

**Committee on Education Innovation
& Career Preparation
Action Packet**

Tuesday, March 18, 2008

9:00 am — 12:00 pm

116 K

Speaker
Marco Rubio

Chair
Thad Altman



The Florida House of Representatives
Schools and Learning Council
Committee on Education Innovation & Career Preparation

Marco Rubio
Speaker

Thad Altman
Chair

Meeting Agenda
Tuesday, March 11, 2008
116 K
9:00 am – 12:00 pm

I. Opening Remarks by Chair Altman

II. Roll Call

III. Consideration of the following bills:

HB 957 Florida Bright Futures Scholarship Program by Kendrick
HB 1203 Interstate Compact on Educational Opportunity for Military Children by Proctor
HB 1301 Charter Schools by Legg
HB 1325 Education by Attkisson

IV. Presentation on the following:

State University System Funding
Tim Jones, Director of Budget and Fiscal Policy for the Board of Governors.

K-12 Funding
Link Jarrett, Administrator for the Office of Funding and Financial Reporting, Department of Education

V. Closing Comments / Meeting Adjourned

COMMITTEE MEETING REPORT
Committee on Education Innovation & Career Preparation

3/18/2008 9:00:00AM

Location: 116 Knott Building

Attendance:

	<i>Present</i>	<i>Absent</i>	<i>Excused</i>
Thad Altman (Chair)	X		
Kevin Ambler			X
Marcelo Llorente	X		
Janet Long	X		
Charles McBurney	X		
Mitch Needelman	X		
Betty Reed	X		
Ron Schultz	X		
Perry Thurston	X		
Totals:	8	0	1

Committee meeting was reported out: Tuesday, March 18, 2008 1:29:28PM

COMMITTEE MEETING REPORT
Committee on Education Innovation & Career Preparation

3/18/2008 9:00:00AM

Location: 116 Knott Building

HB 957 : Florida Bright Futures Scholarship Program

Favorable

	<i>Yea</i>	<i>Nay</i>	<i>No Vote</i>	<i>Absentee Yea</i>	<i>Absentee Nay</i>
Kevin Ambler				X	
Marcelo Llorente	X				
Janet Long	X				
Charles McBurney				X	
Mitch Needelman				X	
Betty Reed	X				
Ron Schultz	X				
Perry Thurston	X				
Thad Altman (Chair)	X				
Total Yeas: 6		Total Nays: 0			

Appearances:

HB 957

Brenda Dickinson (Lobbyist) - Proponent

Home Education Foundation

1427 Pine St.

Tallahassee FL 32303

Phone: 850-264-2184

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COMMITTEE MEETING REPORT
Committee on Education Innovation & Career Preparation

3/18/2008 9:00:00AM

Location: 116 Knott Building

HB 1203 : Interstate Compact on Educational Opportunity for Military Children

Favorable With Amendments

	<i>Yea</i>	<i>Nay</i>	<i>No Vote</i>	<i>Absentee Yea</i>	<i>Absentee Nay</i>
Kevin Ambler				X	
Marcelo Llorente	X				
Janet Long	X				
Charles McBurney				X	
Mitch Needelman				X	
Betty Reed	X				
Ron Schultz	X				
Perry Thurston	X				
Thad Altman (Chair)	X				
Total Yeas: 6		Total Nays: 0			

Appearances:

HB 1203

Eric Sherman - Proponent
 Office, Under Secretary of Defense
 8929 Spring Harvest Lane W.
 Jacksonville FL 32244
 Phone: 904-937-6273

HB 1203

Thomas A. Hinton - Proponent
 Office, Under Secretary of Defense
 1525 Wilson Blvd, suite 225
 Arlington VA 22209
 Phone: 703-588-0948

HB 1203

Richard Masters (At Request Of Chair) - Proponent
 Council of State Governments
 1012 S. 4th St
 Louisville KY 40203
 Phone: 502-262-5881

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COMMITTEE MEETING REPORT
Committee on Education Innovation & Career Preparation

3/18/2008 9:00:00AM

Location: 116 Knott Building
HB 1301 : Charter Schools

<input checked="" type="checkbox"/> Favorable With Amendments	Yea	Nay	No Vote	Absentee Yea	Absentee Nay
Kevin Ambler				X	
Marcelo Llorente	X				
Janet Long	X				
Charles McBurney				X	
Mitch Needelman				X	
Betty Reed	X				
Ron Schultz	X				
Perry Thurston	X				
Thad Altman (Chair)	X				
Total Yeas: 6 Total Nays: 0					

Appearances:

HB 1301
 Wendy Dodge (Lobbyist) - Information Only
 Polk Schools / FACSA
 PO Box 391
 Bartow FL 33831
 Phone: 863-838-3632

COMMITTEE MEETING REPORT
Committee on Education Innovation & Career Preparation

3/18/2008 9:00:00AM

Location: 116 Knott Building

HB 1325 : Education

<input checked="" type="checkbox"/> <i>Favorable With Amendments</i>					
	<i>Yea</i>	<i>Nay</i>	<i>No Vote</i>	<i>Absentee Yea</i>	<i>Absentee Nay</i>
Kevin Ambler				X	
Marcelo Llorente	X				
Janet Long	X				
Charles McBurney	X				
Mitch Needelman	X				
Betty Reed		X			
Ron Schultz	X				
Perry Thurston		X			
Thad Altman (Chair)	X				
Total Yeas: 6		Total Nays: 2			

Appearances:

HB 1325

Patricia Levesque (Lobbyist) - Proponent
 Foundation for Florida's Future
 215 South Monroe Street, suite 110
 Tallahassee FL 32302
 Phone: 850-391-3070

HB 1325

Harry Keaugh (Lobbyist) - Information Only
 Florida Catholics Conferences
 201 W. Park Ave
 Tallahassee FL 32301
 Phone: 850-339-7334

HB 1325

Ron Meyer (Lobbyist) - Opponent
 Florida Education Association
 PO Box 1547
 Tallahassee FL 32302
 Phone: 850-878-5212

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COMMITTEE MEETING REPORT
Committee on Education Innovation & Career Preparation

3/18/2008 9:00:00AM

Location: 116 Knott Building

Other Business Appearance:

K-12 Funding

Link Jarrett (State Employee) (At Request Of Chair) - Information Only

Department of Education

1214 Turlington

Tallahassee FL 32304

Phone: 850-245-0405

State University System Funding

Tim Jones (State Employee) (At Request Of Chair) - Information Only

Board of Governors

Tallahassee FL

Phone: 850-245-9397

Committee meeting was reported out: Tuesday, March 18, 2008 1:29:28PM

COMMITTEE MEETING REPORT
Committee on Education Innovation & Career Preparation

3/18/2008 9:00:00AM

Location: 116 Knott Building

Summary:

Committee on Education Innovation & Career Preparation

Tuesday March 18, 2008 09:00 am

HB 957	Favorable	Yeas: 6	Nays: 0
HB 1203	Favorable With Amendments	Yeas: 6	Nays: 0
HB 1301	Favorable With Amendments	Yeas: 6	Nays: 0
HB 1325	Favorable With Amendments	Yeas: 6	Nays: 2

Committee meeting was reported out: Tuesday, March 18, 2008 1:29:28PM

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. 1 (for drafter's use only)

Bill No. **HB 1203**

COUNCIL/COMMITTEE 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 Council/Committee hearing bill: Committee on Education
2 Innovation and Career Preparation
3 Representative(s) Proctor offered the following:
4

5 **Amendment (with title amendment)**

6 Remove line(s) 875 and insert:

7 Section 3. Section 1000.38, Florida Statutes, is created to
8 read:

9 Section 1000.38 Compact Commissioner and Military Family
10 Education Liaison; Interstate Compact on Educational Opportunity
11 for Military Children. -

12 (1) In furtherance of Articles VIII and IX of the
13 Interstate Compact on Educational Opportunity for Military
14 Children, the Governor shall designate a:

15 (a) Compact Commissioner, who shall be responsible for the
16 administration and management of this state's participation in
17 the compact and who shall serve as this state's voting
18 representative on the Interstate Commission on Educational
19 Opportunity for Military Children.

20 (b) Military Family Education Liaison from the list of
21 recommendations provided under s. 1000.39(2), who shall be

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

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22 responsible for assisting military families and the state in
23 facilitating the implementation of this compact.

24 (2) The Compact Commissioner and Military Family Education
25 Liaison shall serve at the pleasure of the Governor.

26 Section 4. Section 1000.39, Florida Statutes, is created
27 to read:

28 Section 1000.39 State Advisory Council for the Interstate
29 Compact on Educational Opportunity for Military Children.—

30 (1) Pursuant to Article VIII of the Interstate Compact for
31 Educational Opportunity for Military Children in s. 1000.36,
32 the State Council on Interstate Educational Opportunity for
33 Military Children is created.

34 (2) (a) The purpose of the council is to provide advice and
35 recommendations regarding this state's participation in and
36 compliance with the compact and Interstate Commission
37 activities.

38 (b) No later than three months after its formation, and
39 whenever requested by the Governor thereafter, the council shall
40 provide the Governor with names of at least three, but no more
41 than five persons who are recommended by the council to serve as
42 the Military Family Education Liaison.

43 (3) The council shall consist of the following seven
44 members:

45 (a) The Commissioner of Education or his or her designee;

46 (b) The superintendent, or his or her designee, for the
47 school district with the highest percentage per capita of
48 military children during the previous school year;

49 (c) Two members appointed by the Commissioner of
50 Education, one of whom shall represent a military installation
51 located within this state and one of whom shall represent the

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

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52 executive branch and possess experience in assisting military
53 families in obtaining educational services for their children.
54 The term of each member appointed under this subparagraph shall
55 be for 4 years, except that, in order to provide for staggered
56 terms, the Commissioner of Education shall initially appoint one
57 member to a term of two years and one member to a term of three
58 years.

59 (d) One member appointed by, and who shall serve at the
60 pleasure of, the President of the Senate and the Speaker of the
61 House of Representatives.

62 (e) The Compact Commissioner and Military Family Education
63 Liaison designated by the Governor under s. 1000.38, who shall
64 serve as nonvoting, ex officio members of the council.

65 (4) Council members shall serve without compensation, but
66 are entitled to reimbursement for per diem and travel expenses
67 as provided in s. 112.061.

68 (5) The provisions of s. 24, Art. I of the State
69 Constitution and of chapter 119 and s. 286.011 apply to
70 proceedings and records of the council. Minutes, including a
71 record of all votes cast, must be maintained for all meetings.

72 (6) The department shall provide administrative support to
73 the council.

74 (7) If the council is abolished, its records must be
75 appropriately stored, within 30 days after the effective date of
76 its abolition, by the department or its successor agency. Any
77 property assigned to the council must be reclaimed by the
78 department or its successor agency. The council may not perform
79 any activities after the effective date of its abolition.

80 Section 5. Sections 1000.36 , 1000.37, 1000.38, and
81 1000.39, Florida Statutes, shall stand repealed 2 years after

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

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82 the effective date of this act unless reviewed and saved from
83 repeal through reenactment by the Legislature.

84 Section 6. This act shall take effect July 1, 2008, or
85 upon enactment of the compact into law by nine other states,
86 whichever date occurs later.

87

88

89

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

90

Remove line(s) 34 and insert:

91 compact; creating s. 1000.38, F.S.; authorizing the designation
92 of a Compact Commissioner and Military Family Education Liaison
93 by the Governor; creating s. 1000.39, F.S.; creating the State
94 Council for the Interstate Compact on Educational Opportunity
95 for Military Children; providing purpose and requiring specified
96 recommendations; providing membership; prohibiting compensation;
97 providing for per diem and travel expenses; requiring Department
98 of Education to provide administrative support; providing for
99 records and open meetings; prescribing procedures if the council
100 is abolished; providing for future legislative review and repeal
101 of ss. 1000.36, 1000.37, 1000.38, and 1000.39; providing an
102 effective date.

103

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. 1 (for drafter's use only)

Bill No. 1301

COUNCIL/COMMITTEE ACTION

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

1 Council/Committee hearing bill: Committee on Education
2 Innovation & Career Preparation
3 Representative Legg offered the following:
4

Amendment (with title amendment)

5
6 Remove everything after the enacting clause and insert:
7 Section 1. Paragraph (e) of subsection (7) and subsection
8 (8) of section 11.45, Florida Statutes, are amended to read:

9 11.45 Definitions; duties; authorities; reports; rules.--

10 (7) AUDITOR GENERAL REPORTING REQUIREMENTS.--

11 (e) The Auditor General shall notify the Governor or the
12 Commissioner of Education, as appropriate, and the Legislative
13 Auditing Committee of any audit report reviewed by the Auditor
14 General pursuant to paragraph (b) which contains a statement
15 that a local governmental entity, charter school, charter
16 technical career center, or district school board has met one or
17 more of the conditions specified in s. 218.503. If the Auditor
18 General requests a clarification regarding information included
19 in an audit report to determine whether a local governmental
20 entity, charter school, charter technical career center, or
21 district school board has met one or more of the conditions
22 specified in s. 218.503, the requested clarification must be

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

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23 provided within 45 days after the date of the request. If the
24 local governmental entity, charter school, charter technical
25 career center, or district school board does not comply with the
26 Auditor General's request, the Auditor General shall notify the
27 Legislative Auditing Committee. If, after obtaining the
28 requested clarification, the Auditor General determines that the
29 local governmental entity, charter school, charter technical
30 career center, or district school board has met one or more of
31 the conditions specified in s. 218.503, he or she shall notify
32 the Governor or the Commissioner of Education, as appropriate,
33 and the Legislative Auditing Committee.

34 (8) RULES OF THE AUDITOR GENERAL.--The Auditor General, in
35 consultation with the Board of Accountancy, shall adopt rules
36 for the form and conduct of all financial audits performed by
37 independent certified public accountants pursuant to ss.
38 215.981, 218.39, 1001.453, 1004.28, and 1004.70. The rules for
39 audits of local governmental entities, charter schools, charter
40 technical career centers, and district school boards must
41 include, but are not limited to, requirements for the reporting
42 of information necessary to carry out the purposes of the Local
43 Governmental Entity, Charter School, Charter Technical Career
44 Center, and District School Board Financial Emergencies Act as
45 stated in s. 218.501.

46 Section 2. Section 218.50, Florida Statutes, is amended to
47 read:

48 218.50 Short title.--Sections 218.50-218.504 may be cited
49 as the "Local Governmental Entity, Charter School, Charter
50 Technical Career Center, and District School Board Financial
51 Emergencies Act."

52 Section 3. Section 218.501, Florida Statutes, is amended
53 to read:

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54 218.501 Purposes.--The purposes of ss. 218.50-218.504 are:

55 (1) To promote the fiscal responsibility of local
56 governmental entities, charter schools, charter technical career
57 centers, and district school boards.

58 (2) To assist local governmental entities, charter
59 schools, charter technical career centers, and district school
60 boards in providing essential services without interruption and
61 in meeting their financial obligations.

62 (3) To assist local governmental entities, charter
63 schools, charter technical career centers, and district school
64 boards through the improvement of local financial management
65 procedures.

66 Section 4. Subsections (1), (2), and (4) of section
67 218.503, Florida Statutes, are amended to read:

68 218.503 Determination of financial emergency.--

69 (1) Local governmental entities, charter schools, charter
70 technical career centers, and district school boards shall be
71 subject to review and oversight by the Governor, the charter
72 school sponsor, the charter technical career center sponsor, or
73 the Commissioner of Education, as appropriate, when any one of
74 the following conditions occurs:

75 (a) Failure within the same fiscal year in which due to
76 pay short-term loans or failure to make bond debt service or
77 other long-term debt payments when due, as a result of a lack of
78 funds.

79 (b) Failure to pay uncontested claims from creditors
80 within 90 days after the claim is presented, as a result of a
81 lack of funds.

82 (c) Failure to transfer at the appropriate time, due to
83 lack of funds:

84 1. Taxes withheld on the income of employees; or

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

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85 2. Employer and employee contributions for:

86 a. Federal social security; or

87 b. Any pension, retirement, or benefit plan of an
88 employee.

89 (d) Failure for one pay period to pay, due to lack of
90 funds:

91 1. Wages and salaries owed to employees; or

92 2. Retirement benefits owed to former employees.

93 (e) An unreserved or total fund balance or retained
94 earnings deficit, or unrestricted or total net assets deficit,
95 as reported on the balance sheet or statement of net assets on
96 the general purpose or fund financial statements, for which
97 sufficient resources of the local governmental entity, as
98 reported on the balance sheet or statement of net assets on the
99 general purpose or fund financial statements, are not available
100 to cover the deficit. Resources available to cover reported
101 deficits include net assets that are not otherwise restricted by
102 federal, state, or local laws, bond covenants, contractual
103 agreements, or other legal constraints. Fixed or capital assets,
104 the disposal of which would impair the ability of a local
105 governmental entity to carry out its functions, are not
106 considered resources available to cover reported deficits.

107 (2) A local governmental entity shall notify the Governor
108 and the Legislative Auditing Committee, a charter school shall
109 notify the charter school sponsor and the Legislative Auditing
110 Committee, a charter technical career center shall notify the
111 charter technical career center sponsor and the Legislative
112 Auditing Committee, and a district school board shall notify the
113 Commissioner of Education and the Legislative Auditing
114 Committee, when one or more of the conditions specified in
115 subsection (1) have occurred or will occur if action is not

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116 taken to assist the local governmental entity, charter school,
117 charter technical career center, or district school board. In
118 addition, any state agency must, within 30 days after a
119 determination that one or more of the conditions specified in
120 subsection (1) have occurred or will occur if action is not
121 taken to assist the local governmental entity, charter school,
122 charter technical career center, or district school board,
123 notify the Governor, charter school sponsor, charter technical
124 career center sponsor, or the Commissioner of Education, as
125 appropriate, and the Legislative Auditing Committee.

126 (4) (a) Upon notification that one or more of the
127 conditions in subsection (1) exist, the charter school sponsor
128 or the sponsor's designee and the Commissioner of Education
129 shall contact the charter school governing body to determine
130 what actions have been taken by the charter school governing
131 body to resolve the condition. The Commissioner of Education
132 ~~charter school sponsor~~ has the authority to require and approve
133 a financial recovery plan, to be prepared by the charter school
134 governing body, prescribing actions that will cause the charter
135 school to no longer be subject to this section. ~~The Department~~
136 ~~of Education shall establish guidelines for developing such~~
137 ~~plans.~~

138 (b) Upon notification that one or more of the conditions
139 in subsection (1) exist, the charter technical career center
140 sponsor or the sponsor's designee and the Commissioner of
141 Education shall contact the charter technical career center
142 governing body to determine what actions have been taken by the
143 charter technical career center governing body to resolve the
144 condition. The Commissioner of Education may require and approve
145 a financial recovery plan, to be prepared by the charter
146 technical career center governing body, prescribing actions that

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147 will cause the charter technical career center to no longer be
148 subject to this section.

149 (c) The Commissioner of Education shall determine if the
150 charter school or charter technical career center needs a
151 financial recovery plan to resolve the condition. If the
152 Commissioner of Education determines that a financial recovery
153 plan is needed, the charter school or charter technical career
154 center is considered to be in a state of financial emergency.

155
156 The Department of Education, with the involvement of sponsors,
157 charter schools, and charter technical career centers, shall
158 establish guidelines for developing such plans.

159 Section 5. Section 218.504, Florida Statutes, is amended
160 to read:

161 218.504 Cessation of state action.--The Governor or the
162 Commissioner of Education, as appropriate, has the authority to
163 terminate all state actions pursuant to ss. 218.50-218.504.

164 Cessation of state action must not occur until the Governor or
165 the Commissioner of Education, as appropriate, has determined
166 that:

167 (1) The local governmental entity, charter school, charter
168 technical career center, or district school board:

169 (a) Has established and is operating an effective
170 financial accounting and reporting system.

171 (b) Has resolved the conditions outlined in s. 218.503(1).

172 (2) None of the conditions outlined in s. 218.503(1)
173 exists.

174 Section 6. Paragraph (b) of subsection (5), paragraphs
175 (a), (b), and (g) of subsection (6), paragraph (a) of subsection
176 (7), paragraphs (g) through (q) of subsection (9), and
177 subsections (21) and (23) of section 1002.33, Florida Statutes,

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178 are amended, present subsection (24) of that section is
179 redesignated as subsection (25), and a new subsection (24) is
180 added to that section, to read:

181 1002.33 Charter schools.--

182 (5) SPONSOR; DUTIES.--

183 (b) Sponsor duties.--

184 1.a. The sponsor shall monitor and review the charter
185 school in its progress toward the goals established in the
186 charter.

187 b. The sponsor shall monitor the revenues and expenditures
188 of the charter school and perform the duties provided for in s.
189 1002.345.

190 c. The sponsor may approve a charter for a charter school
191 before the applicant has secured space, equipment, or personnel,
192 if the applicant indicates approval is necessary for it to raise
193 working funds.

194 d. The sponsor's policies shall not apply to a charter
195 school unless mutually agreed to by both the sponsor and the
196 charter school.

197 e. The sponsor shall ensure that the charter is innovative
198 and consistent with the state education goals established by s.
199 1000.03(5).

200 f. The sponsor shall ensure that the charter school
201 participates in the state's education accountability system. If
202 a charter school falls short of performance measures included in
203 the approved charter, the sponsor shall report such shortcomings
204 to the Department of Education.

205 g. The sponsor shall not be liable for civil damages under
206 state law for personal injury, property damage, or death
207 resulting from an act or omission of an officer, employee,
208 agent, or governing body of the charter school.

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209 h. The sponsor shall not be liable for civil damages under
210 state law for any employment actions taken by an officer,
211 employee, agent, or governing body of the charter school.

212 i. The sponsor's duties to monitor the charter school
213 shall not constitute the basis for a private cause of action.

214 j. The sponsor shall not impose additional reporting
215 requirements on a charter school without providing reasonable
216 and specific justification in writing to the charter school.

217 2. Immunity for the sponsor of a charter school under
218 subparagraph 1. applies only with respect to acts or omissions
219 not under the sponsor's direct authority as described in this
220 section.

221 3. Nothing contained in this paragraph shall be considered
222 a waiver of sovereign immunity by a district school board.

223 4. A community college may work with the school district
224 or school districts in its designated service area to develop
225 charter schools that offer secondary education. These charter
226 schools must include an option for students to receive an
227 associate degree upon high school graduation. District school
228 boards shall cooperate with and assist the community college on
229 the charter application. Community college applications for
230 charter schools are not subject to the time deadlines outlined
231 in subsection (6) and may be approved by the district school
232 board at any time during the year. Community colleges shall not
233 report FTE for any students who receive FTE funding through the
234 Florida Education Finance Program.

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

237 (a) A person or entity wishing to open a charter school
238 shall prepare and submit an application on a form prepared by

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239 the Department of Education, in consultation with the Florida
240 Schools of Excellence Commission, which that:

241 1. Demonstrates how the school will use the guiding
242 principles and meet the statutorily defined purpose of a charter
243 school.

244 2. Provides a detailed curriculum plan that illustrates
245 how students will be provided services to attain the Sunshine
246 State Standards.

247 3. Contains goals and objectives for improving student
248 learning and measuring that improvement. These goals and
249 objectives must indicate how much academic improvement students
250 are expected to show each year, how success will be evaluated,
251 and the specific results to be attained through instruction.

252 4. Describes the reading curriculum and differentiated
253 strategies that will be used for students reading at grade level
254 or higher and a separate curriculum and strategies for students
255 who are reading below grade level. A sponsor shall deny a
256 charter if the school does not propose a reading curriculum that
257 is consistent with effective teaching strategies that are
258 grounded in scientifically based reading research.

259 5. Contains an annual financial plan for each year
260 requested by the charter for operation of the school for up to 5
261 years. This plan must contain anticipated fund balances based on
262 revenue projections, a spending plan based on projected revenues
263 and expenses, and a description of controls that will safeguard
264 finances and projected enrollment trends.

265 6. Documents that the applicant has participated in the
266 training provided by the Department of Education.

267 (b) A sponsor shall receive and review all applications
268 for a charter school using an evaluation instrument developed by
269 the Department of Education. Beginning with the 2007-2008 school

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270 year, a sponsor shall receive and consider charter school
271 applications received on or before August 1 of each calendar
272 year for charter schools to be opened at the beginning of the
273 school district's next school year, or to be opened at a time
274 agreed to by the applicant and the sponsor. A sponsor may
275 receive applications later than this date if it chooses. A
276 sponsor may not charge an applicant for a charter any fee for
277 the processing or consideration of an application, and a sponsor
278 may not base its consideration or approval of an application
279 upon the promise of future payment of any kind.

280 1. In order to facilitate an accurate budget projection
281 process, a sponsor shall be held harmless for FTE students who
282 are not included in the FTE projection due to approval of
283 charter school applications after the FTE projection deadline.
284 In a further effort to facilitate an accurate budget projection,
285 within 15 calendar days after receipt of a charter school
286 application, a sponsor shall report to the Department of
287 Education the name of the applicant entity, the proposed charter
288 school location, and its projected FTE.

289 2. In order to ensure fiscal responsibility, an
290 application for a charter school shall include a full accounting
291 of expected assets, a projection of expected sources and amounts
292 of income, including income derived from projected student
293 enrollments and from community support, and an expense
294 projection that includes full accounting of the costs of
295 operation, including start-up costs.

296 3. A sponsor shall by a majority vote approve or deny an
297 application no later than 60 calendar days after the application
298 is received, unless the sponsor and the applicant mutually agree
299 in writing to temporarily postpone the vote to a specific date,
300 at which time the sponsor shall by a majority vote approve or

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301 deny the application. If the sponsor fails to act on the
302 application, an applicant may appeal to the State Board of
303 Education as provided in paragraph (c). If an application is
304 denied, the sponsor shall, within 10 calendar days, articulate
305 in writing the specific reasons, based upon good cause,
306 supporting its denial of the charter application and shall
307 provide the letter of denial and supporting documentation to the
308 applicant and to the Department of Education supporting those
309 reasons.

310 4. For budget projection purposes, the sponsor shall
311 report to the Department of Education the approval or denial of
312 a charter application within 10 calendar days after such
313 approval or denial. In the event of approval, the report to the
314 Department of Education shall include the final projected FTE
315 for the approved charter school.

316 5. Upon approval of a charter application, the initial
317 startup shall commence with the beginning of the public school
318 calendar for the district in which the charter is granted unless
319 the sponsor allows a waiver of this provision for good cause.

320 (g)1. The Department of Education shall offer or arrange
321 for training and technical assistance to charter school
322 applicants in developing business plans and estimating costs and
323 income. This assistance shall address estimating startup costs,
324 projecting enrollment, and identifying the types and amounts of
325 state and federal financial assistance the charter school will
326 be eligible to receive. The department may provide other
327 technical assistance to an applicant upon written request.

328 2. A charter school applicant must participate in the
329 training provided by the Department of Education prior to filing
330 an application. The training shall include instruction in
331 accurate financial planning and good business practices.

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332 (7) CHARTER.--The major issues involving the operation of
333 a charter school shall be considered in advance and written into
334 the charter. The charter shall be signed by the governing body
335 of the charter school and the sponsor, following a public
336 hearing to ensure community input.

337 (a) The charter shall address, and criteria for approval
338 of the charter shall be based on:

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

341 2. The focus of the curriculum, the instructional methods
342 to be used, any distinctive instructional techniques to be
343 employed, and identification and acquisition of appropriate
344 technologies needed to improve educational and administrative
345 performance which include a means for promoting safe, ethical,
346 and appropriate uses of technology which comply with legal and
347 professional standards. The charter shall ensure that reading is
348 a primary focus of the curriculum and that resources are
349 provided to identify and provide specialized instruction for
350 students who are reading below grade level. The curriculum and
351 instructional strategies for reading must be consistent with the
352 Sunshine State Standards and grounded in scientifically based
353 reading research.

354 3. The current incoming baseline standard of student
355 academic achievement, the outcomes to be achieved, and the
356 method of measurement that will be used. The criteria listed in
357 this subparagraph shall include a detailed description for each
358 of the following:

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

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361 b. How these baseline rates will be compared to rates of
362 academic progress achieved by these same students while
363 attending the charter school.

364 c. To the extent possible, how these rates of progress
365 will be evaluated and compared with rates of progress of other
366 closely comparable student populations.

367
368 The district school board is required to provide academic
369 student performance data to charter schools for each of their
370 students coming from the district school system, as well as
371 rates of academic progress of comparable student populations in
372 the district school system.

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

382 5. In secondary charter schools, a method for determining
383 that a student has satisfied the requirements for graduation in
384 s. 1003.43.

385 6. A method for resolving conflicts between the governing
386 body of the charter school and the sponsor.

387 7. The admissions procedures and dismissal procedures,
388 including the school's code of student conduct.

389 8. The ways by which the school will achieve a
390 racial/ethnic balance reflective of the community it serves or

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391 within the racial/ethnic range of other public schools in the.
392 same school district.

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

405 10. The asset and liability projections required in the
406 application which are incorporated into the charter and which
407 shall be compared with information provided in the annual report
408 of the charter school. ~~The charter shall ensure that, if a~~
409 ~~charter school internal audit or annual financial audit reveals~~
410 ~~a state of financial emergency as defined in s. 218.503 or~~
411 ~~deficit financial position, the auditors are required to notify~~
412 ~~the charter school governing board, the sponsor, and the~~
413 ~~Department of Education. The internal auditor shall report such~~
414 ~~findings in the form of an exit interview to the principal or~~
415 ~~the principal administrator of the charter school and the chair~~
416 ~~of the governing board within 7 working days after finding the~~
417 ~~state of financial emergency or deficit position. A final report~~
418 ~~shall be provided to the entire governing board, the sponsor,~~
419 ~~and the Department of Education within 14 working days after the~~
420 ~~exit interview. When a charter school is in a state of financial~~
421 ~~emergency, the charter school shall file a detailed financial~~

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422 ~~recovery plan with the sponsor. The department, with the~~
423 ~~involvement of both sponsors and charter schools, shall~~
424 ~~establish guidelines for developing such plans.~~

425 11. A description of procedures that identify various
426 risks and provide for a comprehensive approach to reduce the
427 impact of losses; plans to ensure the safety and security of
428 students and staff; plans to identify, minimize, and protect
429 others from violent or disruptive student behavior; and the
430 manner in which the school will be insured, including whether or
431 not the school will be required to have liability insurance,
432 and, if so, the terms and conditions thereof and the amounts of
433 coverage.

434 12. The term of the charter which shall provide for
435 cancellation of the charter if insufficient progress has been
436 made in attaining the student achievement objectives of the
437 charter and if it is not likely that such objectives can be
438 achieved before expiration of the charter. The initial term of a
439 charter shall be for 4 or 5 years. In order to facilitate access
440 to long-term financial resources for charter school
441 construction, charter schools that are operated by a
442 municipality or other public entity as provided by law are
443 eligible for up to a 15-year charter, subject to approval by the
444 district school board. A charter lab school is eligible for a
445 charter for a term of up to 15 years. In addition, to facilitate
446 access to long-term financial resources for charter school
447 construction, charter schools that are operated by a private,
448 not-for-profit, s. 501(c)(3) status corporation are eligible for
449 up to a 15-year charter, subject to approval by the district
450 school board. Such long-term charters remain subject to annual
451 review and may be terminated during the term of the charter, but
452 only according to the provisions set forth in subsection (8).

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453 13. The facilities to be used and their location.

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

457 15. The governance structure of the school, including the
458 status of the charter school as a public or private employer as
459 required in paragraph (12) (i).

460 16. A timetable for implementing the charter which
461 addresses the implementation of each element thereof and the
462 date by which the charter shall be awarded in order to meet this
463 timetable.

464 17. In the case of an existing public school being
465 converted to charter status, alternative arrangements for
466 current students who choose not to attend the charter school and
467 for current teachers who choose not to teach in the charter
468 school after conversion in accordance with the existing
469 collective bargaining agreement or district school board rule in
470 the absence of a collective bargaining agreement. However,
471 alternative arrangements shall not be required for current
472 teachers who choose not to teach in a charter lab school, except
473 as authorized by the employment policies of the state university
474 which grants the charter to the lab school.

475 18. Full disclosure of the identity of all relatives
476 employed by the charter school who are related to the charter
477 school owner, president, chairperson of the governing board of
478 directors, superintendent, governing board member, principal,
479 assistant principal, or any other person employed by the charter
480 school having equivalent decisionmaking authority. For the
481 purpose of this subparagraph, the term "relative" means father,
482 mother, son, daughter, brother, sister, husband, wife, father-
483 in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-

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484 law, sister-in-law, stepfather, stepmother, stepson,
485 stepdaughter, stepbrother, stepsister, half brother, or half
486 sister.

487 (9) CHARTER SCHOOL REQUIREMENTS.--

488 ~~(g) A charter school shall provide for an annual financial~~
489 ~~audit in accordance with s. 218.39. Financial audits that reveal~~
490 ~~a state of financial emergency as defined in s. 218.503 and are~~
491 ~~conducted by a certified public accountant or auditor in~~
492 ~~accordance with s. 218.39 shall be provided to the governing~~
493 ~~body of the charter school within 7 working days after finding~~
494 ~~that a state of financial emergency exists. When a charter~~
495 ~~school is found to be in a state of financial emergency by a~~
496 ~~certified public accountant or auditor, the charter school must~~
497 ~~file a detailed financial recovery plan with the sponsor within~~
498 ~~30 days after receipt of the audit.~~

499 (g)-(h) In order to provide financial information that is
500 comparable to that reported for other public schools, charter
501 schools are to maintain all financial records which constitute
502 their accounting system:

503 1. In accordance with the accounts and codes prescribed in
504 the most recent issuance of the publication titled "Financial
505 and Program Cost Accounting and Reporting for Florida Schools";
506 or

507 2. At the discretion of the charter school governing
508 board, a charter school may elect to follow generally accepted
509 accounting standards for not-for-profit organizations, but must
510 reformat this information for reporting according to this
511 paragraph.

512
513 Charter schools shall provide annual financial report and
514 program cost report information in the state-required formats

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515 for inclusion in district reporting in compliance with s.
516 1011.60(1). Charter schools that are operated by a municipality
517 or are a component unit of a parent nonprofit organization may
518 use the accounting system of the municipality or the parent but
519 must reformat this information for reporting according to this
520 paragraph. A charter school shall provide quarterly financial
521 statements to the sponsor.

522 ~~(h)(i)~~ The governing board of the charter school shall
523 annually adopt and maintain an operating budget.

524 ~~(i)(j)~~ The governing body of the charter school shall
525 exercise continuing oversight over charter school operations.

526 ~~(j)(k)~~ The governing body of the charter school shall be
527 responsible for:

528 1. Ensuring that the charter school has retained the
529 services of a certified public accountant or auditor for the
530 annual financial audit, pursuant to s. 1002.345(2) paragraph
531 ~~(g)~~, who shall submit the report to the governing body.

532 2. Reviewing and approving the audit report, including
533 audit findings and recommendations for the financial recovery
534 plan.

535 3.a. Performing the duties provided for in s. 1002.345,
536 including monitoring a corrective action plan.

537 b. Monitoring a financial recovery plan in order to ensure
538 compliance.

539 4. Participating in governance training approved by the
540 department that must include government in the sunshine,
541 conflicts of interest, ethics, and financial responsibility.

542 ~~(k)(l)~~ The governing body of the charter school shall
543 report its progress annually to its sponsor, which shall forward
544 the report to the Commissioner of Education at the same time as
545 other annual school accountability reports. The Department of

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546 Education shall develop a uniform, online annual accountability
547 report to be completed by charter schools. This report shall be
548 easy to utilize and contain demographic information, student
549 performance data, and financial accountability information. A
550 charter school shall not be required to provide information and
551 data that is duplicative and already in the possession of the
552 department. The Department of Education shall include in its
553 compilation a notation if a school failed to file its report by
554 the deadline established by the department. The report shall
555 include at least the following components:

556 1. Student achievement performance data, including the
557 information required for the annual school report and the
558 education accountability system governed by ss. 1008.31 and
559 1008.345. Charter schools are subject to the same accountability
560 requirements as other public schools, including reports of
561 student achievement information that links baseline student data
562 to the school's performance projections identified in the
563 charter. The charter school shall identify reasons for any
564 difference between projected and actual student performance.

565 2. Financial status of the charter school which must
566 include revenues and expenditures at a level of detail that
567 allows for analysis of the ability to meet financial obligations
568 and timely repayment of debt.

569 3. Documentation of the facilities in current use and any
570 planned facilities for use by the charter school for instruction
571 of students, administrative functions, or investment purposes.

572 4. Descriptive information about the charter school's
573 personnel, including salary and benefit levels of charter school
574 employees, the proportion of instructional personnel who hold
575 professional or temporary certificates, and the proportion of
576 instructional personnel teaching in-field or out-of-field.

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577 ~~(l)-(m)~~ A charter school shall not levy taxes or issue
578 bonds secured by tax revenues.

579 ~~(m)-(n)~~ A charter school shall provide instruction for at
580 least the number of days required by law for other public
581 schools, and may provide instruction for additional days.

582 ~~(n)-(o)~~ The director and a representative of the governing
583 body of a charter school that has received a school grade of "D"
584 under s. 1008.34(2) shall appear before the sponsor or the
585 sponsor's staff at least once a year to present information
586 concerning each contract component having noted deficiencies.
587 The sponsor shall communicate at the meeting, and in writing to
588 the director, the services provided to the school to help the
589 school address its deficiencies.

590 ~~(o)-(p)~~ Upon notification that a charter school receives a
591 school grade of "D" for 2 consecutive years or a school grade of
592 "F" under s. 1008.34(2), the charter school sponsor or the
593 sponsor's staff shall require the director and a representative
594 of the governing body to submit to the sponsor for approval a
595 school improvement plan to raise student achievement and to
596 implement the plan. The sponsor has the authority to approve a
597 school improvement plan that the charter school will implement
598 in the following school year. The sponsor may also consider the
599 State Board of Education's recommended action pursuant to s.
600 1008.33(1) as part of the school improvement plan. The
601 Department of Education shall offer technical assistance and
602 training to the charter school and its governing body and
603 establish guidelines for developing, submitting, and approving
604 such plans.

605 1. If the charter school fails to improve its student
606 performance from the year immediately prior to the
607 implementation of the school improvement plan, the sponsor shall

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508 place the charter school on probation and shall require the
609 charter school governing body to take one of the following
610 corrective actions:

611 a. Contract for the educational services of the charter
612 school;

613 b. Reorganize the school at the end of the school year
614 under a new director or principal who is authorized to hire new
615 staff and implement a plan that addresses the causes of
616 inadequate progress; or

617 c. Reconstitute the charter school.

618 2. A charter school that is placed on probation shall
619 continue the corrective actions required under subparagraph 1.
620 until the charter school improves its student performance from
621 the year prior to the implementation of the school improvement
622 plan.

623 3. Notwithstanding any provision of this paragraph, the
624 sponsor may terminate the charter at any time pursuant to the
625 provisions of subsection (8).

626 ~~(p)-(q)~~ The director and a representative of the governing
627 body of a graded charter school that has submitted a school
628 improvement plan or has been placed on probation under paragraph
629 ~~(o)~~ ~~(p)~~ shall appear before the sponsor or the sponsor's staff
630 at least once a year to present information regarding the
631 corrective strategies that are being implemented by the school
632 pursuant to the school improvement plan. The sponsor shall
633 communicate at the meeting, and in writing to the director, the
634 services provided to the school to help the school address its
635 deficiencies.

636 (21) PUBLIC INFORMATION ON CHARTER SCHOOLS.--

637 (a) The Department of Education shall provide information
638 to the public, directly and through sponsors, both on how to

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639 form and operate a charter school and on how to enroll in
640 charter schools once they are created. This information shall
641 include a standard application format, charter format, and
642 charter renewal format which shall include the information
643 specified in subsection (7) and shall be developed by consulting
644 and negotiating with both school districts and charter schools
645 before implementation. These formats shall be used ~~as guidelines~~
646 by charter school sponsors.

647 (b)1. The Department of Education shall report student
648 assessment data pursuant to s. 1008.34(3)(b) which is reported
649 to schools that receive a school grade pursuant to s. 1008.34 or
650 student assessment data pursuant to s. 1008.341(3) which is
651 reported to alternative schools that receive a school
652 improvement rating pursuant to s. 1008.341 to each charter
653 school that:

654 a. Does not receive a school grade pursuant to s. 1008.34
655 or a school improvement rating pursuant to s. 1008.341; and

656 b. Serves at least 10 students who are tested on the
657 statewide assessment test pursuant to s. 1008.22.

658 2. The charter school shall report the information in
659 subparagraph 1. to each parent of a student at the charter
660 school, the parent of a child on a waiting list for the charter
661 school, the district in which the charter school is located, and
662 the governing board of the charter school. This paragraph does
663 not abrogate the provisions of s. 1002.22, relating to student
664 records, and the requirements of 20 U.S.C. s. 1232g, the Family
665 Educational Rights and Privacy Act.

666 3.a. Pursuant to this paragraph, the Department of
667 Education shall compare the charter school student performance
668 data for each charter school in subparagraph 1. with the student
669 performance data in traditional public schools in the district

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670 in which the charter school is located and other charter schools
671 in the state. For charter alternative schools, the department
672 shall compare the student performance data described in this
673 paragraph with all alternative schools in the state. The
674 comparative data shall be provided by the following grade
675 groupings:

676 (I) Grades 3 through 5.

677 (II) Grades 6 through 8.

678 (III) Grades 9 through 11.

679 b. Each charter school shall provide the information in
680 this paragraph on its Internet website and also provide notice
681 to the public in a manner that notifies the community at large,
682 as provided by rules of the State Board of Education. The State
683 Board of Education shall adopt rules to administer the notice
684 requirements of this subparagraph. The website shall include,
685 through links or actual content, other information related to
686 school performance.

687 (23) ANALYSIS OF CHARTER SCHOOL PERFORMANCE.--Upon receipt
688 of the annual report required by paragraph (9)(k) ~~(9)(1)~~, the
689 Department of Education shall provide to the State Board of
690 Education, the Commissioner of Education, the Governor, the
691 President of the Senate, and the Speaker of the House of
692 Representatives an analysis and comparison of the overall
693 performance of charter school students, to include all students
694 whose scores are counted as part of the statewide assessment
695 program, versus comparable public school students in the
696 district as determined by the statewide assessment program
697 currently administered in the school district, and other
698 assessments administered pursuant to s. 1008.22(3).

699 (24) RESTRICTION ON EMPLOYMENT OF RELATIVES.--

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700 (a) This subsection applies to charter school personnel in
701 a charter school operated by a private entity. Charter school
702 personnel in schools operated by a municipality or other public
703 entity are subject to s. 112.3135.

704 (b) As used in this subsection, the term:

705 1. "Charter school personnel" means a charter school
706 owner, president, chairperson of the governing board of
707 directors, superintendent, governing board member, principal,
708 assistant principal, or any other person employed by the charter
709 school having equivalent decisionmaking authority and in whom is
710 vested the authority, or to whom the authority has been
711 delegated, to appoint, employ, promote, or advance individuals
712 or to recommend individuals for appointment, employment,
713 promotion, or advancement in connection with employment in a
714 charter school, including the authority as a member of a
715 governing body of a charter school to vote on the appointment,
716 employment, promotion, or advancement of individuals.

717 2. "Relative" means father, mother, son, daughter,
718 brother, sister, husband, wife, father-in-law, mother-in-law,
719 son-in-law, daughter-in-law, brother-in-law, sister-in-law,
720 stepfather, stepmother, stepson, stepdaughter, stepbrother,
721 stepsister, half brother, or half sister.

722 3. "Supervise" shall mean the appointment, employment,
723 promotion, or advancement of an individual, or recommending the
724 appointment, employment, promotion, or advancement of an
725 individual.

726 (c) Charter school personnel may not supervise a relative
727 in the charter school where the personnel serve, unless the
728 governing board of the charter school unanimously waives this
729 provision. Such waiver shall be annually reported by the

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730 governing board to the charter school's sponsor and shall be
731 included in the report under (9) (k).

732 (25) STANDARDS OF CONDUCT AND FINANCIAL DISCLOSURE.--

733 (a) A member of a governing board of a charter school,
734 including a charter school operated by a private entity, is
735 subject to the provisions of ss. 112.313(2), (3), (7), (12), and
736 (15) and 112.3143(3).

737 (b) A member of a governing board of a charter school
738 operated by a municipality or other public entity is subject to
739 the provisions of s. 112.3144, relating to the disclosure of
740 financial interests.

741 Section 7. Subsection (5), paragraph (a) of subsection
742 (7), paragraph (a) of subsection (11), and subsection (12) of
743 section 1002.335, Florida Statutes, are amended to read:

744 1002.335 Florida Schools of Excellence Commission.--

745 (5) CHARTERING AUTHORITY.--

746 (a) A charter school applicant may submit an application
747 to the commission only if the school district in which the FSE
748 charter school is to be located has not retained exclusive
749 authority to authorize charter schools as provided in paragraph
750 (e). If a district school board has not retained exclusive
751 authority to authorize charter schools as provided in paragraph
752 (e), the district school board and the commission shall have
753 concurrent authority to authorize charter schools and FSE
754 charter schools, respectively, to be located within the
755 geographic boundaries of the school district. The district
756 school board shall monitor and oversee all charter schools
757 authorized by the district school board pursuant to s. 1002.33.
758 The commission shall monitor and oversee all FSE charter schools
759 sponsored by the commission pursuant to subsection (4).

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760 (b) Paragraph (e) may not be construed to eliminate the
761 ability of a district school board to authorize charter schools
762 pursuant to s. 1002.33. A district school board shall retain the
763 authority to reauthorize and to oversee any charter school that
764 it has authorized, except with respect to any charter school
765 that is converted to an FSE charter school under this section.

766 (c) For fiscal year 2008-2009 and every 4 fiscal years
767 thereafter ~~2007-2008 and for each fiscal year thereafter~~, a
768 district school board may seek ~~to retain~~ exclusive authority to
769 authorize charter schools within the geographic boundaries of
770 the school district by presenting to the State Board of
771 Education, on or before March 1 of the fiscal year prior to that
772 for which the exclusive authority is to apply, a written
773 resolution adopted by the district school board indicating the
774 intent to seek ~~retain~~ exclusive authority to authorize charter
775 schools. ~~A district school board may seek to retain the~~
776 ~~exclusive authority to authorize charter schools by presenting~~
777 ~~to the state board the written resolution on or before a date 60~~
778 ~~days after establishment of the commission.~~ The written
779 resolution shall be accompanied by a written description
780 addressing the elements described in paragraph (e). The district
781 school board shall provide a complete copy of the resolution,
782 including the description, to each charter school authorized by
783 the district school board on or before the date it submits the
784 resolution to the state board.

785 (d) A party may challenge the grant of exclusive authority
786 made by the State Board of Education pursuant to paragraph (e)
787 by filing with the state board a notice of challenge within 30
788 days after the state board grants exclusive authority. The
789 notice shall be accompanied by a specific written description of
790 the basis for the challenge. The challenging party, at the time

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791 of filing notice with the state board, shall provide a copy of
792 the notice of challenge to the district school board that has
793 been granted exclusive authority. The state board shall permit
794 the district school board the opportunity to appear and respond
795 in writing to the challenge. The state board shall make a
796 determination upon the challenge within 60 days after receiving
797 the notice of challenge.

798 (e) The State Board of Education shall grant to a district
799 school board exclusive authority to authorize charter schools
800 within the geographic boundaries of the school district if the
801 state board determines, after adequate notice, in a public
802 hearing, and after receiving input from any charter school
803 authorized by the district school board, that the district
804 school board has provided fair and equitable treatment to its
805 charter schools during the 4 years prior to the district school
806 board's submission of the resolution described in paragraph (c).
807 The state board's review of the resolution shall, at a minimum,
808 include consideration of the following:

- 809 1. Compliance with the provisions of s. 1002.33.
- 810 2. Compliance with full and accurate accounting practices
811 and charges for central administrative overhead costs.
- 812 3. Compliance with requirements allowing a charter school,
813 at its discretion, to purchase certain services or a combination
814 of services at actual cost to the district.
- 815 4. The absence of a district school board moratorium
816 regarding charter schools or the absence of any districtwide
817 charter school enrollment limits.
- 818 5. Compliance with valid orders of the state board.
- 819 6. The provision of assistance to charter schools to meet
820 their facilities needs by including those needs in local bond
821 issues or otherwise providing available land and facilities that

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822 are comparable to those provided to other public school students
823 in the same grade levels within the school district.

824 7. The distribution to charter schools authorized by the
825 district school board of a pro rata share of federal and state
826 grants received by the district school board, except for any
827 grant received for a particular purpose which, by its express
828 terms, is intended to benefit a student population not able to
829 be served by, or a program not able to be offered at, a charter
830 school that did not receive a proportionate share of such grant
831 proceeds.

832 8. The provision of adequate staff and other resources to
833 serve charter schools authorized by the district school board,
834 which services are provided by the district school board at a
835 cost to the charter schools that does not exceed their actual
836 cost to the district school board.

837 9. The lack of a policy or practice of imposing individual
838 charter school enrollment limits, except as otherwise provided
839 by law.

840 10. The provision of an adequate number of educational
841 choice programs to serve students exercising their rights to
842 transfer pursuant to the "No Child Left Behind Act of 2001,"
843 Pub. L. No. 107-110, and a history of charter school approval
844 that encourages chartering.

845 (f) The decision of the State Board of Education pursuant
846 to paragraph (e) shall be effective for 4 fiscal years, shall
847 not be subject to the provisions of chapter 120, and shall be a
848 final action subject to judicial review by the district court of
849 appeal.

850 (g) For district school boards that have no discernible
851 history of authorizing charter schools, the State Board of
852 Education may not grant exclusive authority unless the district

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853 school board demonstrates that no approvable application has
854 come before the district school board.

855 ~~(h) A grant of exclusive authority by the State Board of~~
856 ~~Education shall continue so long as a district school board~~
857 ~~continues to comply with this section and has presented a~~
858 ~~written resolution to the state board as set forth in paragraph~~
859 ~~(e).~~

860 (h) ~~(i)~~ Notwithstanding any other provision of this section
861 to the contrary, a district school board may permit the
862 establishment of one or more FSE charter schools within the
863 geographic boundaries of the school district by adopting a
864 favorable resolution and submitting the resolution to the State
865 Board of Education. The resolution shall be effective until it
866 is rescinded by resolution of the district school board.

867 (7) COSPONSOR AGREEMENT.--

868 (a) Upon approval of a cosponsor, the commission and the
869 cosponsor shall enter into an agreement that defines the
870 cosponsor's rights and obligations and includes the following:

871 1. An explanation of the personnel, contractual and
872 interagency relationships, and potential revenue sources
873 referenced in the application as required in paragraph (6)(c).

874 2. Incorporation of the requirements of equal access for
875 all students, including any plans to provide food service or
876 transportation reasonably necessary to provide access to as many
877 students as possible.

878 3. Incorporation of the requirement to serve low-income,
879 low-performing, gifted, or underserved student populations.

880 4. An explanation of the academic and financial goals and
881 expected outcomes for the cosponsor's charter schools and the
882 method and plans by which they will be measured and achieved as
883 referenced in the application.

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884 5. The conflict-of-interest policies referenced in the
885 application.

886 6. An explanation of the disposition of facilities and
887 assets upon termination and dissolution of a charter school
888 approved by the cosponsor.

889 7.a. A provision requiring the cosponsor to annually
890 appear before the commission and provide a report as to the
891 information provided pursuant to s. 1002.33(9)(k) ~~s.~~
892 ~~1002.33(9)(l)~~ for each of its charter schools.

893 b. A provision requiring the cosponsor to perform the
894 duties provided for in s. 1002.345.

895 c. A provision requiring the governing board to perform
896 the duties provided for in s. 1002.345, including monitoring the
897 corrective action plan.

898 8. A provision requiring that the cosponsor report the
899 student enrollment in each of its sponsored charter schools to
900 the district school board of the county in which the school is
901 located.

902 9. A provision requiring that the cosponsor work with the
903 commission to provide the necessary reports to the State Board
904 of Education.

905 10. Any other reasonable terms deemed appropriate by the
906 commission given the unique characteristics of the cosponsor.

907 (11) APPLICATION OF CHARTER SCHOOL STATUTE.--

908 (a) The provisions of s. 1002.33(7)-(12), (14), and (16)-
909 (19), (21)(b), (24), and (25) shall apply to the commission and
910 the cosponsors and charter schools approved pursuant to this
911 section.

912 (12) ACCESS TO INFORMATION.--The commission shall provide
913 maximum access to information to all parents in the state. It
914 shall maintain information systems, including, but not limited

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915 to, a user-friendly Internet website, that will provide
916 information and data necessary for parents to make informed
917 decisions, including a link to the information provided in s.
918 1002.33(21)(b)3.b. At a minimum, the commission must provide
919 parents with information on its accountability standards, links
920 to schools of excellence throughout the state, and public
921 education programs available in the state.

922 Section 8. Subsections (4) and (5), paragraphs (d) and (f)
923 of subsection (6), paragraph (c) of subsection (10), and
924 subsection (13) of section 1002.34, Florida Statutes, are
925 amended to read:

926 1002.34 Charter technical career centers.--

927 (4) CHARTER.--A sponsor may designate centers as provided
928 in this section. An application to establish a center may be
929 submitted by a sponsor or another organization that is
930 determined, by rule of the State Board of Education, to be
931 appropriate. However, an independent school is not eligible for
932 status as a center. The charter must be signed by the governing
933 body of the center and the sponsor, and must be approved by the
934 district school board and community college board of trustees in
935 whose geographic region the facility is located. If a charter
936 technical career center is established by the conversion to
937 charter status of a public technical center formerly governed by
938 a district school board, the charter status of that center takes
939 precedence in any question of governance. The governance of the
940 center or of any program within the center remains with its
941 board of directors unless the board agrees to a change in
942 governance or its charter is revoked as provided in subsection
943 (15). Such a conversion charter technical career center is not
944 affected by a change in the governance of public technical
945 centers or of programs within other centers that are or have

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946 been governed by district school boards. A charter technical
947 career center, or any program within such a center, that was
948 governed by a district school board and transferred to a
949 community college prior to the effective date of this act is not
950 affected by this provision. An applicant who wishes to establish
951 a center must submit to the district school board or community
952 college board of trustees, or a consortium of one or more of
953 each, an application on a form developed by the Department of
954 Education which ~~that~~ includes:

955 (a) The name of the proposed center.

956 (b) The proposed structure of the center, including a list
957 of proposed members of the board of directors or a description
958 of the qualifications for and method of their appointment or
959 election.

960 (c) The workforce development goals of the center, the
961 curriculum to be offered, and the outcomes and the methods of
962 assessing the extent to which the outcomes are met.

963 (d) The admissions policy and criteria for evaluating the
964 admission of students.

965 (e) A description of the staff responsibilities and the
966 proposed qualifications of the teaching staff.

967 (f) A description of the procedures to be implemented to
968 ensure significant involvement of representatives of business
969 and industry in the operation of the center.

970 (g) A method for determining whether a student has
971 satisfied the requirements for graduation specified in s.
972 1003.43 and for completion of a postsecondary certificate or
973 degree.

974 (h) A method for granting secondary and postsecondary
975 diplomas, certificates, and degrees.

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976 (i) A description of and address for the physical facility
977 in which the center will be located.

978 (j) A method of resolving conflicts between the governing
979 body of the center and the sponsor and between consortium
980 members, if applicable.

981 (k) A method for reporting student data as required by law
982 and rule.

983 (l) A statement that the applicant has participated in the
984 training provided by the Department of Education.

985 (m) The identity of all relatives employed by the charter
986 technical career center who are related to the center owner,
987 president, chairperson of the governing board of directors,
988 superintendent, governing board member, principal, assistant
989 principal, or any other person employed by the center who has
990 equivalent decisionmaking authority. As used in this paragraph,
991 the term "relative" means father, mother, son, daughter,
992 brother, sister, husband, wife, father-in-law, mother-in-law,
993 son-in-law, daughter-in-law, brother-in-law, sister-in-law,
994 stepfather, stepmother, stepson, stepdaughter, stepbrother,
995 stepsister, half brother, or half sister.

996 (n)-(1) Other information required by the district school
997 board or community college board of trustees.

998
999 Students at a center must meet the same testing and academic
1000 performance standards as those established by law and rule for
1001 students at public schools and public technical centers. The
1002 students must also meet any additional assessment indicators
1003 that are included within the charter approved by the district
1004 school board or community college board of trustees.

1005 (5) APPLICATION.--An application to establish a center
1006 must be submitted by February 1 of the year preceding the school

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1007 year in which the center will begin operation. The sponsor must
1008 review the application using an evaluation instrument developed
1009 by the Department of Education and make a final decision on
1010 whether to approve the application and grant the charter by
1011 March 1, and may condition the granting of a charter on the
1012 center's taking certain actions or maintaining certain
1013 conditions. Such actions and conditions must be provided to the
1014 applicant in writing. The district school board or community
1015 college board of trustees is not required to issue a charter to
1016 any person.

1017 (6) SPONSOR.--A district school board or community college
1018 board of trustees or a consortium of one or more of each may
1019 sponsor a center in the county in which the board has
1020 jurisdiction.

1021 (d) 1. The Department of Education shall offer or arrange
1022 for training and technical assistance to applicants in
1023 developing business plans and estimating costs and income. This
1024 assistance shall address estimating startup costs, projecting
1025 enrollment, and identifying the types and amounts of state and
1026 federal financial assistance the center will be eligible to
1027 receive. The training shall include instruction in accurate
1028 financial planning and good business practices.

1029 2. An applicant must participate in the training provided
1030 by the Department of Education prior to filing an application.
1031 The Department of Education may provide technical assistance to
1032 an applicant upon written request.

1033 (f) The sponsor shall monitor and review the center's
1034 progress toward charter goals and shall monitor the center's
1035 revenues and expenditures. The sponsor shall perform the duties
1036 provided for in s. 1002.345.

1037 (10) EXEMPTION FROM STATUTES.--

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1038 (c) A center must comply with the antidiscrimination
1039 provisions of s. 1000.05 and 1002.33(24), relating to the
1040 employment of relatives.

1041 (13) BOARD OF DIRECTORS AUTHORITY.--The board of directors
1042 of a center may decide matters relating to the operation of the
1043 school, including budgeting, curriculum, and operating
1044 procedures, subject to the center's charter. The board of
1045 directors is responsible for performing the duties provided for
1046 in s. 1002.345, including monitoring the corrective action plan.
1047 The board of directors must comply with the provisions of s.
1048 1002.33(24).

1049 Section 9. Section 1002.345, Florida Statutes, is created
1050 to read:

1051 1002.345 Determination of material financial weaknesses
1052 and financial emergencies for charter schools and charter
1053 technical career centers.--This section applies to charter
1054 schools operating pursuant to ss. 1002.33 and 1002.335 and to
1055 charter technical career centers operating pursuant to s.
1056 1002.34.

1057 (1) MATERIAL FINANCIAL WEAKNESS; REQUIREMENTS.--

1058 (a) A charter school and a charter technical career center
1059 shall be subject to an expedited review by the sponsor when any
1060 one of the following conditions occurs:

1061 1. An end-of-year financial deficit greater than the
1062 school's combined cash and accounts receivable balances.

1063 2. A substantial decline in student enrollment without a
1064 commensurate percentage reduction in expenses. A substantial
1065 decline is a decline of greater than 25 percent.

1066 3. An outstanding debt in excess of the land, property,
1067 and equipment balances.

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1068 4. Failure to meet financial reporting requirements
1069 pursuant to s. 1002.33(9), s. 1002.335(7)(a)7., or s.
1070 1002.34(14).

1071 5. Inadequate financial controls or other adverse
1072 financial conditions not corrected in 120 days as identified
1073 through an annual audit conducted pursuant to s. 218.39.

1074 6. Negative financial findings cited in reports by the
1075 Auditor General or the Office of Program Policy Analysis and
1076 Government Accountability.

1077 (b) A sponsor shall notify the governing board within 7
1078 working days when one or more of the conditions specified in
1079 paragraph (a) occur.

1080 (c) The governing board and the sponsor shall develop a
1081 corrective action plan and file the plan with the Commissioner
1082 of Education and the Florida Schools of Excellence Commission
1083 within 30 working days. If the governing board and the sponsor
1084 are unable to agree on a corrective action plan, the State Board
1085 of Education shall determine the components of the plan. The
1086 governing board shall implement the plan.

1087 (d) The governing board shall include the corrective
1088 action plan and the status of its implementation in the annual
1089 progress report to the sponsor that is required under s.
1090 1002.33(9)(k), s. 1002.335(7)(a)7., or s. 1002.34(14).

1091 (e) If the governing board fails to implement the
1092 corrective action plan within 1 year, the State Board of
1093 Education shall prescribe any steps necessary for the charter
1094 school or the charter technical career center to comply with
1095 state requirements.

1096 (f) The chair of the governing board shall annually appear
1097 before the State Board of Education and report on the
1098 implementation of the State Board of Education's requirements.

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1099 (2) FINANCIAL EMERGENCY; DEFICIT FUND BALANCE; DEFICIT NET
1100 ASSETS; REQUIREMENTS.--

1101 (a) A charter school and a charter technical career center
1102 shall provide for a certified public accountant or auditor to
1103 conduct an annual financial audit in accordance with s. 218.39.

1104 (b) The charter shall ensure that, if an annual financial
1105 audit of a charter school or charter technical career center
1106 reveals that one or more of the conditions in s. 218.503(1) have
1107 occurred or will occur if action is not taken or if a charter
1108 school or charter technical career center has a deficit fund
1109 balance or deficit net assets, the auditor must notify the
1110 governing board of the charter school or charter technical
1111 career center, as appropriate, the sponsor, and the Commissioner
1112 of Education.

1113 (c) When a financial audit conducted by a certified public
1114 accountant in accordance with s. 218.503 reveals that one or
1115 more of the conditions in s. 218.503(1) have occurred or will
1116 occur if action is not taken or when a deficit fund balance or
1117 deficit net assets exist, the auditor shall notify and provide
1118 the financial audit to the governing board of the charter school
1119 or charter technical career center, as appropriate, the sponsor,
1120 and the Commissioner of Education within 7 working days after
1121 the finding is made.

1122 (3) REPORT.--The Commissioner of Education shall annually
1123 report to the State Board of Education each charter school and
1124 charter technical career center that is subject to a financial
1125 recovery plan or a corrective action plan under this section.

1126 (4) RULES.--The State Board of Education shall adopt rules
1127 for developing financial recovery and corrective action plans.

1128 (5) TECHNICAL ASSISTANCE.--The Department of Education
1129 shall provide technical assistance to charter schools, charter

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1130 technical career centers, governing boards, and sponsors in
1131 developing financial recovery and corrective action plans.

1132 (6) FAILURE TO CORRECT DEFICIENCIES.--The sponsor may
1133 choose not to renew or may terminate a charter if the charter
1134 school or charter technical career center fails to correct the
1135 deficiencies in the corrective action plan within 1 year or
1136 exhibits one or more financial emergency conditions as provided
1137 in s. 218.503 for 2 consecutive years.

1138 Section 10. This act shall take effect July 1, 2008.

1139

1140

1141

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

1142 Remove the entire title and insert:

1143 A bill to be entitled

1144 An act relating to charter schools; amending ss. 11.45,
1145 218.50, and 218.501, F.S., relating to audit reports by
1146 the Auditor General; conforming provisions related to
1147 changes in the entities subject to a state of financial
1148 emergency; amending ss. 218.503 and 218.504, F.S.;
1149 providing that charter technical career centers are
1150 subject to certain requirements in the event of a
1151 financial emergency; requiring that the sponsor be
1152 notified of certain conditions; providing for the
1153 development of a financial recovery plan, which may be
1154 approved by the Commissioner of Education; amending s.
1155 1002.33, F.S.; providing for duties of charter school
1156 sponsors and governing boards when charter schools and
1157 charter technical career centers experience a material
1158 financial weakness or a financial emergency; specifying
1159 forms to be used by charter school applicants and
1160

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1161 sponsors; requiring applicant training and documentation;
1162 deleting the auditing requirements and financial emergency
1163 provisions for charter schools; requiring charter schools
1164 to disclose the identity of relatives of charter school
1165 personnel; providing for the disclosure of the performance
1166 of charter schools that are not given a school grade or
1167 school improvement rating; providing reporting
1168 requirements; providing restrictions for the employment of
1169 relatives by charter school personnel; providing that
1170 members of a charter school governing board are subject to
1171 certain standards of conduct specified in ss. 112.313 and
1172 112.3143, F.S.; amending s. 1002.335, F.S.; revising
1173 provisions relating to exclusive authority to authorize
1174 charter schools; eliminating the requirement for district
1175 school boards to annually seek continued exclusivity from
1176 the State Board of Education; providing that a district
1177 school board may seek exclusivity in 2008-2009 and every
1178 four fiscal years thereafter; providing that a grant of
1179 exclusivity shall be effective for four fiscal years;
1180 specifying additional components of cosponsor agreements;
1181 providing for application of s. 1002.33(24) and (25),
1182 relating to restrictions on the employment of relatives
1183 and application of certain standards of conduct; amending
1184 s. 1002.34, F.S.; providing additional duties for charter
1185 technical career centers, applicants, sponsors, and
1186 governing boards; requiring the Department of Education to
1187 offer or arrange training and assistance to applicants for
1188 a charter technical career center; requiring that an
1189 applicant participate in the training; providing for
1190 application of s. 1002.33(24), relating to restrictions on
1191 the employment of relatives; creating s. 1002.345, F.S.;

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1192 establishing criteria and requirements for charter schools
1193 and charter technical career centers that have material
1194 financial weaknesses or are in a state of financial
1195 emergency; establishing requirements for charter schools,
1196 charter technical career centers, governing bodies, and
1197 sponsors; requiring financial audits of charter schools
1198 and charter technical career centers; providing for
1199 corrective action and financial recovery plans; providing
1200 for duties of auditors, the Commissioner of Education, and
1201 the Department of Education; requiring the State Board of
1202 Education to adopt rules; providing grounds for
1203 termination or nonrenewal of a charter; providing an
1204 effective date.

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Bill No. 1325

COUNCIL/COMMITTEE ACTION

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

1 Council/Committee hearing bill: Committee on Education
 2 Innovation & Career Preparation
 3 Representative Attkisson offered the following:

*Creates a whole new
 a whole new
 cap credit
 scholarship*

Amendment (with title amendment)

Remove everything after the enacting clause and insert:

Section 1. Section 220.1875, Florida Statutes, is created to read:

220.1875 Credits for contributions to nonprofit scholarship-funding organizations providing foster child education scholarships.--

(1) FINDINGS AND PURPOSE.--

(a) The Legislature finds that:

1. It has the inherent power to determine subjects of taxation for general or particular public purposes.

2. Expanding educational opportunities and improving the quality of educational services within the state are valid public purposes that the Legislature may promote using its sovereign power to determine subjects of taxation and exemptions from taxation.

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21 3. Ensuring that all parents, regardless of means, may
22 exercise and enjoy their basic right to educate their children
23 as they see fit is a valid public purpose that the Legislature
24 may promote using its sovereign power to determine subjects of
25 taxation and exemptions from taxation.

26 4. Foster children are among the most at-risk groups in
27 our society. Adults who were formerly foster children are more
28 likely than the general population to succumb to poor life
29 outcomes.

30 5. Frequent school transfers cause instability for foster
31 children and inhibit academic achievement.

32 6. The existence of programs that provide expanded
33 educational opportunities in this state has not been shown to
34 reduce funding to or otherwise harm public schools within the
35 state, and, to the contrary, per-student funding in public
36 schools has risen each year since the inception of those
37 programs in 1999.

38 7. Expanded educational opportunities and the healthy
39 competition they promote are critical to improving the quality
40 of education in the state and to ensuring that all children
41 receive the high-quality education to which they are entitled.

42 (b) The purpose of this section is to:

43 1. Enable taxpayers to make private, voluntary
44 contributions to nonprofit scholarship-funding organizations in
45 order to promote the general welfare.

46 2. Provide taxpayers who wish to help parents of foster
47 children exercise their basic right to educate their children as
48 they see fit with a means to do so.

49 3. Promote the general welfare by expanding educational
50 opportunities for foster children.

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51 4. Provide greater stability for foster children by
52 allowing them to remain in the same school with the same
53 teachers and classmates, regardless of movement between foster
54 homes.

55 5. Promote the adoption of children in foster care by
56 maintaining support of the educational choices that best meet
57 their unique needs.

58 6. Enable foster children in this state to achieve a
59 greater level of excellence in their education that better
60 prepares them to attain independence in adulthood.

61 7. Improve the quality of education in this state, both by
62 expanding educational opportunities for children and by creating
63 incentives for schools to achieve excellence.

64 (2) DEFINITIONS.--As used in this section, the term:

65 (a) "Department" means the Department of Revenue.

66 (b) "Eligible contribution" means a monetary contribution
67 from a taxpayer, subject to the restrictions provided in this
68 section, to an eligible nonprofit scholarship-funding
69 organization. The taxpayer making the contribution may not
70 designate a specific child as the beneficiary of the
71 contribution.

72 (c) "Eligible nonprofit scholarship-funding organization"
73 means a charitable organization that:

74 1. Is exempt from federal income tax pursuant to s.
75 501(c)(3) of the Internal Revenue Code;

76 2. Is a Florida entity formed under chapter 607, chapter
77 608, or chapter 617 and whose principal office is located in the
78 state; and

79 3. Complies with the provisions of subsection (6).

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80 (d) "Eligible private school" means a private school, as
81 defined in s. 1002.01(2), located in Florida which offers an
82 education to students in any of grades K-12 and which meets the
83 requirements in subsection (8).

84 (e) "Owner or operator" includes:

85 1. An owner, president, officer, or director of an
86 eligible nonprofit scholarship-funding organization or a person
87 with equivalent decisionmaking authority over an eligible
88 nonprofit scholarship-funding organization.

89 2. An owner, operator, superintendent, or principal of an
90 eligible private school or a person with equivalent
91 decisionmaking authority over an eligible private school.

92 (f) "Parent" has the same meaning as in s. 1000.21.

93 (3) PROGRAM; SCHOLARSHIP ELIGIBILITY.--The Foster Child
94 Education Scholarship Program is established. A student is
95 eligible for a foster child education scholarship if the
96 student:

97 (a) Is currently placed, or during the previous state
98 fiscal year was placed, in foster care as defined in s. 39.01;
99 or

100 (b) Was counted as a full-time equivalent student at any
101 time during the previous state fiscal year in a Department of
102 Juvenile Justice educational program under s. 1003.52 for
103 purposes of state per-student funding.

104
105 For purposes of continuity of educational choice, a student
106 shall remain eligible for the scholarship even if the student in
107 foster care is subsequently placed in relative or nonrelative
108 care, is adopted, or returns to the custody of the birth parent
109 and is no longer considered a foster child pursuant to s. 39.01.

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110 (4) SCHOLARSHIP PROHIBITIONS.--A student is not eligible
111 for a scholarship while he or she is:

112 (a) Enrolled in a school operating for the purpose of
113 providing educational services to youth in Department of
114 Juvenile Justice commitment programs;

115 (b) Receiving a scholarship from another eligible
116 nonprofit scholarship-funding organization under this section or
117 s. 220.187;

118 (c) Receiving an educational scholarship pursuant to
119 chapter 1002;

120 (d) Participating in a home education program as defined
121 in s. 1002.01(1);

122 (e) Participating in a private tutoring program pursuant
123 to s. 1002.43;

124 (f) Participating in a virtual school, correspondence
125 school, or distance learning program that receives state funding
126 pursuant to the student's participation unless the participation
127 is limited to no more than two courses per school year; or

128 (g) Enrolled in the Florida School for the Deaf and the
129 Blind.

130 (5) AUTHORIZATION TO GRANT SCHOLARSHIP FUNDING TAX
131 CREDITS; LIMITATIONS ON INDIVIDUAL AND TOTAL CREDITS.--

132 (a) There is allowed a credit of 100 percent of an
133 eligible contribution against any tax due for a taxable year
134 under this chapter. However, such a credit may not exceed 75
135 percent of the tax due under this chapter for the taxable year
136 after the application of any other allowable credits by the
137 taxpayer. The credit granted by this section shall be reduced by
138 the difference between the amount of federal corporate income
139 tax taking into account the credit granted by this section and

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140 the amount of federal corporate income tax without application
141 of the credit granted by this section.

142 (b) The total amount of tax credits and carryforward of
143 tax credits which may be granted each state fiscal year under
144 this section is \$50 million.

145 (c) A taxpayer who files a Florida consolidated return as
146 a member of an affiliated group pursuant to s. 220.131(1) may be
147 allowed the credit on a consolidated return basis; however, the
148 total credit taken by the affiliated group is subject to the
149 limitation established under paragraph (a).

150 (d) A taxpayer may rescind all or part of its allocated
151 tax credit under this section. The amount rescinded shall become
152 available for purposes of the cap for that state fiscal year
153 under this section to an eligible taxpayer as approved by the
154 department if the taxpayer receives notice from the department
155 that the rescindment has been accepted by the department and the
156 taxpayer has not previously rescinded any or all of its tax
157 credit allocation under this section more than once in the
158 previous 3 tax years. Any amount rescinded under this paragraph
159 shall become available to an eligible taxpayer on a first-come,
160 first-served basis based on tax credit applications received
161 after the date the rescindment is accepted by the department.

162 (6) OBLIGATIONS OF ELIGIBLE NONPROFIT SCHOLARSHIP-FUNDING
163 ORGANIZATIONS.--An eligible nonprofit scholarship-funding
164 organization:

165 (a) Must comply with the antidiscrimination provisions of
166 42 U.S.C. s. 2000d.

167 (b) Must comply with the following background check
168 requirements:

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169 1. All owners and operators as defined in subparagraph
170 (2) (e) 1. are, upon employment or engagement to provide services,
171 subject to level 2 background screening as provided under
172 chapter 435. The fingerprints for the background screening must
173 be electronically submitted to the Department of Law Enforcement
174 and can be taken by an authorized law enforcement agency or by
175 an employee of the eligible nonprofit scholarship-funding
176 organization or a private company who is trained to take
177 fingerprints. However, the complete set of fingerprints of an
178 owner or operator may not be taken by the owner or operator. The
179 results of the state and national criminal history check shall
180 be provided to the Department of Education for screening under
181 chapter 435. The cost of the background screening may be borne
182 by the eligible nonprofit scholarship-funding organization or
183 the owner or operator.

184 2. Every 5 years following employment or engagement to
185 provide services or association with an eligible nonprofit
186 scholarship-funding organization, each owner or operator must
187 meet level 2 screening standards as described in s. 435.04, at
188 which time the nonprofit scholarship-funding organization shall
189 request the Department of Law Enforcement to forward the
190 fingerprints to the Federal Bureau of Investigation for level 2
191 screening. If the fingerprints of an owner or operator are not
192 retained by the Department of Law Enforcement under subparagraph
193 3., the owner or operator must electronically file a complete
194 set of fingerprints with the Department of Law Enforcement. Upon
195 submission of fingerprints for this purpose, the eligible
196 nonprofit scholarship-funding organization shall request that
197 the Department of Law Enforcement forward the fingerprints to
198 the Federal Bureau of Investigation for level 2 screening, and

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199 the fingerprints shall be retained by the Department of Law
200 Enforcement under subparagraph 3.

201 3. All fingerprints submitted to the Department of Law
202 Enforcement as required by this paragraph must be retained by
203 the Department of Law Enforcement in a manner approved by rule
204 and entered in the statewide automated fingerprint
205 identification system authorized by s. 943.05(2)(b). The
206 fingerprints must thereafter be available for all purposes and
207 uses authorized for arrest fingerprint cards entered in the
208 statewide automated fingerprint identification system pursuant
209 to s. 943.051.

210 4. The Department of Law Enforcement shall search all
211 arrest fingerprint cards received under s. 943.051 against the
212 fingerprints retained in the statewide automated fingerprint
213 identification system under subparagraph 3. Any arrest record
214 that is identified with an owner's or operator's fingerprints
215 must be reported to the Department of Education. The Department
216 of Education shall participate in this search process by paying
217 an annual fee to the Department of Law Enforcement and by
218 informing the Department of Law Enforcement of any change in the
219 employment, engagement, or association status of the owners or
220 operators whose fingerprints are retained under subparagraph 3.
221 The Department of Law Enforcement shall adopt a rule setting the
222 amount of the annual fee to be imposed upon the Department of
223 Education for performing these services and establishing the
224 procedures for the retention of owner and operator fingerprints
225 and the dissemination of search results. The fee may be borne by
226 the owner or operator of the nonprofit scholarship-funding
227 organization.

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228 5. A nonprofit scholarship-funding organization whose
229 owner or operator fails the level 2 background screening shall
230 not be eligible to provide scholarships under this section.

231 6. A nonprofit scholarship-funding organization whose
232 owner or operator in the last 7 years has filed for personal
233 bankruptcy or corporate bankruptcy in a corporation of which he
234 or she owned more than 20 percent shall not be eligible to
235 provide scholarships under this section.

236 (c) Must not have an owner or operator who owns or
237 operates an eligible private school that is participating in the
238 scholarship program.

239 (d) Must provide scholarships, from eligible
240 contributions, to eligible students for the cost of:

- 241 1. Tuition and fees for an eligible private school; or
242 2. Transportation to a Florida public school that is
243 located outside the district in which the student resides or to
244 a lab school as defined in s. 1002.32.

245 (e) Must give priority to eligible students who received a
246 scholarship from an eligible nonprofit scholarship-funding
247 organization or from the state during the previous school year.

248 (f) Must provide a scholarship to an eligible student on a
249 first-come, first-served basis unless the student qualifies for
250 priority pursuant to paragraph (e).

251 (g) May not restrict or reserve scholarships for use at a
252 particular private school or provide scholarships to a child of
253 an owner or operator.

254 (h) Must allow an eligible student to attend any eligible
255 private school and must allow a parent to transfer a scholarship
256 during a school year to any other eligible private school of the
257 parent's choice.

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258 (i) Must expend for annual or partial-year scholarships an
259 amount equal to or greater than 75 percent of the eligible
260 contributions received during the fiscal year in which such
261 contributions are collected. No more than 25 percent of such
262 eligible contributions may be carried forward to the following
263 fiscal year. Any amounts carried forward shall be expended for
264 annual or partial-year scholarships in the following fiscal
265 year. A scholarship-funding organization must, before granting a
266 scholarship for an academic year, document each scholarship
267 student's eligibility for that academic year. A scholarship-
268 funding organization may not grant multiyear scholarships in one
269 approval process. Up to 3 percent of eligible collected
270 contributions may be used for administrative expenses incurred
271 by a scholarship-funding organization under this section. All
272 interest accrued from contributions must be used for
273 scholarships.

274 (j) Must maintain separate accounts for scholarship funds
275 and operating funds.

276 (k) With the prior approval of the Department of
277 Education, may transfer funds to another eligible nonprofit
278 scholarship-funding organization if additional funds are
279 required to meet scholarship demand at the receiving nonprofit
280 scholarship-funding organization. A transfer shall be limited to
281 the greater of \$500,000 or 20 percent of the total contributions
282 received by the nonprofit scholarship-funding organization
283 making the transfer. All transferred funds must be deposited by
284 the receiving nonprofit scholarship-funding organization into
285 its scholarship accounts. All transferred amounts received by
286 any nonprofit scholarship-funding organization must be

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287 separately disclosed in the annual financial and compliance
288 audit required in this section.

289 (l) Must provide to the Auditor General and the Department
290 of Education an annual financial and compliance audit of its
291 accounts and records conducted by an independent certified
292 public accountant and in accordance with rules adopted by the
293 Auditor General. The audit must be conducted in compliance with
294 generally accepted auditing standards and must include a report
295 on financial statements presented in accordance with generally
296 accepted accounting principles set forth by the American
297 Institute of Certified Public Accountants for not-for-profit
298 organizations and a determination of compliance with the
299 statutory eligibility and expenditure requirements set forth in
300 this section. Audits must be provided to the Auditor General and
301 the Department of Education within 180 days after completion of
302 the eligible nonprofit scholarship-funding organization's fiscal
303 year.

304 (m) Must prepare and submit quarterly reports to the
305 Department of Education pursuant to paragraph (9) (m). In
306 addition, an eligible nonprofit scholarship-funding organization
307 must submit in a timely manner any information requested by the
308 Department of Education relating to the scholarship program.

309
310 Any and all information and documentation provided to the
311 Department of Education and the Auditor General relating to the
312 identity of a taxpayer that provides an eligible contribution
313 under this section shall remain confidential at all times in
314 accordance with s. 213.053.

315 (7) PARENT AND STUDENT RESPONSIBILITIES FOR PROGRAM
316 PARTICIPATION.--

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317 (a) The parent must select an eligible private school and
318 apply for the admission of his or her child.

319 (b) The parent must inform the child's school district
320 when the parent withdraws his or her child to attend an eligible
321 private school.

322 (c) Any student participating in the scholarship program
323 must remain in attendance throughout the school year unless
324 excused by the school for illness or other good cause.

325 (d) Each parent and each student has an obligation to the
326 private school to comply with the private school's published
327 policies.

328 (e) The parent shall ensure that the student participating
329 in the scholarship program takes the norm-referenced assessment
330 offered by the private school. The parent may also choose to
331 have the student participate in the statewide assessments
332 pursuant to s. 1008.22. If the parent requests that the student
333 participating in the scholarship program take statewide
334 assessments pursuant to s. 1008.22, the parent is responsible
335 for transporting the student to the assessment site designated
336 by the school district.

337 (f) Upon receipt of a scholarship warrant from the
338 eligible nonprofit scholarship-funding organization, the parent
339 to whom the warrant is made must restrictively endorse the
340 warrant to the private school for deposit into the account of
341 the private school. The parent may not designate any entity or
342 individual associated with the participating private school as
343 the parent's attorney in fact to endorse a scholarship warrant.
344 A participant who fails to comply with this paragraph forfeits
345 the scholarship.

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346 (8) PRIVATE SCHOOL ELIGIBILITY AND OBLIGATIONS.--An
347 eligible private school may be sectarian or nonsectarian and
348 must:

349 (a) Comply with all requirements for private schools
350 participating in state school choice scholarship programs
351 pursuant to s. 1002.421.

352 (b) Provide to the eligible nonprofit scholarship-funding
353 organization, upon request, all documentation required for the
354 student's participation, including the private school's and
355 student's fee schedules.

356 (c) Be academically accountable to the parent for meeting
357 the educational needs of the student by:

358 1. At a minimum, annually providing to the parent a
359 written explanation of the student's progress.

360 2. Annually administering or making provision for students
361 participating in the scholarship program to take one of the
362 nationally norm-referenced tests identified by the Department of
363 Education. Students with disabilities for whom standardized
364 testing is not appropriate are exempt from this requirement. A
365 participating private school must report a student's scores to
366 the parent and to the independent research organization selected
367 by the Department of Education as described in paragraph (9)(j).

368 3. Cooperating with the scholarship student whose parent
369 chooses to have the student participate in the statewide
370 assessments pursuant to s. 1008.22.

371 (d) Employ or contract with teachers who have regular and
372 direct contact with each student receiving a scholarship under
373 this section at the school's physical location.

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375 The inability of a private school to meet the requirements of
376 this subsection shall constitute a basis for the ineligibility
377 of the private school to participate in the scholarship program
378 as determined by the Department of Education.

379 (9) DEPARTMENT OF EDUCATION OBLIGATIONS.--The Department
380 of Education shall:

381 (a) Annually submit to the department, by March 15, a list
382 of eligible nonprofit scholarship-funding organizations that
383 meet the requirements of paragraph (2)(c).

384 (b) Annually verify the eligibility of nonprofit
385 scholarship-funding organizations that meet the requirements of
386 paragraph (2)(c).

387 (c) Annually verify the eligibility of private schools
388 that meet the requirements of subsection (8).

389 (d) Annually verify the eligibility of expenditures as
390 provided in paragraph (6)(d) using the audit required by
391 paragraph (6)(1).

392 (e) Establish a toll-free hotline that provides parents
393 and private schools with information on participation in the
394 scholarship program.

395 (f) Establish a process by which individuals may notify
396 the Department of Education of any violation by a parent,
397 private school, or school district of state laws relating to
398 program participation. The Department of Education shall conduct
399 an inquiry of any written complaint of a violation of this
400 section, or make a referral to the appropriate agency for an
401 investigation, if the complaint is signed by the complainant and
402 is legally sufficient. A complaint is legally sufficient if it
403 contains ultimate facts that show that a violation of this
404 section or any rule adopted by the State Board of Education has

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405 occurred. In order to determine legal sufficiency, the
406 Department of Education may require supporting information or
407 documentation from the complainant. A department inquiry is not
408 subject to the requirements of chapter 120.

409 (g) Require an annual, notarized, sworn compliance
410 statement by participating private schools certifying compliance
411 with state laws and shall retain such records.

412 (h) Cross-check the list of participating scholarship
413 students with the public school enrollment lists to avoid
414 duplication.

415 (i) In accordance with State Board of Education rule,
416 identify and select the nationally norm-referenced tests that
417 are comparable to the norm-referenced provisions of the Florida
418 Comprehensive Assessment Test (FCAT) provided that the FCAT may
419 be one of the tests selected. However, the Department of
420 Education may approve the use of an additional assessment by the
421 school if the assessment meets industry standards of quality and
422 comparability.

423 (j) Select an independent research organization, which may
424 be a public or private entity or university, to which
425 participating private schools must report the scores of
426 participating students on the nationally norm-referenced tests
427 administered by the private school. The independent research
428 organization must annually report to the Department of Education
429 on the year-to-year improvements of participating students. The
430 independent research organization must analyze and report
431 student performance data in a manner that protects the rights of
432 students and parents as mandated in 20 U.S.C. s. 1232g, the
433 Family Educational Rights and Privacy Act, and must not
434 disaggregate data to a level that will disclose the academic

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435 level of individual students or of individual schools. To the
436 extent possible, the independent research organization must
437 accumulate historical performance data on students from the
438 Department of Education and private schools to describe baseline
439 performance and to conduct longitudinal studies. To minimize
440 costs and reduce time required for third-party analysis and
441 evaluation, the Department of Education shall conduct analyses
442 of matched students from public school assessment data and
443 calculate control group learning gains using an agreed-upon
444 methodology outlined in the contract with the third-party
445 evaluator. The sharing of student data must be in accordance
446 with requirements of 20 U.S.C. s. 1232g, the Family Educational
447 Rights and Privacy Act, and shall be for the sole purpose of
448 conducting the evaluation. All parties must preserve the
449 confidentiality of such information as required by law.

450 (k) Notify an eligible nonprofit scholarship-funding
451 organization of any of the organization's identified students
452 who are receiving educational scholarships pursuant to chapter
453 1002.

454 (l) Notify an eligible nonprofit scholarship-funding
455 organization of any of the organization's identified students
456 who are receiving corporate income tax credit scholarships from
457 other eligible nonprofit scholarship-funding organizations under
458 this section or s. 220.187.

459 (m) Require quarterly reports by an eligible nonprofit
460 scholarship-funding organization regarding the number of
461 students participating in the scholarship program, the private
462 schools at which the students are enrolled, and other
463 information deemed necessary by the Department of Education.

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464 (n)1. Conduct random site visits to private schools
465 participating in the Foster Child Education Scholarship Program.
466 The purpose of the site visits is solely to verify the
467 information reported by the schools concerning the enrollment
468 and attendance of students, the credentials of teachers,
469 background screening of teachers, and teachers' fingerprinting
470 results. The Department of Education may not make more than
471 seven random site visits each year and may not make more than
472 one random site visit each year to the same private school.

473 2. Annually, by December 15, report to the Governor, the
474 President of the Senate, and the Speaker of the House of
475 Representatives the Department of Education's actions with
476 respect to implementing accountability in the scholarship
477 program under this section and s. 1002.421, any substantiated
478 allegations or violations of law or rule by an eligible private
479 school under this program concerning the enrollment and
480 attendance of students, the credentials of teachers, background
481 screening of teachers, and teachers' fingerprinting results, and
482 the corrective action taken by the Department of Education.

483 (10) COMMISSIONER OF EDUCATION AUTHORITY AND
484 OBLIGATIONS.--

485 (a) The Commissioner of Education shall deny, suspend, or
486 revoke a private school's participation in the scholarship
487 program if it is determined that the private school has failed
488 to comply with the provisions of this section. However, in
489 instances in which the noncompliance is correctable within a
490 reasonable amount of time and in which the health, safety, or
491 welfare of the students is not threatened, the commissioner may
492 issue a notice of noncompliance that shall provide the private
493 school with a timeframe within which to provide evidence of

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494 compliance prior to taking action to suspend or revoke the
495 private school's participation in the scholarship program.

496 (b) The commissioner's determination is subject to the
497 following:

498 1. If the commissioner intends to deny, suspend, or revoke
499 a private school's participation in the scholarship program, the
500 Department of Education shall notify the private school of such
501 proposed action in writing by certified mail and regular mail to
502 the private school's address of record with the Department of
503 Education. The notification shall include the reasons for the
504 proposed action and notice of the timelines and procedures set
505 forth in this paragraph.

506 2. The private school that is adversely affected by the
507 proposed action shall have 15 days from receipt of the notice of
508 proposed action to file with the Department of Education's
509 agency clerk a request for a proceeding pursuant to ss. 120.569
510 and 120.57. If the private school is entitled to a hearing under
511 s. 120.57(1), the Department of Education shall forward the
512 request to the Division of Administrative Hearings.

513 3. Upon receipt of a request referred pursuant to this
514 paragraph, the director of the Division of Administrative
515 Hearings shall expedite the hearing and assign an administrative
516 law judge who shall commence a hearing within 30 days after the
517 receipt of the formal written request by the division and enter
518 a recommended order within 30 days after the hearing or within
519 30 days after receipt of the hearing transcript, whichever is
520 later. Each party shall be allowed 10 days in which to submit
521 written exceptions to the recommended order. A final order shall
522 be entered by the agency within 30 days after the entry of a

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523 recommended order. The provisions of this subparagraph may be
524 waived upon stipulation by all parties.

525 (c) The commissioner may immediately suspend payment of
526 scholarship funds if it is determined that there is probable
527 cause to believe that there is:

528 1. An imminent threat to the health, safety, and welfare
529 of the students; or

530 2. Fraudulent activity on the part of the private school.
531 Notwithstanding s. 1002.22(3), in incidents of alleged
532 fraudulent activity pursuant to this section, the Department of
533 Education's Office of Inspector General is authorized to release
534 personally identifiable records or reports of students to the
535 following persons or organizations:

536 a. A court of competent jurisdiction in compliance with an
537 order of that court or the attorney of record in accordance with
538 a lawfully issued subpoena, consistent with the Family
539 Educational Rights and Privacy Act, 20 U.S.C. s. 1232g.

540 b. A person or entity authorized by a court of competent
541 jurisdiction in compliance with an order of that court or the
542 attorney of record pursuant to a lawfully issued subpoena,
543 consistent with the Family Educational Rights and Privacy Act,
544 20 U.S.C. s. 1232g.

545 c. Any person, entity, or authority issuing a subpoena for
546 law enforcement purposes when the court or other issuing agency
547 has ordered that the existence or the contents of the subpoena
548 or the information furnished in response to the subpoena not be
549 disclosed, consistent with the Family Educational Rights and
550 Privacy Act, 20 U.S.C. s. 1232g, and 34 C.F.R. s. 99.31.

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552 The commissioner's order suspending payment pursuant to this
553 paragraph may be appealed pursuant to the same procedures and
554 timelines as the notice of proposed action set forth in
555 paragraph (b).

556 (11) SCHOLARSHIP AMOUNT AND PAYMENT.--

557 (a) The amount of a scholarship provided to any student
558 for any single school year by an eligible nonprofit scholarship-
559 funding organization from eligible contributions shall be for
560 total costs authorized under paragraph (6)(d), not to exceed the
561 following annual limits:

562 1. Seventy-five percent of the unweighted FEFP student
563 funding amount established in the general appropriations act for
564 the ensuing fiscal year for a scholarship awarded to a student
565 enrolled in an eligible private school.

566 2. Five hundred dollars for a scholarship awarded to a
567 student enrolled in a Florida public school that is located
568 outside the district in which the student resides or in a lab
569 school as defined in s. 1002.32.

570 (b) Payment of the scholarship by the eligible nonprofit
571 scholarship-funding organization shall be by individual warrant
572 made payable to the student's parent. If the parent chooses that
573 his or her child attend an eligible private school, the warrant
574 must be delivered by the eligible nonprofit scholarship-funding
575 organization to the private school of the parent's choice, and
576 the parent shall restrictively endorse the warrant to the
577 private school. An eligible nonprofit scholarship-funding
578 organization shall ensure that the parent to whom the warrant is
579 made restrictively endorsed the warrant to the private school
580 for deposit into the account of the private school.

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581 (c) An eligible nonprofit scholarship-funding organization
582 shall obtain verification from the private school of a student's
583 continued attendance at the school for each period covered by a
584 scholarship payment.

585 (d) Payment of the scholarship shall be made by the
586 eligible nonprofit scholarship-funding organization no less
587 frequently than on a quarterly basis.

588 (12) ADMINISTRATION; RULES.--

589 (a) If the credit granted pursuant to this section is not
590 fully used in any one year because of insufficient tax liability
591 on the part of the corporation, the unused amount may be carried
592 forward for a period not to exceed 3 years. However, any
593 taxpayer that seeks to carry forward an unused amount of tax
594 credit must submit an application for allocation of tax credits
595 or carryforward credits as required in paragraph (d) in the year
596 that the taxpayer intends to use the carryforward. This
597 carryforward applies to all approved contributions made after
598 January 1, 2008. A taxpayer may not convey, assign, or transfer
599 the credit authorized by this section to another entity unless
600 all of the assets of the taxpayer are conveyed, assigned, or
601 transferred in the same transaction.

602 (b) An application for a tax credit pursuant to this
603 section shall be submitted to the department on forms
604 established by rule of the department.

605 (c) The department and the Department of Education shall
606 develop a cooperative agreement to assist in the administration
607 of this section.

608 (d) The department shall adopt rules pursuant to ss.
609 120.536(1) and 120.54 necessary to administer this section,
610 including rules establishing application forms and procedures

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611 and governing the allocation of tax credits and carryforward
612 credits under this section on a first-come, first-served basis.

613 (e) The State Board of Education shall adopt rules
614 pursuant to ss. 120.536(1) and 120.54 to administer this section
615 as it relates to the roles of the Department of Education and
616 the Commissioner of Education.

617 (13) DEPOSITS OF ELIGIBLE CONTRIBUTIONS.--All eligible
618 contributions received by an eligible nonprofit scholarship-
619 funding organization shall be deposited in a manner consistent
620 with s. 17.57(2).

621 (14) PRESERVATION OF CREDIT.--If any provision or portion
622 of subsection (5) or the application thereof to any person or
623 circumstance is held unconstitutional by any court or is
624 otherwise declared invalid, the unconstitutionality or
625 invalidity shall not affect any credit earned under subsection
626 (5) by any taxpayer with respect to any contribution paid to an
627 eligible nonprofit scholarship-funding organization before the
628 date of a determination of unconstitutionality or invalidity.
629 Such credit shall be allowed at such time and in such a manner
630 as if a determination of unconstitutionality or invalidity had
631 not been made, provided that nothing in this subsection by
632 itself or in combination with any other provision of law shall
633 result in the allowance of any credit to any taxpayer in excess
634 of one dollar of credit for each dollar paid to an eligible
635 nonprofit scholarship-funding organization.

636 Section 2. Paragraph (b) of subsection (6) of section
637 1002.20, Florida Statutes, is amended to read:

638 1002.20 K-12 student and parent rights.--Parents of public
639 school students must receive accurate and timely information
640 regarding their child's academic progress and must be informed

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641 of ways they can help their child to succeed in school. K-12
642 students and their parents are afforded numerous statutory
643 rights including, but not limited to, the following:

644 (6) EDUCATIONAL CHOICE.--

645 (b) Private school choices.--Parents of public school
646 students may seek private school choice options under certain
647 programs.

648 1. Under the Opportunity Scholarship Program, the parent
649 of a student in a failing public school may request and receive
650 an opportunity scholarship for the student to attend a private
651 school in accordance with the provisions of s. 1002.38.

652 2. Under the McKay Scholarships for Students with
653 Disabilities Program, the parent of a public school student with
654 a disability who is dissatisfied with the student's progress may
655 request and receive a McKay Scholarship for the student to
656 attend a private school in accordance with the provisions of s.
657 1002.39.

658 3. Under the Corporate Income Tax Credit Scholarship
659 Program, the parent of a student who qualifies for free or
660 reduced-price school lunch may seek a scholarship from an
661 eligible nonprofit scholarship-funding organization in
662 accordance with the provisions of s. 220.187.

663 4. Under the Foster Child Education Scholarship Program,
664 the parent of a child in foster care may seek a scholarship from
665 an eligible nonprofit scholarship-funding organization in
666 accordance with the provisions of s. 220.1875.

667 Section 3. Subsection (2) of section 1002.23, Florida
668 Statutes, is amended to read:

669 1002.23 Family and School Partnership for Student
670 Achievement Act.--

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671 (2) To facilitate meaningful parent and family
672 involvement, the Department of Education shall develop
673 guidelines for a parent guide to successful student achievement
674 which describes what parents need to know about their child's
675 educational progress and how they can help their child to
676 succeed in school. The guidelines shall include, but need not be
677 limited to:

678 (a) Parental information regarding:

679 1. Requirements for their child to be promoted to the next
680 grade, as provided for in s. 1008.25;

681 2. Progress of their child toward achieving state and
682 district expectations for academic proficiency;

683 3. Assessment results, including report cards and progress
684 reports;

685 4. Qualifications of their child's teachers; and

686 5. School entry requirements, including required
687 immunizations and the recommended immunization schedule;

688 (b) Services available for parents and their children,
689 such as family literacy services; mentoring, tutorial, and other
690 academic reinforcement programs; college planning, academic
691 advisement, and student counseling services; and after-school
692 programs;

693 (c) Opportunities for parental participation, such as
694 parenting classes, adult education, school advisory councils,
695 and school volunteer programs;

696 (d) Opportunities for parents to learn about rigorous
697 academic programs that may be available for their child, such as
698 honors programs, dual enrollment, advanced placement,
699 International Baccalaureate, International General Certificate
700 of Secondary Education (pre-AICE), Advanced International

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701 Certificate of Education, Florida Virtual High School courses,
702 and accelerated access to postsecondary education;

703 (e) Educational choices, as provided for in s. 1002.20(6),
704 and corporate income tax credit scholarships, as provided for in
705 s. 220.187, and foster child education scholarships, as provided
706 for in s. 220.1875;

707 (f) Classroom and test accommodations available for
708 students with disabilities;

709 (g) School board rules, policies, and procedures for
710 student promotion and retention, academic standards, student
711 assessment, courses of study, instructional materials, and
712 contact information for school and district offices; and

713 (h) Resources for information on student health and other
714 available resources for parents.

715 Section 4. Subsection (3) of section 1002.39, Florida
716 Statutes, is amended to read:

717 1002.39 The John M. McKay Scholarships for Students with
718 Disabilities Program.--There is established a program that is
719 separate and distinct from the Opportunity Scholarship Program
720 and is named the John M. McKay Scholarships for Students with
721 Disabilities Program.

722 (3) JOHN M. MCKAY SCHOLARSHIP PROHIBITIONS.--A student is
723 not eligible for a John M. McKay Scholarship while he or she is:

724 (a) Enrolled in a school operating for the purpose of
725 providing educational services to youth in Department of
726 Juvenile Justice commitment programs;

727 (b) Receiving a corporate income tax credit scholarship
728 under s. 220.187;

729 (c) Receiving a foster child education scholarship under
730 s. 220.1875;

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731 ~~(d)(e)~~ Receiving an educational scholarship pursuant to
732 this chapter;

733 ~~(e)(d)~~ Participating in a home education program as
734 defined in s. 1002.01(1);

735 ~~(f)(e)~~ Participating in a private tutoring program
736 pursuant to s. 1002.43;

737 ~~(g)(f)~~ Participating in a virtual school, correspondence
738 school, or distance learning program that receives state funding
739 pursuant to the student's participation unless the participation
740 is limited to no more than two courses per school year;

741 ~~(h)(g)~~ Enrolled in the Florida School for the Deaf and the
742 Blind; or

743 ~~(i)(h)~~ Not having regular and direct contact with his or
744 her private school teachers at the school's physical location.

745 Section 5. Subsection (1) of section 1002.421, Florida
746 Statutes, is amended to read:

747 1002.421 Accountability of private schools participating
748 in state school choice scholarship programs.--

749 (1) A Florida private school participating in the
750 Corporate Income Tax Credit Scholarship Program established
751 pursuant to s. 220.187, the Foster Child Education Scholarship
752 Program established pursuant to s. 220.1875, or an educational
753 scholarship program established pursuant to this chapter must
754 comply with all requirements of this section in addition to
755 private school requirements outlined in s. 1002.42, specific
756 requirements identified within respective scholarship program
757 laws, and other provisions of Florida law that apply to private
758 schools.

759 Section 6. Paragraph (u) of subsection (8) of section
760 213.053, Florida Statutes, is amended to read:

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

761 213.053 Confidentiality and information sharing.--

762 (8) Notwithstanding any other provision of this section,
763 the department may provide:

764 (u) Information relative to ss. s. 220.187 and 220.1875 to
765 the Department of Education in the conduct of its official
766 business.

767
768 Disclosure of information under this subsection shall be
769 pursuant to a written agreement between the executive director
770 and the agency. Such agencies, governmental or nongovernmental,
771 shall be bound by the same requirements of confidentiality as
772 the Department of Revenue. Breach of confidentiality is a
773 misdemeanor of the first degree, punishable as provided by s.
774 775.082 or s. 775.083.

775 Section 7. Subsection (8) of section 220.02, Florida
776 Statutes, is amended to read:

777 220.02 Legislative intent.--

778 (8) It is the intent of the Legislature that credits
779 against either the corporate income tax or the franchise tax be
780 applied in the following order: those enumerated in s. 631.828,
781 those enumerated in s. 220.191, those enumerated in s. 220.181,
782 those enumerated in s. 220.183, those enumerated in s. 220.182,
783 those enumerated in s. 220.1895, those enumerated in s. 221.02,
784 those enumerated in s. 220.184, those enumerated in s. 220.186,
785 those enumerated in s. 220.1845, those enumerated in s. 220.19,
786 those enumerated in s. 220.185, those enumerated in s. 220.187,
787 those enumerated in s. 220.1875, those enumerated in s. 220.192,
788 and those enumerated in s. 220.193.

789 Section 8. Paragraph (a) of subsection (1) of section
790 220.13, Florida Statutes, is amended to read:

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

791 220.13 "Adjusted federal income" defined.--

792 (1) The term "adjusted federal income" means an amount
793 equal to the taxpayer's taxable income as defined in subsection
794 (2), or such taxable income of more than one taxpayer as
795 provided in s. 220.131, for the taxable year, adjusted as
796 follows:

797 (a) Additions.--There shall be added to such taxable
798 income:

799 1. The amount of any tax upon or measured by income,
800 excluding taxes based on gross receipts or revenues, paid or
801 accrued as a liability to the District of Columbia or any state
802 of the United States which is deductible from gross income in
803 the computation of taxable income for the taxable year.

804 2. The amount of interest which is excluded from taxable
805 income under s. 103(a) of the Internal Revenue Code or any other
806 federal law, less the associated expenses disallowed in the
807 computation of taxable income under s. 265 of the Internal
808 Revenue Code or any other law, excluding 60 percent of any
809 amounts included in alternative minimum taxable income, as
810 defined in s. 55(b)(2) of the Internal Revenue Code, if the
811 taxpayer pays tax under s. 220.11(3).

812 3. In the case of a regulated investment company or real
813 estate investment trust, an amount equal to the excess of the
814 net long-term capital gain for the taxable year over the amount
815 of the capital gain dividends attributable to the taxable year.

816 4. That portion of the wages or salaries paid or incurred
817 for the taxable year which is equal to the amount of the credit
818 allowable for the taxable year under s. 220.181. This
819 subparagraph shall expire on the date specified in s. 290.016
820 for the expiration of the Florida Enterprise Zone Act.

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

821 5. That portion of the ad valorem school taxes paid or
822 incurred for the taxable year which is equal to the amount of
823 the credit allowable for the taxable year under s. 220.182. This
824 subparagraph shall expire on the date specified in s. 290.016
825 for the expiration of the Florida Enterprise Zone Act.

826 6. The amount of emergency excise tax paid or accrued as a
827 liability to this state under chapter 221 which tax is
828 deductible from gross income in the computation of taxable
829 income for the taxable year.

830 7. That portion of assessments to fund a guaranty
831 association incurred for the taxable year which is equal to the
832 amount of the credit allowable for the taxable year.

833 8. In the case of a nonprofit corporation which holds a
834 pari-mutuel permit and which is exempt from federal income tax
835 as a farmers' cooperative, an amount equal to the excess of the
836 gross income attributable to the pari-mutuel operations over the
837 attributable expenses for the taxable year.

838 9. The amount taken as a credit for the taxable year under
839 s. 220.1895.

840 10. Up to nine percent of the eligible basis of any
841 designated project which is equal to the credit allowable for
842 the taxable year under s. 220.185.

843 11. The amount taken as a credit for the taxable year
844 under s. 220.187.

845 12. The amount taken as a credit for the taxable year
846 under s. 220.1875.

847 ~~13.12-~~ The amount taken as a credit for the taxable year
848 under s. 220.192.

849 ~~14.13-~~ The amount taken as a credit for the taxable year
850 under s. 220.193.

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

851 Section 9. This act shall take effect July 1, 2008.

852

853

854 **T I T L E A M E N D M E N T**

855 Remove the entire title and insert:

856 A bill to be entitled

857 An act relating to the Foster Child Education Scholarship

858 Program; creating s. 220.1875, F.S.; establishing the Foster

859 Child Education Scholarship Program; providing findings,

860 purpose, and definitions; providing requirements for student

861 eligibility for a foster child education scholarship;

862 authorizing credits against corporate income tax for

863 contributions to nonprofit scholarship-funding organizations

864 providing foster child education scholarships; providing

865 limitations on tax credits; providing obligations of eligible

866 nonprofit scholarship-funding organizations, including

867 background screening of owners and operators, provision of

868 scholarships, expenditure of contributions, and accounting;

869 providing parent and student responsibilities for program

870 participation; requiring private school compliance with

871 requirements for private schools participating in state school

872 choice scholarship programs; providing Department of Education

873 obligations, including verifying the eligibility of program

874 participants and expenditures, conducting inquiries of

875 complaints, and selecting student assessments; providing

876 Commissioner of Education authority and obligations, including

877 denying, suspending, or revoking a private school's

878 participation in the program and suspending payment of

879 scholarship funds; providing scholarship amounts and payment

880 thereof; providing for program administration and rules by the

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

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881 Department of Revenue and the Department of Education; providing
882 for deposit of contributions; providing for preservation of
883 credit under certain circumstances; amending ss. 1002.20 and
884 1002.23, F.S.; including the Foster Child Education Scholarship
885 Program as a private school choice option for parents of public
886 school students; amending s. 1002.39, F.S.; conforming
887 provisions relating to John M. McKay Scholarship eligibility;
888 amending s. 1002.421, F.S.; conforming provisions relating to
889 compliance with private school requirements for participation in
890 state school choice scholarship programs; amending s. 213.053,
891 F.S.; authorizing information sharing with the Department of
892 Education; amending s. 220.02, F.S.; providing intent relating
893 to the order of application of tax credits; amending s. 220.13,
894 F.S.; providing for inclusion of the amount taken as a tax
895 credit in determining adjusted federal income; providing an
896 effective date.



The Foundation for Florida's Future

SUPPORTS

HB 1325 Education by Rep. Attkisson

The Foundation asks that you vote YES on HB 1325 (as amended by Rep. Attkisson's strike-all amendment) in the Education Innovation & Career Preparation Committee meeting on Tuesday, March 18.

Receiving a quality education can place a child on the path to lifelong success. Unfortunately, children in the foster care system face unique educational challenges, such as instability from frequent school transfers, that often lead to undesirable outcomes. Research indicates that as foster children move into adulthood they are more likely to be:

- Homeless,
- Lacking in job skills,
- Convicted of crimes,
- Addicted to drugs and alcohol, and
- Dependent on government for support.

Multiple placements for a foster child often result in corresponding school transfers. In addition to the challenge of adapting to a new home environment, at school the child must acclimate to new teachers and classmates and seek to establish new support relationships. Not surprisingly, research shows that **frequent school changes lead to decreased student performance and lowered expectations.**

"It is clear that giving foster children the ability to attend a safe and high-quality school of choice will not address all of the problems they face, but it can give some of the most at-risk children in our society a chance for a better life."

*Dan Lips
The Heritage Foundation*

The Florida Department of Children and Families serves approximately 44,000 children in foster care, about half of which are school age. Twenty percent of these children have three or more placements within the first 12 months of their removal from home.

The Foster Child Education Scholarship Program will provide expanded educational opportunities and increased stability for Florida's foster children. Those caring for foster children will now be able to select the best learning environment for each individual child, and the child will be able to stay with the same teachers and classmates, regardless of whether he or she changes homes.

In addition, **the Foster Child Education Scholarship Program will save the state money**, just like the Corporate Income Tax Credit (CTC) Scholarship Program after which it is modeled. According to a study by the Collins Center for Public Policy, the CTC program saved Florida \$140 million between 2002 and 2004 based on the difference between the value of the scholarship and what the costs would have been for the same student to attend a public school.

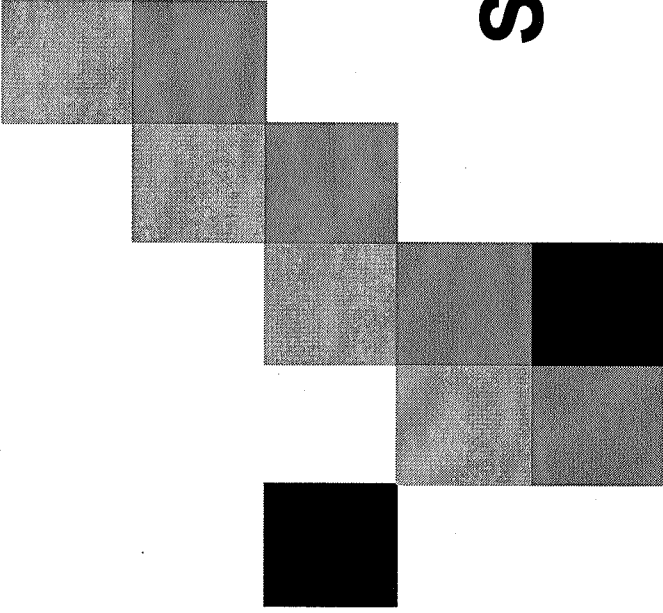
The Department of Children and Families has reviewed and supports this bill.

Your support of our legislative priorities will be reflected in the grade you earn on *Florida's Education Report Card* to be released following the 2008 Legislative Session.

If you have any questions, please contact Josh Hall, Director of Public Policy, at (850) 298-8571 or josh@afloridapromise.org.

www.afloridapromise.org

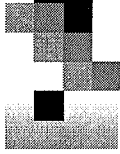
P.O. Box 10691 · Tallahassee, Florida 32302 · (850) 391-3070 · (786) 664-1794 fax



2006-07

K-12 REVENUES

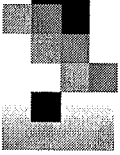
State Total and Per Student



K-12 OPERATING REVENUES

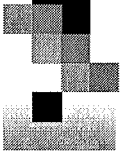
By Source

	<u>State</u>	<u>Per Student</u>
Local Revenues	\$9,631,894,193	\$3,690
State Revenues	9,710,888,573	3,720
Federal Revenues	<u>2,491,025,641</u>	<u>954</u>
Total K-12 Operating Revenues	\$21,833,808,407	\$8,363



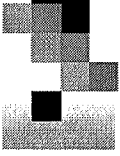
K-12 LOCAL OPERATING REVENUES

	<u>State</u>	<u>Per Student</u>
Property Tax Revenues	\$8,605,885,675	\$3,297
Other Taxes	20,912,686	8
Investment Earnings	201,609,057	77
Other Local Revenues	<u>803,486,775</u>	<u>308</u>
Total K-12 Local		
Operating Revenues	\$9,631,894,193	\$3,690



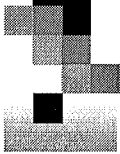
K-12 STATE OPERATING REVENUES

	<u>State</u>	<u>Per Student</u>
FEFP	\$6,264,740,514	\$2,400
Instructional Materials	263,186,389	101
Lottery	105,376,953	40
Transportation	483,034,399	185
Class Size	2,094,892,835	802
Food Services	16,502,879	6
Other State Revenues	<u>483,154,605</u>	<u>185</u>
Total K-12 State		
Operating Revenues	\$9,710,888,573	\$3,720



K-12 FEDERAL OPERATING REVENUES

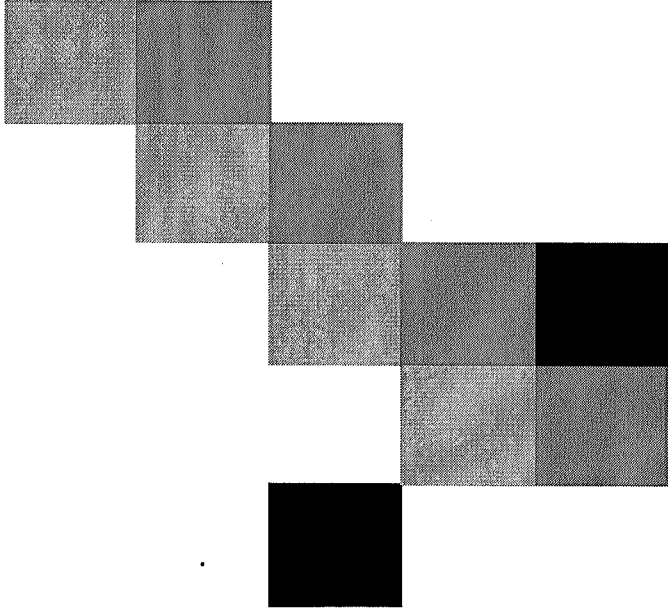
	<u>State</u>	<u>Per Student</u>
Elem. & Sec. Ed. Act/Title I	\$670,614,923	\$257
Elem. & Sec. Ed. Act/Title VI	11,833,377	5
Food and Nutrition	522,351,299	200
Individuals w/Disabilities Ed. Act	564,232,739	216
Other Federal Revenues	<u>721,993,304</u>	<u>277</u>
Total K-12 Federal Operating Revenues	\$2,491,025,641	\$954



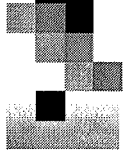
TOTAL K-12 REVENUES

By Fund Type

	<u>State</u>	<u>Per Student</u>
General Fund	\$19,005,615,759	\$7,280
Special Revenue Funds	2,828,192,648	\$1,083
Debt Service Funds	365,133,677	\$140
Capital Project Funds	5,759,195,930	\$2,206
Permanent Fund	<u>16,355</u>	<u>0</u>
Total K-12 Revenues	\$27,958,154,369	\$10,709



2006-07
K-12 EXPENDITURES
State Total and Per Student



2006-07 K-12 EXPENDITURES

	<u>State</u>	<u>Per Student</u>
Operating Expenditures	\$22,118,626,194	\$8,473
Debt Expenditures	1,642,508,930	629
Capital Expenditures	5,992,977,550	2,296
Permanent Fund Expend.	<u>6,877</u>	<u>0</u>
Total K-12 Expenditures	\$29,754,119,551	\$11,397



K-12 TOTAL EXPENDITURES by Fund

	<u>State</u>	<u>Per Student</u>
General Fund	\$19,417,624,126	\$7,438
Special Revenue Funds	2,890,637,646	1,107
Debt Service Funds	1,521,894,085	583
Capital Projects Funds	5,923,956,816	2,269
Permanent Fund	<u>6,877</u>	<u>0</u>
Total K-12 Expenditures	\$29,754,119,551	\$11,397