618 after all school grade appeals are final ~~The sponsor shall~~
 619 ~~terminate a charter if the charter school earns two consecutive~~
 620 ~~grades of "F" unless:~~

621 a. The charter school is established to turn around the
 622 performance of a district public school pursuant to s.
 623 1008.33(4)(b)3. Such charter schools shall be governed by s.
 624 1008.33;

625 b. The charter school serves a student population the
 626 majority of which resides in a school zone served by a district
 627 public school that earned a grade of "F" in the year before the
 628 charter school opened and the charter school earns at least a
 629 grade of "D" in its third year of operation. The exception
 630 provided under this sub-subparagraph does not apply to a charter
 631 school in its fourth year of operation and thereafter; or

632 c. The state board grants the charter school a waiver of
 633 termination. The charter school must request the waiver within
 634 15 days after the department's official release of school
 635 grades. The state board may waive termination if the charter
 636 school demonstrates that the Learning Gains of its students on
 637 statewide assessments are comparable to or better than the
 638 Learning Gains of similarly situated students enrolled in nearby
 639 district public schools. The waiver is valid for 1 year and may
 640 only be granted once. Charter schools that have been in
 641 operation for more than 5 years are not eligible for a waiver
 642 under this sub-subparagraph.

643
 644 The sponsor shall notify the charter school's governing board,
 645 the charter school principal, and the department in writing when
 646 a charter contract is terminated under this subparagraph. The
 647 letter of termination must meet the requirements of paragraph
 648 (8) (c). A charter terminated under this subparagraph must follow
 649 the procedures for dissolution and reversion of public funds
 650 pursuant to paragraphs (8) (e) - (g) and (9) (o).

651 5. The director and a representative of the governing
 652 board of a graded charter school that has implemented a school
 653 improvement plan under this paragraph shall appear before the
 654 sponsor at least once a year to present information regarding
 655 the progress of intervention and support strategies implemented
 656 by the school pursuant to the school improvement plan and
 657 corrective actions, if applicable. The sponsor shall communicate
 658 at the meeting, and in writing to the director, the services
 659 provided to the school to help the school address its
 660 deficiencies.

661 6. Notwithstanding any provision of this paragraph except
 662 sub-subparagraphs 4.a.-c., the sponsor may terminate the charter
 663 at any time pursuant to subsection (8).

664 (p)1. Each charter school shall maintain a website that
 665 enables the public to obtain information regarding the school;
 666 the school's academic performance; the names of the governing
 667 board members; the programs at the school; any management
 668 companies, service providers, or education management
 669 corporations associated with the school; the school's annual
 670 budget and its annual independent fiscal audit; the school's
 671 grade pursuant to s. 1008.34; and, on a quarterly basis, the
 672 minutes of governing board meetings.

673 2. Each charter school's governing board must appoint a
 674 representative to facilitate parental involvement, provide
 675 access to information, assist parents and others with questions
 676 and concerns, and resolve disputes. The representative must

677 reside in the school district in which the charter school is
 678 located and may be a governing board member, a charter school
 679 employee, or an individual contracted to represent the governing
 680 board. If the governing board oversees multiple charter schools
 681 in the same school district, the governing board must appoint a
 682 separate representative for each charter school in the district.
 683 The representative's contact information must be provided
 684 annually in writing to parents and posted prominently on the
 685 charter school's website. The sponsor may not require governing
 686 board members to reside in the school district in which the
 687 charter school is located if the charter school complies with
 688 this subparagraph.

689 3. Each charter school's governing board must hold at
 690 least two public meetings per school year in the school district
 691 where the charter school is located. The meetings must be
 692 noticed, open, and accessible to the public, and attendees must
 693 be provided an opportunity to receive information and provide
 694 input regarding the charter school's operations. The appointed
 695 representative and charter school principal or director, or his
 696 or her designee, must be physically present at each meeting.
 697 Members of the governing board may attend in person or by means
 698 of communications media technology used in accordance with rules
 699 adopted by the Administration Commission under s. 120.54(5).

700 (10) ELIGIBLE STUDENTS.—

701 (a) A charter school shall be open to any student covered
 702 in an interdistrict agreement or residing in the school district

703 in which the charter school is located; however, in the case of
 704 a charter lab school, the charter lab school shall be open to
 705 any student eligible to attend the lab school as provided in s.
 706 1002.32 or who resides in the school district in which the
 707 charter lab school is located. Any eligible student shall be
 708 allowed interdistrict transfer to attend a charter school when
 709 based on good cause. Good cause shall include, but is not
 710 limited to, geographic proximity to a charter school in a
 711 neighboring school district. A charter school that has not
 712 reached capacity, as determined by the charter school's
 713 governing board, may be open for enrollment to any student in
 714 the state.

715 (d) A charter school may give enrollment preference to the
 716 following student populations:

717 1. Students who are siblings of a student enrolled in the
 718 charter school.

719 2. Students who are the children of a member of the
 720 governing board of the charter school.

721 3. Students who are the children of an employee of the
 722 charter school.

723 4. Students who are the children of:

724 a. An employee of the business partner of a charter
 725 school-in-the-workplace established under paragraph (15)(b) or a
 726 resident of the municipality in which such charter school is
 727 located; or

728 b. A resident of a municipality that operates a charter

729 school-in-a-municipality pursuant to paragraph (15)(c).

730 5. Students who have successfully completed a voluntary
 731 prekindergarten education program under ss. 1002.51-1002.79
 732 provided by the charter school or the charter school's governing
 733 board during the previous year.

734 6. Students who are the children of an active duty member
 735 of any branch of the United States Armed Forces.

736 7. Students who attended or are assigned to failing
 737 schools pursuant to s. 1002.38(2).

738 (13) CHARTER SCHOOL COOPERATIVES.—Charter schools may
 739 enter into cooperative agreements to form charter school
 740 cooperative organizations that may provide ~~the following~~
 741 services to further educational, operational, and administrative
 742 initiatives in which the participating charter schools share
 743 common interests: charter school planning and development,
 744 direct instructional services, and contracts with charter school
 745 governing boards to provide personnel administrative services,
 746 payroll services, human resource management, evaluation and
 747 assessment services, teacher preparation, and professional
 748 development.

749 (17) FUNDING.—Students enrolled in a charter school,
 750 regardless of the sponsorship, shall be funded as if they are in
 751 a basic program or a special program, the same as students
 752 enrolled in other public schools in the school district. Funding
 753 for a charter lab school shall be as provided in s. 1002.32.

754 (b) The basis for the agreement for funding students

755 enrolled in a charter school shall be the sum of the school
 756 district's operating funds from the Florida Education Finance
 757 Program as provided in s. 1011.62 and the General Appropriations
 758 Act, including gross state and local funds, discretionary
 759 lottery funds, and funds from the school district's current
 760 operating discretionary millage levy; divided by total funded
 761 weighted full-time equivalent students in the school district;
 762 multiplied by the weighted full-time equivalent students for the
 763 charter school. Charter schools whose students or programs meet
 764 the eligibility criteria in law are entitled to their
 765 proportionate share of categorical program funds included in the
 766 total funds available in the Florida Education Finance Program
 767 by the Legislature, including transportation, the research-based
 768 reading allocation, and the Florida digital classrooms
 769 allocation. Total funding for each charter school shall be
 770 recalculated during the year to reflect the revised calculations
 771 under the Florida Education Finance Program by the state and the
 772 actual weighted full-time equivalent students reported by the
 773 charter school during the full-time equivalent student survey
 774 periods designated by the Commissioner of Education. Any
 775 unrestricted surplus or unrestricted net assets identified in
 776 the charter school's annual audit may be used for K-12
 777 educational purposes for charter schools within the district
 778 operated by the not-for-profit or municipal entity operating the
 779 charter school with the surplus. Surplus operating funds shall
 780 be used in accordance with s. 1011.62, and surplus capital

781 outlay funds shall be used in accordance with s. 1013.62(2).
 782 (e) District school boards shall make timely and efficient
 783 payment and reimbursement to charter schools, including
 784 processing paperwork required to access special state and
 785 federal funding for which they may be eligible. Payments of
 786 funds under paragraph (b) shall be made monthly or twice a
 787 month, beginning with the start of the district school board's
 788 fiscal year. Each payment shall be one-twelfth, or one twenty-
 789 fourth, as applicable, of the total state and local funds
 790 described in paragraph (b) and adjusted as set forth therein.
 791 For the first 2 years of a charter school's operation, if a
 792 minimum of 75 percent of the projected enrollment is entered
 793 into the sponsor's student information system by the first day
 794 of the current month, the district school board shall may
 795 distribute funds to the a ~~charter~~ school for the ~~up to 3~~ months
 796 of July through October based on the projected full-time
 797 equivalent student membership of the charter school as submitted
 798 in the approved application. If less than 75 percent of the
 799 projected enrollment is entered into the sponsor's student
 800 information system by the first day of the current month, the
 801 sponsor shall base payments on the actual number of student
 802 enrollment entered into the sponsor's student information
 803 system. Thereafter, the results of full-time equivalent student
 804 membership surveys shall be used in adjusting the amount of
 805 funds distributed monthly to the charter school for the
 806 remainder of the fiscal year. The payments ~~payment~~ shall be

807 issued no later than 10 working days after the district school
 808 board receives a distribution of state or federal funds or the
 809 date the payment is due pursuant to this subsection. If a
 810 warrant for payment is not issued within 10 working days after
 811 receipt of funding by the district school board, the school
 812 district shall pay to the charter school, in addition to the
 813 amount of the scheduled disbursement, interest at a rate of 1
 814 percent per month calculated on a daily basis on the unpaid
 815 balance from the expiration of the 10 working days until such
 816 time as the warrant is issued. The district school board may not
 817 delay payment to a charter school of any portion of the funds
 818 provided in paragraph (b) based on the timing of receipt of
 819 local funds by the district school board.

820 (18) FACILITIES.—

821 (a) A startup charter school shall utilize facilities
 822 which comply with the Florida Building Code pursuant to chapter
 823 553 except for the State Requirements for Educational
 824 Facilities. Conversion charter schools shall utilize facilities
 825 that comply with the State Requirements for Educational
 826 Facilities provided that the school district and the charter
 827 school have entered into a mutual management plan for the
 828 reasonable maintenance of such facilities. The mutual management
 829 plan shall contain a provision by which the district school
 830 board agrees to maintain charter school facilities in the same
 831 manner as its other public schools within the district. Charter
 832 schools, with the exception of conversion charter schools, are

833 not required to comply, but may choose to comply, with the State
 834 Requirements for Educational Facilities of the Florida Building
 835 Code adopted pursuant to s. 1013.37. The local governing
 836 authority shall not adopt or impose any local building
 837 requirements or site-development restrictions, such as parking
 838 and site-size criteria, that are addressed by and more stringent
 839 than those found in the State Requirements for Educational
 840 Facilities of the Florida Building Code. ~~Beginning July 1, 2011,~~
 841 A local governing authority must treat charter schools equitably
 842 in comparison to similar requirements, restrictions, and site
 843 planning processes imposed upon public schools that are not
 844 charter schools. The agency having jurisdiction for inspection
 845 of a facility and issuance of a certificate of occupancy or use
 846 shall be the local municipality or, if in an unincorporated
 847 area, the county governing authority. If an official or employee
 848 of the local governing authority refuses to comply with this
 849 paragraph, the aggrieved school or entity has an immediate right
 850 to bring an action in circuit court to enforce its rights by
 851 injunction. An aggrieved party that receives injunctive relief
 852 may be awarded attorney fees and court costs.

853 (20) SERVICES.—

854 (a)1. A sponsor shall provide certain administrative and
 855 educational services to charter schools. These services shall
 856 include contract management services; full-time equivalent and
 857 data reporting services; exceptional student education
 858 administration services; services related to eligibility and

859 reporting duties required to ensure that school lunch services
860 under the federal lunch program, consistent with the needs of
861 the charter school, are provided by the school district at the
862 request of the charter school, that any funds due to the charter
863 school under the federal lunch program be paid to the charter
864 school as soon as the charter school begins serving food under
865 the federal lunch program, and that the charter school is paid
866 at the same time and in the same manner under the federal lunch
867 program as other public schools serviced by the sponsor or the
868 school district; test administration services, including payment
869 of the costs of state-required or district-required student
870 assessments; processing of teacher certificate data services;
871 and information services, including equal access to student
872 information systems that are used by public schools in the
873 district in which the charter school is located. Student
874 performance data for each student in a charter school,
875 including, but not limited to, FCAT scores, standardized test
876 scores, previous public school student report cards, and student
877 performance measures, shall be provided by the sponsor to a
878 charter school in the same manner provided to other public
879 schools in the district.

880 2. A total administrative fee for the provision of such
881 services shall be calculated based upon up to 5 percent of the
882 available funds defined in paragraph (17) (b) for all students,
883 except that when 75 percent or more of the students enrolled in
884 the charter school are exceptional students as defined in s.

885 1003.01(3), the 5 percent of those available funds shall be
 886 calculated based on unweighted full-time equivalent students.
 887 However, a sponsor may only withhold up to a 5-percent
 888 administrative fee for enrollment for up to and including 250
 889 students. For charter schools with a population of 251 or more
 890 students, the difference between the total administrative fee
 891 calculation and the amount of the administrative fee withheld
 892 may only be used for capital outlay purposes specified in s.
 893 1013.62(2).

894 3. For high-performing charter schools, as defined in s.
 895 1002.331 ~~ch. 2011-232~~, a sponsor may withhold a total
 896 administrative fee of up to 2 percent for enrollment up to and
 897 including 250 students per school.

898 4. In addition, a sponsor may withhold only up to a 5-
 899 percent administrative fee for enrollment for up to and
 900 including 500 students within a system of charter schools which
 901 meets all of the following:

- 902 a. Includes both conversion charter schools and
- 903 nonconversion charter schools;
- 904 b. Has all schools located in the same county;
- 905 c. Has a total enrollment exceeding the total enrollment
- 906 of at least one school district in the state;
- 907 d. Has the same governing board; and
- 908 e. Does not contract with a for-profit service provider
- 909 for management of school operations.

910 5. The difference between the total administrative fee

911 calculation and the amount of the administrative fee withheld
 912 pursuant to subparagraph 4. may be used for instructional and
 913 administrative purposes as well as for capital outlay purposes
 914 specified in s. 1013.62(2).

915 6. For a high-performing charter school system that also
 916 meets the requirements in subparagraph 4., a sponsor may
 917 withhold a 2-percent administrative fee for enrollments up to
 918 and including 500 students per system.

919 7. Sponsors shall not charge charter schools any
 920 additional fees or surcharges for administrative and educational
 921 services in addition to the maximum 5-percent administrative fee
 922 withheld pursuant to this paragraph.

923 8. The sponsor of a virtual charter school may withhold a
 924 fee of up to 5 percent. The funds shall be used to cover the
 925 cost of services provided under subparagraph 1. and
 926 implementation of the school district's digital classrooms plan
 927 pursuant to s. 1011.62.

928 9. A charter school whose initial application is submitted
 929 under s. 1002.331 and denied by the district school board is
 930 exempt from the administrative fee requirements of this
 931 paragraph.

932 Section 2. Paragraph (e) of subsection (2) and subsections
 933 (3), (4), and (5) of section 1002.331, Florida Statutes, are
 934 amended to read:

935 1002.331 High-performing charter schools.—

936 (2) A high-performing charter school is authorized to:

937 (e) Receive a modification of its charter to an additional
 938 a term of 15 years or a 15-year charter renewal. The charter may
 939 be modified or renewed for a shorter term at the option of the
 940 high-performing charter school. The sponsor has 30 days after
 941 the charter school receives its high-performing designation to
 942 provide a charter renewal to the charter school. The charter
 943 school and sponsor have 20 days to negotiate and provide notice
 944 of the charter contract for final approval by the sponsor. The
 945 proposed charter contract must be provided to the charter school
 946 at least 7 days before the date of the meeting at which the
 947 charter is scheduled for final approval by the sponsor. A
 948 dispute may be appealed to an administrative law judge appointed
 949 by the Division of Administrative Hearings pursuant to s.
 950 1002.33(6)(h). The charter must be consistent with s.
 951 1002.33(7)(a)19. and (10)(h) and (i), is subject to annual
 952 review by the sponsor, and may be terminated during its term
 953 pursuant to s. 1002.33(8).

954
 955 A high-performing charter school shall notify its sponsor in
 956 writing by March 1 if it intends to increase enrollment or
 957 expand grade levels the following school year. The written
 958 notice shall specify the amount of the enrollment increase and
 959 the grade levels that will be added, as applicable. If a charter
 960 school notifies the sponsor of its intent to expand, the sponsor
 961 shall modify the charter within 90 days to include the new
 962 enrollment maximum and may not make any other changes. The

963 sponsor may deny a request to increase the enrollment of a high-
 964 performing charter school if the commissioner has declassified
 965 the charter school as high-performing. If a high-performing
 966 charter school requests to consolidate multiple charters, the
 967 sponsor has ~~shall have~~ 40 days after receipt of that request to
 968 provide an initial draft charter to the charter school. The
 969 sponsor and charter school has ~~shall have~~ 50 days thereafter to
 970 negotiate and notice the charter contract for final approval by
 971 the sponsor.

972 (3) (a) A high-performing charter school may submit an
 973 application to the Florida Institute for Charter School
 974 Innovation for ~~pursuant to s. 1002.33(6)~~ in any school district
 975 in the state to establish and operate a new charter school that
 976 will substantially replicate its educational program. An
 977 application submitted by a high-performing charter school must
 978 state that the application is being submitted pursuant to this
 979 paragraph and must include the verification letter provided by
 980 the Commissioner of Education pursuant to subsection ~~(4)(5)~~. The
 981 institute has ~~If the sponsor fails to act on the application~~
 982 ~~within~~ 60 days after receipt of 7 the application to deny or
 983 approve the application. If the application is ~~deemed~~ approved,
 984 and the procedure in s. 1002.33(6) (h) applies. If the ~~sponsor~~
 985 ~~denies the application~~ is denied, the high-performing charter
 986 school may appeal pursuant to s. 1002.33(6).

987 (b) A high-performing charter school may not establish
 988 more than one charter school within the state under paragraph

989 (a) in any year. A subsequent application to establish a charter
 990 school under paragraph (a) may not be submitted unless each
 991 charter school established in this manner achieves high-
 992 performing charter school status. This paragraph does not apply
 993 to charter schools established by a high-performing charter
 994 school in the attendance zone of a public school that earns a
 995 grade of "F" or three consecutive grades of "D" pursuant to s.
 996 1008.34 or to meet capacity needs or needs for innovative school
 997 choice options identified by the district school board.

998 ~~(4) A high-performing charter school may not increase~~
 999 ~~enrollment or expand grade levels following any school year in~~
 1000 ~~which it receives a school grade of "C" or below. If the charter~~
 1001 ~~school receives a school grade of "C" or below in any 2 years~~
 1002 ~~during the term of the charter awarded under subsection (2), the~~
 1003 ~~term of the charter may be modified by the sponsor and the~~
 1004 ~~charter school loses its high-performing charter school status~~
 1005 ~~until it regains that status under subsection (1).~~

1006 (4)(5) The Commissioner of Education, upon request by a
 1007 charter school, shall verify that the charter school meets the
 1008 criteria in subsection (1) and provide a letter to the charter
 1009 school and the sponsor stating that the charter school is a
 1010 high-performing charter school pursuant to this section. The
 1011 commissioner shall annually determine whether a high-performing
 1012 charter school under subsection (1) continues to meet the
 1013 criteria in that subsection. Such high-performing charter school
 1014 shall maintain its high-performing status unless the

1015 commissioner determines that the charter school no longer meets
 1016 the criteria in subsection (1), at which time the commissioner
 1017 shall send a letter to the charter school and its sponsor
 1018 providing notification that the charter school has been
 1019 declassified ~~of its declassification~~ as a high-performing
 1020 charter school.

1021 Section 3. Section 1002.333, Florida Statutes, is created
 1022 to read:

1023 1002.333 High Impact Charter Network.—

1024 (1) As used in this section, the term:

1025 (a) "Critical need area" means an area that is served by
 1026 one or more nonalternative, traditional public schools that
 1027 received a school grade of "D" or "F" pursuant to s. 1008.34 in
 1028 4 of the most recent 5 years.

1029 (b) "Entity" means a nonprofit organization with tax
 1030 exempt status under s. 501(c)(3) of the Internal Revenue Code
 1031 that is authorized by law to operate a public charter school.

1032 (2) An entity that successfully operates a system of
 1033 charter schools that primarily serves educationally
 1034 disadvantaged students, as defined in the Elementary and
 1035 Secondary Education Act, 20 U.S.C. s. 1115(b)(2), may apply to
 1036 the state board for status as a High Impact Charter Network. The
 1037 state board shall adopt rules prescribing a process for
 1038 determining whether the entity meets the requirements of this
 1039 subsection by reviewing student demographic, academic, and
 1040 financial performance data. The process shall include a review

1041 of all schools currently or previously operated by the entity,
 1042 including schoolwide and subgroup performance on all statewide,
 1043 standardized assessments for the most recent 3 years as compared
 1044 to all students at the same grade level, and as compared with
 1045 other schools serving similar demographics of students, and
 1046 school-level financial performance. The review may also include
 1047 performance on nationally norm-referenced assessments, student
 1048 attendance and retention rates, graduation rates, college
 1049 attendance rates, college persistence rates, and other outcome
 1050 measures as determined by the state board.

1051 (3) An entity that is designated as a High Impact Charter
 1052 Network pursuant to this subsection may submit an application
 1053 pursuant to s. 1002.33 to establish and operate charter schools
 1054 in critical need areas. Notwithstanding s. 1013.62(1)(a), a
 1055 charter school operated by a High Impact Charter Network in a
 1056 critical need area is eligible to receive charter school capital
 1057 outlay.

1058 (4) The administrative fee provided for in s.
 1059 1002.33(20)(a)2. shall be waived for a charter school
 1060 established by a High Impact Charter Network in a critical need
 1061 area as long as the network maintains its status as a High
 1062 Impact Charter Network.

1063 (5) The department shall give priority to charter schools
 1064 operated by a High Impact Charter Network in the department's
 1065 Public Charter School Grant Program competitions. Priority shall
 1066 only be provided for new charter schools that will operate in a

1067 critical need area.

1068 (6) The initial High Impact Charter Network status is
 1069 valid for up to 4 years. If an entity seeks renewal of its
 1070 status, the state board shall review the academic and financial
 1071 performance of the charter schools established in areas of
 1072 critical need pursuant to subsection (2).

1073 (7) For purposes of determining areas of critical need,
 1074 school grades issued for the 2014-2015 school year may not be
 1075 considered.

1076 (8) The State Board of Education shall adopt rules to
 1077 administer this section.

1078 Section 4. Paragraph (a) of subsection (3) and paragraph
 1079 (a) of subsection (8) of section 1002.37, Florida Statutes, are
 1080 amended to read:

1081 1002.37 The Florida Virtual School.—

1082 (3) Funding for the Florida Virtual School shall be
 1083 provided as follows:

1084 (a)1. The calculation of "full-time equivalent student"
 1085 shall be as prescribed in s. 1011.61(1)(c)1.b.(V) and is subject
 1086 to s. 1011.61(4) For a student in grades 9 through 12, a "full-
 1087 time equivalent student" is one student who has successfully
 1088 completed six full credit courses that count toward the minimum
 1089 number of credits required for high school graduation. A student
 1090 who completes fewer than six full credit courses is a fraction
 1091 of a full time equivalent student. Half credit course
 1092 completions shall be included in determining a full-time

1093 ~~equivalent student.~~

1094 ~~2. For a student in kindergarten through grade 8, a "full-~~
 1095 ~~time equivalent student" is one student who has successfully~~
 1096 ~~completed six courses or the prescribed level of content that~~
 1097 ~~counts toward promotion to the next grade. A student who~~
 1098 ~~completes fewer than six courses or the prescribed level of~~
 1099 ~~content shall be a fraction of a full-time equivalent student.~~

1100 2.3. For a student in a home education program, funding
 1101 shall be provided in accordance with this subsection upon course
 1102 completion if the parent verifies, upon enrollment for each
 1103 course, that the student is registered with the school district
 1104 as a home education student pursuant to s. 1002.41(1)(a).

1105 ~~Beginning in the 2016-2017 fiscal year, the reported full-time~~
 1106 ~~equivalent students and associated funding of students enrolled~~
 1107 ~~in courses requiring passage of an end-of-course assessment~~
 1108 ~~under s. 1003.4282 to earn a standard high school diploma shall~~
 1109 ~~be adjusted if the student does not pass the end-of-course~~
 1110 ~~assessment. However, no adjustment shall be made for home~~
 1111 ~~education program students who choose not to take an end-of-~~
 1112 ~~course assessment or for a student who enrolls in a segmented~~
 1113 ~~remedial course delivered online.~~

1114
 1115 ~~For purposes of this paragraph, the calculation of "full-time~~
 1116 ~~equivalent student" shall be as prescribed in s.~~
 1117 ~~1011.61(1)(c)1.b.(V) and is subject to the requirements in s.~~
 1118 ~~1011.61(4).~~

1119 (8) (a) The Florida Virtual School may provide full-time
 1120 and part-time instruction for students in kindergarten through
 1121 grade 12. ~~To receive part time instruction in kindergarten~~
 1122 ~~through grade 5, a student must meet at least one of the~~
 1123 ~~eligibility criteria in s. 1002.455(2).~~

1124 Section 5. Subsection (5) and paragraphs (c) and (d) of
 1125 subsection (8) of section 1002.45, Florida Statutes, are amended
 1126 to read:

1127 1002.45 Virtual instruction programs.—

1128 (5) STUDENT ELIGIBILITY.—Students in kindergarten through
 1129 grade 12 ~~A student~~ may enroll in a virtual instruction program
 1130 provided by the school district or by a virtual charter school
 1131 operated in the district in which he or she resides ~~if the~~
 1132 ~~student meets eligibility requirements for virtual instruction~~
 1133 ~~pursuant to s. 1002.455.~~

1134 (8) ASSESSMENT AND ACCOUNTABILITY.—

1135 (c) An approved provider that receives a school grade of
 1136 "D" or "F" under s. 1008.34 or a school improvement rating of
 1137 "Unsatisfactory" ~~"Declining"~~ under s. 1008.341 must file a
 1138 school improvement plan with the department for consultation to
 1139 determine the causes for low performance and to develop a plan
 1140 for correction and improvement.

1141 (d) An approved provider's contract is automatically ~~must~~
 1142 ~~be terminated~~ if the provider earns two consecutive school
 1143 grades of receives a school grade of "D" or "F" under s. 1008.34
 1144 after all school grade appeals are final, receives two

1145 ~~consecutive or~~ a school improvement ratings rating of
 1146 "unsatisfactory" ~~"Declining"~~ under s. 1008.341, ~~for 2 years~~
 1147 ~~during any consecutive 4 year period~~ or has violated any
 1148 qualification requirement pursuant to subsection (2). A provider
 1149 that has a contract terminated under this paragraph may not be
 1150 an approved provider for a period of at least 1 year after the
 1151 date upon which the contract was terminated and until the
 1152 department determines that the provider is in compliance with
 1153 subsection (2) and has corrected each cause of the provider's
 1154 low performance.

1155 Section 6. Section 1002.455, Florida Statutes, is
 1156 repealed.

1157 Section 7. Subsection (3) of section 1003.4295, Florida
 1158 Statutes, is amended to read:

1159 1003.4295 Acceleration options.-

1160 (3) The Credit Acceleration Program (CAP) is created for
 1161 the purpose of allowing a student to earn high school credit in
 1162 courses required for high school graduation through passage of
 1163 an end-of-course assessment Algebra I, Algebra II, geometry,
 1164 ~~United States history, or biology if the student passes the~~
 1165 ~~statewide, standardized assessment~~ administered under s. 1008.22
 1166 or an Advanced Placement Examination. Notwithstanding s.
 1167 1003.436, a school district shall award course credit to a
 1168 student who is not enrolled in the course, or who has not
 1169 completed the course, if the student attains a passing score on
 1170 the corresponding end-of-course assessment or Advanced Placement

1171 Examination statewide, ~~standardized assessment.~~ The school
 1172 district shall permit a public school or home education student
 1173 who is not enrolled in the course, or who has not completed the
 1174 course, to take the assessment during the regular administration
 1175 of the assessment.

1176 Section 8. Subsections (1) and (2) of section 1003.498,
 1177 Florida Statutes, are amended to read:

1178 1003.498 School district virtual course offerings.—

1179 (1) School districts may deliver courses in the
 1180 traditional school setting by personnel certified pursuant to s.
 1181 1012.55 who provide direct instruction through virtual
 1182 instruction or through blended learning courses consisting of
 1183 both traditional classroom and online instructional techniques.
 1184 Students in a blended learning course must be full-time students
 1185 of the school pursuant to s. 1011.61(1)(a)1. ~~and receive the~~
 1186 ~~online instruction in a classroom setting at the school.~~ The
 1187 funding, performance, and accountability requirements for
 1188 blended learning courses are the same as those for traditional
 1189 courses. To facilitate the delivery and coding of blended
 1190 learning courses, the department shall provide identifiers for
 1191 existing courses to designate that they are being used for
 1192 blended learning courses for the purpose of ensuring the
 1193 efficient reporting of such courses. A district may report full-
 1194 time equivalent student membership for credit earned by a
 1195 student who is enrolled in a virtual education course provided
 1196 by the district which is completed after the end of the regular

1197 school year if the FTE is reported no later than the deadline
 1198 for amending the final student membership report for that year.

1199 (2) School districts may offer virtual courses for
 1200 students enrolled in the school district. These courses must be
 1201 identified in the course code directory. ~~Students who meet the~~
 1202 ~~eligibility requirements of s. 1002.455 may participate in these~~
 1203 ~~virtual course offerings.~~

1204 (a) Any eligible student who is enrolled in a school
 1205 district may register and enroll in an online course offered by
 1206 his or her school district.

1207 (b)1. Any eligible student who is enrolled in a school
 1208 district may register and enroll in an online course offered by
 1209 any other school district in the state. The school district in
 1210 which the student completes the course shall report the
 1211 student's completion of that course for funding pursuant to s.
 1212 1011.61(1)(c)1.b.(VI), and the home school district shall not
 1213 report the student for funding for that course.

1214 2. The full-time equivalent student membership calculated
 1215 under this subsection is subject to the requirements in s.
 1216 1011.61(4). The Department of Education shall establish
 1217 procedures to enable interdistrict coordination for the delivery
 1218 and funding of this online option.

1219 Section 9. Section 1004.650, Florida Statutes, is created
 1220 to read:

1221 1004.650 Florida Institute for Charter School Innovation.-

1222 (1) There is established the Florida Institute for Charter

1223 School Innovation. The primary mission of the institute is to
 1224 advance charter school accountability, quality, and innovation
 1225 by providing support for and technical assistance to charter
 1226 school applicants and sponsors. Additionally, the institute
 1227 shall conduct research for the development and promotion of best
 1228 practices for the sponsorship, accountability, finance,
 1229 management, operation, and instructional practices of charter
 1230 schools and may provide opportunities for aspiring teachers to
 1231 experience teaching in schools of choice.

1232 (2) The institute:

1233 (a) Shall provide technical assistance and support to
 1234 charter school applicants and sponsors.

1235 (b) Shall collect data and conduct research on all
 1236 voluntary closures under s. 1002.33(7)(d) and all charter
 1237 schools that close within the first 3 years of operation;
 1238 analyze the circumstances that led to the closures, including
 1239 actions of the charter school and the sponsor; and, based on
 1240 those results, provide guidance and technical assistance to
 1241 future applicants and sponsors. Charter schools and sponsors
 1242 must provide all requested information to the institute.

1243 (c) Shall research and analyze best practices among
 1244 sponsors and, based upon the results of the research, create and
 1245 conduct professional development for sponsors.

1246 (d) Shall conduct research to inform policy and practices
 1247 related to charter school sponsorship, accountability,
 1248 instructional practices, finance, management, and operations.

1249 (e) May partner with state-approved teacher preparation
 1250 programs around the state to provide opportunities for aspiring
 1251 teachers to experience teaching in schools of choice.

1252 (3) The commissioner shall appoint a director of the
 1253 institute. The director is responsible for the overall
 1254 management of the institute and for developing and executing the
 1255 work of the institute consistent with this section.

1256 (4) By October 1 of each year, the institute shall publish
 1257 on its website a report of its activities for the preceding
 1258 year, which shall include, but need not be limited to, the
 1259 number of applicants and sponsors served, the number of teachers
 1260 provided opportunities to experience teaching in schools of
 1261 choice, significant research findings, detailed expenditures of
 1262 state funds, and specific recommendations for improving the
 1263 state's charter school policies and the institute's ability to
 1264 fulfill its mission.

1265 (5) Within 180 days after completion of the institute's
 1266 fiscal year, the institute must provide to the Auditor General
 1267 and the State Board of Education a report on the results of an
 1268 annual financial audit conducted by an independent certified
 1269 public accountant in accordance with s. 11.45.

1270 Section 10. Subsection (1) of section 1011.61, Florida
 1271 Statutes, is amended to read:

1272 1011.61 Definitions.—Notwithstanding the provisions of s.
 1273 1000.21, the following terms are defined as follows for the
 1274 purposes of the Florida Education Finance Program:

1275 (1) A "full-time equivalent student" in each program of
 1276 the district is defined in terms of full-time students and part-
 1277 time students as follows:

1278 (a) A "full-time student" is one student on the membership
 1279 roll of one school program or a combination of school programs
 1280 listed in s. 1011.62(1)(c) for the school year or the equivalent
 1281 for:

1282 1. Instruction in a standard school, comprising not less
 1283 than 900 net hours for a student in or at the grade level of 4
 1284 through 12, or not less than 720 net hours for a student in or
 1285 at the grade level of kindergarten through grade 3 or in an
 1286 authorized prekindergarten exceptional program; or

1287 ~~2. Instruction in a double-session school or a school~~
 1288 ~~utilizing an experimental school calendar approved by the~~
 1289 ~~Department of Education, comprising not less than the equivalent~~
 1290 ~~of 810 net hours in grades 4 through 12 or not less than 630 net~~
 1291 ~~hours in kindergarten through grade 3; or~~

1292 2. 3- Instruction comprising the appropriate number of net
 1293 hours set forth in subparagraph 1. ~~or subparagraph 2.~~ for
 1294 students who, within the past year, have moved with their
 1295 parents for the purpose of engaging in the farm labor or fish
 1296 industries, if a plan furnishing such an extended school day or
 1297 week, or a combination thereof, has been approved by the
 1298 commissioner. Such plan may be approved to accommodate the needs
 1299 of migrant students only or may serve all students in schools
 1300 having a high percentage of migrant students. The plan described

1301 in this subparagraph is optional for any school district and is
 1302 not mandated by the state.

1303 (b) A "part-time student" is a student on the active
 1304 membership roll of a school program or combination of school
 1305 programs listed in s. 1011.62(1)(c) who is less than a full-time
 1306 student. A student who receives instruction in a school that
 1307 operates for less than the minimum term shall generate full-time
 1308 equivalent student membership proportional to the amount of
 1309 instructional hours provided by the school divided by the
 1310 minimum term requirement as provided in s. 1011.60(2).

1311 (c)1. A "full-time equivalent student" is:

1312 a. A full-time student in any one of the programs listed
 1313 in s. 1011.62(1)(c); or

1314 b. A combination of full-time or part-time students in any
 1315 one of the programs listed in s. 1011.62(1)(c) which is the
 1316 equivalent of one full-time student based on the following
 1317 calculations:

1318 (I) A full-time student in a combination of programs
 1319 listed in s. 1011.62(1)(c) shall be a fraction of a full-time
 1320 equivalent membership in each special program equal to the
 1321 number of net hours per school year for which he or she is a
 1322 member, divided by the appropriate number of hours set forth in
 1323 subparagraph (a)1. ~~or subparagraph (a)2.~~ The difference between
 1324 that fraction or sum of fractions and the maximum value as set
 1325 forth in subsection (4) for each full-time student is presumed
 1326 to be the balance of the student's time not spent in a special

1327 program and shall be recorded as time in the appropriate basic
 1328 program.

1329 (II) A prekindergarten student with a disability shall
 1330 meet the requirements specified for kindergarten students.

1331 (III) A full-time equivalent student for students in
 1332 kindergarten through grade 12 in a full-time virtual instruction
 1333 program under s. 1002.45 or a virtual charter school under s.
 1334 1002.33 shall consist of six full-credit completions or the
 1335 prescribed level of content that counts toward promotion to the
 1336 next grade in programs listed in s. 1011.62(1)(c). Credit
 1337 completions may be a combination of full-credit courses or half-
 1338 credit courses. ~~Beginning in the 2016-2017 fiscal year, the~~
 1339 ~~reported full-time equivalent students and associated funding of~~
 1340 ~~students enrolled in courses requiring passage of an end-of-~~
 1341 ~~course assessment under s. 1003.4282 to earn a standard high~~
 1342 ~~school diploma shall be adjusted if the student does not pass~~
 1343 ~~the end-of course assessment. However, no adjustment shall be~~
 1344 ~~made for a student who enrolls in a segmented remedial course~~
 1345 ~~delivered online.~~

1346 (IV) A full-time equivalent student for students in
 1347 kindergarten through grade 12 in a part-time virtual instruction
 1348 program under s. 1002.45 shall consist of six full-credit
 1349 completions in programs listed in s. 1011.62(1)(c)1. and 3.
 1350 Credit completions may be a combination of full-credit courses
 1351 or half-credit courses. ~~Beginning in the 2016-2017 fiscal year,~~
 1352 ~~the reported full-time equivalent students and associated~~

1353 ~~funding of students enrolled in courses requiring passage of an~~
 1354 ~~end of course assessment under s. 1003.4282 to earn a standard~~
 1355 ~~high school diploma shall be adjusted if the student does not~~
 1356 ~~pass the end of course assessment. However, no adjustment shall~~
 1357 ~~be made for a student who enrolls in a segmented remedial course~~
 1358 ~~delivered online.~~

1359 (V) A Florida Virtual School full-time equivalent student
 1360 shall consist of six full-credit completions or the prescribed
 1361 level of content that counts toward promotion to the next grade
 1362 in the programs listed in s. 1011.62(1)(c)1. and 3. for students
 1363 participating in kindergarten through grade 12 part-time virtual
 1364 instruction and the programs listed in s. 1011.62(1)(c) for
 1365 students participating in kindergarten through grade 12 full-
 1366 time virtual instruction. Credit completions may be a
 1367 combination of full-credit courses or half-credit courses.
 1368 ~~Beginning in the 2016 2017 fiscal year, the reported full time~~
 1369 ~~equivalent students and associated funding of students enrolled~~
 1370 ~~in courses requiring passage of an end of course assessment~~
 1371 ~~under s. 1003.4282 to earn a standard high school diploma shall~~
 1372 ~~be adjusted if the student does not pass the end of course~~
 1373 ~~assessment. However, no adjustment shall be made for a student~~
 1374 ~~who enrolls in a segmented remedial course delivered online.~~

1375 (VI) Each successfully completed full-credit course earned
 1376 through an online course delivered by a district other than the
 1377 one in which the student resides shall be calculated as 1/6
 1378 FTE.

PCB CIS 16-01

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2016

1379 (VII) A full-time equivalent student for courses requiring
1380 passage of a statewide, standardized end-of-course assessment
1381 under s. 1003.4282 to earn a standard high school diploma shall
1382 be defined and reported based on the number of instructional
1383 hours as provided in this subsection ~~until the 2016-2017 fiscal~~
1384 ~~year. Beginning in the 2016-2017 fiscal year, the FTE for the~~
1385 ~~course shall be assessment based and shall be equal to 1/6 FTE.~~
1386 ~~The reported FTE shall be adjusted if the student does not pass~~
1387 ~~the end of course assessment. However, no adjustment shall be~~
1388 ~~made for a student who enrolls in a segmented remedial course~~
1389 ~~delivered online.~~

1390 (VIII) For students enrolled in a school district as a
1391 full-time student, the district may report 1/6 FTE for each
1392 student who passes a statewide, standardized end-of-course
1393 assessment without being enrolled in the corresponding course.

1394 2. A student in membership in a program scheduled for more
1395 or less than 180 school days or the equivalent on an hourly
1396 basis as specified by rules of the State Board of Education is a
1397 fraction of a full-time equivalent membership equal to the
1398 number of instructional hours in membership divided by the
1399 appropriate number of hours set forth in subparagraph (a)1.;
1400 however, for the purposes of this subparagraph, membership in
1401 programs scheduled for more than 180 days is limited to students
1402 enrolled in:

- 1403 a. Juvenile justice education programs.
1404 b. The Florida Virtual School.

1405 c. Virtual instruction programs and virtual charter
 1406 schools for the purpose of course completion and credit recovery
 1407 pursuant to ss. 1002.45 and 1003.498. Course completion applies
 1408 only to a student who is reported during the second or third
 1409 membership surveys and who does not complete a virtual education
 1410 course by the end of the regular school year. The course must be
 1411 completed no later than the deadline for amending the final
 1412 student enrollment survey for that year. Credit recovery applies
 1413 only to a student who has unsuccessfully completed a traditional
 1414 or virtual education course during the regular school year and
 1415 must re-take the course in order to be eligible to graduate with
 1416 the student's class.

1417
 1418 The full-time equivalent student enrollment calculated under
 1419 this subsection is subject to the requirements in subsection
 1420 (4).

1421
 1422 The department shall determine and implement an equitable method
 1423 of equivalent funding for ~~experimental schools and for~~ schools
 1424 operating under emergency conditions, which schools have been
 1425 approved by the department to operate for less than the minimum
 1426 term as provided in s. 1011.60(2) ~~school day~~.

1427 Section 11. Subsection (11) of section 1011.62, Florida
 1428 Statutes, is amended to read:

1429 1011.62 Funds for operation of schools.—If the annual
 1430 allocation from the Florida Education Finance Program to each

1431 district for operation of schools is not determined in the
 1432 annual appropriations act or the substantive bill implementing
 1433 the annual appropriations act, it shall be determined as
 1434 follows:

1435 (11) VIRTUAL EDUCATION CONTRIBUTION.—The Legislature may
 1436 annually provide in the Florida Education Finance Program a
 1437 virtual education contribution. The amount of the virtual
 1438 education contribution shall be the difference between the
 1439 amount per FTE established in the General Appropriations Act for
 1440 virtual education and the amount per FTE for each district and
 1441 the Florida Virtual School, which may be calculated by taking
 1442 the sum of the base FEFP allocation, the discretionary local
 1443 effort, the state-funded discretionary contribution, the
 1444 discretionary millage compression supplement, the research-based
 1445 reading instruction allocation, and the instructional materials
 1446 allocation, and then dividing by the total unweighted FTE. This
 1447 difference shall be multiplied by the virtual education
 1448 unweighted FTE for programs and options identified in ss.
 1449 1002.33(1), 1002.45(1)(b), and 1003.498 ~~s. 1002.455(3)~~ and the
 1450 Florida Virtual School and its franchises to equal the virtual
 1451 education contribution and shall be included as a separate
 1452 allocation in the funding formula.

1453 Section 12. Paragraph (b) of subsection (8) of section
 1454 1012.56, Florida Statutes, is amended to read:

1455 1012.56 Educator certification requirements.—

1456 (8) PROFESSIONAL DEVELOPMENT CERTIFICATION AND EDUCATION

1457 COMPETENCY PROGRAM.—

1458 (b)1. Each school district must and a private school or
 1459 state-supported state-supported public school, including a
 1460 charter school, or a private school may develop and maintain a
 1461 system by which members of the instructional staff may
 1462 demonstrate mastery of professional preparation and education
 1463 competence as required by law. Each program must be based on
 1464 classroom application of the Florida Educator Accomplished
 1465 Practices and instructional performance and, for public schools,
 1466 must be aligned with the district's or state-supported public
 1467 school's evaluation system established ~~approved~~ under s.
 1468 1012.34, as applicable.

1469 2. The Commissioner of Education shall determine the
 1470 continued approval of programs implemented under this paragraph,
 1471 based upon the department's review of performance data. The
 1472 department shall review the performance data as a part of the
 1473 periodic review of each school district's professional
 1474 development system required under s. 1012.98.

1475 Section 13. Paragraph (a) of subsection (1) of section
 1476 1013.62, Florida Statutes, is amended to read:

1477 1013.62 Charter schools capital outlay funding.—

1478 (1) In each year in which funds are appropriated for
 1479 charter school capital outlay purposes, the Commissioner of
 1480 Education shall allocate the funds among eligible charter
 1481 schools.

1482 (a) To be eligible for a funding allocation, a charter

1483 school must:

1484 1.a. Have been in operation for 3 or more years;

1485 b. Be governed by a governing board established in the

1486 state for 3 or more years which operates both charter schools

1487 and conversion charter schools within the state;

1488 c. Be an expanded feeder chain of a charter school within

1489 the same school district that is currently receiving charter

1490 school capital outlay funds;

1491 d. Have been accredited by the Commission on Schools of

1492 the Southern Association of Colleges and Schools; or

1493 e. Serve students in facilities that are provided by a

1494 business partner for a charter school-in-the-workplace pursuant

1495 to s. 1002.33(15)(b).

1496 2. Have an annual audit that does not reveal any of the

1497 financial emergency conditions provided in s. 218.503(1) for the

1498 most recent fiscal year for which such audit results are

1499 available ~~stability for future operation as a charter school.~~

1500 3. Have satisfactory student achievement based on state

1501 accountability standards applicable to the charter school.

1502 4. Have received final approval from its sponsor pursuant

1503 to s. 1002.33 for operation during that fiscal year.

1504 5. Serve students in facilities that are not provided by

1505 the charter school's sponsor.

1506 Section 14. This act shall take effect July 1, 2016.



Choice & Innovation Subcommittee

Wednesday, December 2, 2015

4:00 PM – 6:00 PM

306 HOB

AMENDMENT PACKET

**Steve Crisafulli
Speaker**

**Manny Diaz
Chair**



Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED _____ (Y/N)
 ADOPTED AS AMENDED _____ (Y/N)
 ADOPTED W/O OBJECTION _____ (Y/N)
 FAILED TO ADOPT _____ (Y/N)
 WITHDRAWN _____ (Y/N)
 OTHER _____

1 Committee/Subcommittee hearing bill: Choice & Innovation
 2 Subcommittee

3 Representative Stark offered the following:

4
 5 **Amendment (with directory and title amendments)**

6 Between lines 304 and 305, insert:

7 (g) A charter school applicant, after approval of an
 8 application but before the first day of school, must provide
 9 verified evidence of a surety bond, loan commitment, or cash
 10 reserve in an amount sufficient to cover the financial
 11 obligations of the charter school from the first day of school
 12 to the October student membership survey. Funds reserved for
 13 such purposes shall be held in trust, and unused funds at the
 14 time of the October student membership survey shall be reserved
 15 for the next school year.

16
 17 Remove line 950 and insert:

Amendment No. 1

18 1002.33(6)(i). The charter must be consistent with s.

19

20 Remove line 984 and insert:

21 and the procedure in s. 1002.33(6)(i) ~~1002.33(6)(h)~~ applies. If
22 the ~~spenser~~

23

24 -----

25 D I R E C T O R Y A M E N D M E N T

26 Remove lines 100-107 and insert:

27 Section 1. Paragraphs (g) and (h) of subsection (6) of
28 section 1002.33, Florida Statutes, are redesignated as
29 paragraphs (h) and (i), respectively, subsection (1), paragraph
30 (a) of subsection (2), paragraphs (a) and (b) of subsection (6),
31 paragraphs (a) and (d) of subsection (7), paragraphs (g), (n),
32 and (p) of subsection (9), paragraphs (a) and (d) of subsection
33 (10), subsection (13), paragraphs (b) and (e) of subsection
34 (17), paragraph (a) of subsection (18), and paragraph (a) of
35 subsection (20) are amended, and a new paragraph (g) is added to
36 subsection (6) of that section, to read:

37

38 -----

39 T I T L E A M E N D M E N T

40 Remove line 10 and insert:

41 of charter school applications; requiring a charter
42 school applicant to provide verified evidence of a
43 surety bond, loan commitment, or cash reserve in an

Amendment No. 1

44 amount to cover certain obligations by a specified
45 date; requiring certain funds to be held in trust and
46 unused funds to be reserved for the next school year;
47 conforming provisions

48

49 Remove line 46 and insert:

50 conforming cross-references; deleting obsolete