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A bill to be entitled An act relating to education; amending s. 1002.33, F.S.; revising the criteria for denying highperforming charter school system applications; revising the requirements for the term of a charter; revising provisions for the modification of a charter; revising the process for resolving contractual disputes; amending s. 1002.331, F.S.; revising the criteria for designation as a high-performing charter school; revising the calculation used to determine facility capacity for such charter schools; revising the number of schools that can be established by a high-performing charter school; amending s. 1002.333, F.S.; providing for certain funds for the Schools of Hope Program to be carried forward for a specified number of years; amending s. 1011.62, F.S.; renaming the "supplemental academic instruction categorical fund" as the "supplemental academic instruction allocation"; requiring certain school districts to use the allocation for specified purposes; deleting an obsolete date; deleting a provision authorizing the Florida State University School to expend specified funds for certain purposes; amending s. 1011.6202, F.S.; renaming the "Principal Autonomy Pilot Program" as the "Principal Autonomy Program"; providing that

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any school district may apply to participate in the program; providing that a school shall retain its exemption from specified laws under specified circumstances; requiring a designated leadership team at a participating school to complete a certain turnaround program; deleting a provision providing a specified amount of funds to a participating school district that completes the turnaround program; authorizing certain principals to manage additional schools; providing requirements for such schools; providing for such schools to participate in the program; providing requirements for such participation; specifying that no school district liability arises from the management of such schools; deleting a school's authority to renew participation in the program; deleting reporting requirements; providing for funding; revising the principal eligibility criteria for a salary supplement through the program; amending s. 1011.69, F.S.; authorizing certain high schools to receive Title I funds; providing that a school district may withhold Title I funds for specified purposes; authorizing certain schools to use Title I funds for specified purposes; amending s. 1011.71, F.S.; prohibiting a school district from withholding charter school

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administrative fees under certain circumstances; creating s. 1011.79, F.S.; requiring the Department of Education to issue a competitive solicitation for the review of the current price level index methodology by a specified entity; requiring a report of recommendations be provided to the chair of the Senate Committee on Appropriations, the chair of the House of Representatives Appropriations Committee, and the Executive Office of the Governor's Office of Policy and Budget; providing that the competitive solicitation and review occur every 10 years; amending 1012.2315, F.S.; requiring districts to negotiate a memorandum of understanding with certified collective bargaining units to address certain personnel issues; amending s. 1012.32, F.S.; requiring a district school board to reimburse certain costs if it fails to notify a charter school of the eligibility status of certain persons; amending s. 1013.28, F.S.; requiring school districts to provide charter schools access to certain property on the same basis as public schools; prohibiting certain actions by a charter school without the written permission of the school district; amending s. 1013.31, F.S.; providing circumstances under which a district may use specific capital outlay funds without needing a survey recommendation;

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amending s. 1013.385, F.S.; providing additional exceptions to certain building code regulations for school districts; amending s. 1013.62, F.S.; revising requirements for charter school capital outlay funding; requiring each district to certify certain information to the department by October 1 each year; conforming provisions to changes made by the act; providing an effective date.

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

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Section 1. Paragraph (b) of subsection (6), paragraphs (a), (d), and (e) of subsection (7), paragraph (n) of subsection (9), paragraph (e) of subsection (10), and paragraph (b) of subsection (20) of section 1002.33, Florida Statutes, are amended to read:

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1002.33 Charter schools.-

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

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for a charter school using the evaluation instrument developed by the Department of Education. A sponsor shall receive and consider charter school applications received on or before August 1 of each calendar year for charter schools to be opened

A sponsor shall receive and review all applications

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at the beginning of the school district's next school year, or

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to be opened at a time agreed to by the applicant and the sponsor. A sponsor may not refuse to receive a charter school application submitted before August 1 and may receive an application submitted later than August 1 if it chooses. Beginning in 2018 and thereafter, a sponsor shall receive and consider charter school applications received on or before February 1 of each calendar year for charter schools to be opened 18 months later at the beginning of the school district's school year, or to be opened at a time agreed to by the applicant and the sponsor. A sponsor may not refuse to receive a charter school application submitted before February 1 and may receive an application submitted later than February 1 if it chooses. A sponsor may not charge an applicant for a charter any fee for the processing or consideration of an application, and a sponsor may not base its consideration or approval of a final application upon the promise of future payment of any kind. Before approving or denying any application, the sponsor shall allow the applicant, upon receipt of written notification, at least 7 calendar days to make technical or nonsubstantive corrections and clarifications, including, but not limited to, corrections of grammatical, typographical, and like errors or missing signatures, if such errors are identified by the sponsor as cause to deny the final application.

1. In order to facilitate an accurate budget projection process, a sponsor shall be held harmless for FTE students who

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are not included in the FTE projection due to approval of charter school applications after the FTE projection deadline. In a further effort to facilitate an accurate budget projection, within 15 calendar days after receipt of a charter school application, a sponsor shall report to the Department of Education the name of the applicant entity, the proposed charter school location, and its projected FTE.

- 2. In order to ensure fiscal responsibility, an application for a charter school shall include a full accounting of expected assets, a projection of expected sources and amounts of income, including income derived from projected student enrollments and from community support, and an expense projection that includes full accounting of the costs of operation, including start-up costs.
- 3.a. A sponsor shall by a majority vote approve or deny an application no later than 90 calendar days after the application is received, unless the sponsor and the applicant mutually agree in writing to temporarily postpone the vote to a specific date, at which time the sponsor shall by a majority vote approve or deny the application. If the sponsor fails to act on the application, an applicant may appeal to the State Board of Education as provided in paragraph (c). If an application is denied, the sponsor shall, within 10 calendar days after such denial, articulate in writing the specific reasons, based upon good cause, supporting its denial of the application and shall

provide the letter of denial and supporting documentation to the applicant and to the Department of Education.

- b. An application submitted by a high-performing charter school identified pursuant to s. 1002.331 or a high-performing charter school system identified pursuant to s. 1002.332 may be denied by the sponsor only if the sponsor demonstrates by clear and convincing evidence that:
- (I) The application of a high-performing charter school does not materially comply with the requirements in paragraph

 (a) or, for a high-performing charter school system, the application does not materially comply with s. 1002.332(2)(b);
- (II) The charter school proposed in the application does not materially comply with the requirements in paragraphs (9)(a)-(f);
- (III) The proposed charter school's educational program does not substantially replicate that of the applicant or one of the applicant's high-performing charter schools;
- (IV) The applicant has made a material misrepresentation or false statement or concealed an essential or material fact during the application process; or
- (V) The proposed charter school's educational program and financial management practices do not materially comply with the requirements of this section.

Material noncompliance is a failure to follow requirements or a

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violation of prohibitions applicable to charter school applications, which failure is quantitatively or qualitatively significant either individually or when aggregated with other noncompliance. An applicant is considered to be replicating a high-performing charter school if the proposed school is substantially similar to at least one of the applicant's high-performing charter schools and the organization or individuals involved in the establishment and operation of the proposed school are significantly involved in the operation of replicated schools.

- c. If the sponsor denies an application submitted by a high-performing charter school or a high-performing charter school system, the sponsor must, within 10 calendar days after such denial, state in writing the specific reasons, based upon the criteria in sub-subparagraph b., supporting its denial of the application and must provide the letter of denial and supporting documentation to the applicant and to the Department of Education. The applicant may appeal the sponsor's denial of the application in accordance with paragraph (c).
- 4. For budget projection purposes, the sponsor shall report to the Department of Education the approval or denial of an application within 10 calendar days after such approval or denial. In the event of approval, the report to the Department of Education shall include the final projected FTE for the approved charter school.

5. Upon approval of an application, the initial startup shall commence with the beginning of the public school calendar for the district in which the charter is granted. A charter school may defer the opening of the school's operations for up to $\frac{3}{2}$ years to provide time for adequate facility planning. The charter school must provide written notice of such intent to the sponsor and the parents of enrolled students at least 30 calendar days before the first day of school.

- (7) CHARTER.—The terms and conditions for the operation of a charter school shall be set forth by the sponsor and the applicant in a written contractual agreement, called a charter. The sponsor and the governing board of the charter school shall use the standard charter contract pursuant to subsection (21), which shall incorporate the approved application and any addenda approved with the application. Any term or condition of a proposed charter contract that differs from the standard charter contract adopted by rule of the State Board of Education shall be presumed a limitation on charter school flexibility. The sponsor may not impose unreasonable rules or regulations that violate the intent of giving charter schools greater flexibility to meet educational goals. The charter shall be signed by the governing board of the charter school and the sponsor, following a public hearing to ensure community input.
- (a) The charter shall address and criteria for approval of the charter shall be based on:

1. The school's mission, the students to be served, and the ages and grades to be included.

- 2. The focus of the curriculum, the instructional methods to be used, any distinctive instructional techniques to be employed, and identification and acquisition of appropriate technologies needed to improve educational and administrative performance which include a means for promoting safe, ethical, and appropriate uses of technology which comply with legal and professional standards.
- a. The charter shall ensure that reading is a primary focus of the curriculum and that resources are provided to identify and provide specialized instruction for students who are reading below grade level. The curriculum and instructional strategies for reading must be consistent with the Next Generation Sunshine State Standards and grounded in scientifically based reading research.
- b. In order to provide students with access to diverse instructional delivery models, to facilitate the integration of technology within traditional classroom instruction, and to provide students with the skills they need to compete in the 21st century economy, the Legislature encourages instructional methods for blended learning courses consisting of both traditional classroom and online instructional techniques. Charter schools may implement blended learning courses which combine traditional classroom instruction and virtual

instruction. Students in a blended learning course must be full-time students of the charter school pursuant to s. 1011.61(1)(a)1. Instructional personnel certified pursuant to s. 1012.55 who provide virtual instruction for blended learning courses may be employees of the charter school or may be under contract to provide instructional services to charter school students. At a minimum, such instructional personnel must hold an active state or school district adjunct certification under s. 1012.57 for the subject area of the blended learning course. The funding and performance accountability requirements for blended learning courses are the same as those for traditional courses.

- 3. The current incoming baseline standard of student academic achievement, the outcomes to be achieved, and the method of measurement that will be used. The criteria listed in this subparagraph shall include a detailed description of:
- a. How the baseline student academic achievement levels and prior rates of academic progress will be established.
- b. How these baseline rates will be compared to rates of academic progress achieved by these same students while attending the charter school.
- c. To the extent possible, how these rates of progress will be evaluated and compared with rates of progress of other closely comparable student populations.

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The district school board is required to provide academic student performance data to charter schools for each of their students coming from the district school system, as well as rates of academic progress of comparable student populations in the district school system.

- 4. The methods used to identify the educational strengths and needs of students and how well educational goals and performance standards are met by students attending the charter school. The methods shall provide a means for the charter school to ensure accountability to its constituents by analyzing student performance data and by evaluating the effectiveness and efficiency of its major educational programs. Students in charter schools shall, at a minimum, participate in the statewide assessment program created under s. 1008.22.
- 5. In secondary charter schools, a method for determining that a student has satisfied the requirements for graduation in s. 1002.3105(5), s. 1003.4281, or s. 1003.4282.
- 6. A method for resolving conflicts between the governing board of the charter school and the sponsor.
- 7. The admissions procedures and dismissal procedures, including the school's code of student conduct. Admission or dismissal must not be based on a student's academic performance.
- 8. The ways by which the school will achieve a racial/ethnic balance reflective of the community it serves or within the racial/ethnic range of other public schools in the

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same school district.

- 9. The financial and administrative management of the school, including a reasonable demonstration of the professional experience or competence of those individuals or organizations applying to operate the charter school or those hired or retained to perform such professional services and the description of clearly delineated responsibilities and the policies and practices needed to effectively manage the charter school. A description of internal audit procedures and establishment of controls to ensure that financial resources are properly managed must be included. Both public sector and private sector professional experience shall be equally valid in such a consideration.
- 10. The asset and liability projections required in the application which are incorporated into the charter and shall be compared with information provided in the annual report of the charter school.
- 11. A description of procedures that identify various risks and provide for a comprehensive approach to reduce the impact of losses; plans to ensure the safety and security of students and staff; plans to identify, minimize, and protect others from violent or disruptive student behavior; and the manner in which the school will be insured, including whether or not the school will be required to have liability insurance, and, if so, the terms and conditions thereof and the amounts of

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- The term of the charter which shall provide for cancellation of the charter if insufficient progress has been made in attaining the student achievement objectives of the charter and if it is not likely that such objectives can be achieved before expiration of the charter. The initial term of a charter shall be for 4 or 5 years, excluding 2 planning years. In order to facilitate access to long-term financial resources for charter school construction, charter schools that are operated by a municipality or other public entity as provided by law are eligible for up to a 15-year charter, subject to approval by the district school board. A charter lab school is eligible for a charter for a term of up to 15 years. In addition, to facilitate access to long-term financial resources for charter school construction, charter schools that are operated by a private, not-for-profit, s. 501(c)(3) status corporation are eligible for up to a 15-year charter, subject to approval by the district school board. Such long-term charters remain subject to annual review and may be terminated during the term of the charter, but only according to the provisions set forth in subsection (8).
- 13. The facilities to be used and their location. The sponsor may not require a charter school to have a certificate of occupancy or a temporary certificate of occupancy for such a facility earlier than 15 calendar days before the first day of

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351 school.

- 14. The qualifications to be required of the teachers and the potential strategies used to recruit, hire, train, and retain qualified staff to achieve best value.
- 15. The governance structure of the school, including the status of the charter school as a public or private employer as required in paragraph (12)(i).
- 16. A timetable for implementing the charter which addresses the implementation of each element thereof and the date by which the charter shall be awarded in order to meet this timetable.
- 17. In the case of an existing public school that is being converted to charter status, alternative arrangements for current students who choose not to attend the charter school and for current teachers who choose not to teach in the charter school after conversion in accordance with the existing collective bargaining agreement or district school board rule in the absence of a collective bargaining agreement. However, alternative arrangements shall not be required for current teachers who choose not to teach in a charter lab school, except as authorized by the employment policies of the state university which grants the charter to the lab school.
- 18. Full disclosure of the identity of all relatives employed by the charter school who are related to the charter school owner, president, chairperson of the governing board of

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directors, superintendent, governing board member, principal, assistant principal, or any other person employed by the charter school who has equivalent decisionmaking authority. For the purpose of this subparagraph, the term "relative" means father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister.

- 19. Implementation of the activities authorized under s. 1002.331 by the charter school when it satisfies the eligibility requirements for a high-performing charter school. A high-performing charter school shall notify its sponsor in writing by March 1 if it intends to increase enrollment or expand grade levels the following school year. The written notice shall specify the amount of the enrollment increase and the grade levels that will be added, as applicable.
- (d) A charter may be modified during its initial term or any renewal term upon the recommendation of the sponsor or the charter school's governing board and the approval of both parties to the agreement. Modification during any term may include, but is not limited to, consolidation of multiple charters into a single charter if the charters are operated under the same governing board and physically located on the same campus, regardless of the renewal cycle. A charter school

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that is not subject to a school improvement plan and that closes as part of a consolidation shall be reported by the school district as a consolidation.

- (e) A charter may be terminated by a charter school's governing board through voluntary closure. The decision to cease operations must be determined at a public meeting. The governing board shall notify the parents and sponsor of the public meeting in writing before the public meeting. The governing board must notify the sponsor, parents of enrolled students, and the department in writing within 24 hours after the public meeting of its determination. The notice shall state the charter school's intent to continue operations or the reason for the closure and acknowledge that the governing board agrees to follow the procedures for dissolution and reversion of public funds pursuant to paragraphs (8)(d)-(f) and (9)(o) paragraphs (8)(e)-(g) and (9)(o).
 - (9) CHARTER SCHOOL REQUIREMENTS. -

(n)1. The director and a representative of the governing board of a charter school that has earned a grade of "D" or "F" pursuant to s. 1008.34 shall appear before the sponsor to present information concerning each contract component having noted deficiencies. The director and a representative of the governing board shall submit to the sponsor for approval a school improvement plan to raise student performance. Upon approval by the sponsor, the charter school shall begin

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implementation of the school improvement plan. The department shall offer technical assistance and training to the charter school and its governing board and establish guidelines for developing, submitting, and approving such plans.

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- 2.a. If a charter school earns three consecutive grades below a "C," the charter school governing board shall choose one of the following corrective actions:
- (I) Contract for educational services to be provided directly to students, instructional personnel, and school administrators, as prescribed in state board rule;
- (II) Contract with an outside entity that has a demonstrated record of effectiveness to operate the school;
- (III) Reorganize the school under a new director or principal who is authorized to hire new staff; or
 - (IV) Voluntarily close the charter school.
- b. The charter school must implement the corrective action in the school year following receipt of a third consecutive grade below a "C."
- c. The sponsor may annually waive a corrective action if it determines that the charter school is likely to improve a letter grade if additional time is provided to implement the intervention and support strategies prescribed by the school improvement plan. Notwithstanding this sub-subparagraph, a charter school that earns a second consecutive grade of "F" is subject to subparagraph 3.

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d. A charter school is no longer required to implement a corrective action if it improves to a "C" or higher. However, the charter school must continue to implement strategies identified in the school improvement plan. The sponsor must annually review implementation of the school improvement plan to monitor the school's continued improvement pursuant to subparagraph 4.

- e. A charter school implementing a corrective action that does not improve to a "C" or higher after 2 full school years of implementing the corrective action must select a different corrective action. Implementation of the new corrective action must begin in the school year following the implementation period of the existing corrective action, unless the sponsor determines that the charter school is likely to improve to a "C" or higher if additional time is provided to implement the existing corrective action. Notwithstanding this subsubparagraph, a charter school that earns a second consecutive grade of "F" while implementing a corrective action is subject to subparagraph 3.
- 3. A charter school's charter contract is automatically terminated if the school earns two consecutive grades of "F" after all school grade appeals are final unless:
- a. The charter school is established to turn around the performance of a district public school pursuant to s. 1008.33(4)(b)2. Such charter schools shall be governed by s.

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476 1008.33;

- b. The charter school serves a student population the majority of which resides in a school zone served by a district public school subject to s. 1008.33(4) and the charter school earns at least a grade of "D" in its third year of operation. The exception provided under this sub-subparagraph does not apply to a charter school in its fourth year of operation and thereafter; or
- c. The state board grants the charter school a waiver of termination. The charter school must request the waiver within 15 days after the department's official release of school grades. The state board may waive termination if the charter school demonstrates that the Learning Gains of its students on statewide assessments are comparable to or better than the Learning Gains of similarly situated students enrolled in nearby district public schools. The waiver is valid for 1 year and may only be granted once. Charter schools that have been in operation for more than 5 years are not eligible for a waiver under this sub-subparagraph.

The sponsor shall notify the charter school's governing board, the charter school principal, and the department in writing when a charter contract is terminated under this subparagraph. The letter of termination must meet the requirements of paragraph

(8) (c). A charter terminated under this subparagraph must follow

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the procedures for dissolution and reversion of public funds pursuant to paragraphs (8)(d)-(f) and (9)(o) paragraphs (8)(e)-(g) and (9)(o).

- 4. The director and a representative of the governing board of a graded charter school that has implemented a school improvement plan under this paragraph shall appear before the sponsor at least once a year to present information regarding the progress of intervention and support strategies implemented by the school pursuant to the school improvement plan and corrective actions, if applicable. The sponsor shall communicate at the meeting, and in writing to the director, the services provided to the school to help the school address its deficiencies.
- 5. Notwithstanding any provision of this paragraph except sub-subparagraphs 3.a.-c., the sponsor may terminate the charter at any time pursuant to subsection (8).
 - (10) ELIGIBLE STUDENTS.-

- (e) A charter school may limit the enrollment process only to target the following student populations:
 - 1. Students within specific age groups or grade levels.
- 2. Students considered at risk of dropping out of school or academic failure. Such students shall include exceptional education students.
- 3. Students enrolling in a charter school-in-the-workplace or charter school-in-a-municipality established pursuant to

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526 subsection (15).

- 4. Students residing within a reasonable distance of the charter school, as described in paragraph (20)(c). Such students shall be subject to a random lottery and to the racial/ethnic balance provisions described in subparagraph (7)(a)8. or any federal provisions that require a school to achieve a racial/ethnic balance reflective of the community it serves or within the racial/ethnic range of other public schools in the same school district.
- 5. Students who meet reasonable academic, artistic, or other eligibility standards established by the charter school and included in the charter school application and charter or, in the case of existing charter schools, standards that are consistent with the school's mission and purpose. Such standards shall be in accordance with current state law and practice in public schools and may not discriminate against otherwise qualified individuals.
- 6. Students articulating from one charter school to another pursuant to an articulation agreement between the charter schools that has been approved by the sponsor.
- 7. Students living in a development in which a business entity provides the school facility and related property having an appraised value of at least \$5 \$10 million to be used as a charter school to mitigate the educational impact created by the development of new residential dwelling units \$60 the

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development. Students living in the development shall be entitled to no more than 50 percent of the student stations in the charter school. The students who are eligible for enrollment are subject to a random lottery, the racial/ethnic balance provisions, or any federal provisions, as described in subparagraph 4. The remainder of the student stations shall be filled in accordance with subparagraph 4.

(20) SERVICES.-

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If goods and services are made available to the charter school through the contract with the school district, they shall be provided to the charter school at a rate no greater than the district's actual cost unless mutually agreed upon by the charter school and the sponsor in a contract negotiated separately from the charter. When mediation has failed to resolve disputes over contracted services or contractual matters not included in the charter, an appeal may be made to an administrative law judge appointed by the Division of Administrative Hearings. The administrative law judge has final order authority to rule on the dispute. The administrative law judge shall award the prevailing party reasonable attorney fees and costs incurred during the mediation process, administrative proceeding, and any appeals, to be paid by the party whom the administrative law judge rules against for a dispute resolution hearing before the Charter School Appeal Commission. To maximize the use of state funds, school districts

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shall allow charter schools to participate in the sponsor's bulk purchasing program if applicable.

Section 2. Subsection (1), paragraph (a) of subsection (2), and paragraph (b) of subsection (3) of section 1002.331, Florida Statutes, are amended to read:

1002.331 High-performing charter schools.-

- (1) A charter school is a high-performing charter school if it:
- (a) Received at least two school grades of "A" and no school grade below "B," pursuant to s. 1008.34, during each of the previous 3 school years or received at least two consecutive school grades of "A" in the most recent 2 school years.
- (b) Received an unqualified opinion on each annual financial audit required under s. 218.39 in the most recent 3 fiscal years for which such audits are available.
- (c) Did not receive a financial audit that revealed one or more of the financial emergency conditions set forth in s. 218.503(1) in the most recent 3 fiscal years for which such audits are available. However, this requirement is deemed met for a charter school-in-the-workplace if there is a finding in an audit that the school has the monetary resources available to cover any reported deficiency or that the deficiency does not result in a deteriorating financial condition pursuant to s. 1002.345(1)(a)3.

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For purposes of determining initial eligibility, the requirements of paragraphs (b) and (c) only apply for the most recent 2 fiscal years if the charter school earns two consecutive grades of "A." A virtual charter school established under s. 1002.33 is not eligible for designation as a high-performing charter school.

- (2) A high-performing charter school is authorized to:
- (a) Increase its student enrollment once per school year to more than the capacity identified in the charter, but student enrollment may not exceed the current facility capacity of the facility at the time the enrollment increase will take effect.

 Facility capacity for purposes of grade level expansion shall include any improvements to an existing facility or any new facility in which a majority of the students of the high-performing charter school will enroll.

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

performing charter school if the commissioner has declassified the charter school as high-performing. If a high-performing charter school requests to consolidate multiple charters, the sponsor shall have 40 days after receipt of that request to provide an initial draft charter to the charter school. The sponsor and charter school shall have 50 days thereafter to negotiate and notice the charter contract for final approval by the sponsor.

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- (b) A high-performing charter school may not establish more than two one charter schools school within the state under paragraph (a) in any year. A subsequent application to establish a charter school under paragraph (a) may not be submitted unless each charter school established in this manner achieves high-performing charter school status. However, a high-performing charter school may establish more than one charter school within the state under paragraph (a) in any year if it operates in the area of a persistently low-performing school and serves students from that school.
- Section 3. Paragraph (d) is added to subsection (10) of section 1002.333, Florida Statutes, to read:
 - 1002.333 Persistently low-performing schools.-
- (10) SCHOOLS OF HOPE PROGRAM.—The Schools of Hope Program is created within the Department of Education.
 - (d) Notwithstanding s. 216.301 and pursuant to s. 216.351,

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funds allocated for the purpose of this subsection which are not disbursed by June 30 of the fiscal year in which the funds are allocated may be carried forward for up to 5 years after the effective date of the original appropriation.

Section 4. Paragraph (f), of subsection (1) and paragraph (b) of subsection (6) of section 1011.62, Florida Statutes, are amended to read:

1011.62 Funds for operation of schools.—If the annual allocation from the Florida Education Finance Program to each district for operation of schools is not determined in the annual appropriations act or the substantive bill implementing the annual appropriations act, it shall be determined as follows:

- (1) COMPUTATION OF THE BASIC AMOUNT TO BE INCLUDED FOR OPERATION.—The following procedure shall be followed in determining the annual allocation to each district for operation:
- (f) Supplemental academic instruction <u>allocation</u>; categorical fund.
- 1. There is created the supplemental academic instruction allocation a categorical fund to provide supplemental academic instruction to students in kindergarten through grade 12. This paragraph may be cited as the "Supplemental Academic Instruction Categorical Fund."
 - 2. The supplemental academic instruction allocation shall

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be provided annually in the Florida Education Finance Program as specified in the General Appropriations Act. These funds are categorical fund is in addition to the funds appropriated on the basis of FTE student membership in the Florida Education Finance Program and shall be included in the total potential funds of each district. Beginning with the 2018-2019 fiscal year, These funds shall be used to provide supplemental academic instruction to students enrolled in the K-12 program. each school district that has a school earning a grade of "D" or "F" pursuant to s. 1008.34 must use that school's portion of the supplemental academic instruction allocation to implement the intervention and support strategies for school improvement pursuant to s. 1008.33 and for salary incentives pursuant to s. 1012.2315(3) or salary supplements pursuant to s. 1012.22(1)(c)5.c. that are provided through a memorandum of understanding between the collective bargaining agent and the school board that addresses the selection, placement, and expectations of instructional personnel and school administrators. For all other schools, the school district's use of the supplemental academic instruction allocation one or more of the 300 lowest-performing elementary schools based on the state reading assessment for the prior shall use these funds, together with the funds provided in the district's research-based reading instruction allocation and other available funds, to provide an additional hour of instruction beyond the normal school day for each day of the

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entire school year for intensive reading instruction for the students in each of these schools. This additional hour of instruction must be provided by teachers or reading specialists who have demonstrated effectiveness in teaching reading or by a K-5 mentoring reading program that is supervised by a teacher who is effective at teaching reading. Students enrolled in these schools who have level 5 assessment scores may participate in the additional hour of instruction on an optional basis. Exceptional student education centers shall not be included in the 300 schools. The designation of the 300 lowest-performing elementary schools must be based on the state reading assessment for the prior year. After this requirement has been met, supplemental instruction strategies may include, but is are not limited to, the: use of a modified curriculum, reading instruction, after-school instruction, tutoring, mentoring, a reduction in class size, extended school year, intensive skills development in summer school, dropout prevention programs as defined in ss. 1003.52 and 1003.53(1)(a), (b), and (c), and other methods of improving student achievement. Supplemental academic instruction may be provided to a student in any manner and at any time during or beyond the regular 180-day term identified by the school as being the most effective and efficient way to best help that student progress from grade to grade and to graduate.

3. Categorical funds for supplemental academic instruction

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shall be provided annually in the Florida Education Finance Program as specified in the General Appropriations Act. These funds shall be provided as a supplement to the funds appropriated for the basic funding level and shall be included in the total funds of each district. The supplemental academic instruction allocation shall consist of a base amount that has a workload adjustment based on changes in unweighted FTE. In addition, districts that have elementary schools included in the 300 lowest-performing schools designation shall be allocated additional funds to assist those districts in providing intensive reading instruction to students in those schools. The amount provided shall be based on each district's level of perstudent funding in the reading instruction allocation and the supplemental academic instruction categorical fund and on the total FTE for each of the schools. The supplemental academic instruction allocation categorical funding shall be recalculated during the fiscal year following an updated designation of the 300 lowest-performing elementary schools and shall be based on actual student membership from the FTE surveys. Upon recalculation of funding for the supplemental academic instruction allocation categorical fund, if the total allocation is greater than the amount provided in the General Appropriations Act, the allocation shall be prorated to the level provided to support the appropriation, based on each district's share of the total.

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- 4. Effective with the 1999-2000 fiscal year, Funding on the basis of FTE membership beyond the 180-day regular term shall be provided in the FEFP only for students enrolled in juvenile justice education programs or in education programs for juveniles placed in secure facilities or programs under s. 985.19. Funding for instruction beyond the regular 180-day school year for all other K-12 students shall be provided through the supplemental academic instruction allocation and other state, federal, and local fund sources with ample flexibility for schools to provide supplemental instruction to assist students in progressing from grade to grade and graduating.
- 5. The Florida State University School, as a lab school, is authorized to expend from its FEFP or Lottery Enhancement

 Trust Fund allocation the cost to the student of remediation in reading, writing, or mathematics for any graduate who requires remediation at a postsecondary educational institution.
- 6. Beginning in the 1999-2000 school year, dropout prevention programs as defined in ss. 1003.52, 1003.53(1)(a), (b), and (c), and 1003.54 shall be included in group 1 programs under subparagraph (d)3.
 - (6) CATEGORICAL FUNDS.-

(b) If a district school board finds and declares in a resolution adopted at a regular meeting of the school board that the funds received for any of the following categorical

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appropriations are urgently needed to maintain school board specified academic classroom instruction or improve school safety, the school board may consider and approve an amendment to the school district operating budget transferring the identified amount of the categorical funds to the appropriate account for expenditure:

- 1. Funds for student transportation.
- 2. Funds for safe schools.

- 3. Funds for supplemental academic instruction if the required additional hour of instruction beyond the normal school day for each day of the entire school year has been provided for the students in each low-performing elementary school in the district pursuant to paragraph (1)(f).
- 2.4. Funds for research-based reading instruction if the required additional hour of instruction beyond the normal school day for each day of the entire school year has been provided for the students in each low-performing elementary school in the district pursuant to paragraph (9)(a).
- 3.5. Funds for instructional materials if all instructional material purchases necessary to provide updated materials that are aligned with applicable state standards and course descriptions and that meet statutory requirements of content and learning have been completed for that fiscal year, but no sooner than March 1. Funds available after March 1 may be used to purchase hardware for student instruction.

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Section 5. Section 1011.6202, Florida Statutes, is amended to read:

1011.6202 Principal Autonomy Pilot Program Initiative.—The Principal Autonomy Pilot Program Initiative is created within the Department of Education. The purpose of the pilot program is to provide a the highly effective principal of a participating school with increased autonomy and authority to operate his or her school, as well as other schools, in a way that produces significant improvements in student achievement and school management while complying with constitutional requirements. The State Board of Education may, upon approval of a principal autonomy proposal, enter into a performance contract with the up to seven district school board boards for participation in the pilot program.

(1) PARTICIPATING SCHOOL DISTRICTS.—Beginning with the

2018-2019 school year, contingent upon available funds, and on a

first-come, first-served basis, a The district school board

boards in Broward, Duval, Jefferson, Madison, Palm Beach,

Pinellas, and Seminole Counties may submit, no later than

December 1, to the state board for approval a principal autonomy

proposal that exchanges statutory and rule exemptions for an

agreement to meet performance goals established in the proposal.

If approved by the state board, the each of these school

district is districts shall be eligible to participate in the

pilot program for 3 years. At the end of the 3 years, the

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performance of all participating schools in the school district shall be evaluated.

(2) PRINCIPAL AUTONOMY PROPOSAL.-

- (a) To participate in the $\frac{\text{pilot}}{\text{program}}$, a school district must:
- 1. Identify three schools that received at least two school grades of "D" or "F" pursuant to s. 1008.34 during the previous 3 school years.
- 2. Identify three principals who have earned a highly effective rating on the prior year's performance evaluation pursuant to s. 1012.34, one of whom shall be assigned to each of the participating schools.
- 3. Describe the current financial and administrative management of each participating school; identify the areas in which each school principal will have increased fiscal and administrative autonomy, including the authority and responsibilities provided in s. 1012.28(8); and identify the areas in which each participating school will continue to follow district school board fiscal and administrative policies.
- 4. Explain the methods used to identify the educational strengths and needs of the participating school's students and identify how student achievement can be improved.
- 5. Establish performance goals for student achievement, as defined in s. 1008.34(1), and explain how the increased autonomy of principals will help participating schools improve student

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achievement and school management.

- 6. Provide each participating school's mission and a description of its student population.
- (b) The state board shall establish criteria, which must include the criteria listed in paragraph (a), for the approval of a principal autonomy proposal.
- (c) A district school board must submit its principal autonomy proposal to the state board for approval by December 1 in order to begin participation in the subsequent school year. By February 28 of the school year in which the proposal is submitted, the state board shall notify the district school board in writing whether the proposal is approved.
 - (3) EXEMPTION FROM LAWS.-
- (a) With the exception of those laws listed in paragraph (b), a participating school or a school operated by a principal pursuant to subsection (5) is exempt from the provisions of chapters 1000-1013 and rules of the state board that implement those exempt provisions.
- (b) A participating school or a school operated by a principal pursuant to subsection (5) shall comply with the provisions of chapters 1000-1013, and rules of the state board that implement those provisions, pertaining to the following:
- 1. Those laws relating to the election and compensation of district school board members, the election or appointment and compensation of district school superintendents, public meetings

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and public records requirements, financial disclosure, and conflicts of interest.

- 2. Those laws relating to the student assessment program and school grading system, including chapter 1008.
- 3. Those laws relating to the provision of services to students with disabilities.
- 4. Those laws relating to civil rights, including s. 1000.05, relating to discrimination.
- 5. Those laws relating to student health, safety, and welfare.
- 6. Section 1001.42(4)(f), relating to the uniform opening date for public schools.
- 7. Section 1003.03, governing maximum class size, except that the calculation for compliance pursuant to s. 1003.03 is the average at the school level for a participating school.
- 8. Sections 1012.22(1)(c) and 1012.27(2), relating to compensation and salary schedules.
- 9. Section 1012.33(5), relating to workforce reductions for annual contracts for instructional personnel. This subparagraph does not apply to at-will employees.
- 10. Section 1012.335, relating to annual contracts for instructional personnel hired on or after July 1, 2011. This subparagraph does not apply to at-will employees.
- 11. Section 1012.34, relating to personnel evaluation procedures and criteria.

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- 12. Those laws pertaining to educational facilities, including chapter 1013, except that s. 1013.20, relating to covered walkways for relocatables, and s. 1013.21, relating to the use of relocatable facilities exceeding 20 years of age, are eligible for exemption.
- 13. Those laws pertaining to participating school districts, including this section and ss. 1011.69(2) and 1012.28(8).

- (c) A school shall remain exempt, as provided in this subsection, beyond the term of the program so long as the school receives no grade lower than a "B."
- (4) PROFESSIONAL DEVELOPMENT.—Each participating school district shall require that the principal of each participating school and a designated leadership team selected by the principal of the participating school, a three-member leadership team from each participating school, and district personnel working with each participating school complete a nationally recognized school turnaround program which focuses on improving leadership, instructional infrastructure, talent management, and differentiated support and accountability. The required personnel must enroll in the nationally recognized school turnaround program upon acceptance into the pilot program. Each participating school district shall receive \$100,000 from the department for participation in the nationally recognized school turnaround program.

(5) DISTRICT INNOVATION ACADEMIES AND ZONES.—To encourage further innovation and expand the reach of highly effective principals trained through this program district school boards may authorize these principals to manage multiple schools within a zone. A zone may include the school at which the principal is assigned, persistently low-performing schools, feeder pattern schools, or a group of schools identified by the school district. The principal may allocate resources and personnel between the schools under his or her administration.

(6)(5) TERM OF PARTICIPATION.—The state board shall authorize a school district to participate in the pilot program for a period of 3 years commencing with approval of the principal autonomy proposal. Authorization to participate in the pilot program may be renewed upon action of the state board. The state board may revoke authorization to participate in the pilot program if the school district fails to meet the requirements of this section during the 3-year period.

(6) REPORTING.—Each participating school district shall submit an annual report to the state board. The state board shall annually report on the implementation of the Principal Autonomy Pilot Program Initiative. Upon completion of the pilot program's first 3-year term, the Commissioner of Education shall submit to the President of the Senate and the Speaker of the House of Representatives by December 1 a full evaluation of the effectiveness of the pilot program.

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- Legislature shall provide an appropriation to the department shall fund for the costs of the pilot program to include the including administrative costs and enrollment costs for the nationally recognized school turnaround program required in subsection (4), and an additional amount not to exceed of \$10,000 for each participating principal in each participating district as an annual salary supplement for 3 years, a fund for the principal's school to be used at the principal's discretion, or both, as determined by the district. To be eligible for a salary supplement under this subsection, a participating principal must:
- (a) Be rated "highly effective" as determined by the principal's performance evaluation under s. 1012.34;
- (b) Be transferred to a school that earned a grade of "F" or two three consecutive grades of "D" pursuant to s. 1008.34, or manage, pursuant to subsection (5), a persistently low-performing school, and provided additional authority and responsibilities pursuant to s. 1012.28(8); and
- (c) Have implemented a turnaround option under $\underline{s.\ 1008.33}$ $\underline{s.\ 1008.33(4)}$ at a school as the school's principal. The turnaround option must have resulted in the school improving by at least one letter grade while he or she was serving as the school's principal.
 - (8) RULEMAKING.—The State Board of Education shall adopt

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rules to administer this section.

Section 6. Subsection (5) of section 1011.69, Florida Statutes, is amended to read:

- 1011.69 Equity in School-Level Funding Act.-
- (5) After providing Title I, Part A, Basic funds to schools above the 75 percent poverty threshold, which may include high schools above the 50 percent threshold as permitted by federal law, school districts shall provide any remaining Title I, Part A, Basic funds directly to all eligible schools as provided in this subsection. For purposes of this subsection, an eligible school is a school that is eligible to receive Title I funds, including a charter school. The threshold for identifying eligible schools may not exceed the threshold established by a school district for the 2016-2017 school year or the statewide percentage of economically disadvantaged students, as determined annually.
- (a) Prior to the allocation of Title I funds to eligible schools, a school district may withhold funds only as follows:
- 1. One percent for parent involvement, in addition to the one percent the district must reserve under federal law for allocations to eligible schools for parent involvement;
- 2. A necessary and reasonable amount for administration which includes the district's indirect cost rate, not to exceed a total of 10 \$ percent; and
 - 3. A reasonable and necessary amount to provide:

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1001	a.	Homeless	programs;
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- b. Delinquent and neglected programs;
- c. Prekindergarten programs and activities;
- d. Private school equitable services; and
- e. Transportation for foster care children to their school of origin or choice programs; and \cdot
- 4. A necessary and reasonable amount, not to exceed 1 percent, for eligible schools to provide educational services in accordance with the approved Title I plan.
- (b) All remaining Title I funds shall be distributed to all eligible schools in accordance with federal law and regulation. An eligible school may use funds under this subsection to participate in discretionary educational services provided by the school district. Any funds provided by an eligible school to participate in discretionary educational services provided by the school district are not subject to the requirements of this subsection.
- (c) Any funds carried forward by the school district are not subject to the requirements of this subsection.
- Section 7. Paragraphs (a) and (e) of subsection (2) of section 1011.71, Florida Statutes, are amended to read:
 - 1011.71 District school tax.—
- (2) In addition to the maximum millage levy as provided in subsection (1), each school board may levy not more than 1.5 mills against the taxable value for school purposes for charter

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schools pursuant to s. 1013.62(1) and for district schools to fund:

- (a) New construction and remodeling projects, as set forth in $\underline{s.\ 1013.64(6)}$ (b), $\underline{s.\ 1013.64(3)}$ (d) and (6) (b) and included in the district's educational plant survey pursuant to $\underline{s.\ 1013.31}$, without regard to prioritization, sites and site improvement or expansion to new sites, existing sites, auxiliary facilities, athletic facilities, or ancillary facilities.
- (e) Payments for educational facilities and sites due under a lease-purchase agreement entered into by a district school board pursuant to s. 1003.02(1)(f) or s. 1013.15(2), not exceeding, in the aggregate, an amount equal to three-fourths of the proceeds from the millage levied by a district school board pursuant to this subsection. The three-fourths limit is waived for lease-purchase agreements entered into before June 30, 2009, by a district school board pursuant to this paragraph. If payments under lease-purchase agreements in the aggregate, including lease-purchase agreements entered into before June 30, 2009, exceed three-fourths of the proceeds from the millage levied pursuant to this subsection, the district school board may not withhold the administrative fees authorized by s. 1002.33(20) from any charter school operating in the school district.

Section 8. Effective upon this act becoming a law, Section 1011.79, Florida Statutes, is created to read:

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PCS for HB 495 2018 ORIGINAL

1011.79 Florida price level index methodology review.-Subject to an appropriation, the Department of Education shall conduct a review of the methodology used to calculate and determine the Florida Price Level Index for purposes of calculating the district cost differential pursuant to s. 1011.62. The Department of Education shall issue a competitive solicitation to contract with an independent third-party consulting firm to conduct the reviews with the initial review completed in the 2018-2019 fiscal year and subsequent reviews completed every ten years thereafter. The Department of Education shall provide the results of all reviews to the Executive Office of the Governor and the Legislature. Section 9. Subsection (4) of section 1012.2315, Florida

Statutes, is amended to read:

1012.2315 Assignment of teachers.-

COLLECTIVE BARGAINING.-

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- (a) Notwithstanding provisions of chapter 447 relating to district school board collective bargaining, collective bargaining provisions may not preclude a school district from providing incentives to high-quality teachers and assigning such teachers to low-performing schools.
- (b) Before the start of the 2019-2020 school year, each school district and the certified collective bargaining unit for instructional personnel shall negotiate a memorandum of understanding that addresses the selection, placement, and

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expectations of instructional personnel and provides school principals with the autonomy described in s. 1012.28(8).

Section 10. Subsection (2) of section 1012.32, Florida Statutes, is amended to read:

1012.32 Qualifications of personnel.-

- (2) (a) Instructional and noninstructional personnel who are hired or contracted to fill positions that require direct contact with students in any district school system or university lab school must, upon employment or engagement to provide services, undergo background screening as required under s. 1012.465 or s. 1012.56, whichever is applicable.
- (b) Instructional and noninstructional personnel who are hired or contracted to fill positions in any charter school and members of the governing board of any charter school, in compliance with s. 1002.33(12)(g), must, upon employment, engagement of services, or appointment, undergo background screening as required under s. 1012.465 or s. 1012.56, whichever is applicable, by filing with the district school board for the school district in which the charter school is located a complete set of fingerprints taken by an authorized law enforcement agency or an employee of the school or school district who is trained to take fingerprints.
- (c) Instructional and noninstructional personnel who are hired or contracted to fill positions that require direct contact with students in an alternative school that operates

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under contract with a district school system must, upon employment or engagement to provide services, undergo background screening as required under s. 1012.465 or s. 1012.56, whichever is applicable, by filing with the district school board for the school district to which the alternative school is under contract a complete set of fingerprints taken by an authorized law enforcement agency or an employee of the school or school district who is trained to take fingerprints.

(d) Student teachers and persons participating in a field experience pursuant to s. 1004.04(5) or s. 1004.85 in any district school system, lab school, or charter school must, upon engagement to provide services, undergo background screening as required under s. 1012.56.

Fingerprints shall be submitted to the Department of Law
Enforcement for statewide criminal and juvenile records checks
and to the Federal Bureau of Investigation for federal criminal
records checks. A person subject to this subsection who is found
ineligible for employment under s. 1012.315, or otherwise found
through background screening to have been convicted of any crime
involving moral turpitude as defined by rule of the State Board
of Education, shall not be employed, engaged to provide
services, or serve in any position that requires direct contact
with students. Probationary persons subject to this subsection
terminated because of their criminal record have the right to

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appeal such decisions. The cost of the background screening may be borne by the district school board, the charter school, the employee, the contractor, or a person subject to this subsection. If the district school board does not notify the charter school of the eligibility of governing board members and instructional and noninstructional personnel within 14 days after the submission of the fingerprints, it shall reimburse the cost of background screening.

Section 11. Paragraph (a) of subsection (2) of section 1013.28, Florida Statutes, is amended to read:

1013.28 Disposal of property.-

- (2) TANGIBLE PERSONAL PROPERTY.-
- (a) Tangible personal property that has been properly classified as surplus by a district school board or Florida College System institution board of trustees shall be disposed of in accordance with the procedure established by chapter 274. However, the provisions of chapter 274 shall not be applicable to a motor vehicle used in driver education to which title is obtained for a token amount from an automobile dealer or manufacturer. In such cases, the disposal of the vehicle shall be as prescribed in the contractual agreement between the automotive agency or manufacturer and the board. Tangible personal property that has been properly classified as surplus, marked for disposal, or otherwise unused by a district school board shall be provided for a charter school's use on the same

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basis as it is made available to other public schools in the district. A charter school receiving property from the school district may not sell or dispose of such property without the written permission of the school district.

Section 12. Paragraph (e) is added to subsection (2) of section 1013.385, Florida Statutes, to read:

1013.385 School district construction flexibility.-

- (2) A resolution adopted under this section may propose implementation of exceptions to requirements of the uniform statewide building code for the planning and construction of public educational and ancillary plants adopted pursuant to ss. 553.73 and 1013.37 relating to:
- (e) Any other provisions that limit the ability of a school to operate in a facility on the same basis as a charter school pursuant to s. 1002.33(18) so long as the regional planning council determines that there is sufficient shelter capacity within the school district as documented in the Statewide Emergency Shelter Plan.

Section 13. Subsections (1), (3), and (5) of section 1013.62, Florida Statutes, are amended to read:

1013.62 Charter schools capital outlay funding.-

(1) For the 2018-2019 fiscal year, charter Charter school capital outlay funding shall consist of revenue resulting from the discretionary millage authorized in s. 1011.71(2) and state funds when such funds are appropriated in the fiscal year 2018-

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2019 General Appropriations Act. Beginning in fiscal year 2019—2020, charter school capital outlay shall consist of state funds when such funds are appropriated in the General Appropriations Act and revenue resulting from the discretionary millage authorized in s. 1011.71(2) if the amount of state funds appropriated for charter school capital outlay in any fiscal year is less than the average charter school capital outlay funds per unweighted full-time equivalent student for the 2018—2019 fiscal year, multiplied by the estimated number of charter school students for the applicable fiscal year, and adjusted by changes in the Consumer Price Index from the previous fiscal year. Nothing is this subsection prohibits a school district from distributing to charter schools funds resulting from the discretionary millage authorized in s. 1011.71(2).

- (a) To be eligible to receive capital outlay funds, a charter school must:
 - 1.a. Have been in operation for 2 or more years;
- b. Be governed by a governing board established in the state for 2 or more years which operates both charter schools and conversion charter schools within the state;
- c. Be an expanded feeder chain of a charter school within the same school district that is currently receiving charter school capital outlay funds;
- d. Have been accredited by a regional accrediting association as defined by State Board of Education rule; or

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

- 2. Have an annual audit that does not reveal any of the financial emergency conditions provided in s. 218.503(1) for the most recent fiscal year for which such audit results are available.
- 3. Have satisfactory student achievement based on state accountability standards applicable to the charter school.
- 4. Have received final approval from its sponsor pursuant to s. 1002.33 for operation during that fiscal year.
- 5. Serve students in facilities that are not provided by the charter school's sponsor.
- (b) A charter school is not eligible to receive capital outlay funds if it was created by the conversion of a public school and operates in facilities provided by the charter school's sponsor for a nominal fee, or at no charge, or if it is directly or indirectly operated by the school district.
- (3) If the school board levies the discretionary millage authorized in s. 1011.71(2), and the state funds appropriated for charter school capital outlay in any fiscal year are less than the average charter school capital outlay funds per unweighted full-time equivalent student for the 2018-2019 fiscal year, multiplied by the estimated number of charter school students for the applicable fiscal year, and adjusted by changes

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in the Consumer Price Index from the previous fiscal year, the department shall use the following calculation methodology to determine the amount of revenue that a school district must distribute to each eligible charter school:

- (a) Reduce the total discretionary millage revenue by the school district's annual debt service obligation incurred as of March 1, 2017, which has not been subsequently retired, and any amount of participation requirement pursuant to s.

 1013.64(2)(a)8. that is being satisfied by revenues raised by the discretionary millage.
- (b) Divide the school district's adjusted discretionary millage revenue by the district's total capital outlay full-time equivalent membership and the total number of unweighted full-time equivalent students of each eligible charter school to determine a capital outlay allocation per full-time equivalent student.
- (c) Multiply the capital outlay allocation per full-time equivalent student by the total number of full-time equivalent students of each eligible charter school to determine the capital outlay allocation for each charter school.
- (d) If applicable, reduce the capital outlay allocation identified in paragraph (c) by the total amount of state funds allocated to each eligible charter school in subsection (2) to determine the maximum calculated capital outlay allocation.
 - (e) School districts shall distribute capital outlay funds

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to charter schools no later than February 1 of each year <u>if</u>
required by this subsection based on the amount of funds
received by the district school board, beginning on February 1,
2018, for the 2017-2018 fiscal year. School districts shall
distribute any remaining capital outlay funds, as required by
this subsection, upon the receipt of such funds until the total
amount calculated pursuant to this subsection is distributed.

By October 1 of each year, each school district shall certify to

the department the amount of debt service and participation requirement that complies with the requirement of paragraph (a) and can be reduced from the total discretionary millage revenue.

The Auditor General shall verify compliance with the requirements of paragraph (a) and s. 1011.71(2)(e) during scheduled operational audits of school districts.

unencumbered funds and all equipment and property purchased with district public funds shall revert to the ownership of the district school board, as provided for in s. 1002.33(8)(d) and (e) s. 1002.33(8)(e) and (f). In the case of a charter lab school, any unencumbered funds and all equipment and property purchased with university public funds shall revert to the ownership of the state university that issued the charter. The reversion of such equipment, property, and furnishings shall focus on recoverable assets, but not on intangible or

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irrecoverable costs such as rental or leasing fees, normal maintenance, and limited renovations. The reversion of all property secured with public funds is subject to the complete satisfaction of all lawful liens or encumbrances. If there are additional local issues such as the shared use of facilities or partial ownership of facilities or property, these issues shall be agreed to in the charter contract prior to the expenditure of funds.

Section 14. Except as otherwise expressly provided in this act and except for this section, which shall take effect upon this act becoming a law, this act shall take effect July 1, 2018.

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