SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based only on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/SB 1640

SPONSOR: Committee on Education and Senator Clary

SUBJECT: Education/Charter Conversion Municipal Subdistricts

DATE:	April 12, 1999	REVISED:		
1. Hill 2.	ANALYST	STAFF DIRECTOR O'Farrell	REFERENCE ED FP	ACTION Favorable/CS

I. Summary:

This bill allows a municipality or a group of municipalities to apply to a district school board for a charter authorizing a municipality to operate one or more schools within that district. The application and approved charter may include unincorporated areas adjacent to the participating municipalities with prior agreement by the participating municipalities and the county in which the proposed charter schools would be located.

With one exception, these charters (i.e. the performance contracts between a district school board and the municipality that will operate the schools) are subject to the same application, approval, appeal, operational, funding, and oversight provisions as other charter schools. The current limit on the number of charter schools operated by one entity (i.e., not more than 15 statewide) does not apply to a municipality that receives a charter under this bill.

This bill creates the following section of the Florida Statutes: 228.0563.

II. Present Situation:

Charter schools are public schools. They are free from many state and local mandates but are held accountable for the academic and financial performance of the school and its students. Each charter school operates under a charter, which is a performance contract with its sponsor. To continue operating, a charter school must successfully meet the academic and operational goals set by its charter.

Florida's charter school law, s. 228.056, F.S., was enacted in 1996. Since that time, the number and enrollment of charter schools have increased dramatically. In 1996-97, five charter schools served 600 students; in 1997-98, 33 charter schools served 3,000 students; and in the Fall of 1998, over 11,000 students were attending 74 of the 85 charter schools approved for operation in 1998-99. Two municipalities (North Fort Lauderdale and Pembroke Pines) began operating charter schools this school year. Based on a review of pending charter school applications, the

Office of Public School Choice and Charter Schools of the Department of Education expects increasing numbers of municipally-operated charter schools.

Section 228.056, F.S., establishes procedures for establishing, operating, and funding charter schools. Each district school board may sponsor charter schools within its jurisdiction by granting a charter. A state university may sponsor a charter school by authorizing the conversion of the university's developmental research school to charter status.

Applications to establish and operate a new school as a charter school may be submitted to a district school board by an individual, teachers, parents, a group of individuals, a municipality, or a legal entity authorized under the laws of this state. Proposals to convert an existing public school (or school-within-a-school) to a charter school must be submitted by the district school board or by the principal, teachers, parents, and/or the school advisory council of the public school or school-within-a-school. Conversion proposals must be supported by at least 50 percent of teachers employed at the school and 50 percent of the parents whose children attend the school.

A school board's acceptance of an application does not constitute granting the charter. A district school board must, by a majority vote, approve or deny an application no later than 60 days after it is received. If the application is denied, the school board must, within 10 days after the denial, provide specific written reasons based on good cause for denying a charter application. If the application is approved by the district school board, the district board and the charter school applicants negotiate a performance contract or charter. The charter school applicants and the sponsoring school board have six months to negotiate and sign a contract. After that time, if the contract is still pending, the application is automatically denied.

The major issues which must be addressed in the contract or charter and the criteria for approving an application are specified in s. 228.056(9), F.S. (i.e., the schools' mission, students to be served, and ages and grades; focus of curriculum, instructional methods, and distinctive instructional techniques, achievement standards, outcomes, and measurement methods, student assessment methods, graduation requirements, conflict resolution methods, admissions and dismissal procedures, ways a racial/ethnic balance reflective of the community it serves or within the racial/ethnic range of other public schools in the same district.)

The initial charter may be issued for a 3- to 5-year period. A charter may be renewed every five years and may be modified at any time if the sponsor and the charter school's governing body agree. A the end of charter, the sponsor may choose not to renew the charter for failure to meet student performance requirements, failure to meet fiscal management standards, violation of law, or other good cause. The sponsor may terminate a charter at any time the health, safety, or welfare of students is threatened.

Section 228.056, F.S., allows charter school applicants and existing charter schools to appeal a district school board's decision to deny an application or terminate or not renew an existing charter. The sponsorship and appeal provisions are structured to comply with Article IX, Section 4 of the State Constitution, which provides that district school boards are to operate, control, and supervise all free public schools within the school district.

The number of newly created or conversion charter schools is limited based on the number of students served by the district. Section 228.056(8)(h), F.S., limits the number of charters that any single organization may hold to a maximum of 15 charters statewide.

School District Governance

Article IX, section 4 of the State Constitution provides that district school boards are to operate, control, and supervise all free public schools within the school district. Each school district must be governed by a school board composed of five or more elected members. Although school board members must reside in the residence district from which they are elected, s. 230.10, F.S., requires school board members to be elected by the electorate of the entire school district.

Each county constitutes a school district. Two or more contiguous counties may be combined into one school district with approval by the voters of each county. No counties have exercised this option. Article VIII of the Florida Constitution provides that counties may be created, abolished or changed by law. The Legislature could divide an existing county into new counties which would create a new school district contiguous with each new county. The State Constitution would have to be changed to create multiple school districts within an existing county.

Article IX, section 5 of the State Constitution requires each school district to have an elected superintendent unless general law authorizes the employment of an appointed superintendent. The constitution does not address any other aspects of school districts' administrative organization. A district school board could, and some school boards do, create administrative subunits or subdistricts and designate their duties.

Municipalities

Article VIII, section 2 of the State Constitution provides that municipalities may be established or abolished and their charters amended pursuant to general or special law. The legislative bodies of each municipal government must be elected. The constitution grants each municipality governmental, corporate and proprietary powers to enable them to conduct municipal government, perform municipal functions, and render municipal services. Municipalities may exercise any power for municipal purposes except as otherwise provided by law.

Chapter 165, F.S., governs the formation and dissolution of municipal governments. The stated purpose of the act is to provide standards, direction, and procedures for the incorporation, merger, and dissolution of municipalities, and to achieve the following goals: orderly patterns of growth and land use; adequate public services; financial integrity in government; equity in fiscal capacity; and fair cost distribution for municipal services (s. 165.021, F.S.).

III. Effect of Proposed Changes:

This bill allows a municipality or a group of municipalities to apply to a district school board for a charter authorizing a municipality to operate one or more schools within that district. The application and the approved charter may include unincorporated areas adjacent to the participating municipalities with prior agreement of the participating municipalities and the county in which the proposed charter schools would be located.

The bill title refers to "charter conversion municipal subdistricts" but the bill does not limit the types of charter schools that could be operated by the municipally-appointed charter school board. Under s. 228.056, F.S., these could be newly created charter schools or, if approved by 50 percent of the teachers and 50 percent of the parents of an existing public school, a conversion charter school.

With one exception, these charters (i.e. the performance contracts between a district school board and the municipality that will operate the schools) are subject to the same application, approval, appeal, operational, funding, and oversight provisions as other charter schools. The number of schools that a municipality may operate will not be subject to s. 228.056(8)(h), F.S., which prohibits any single organization from holding more than 15 charters statewide.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

This bill is not a mandate on local governments. Participation by municipalities is voluntary. State, local, and federal funding for municipally-operated charter schools will flow through the district school board to the municipally-appointed charter school board in the same manner as funding for other charter schools.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

Participating municipalities will incur costs associated with developing the charter school application and negotiating the details of the charter for schools to be operated by the municipality. State, local, and federal funding for students enrolled in schools within charter school subdistricts will flow through the district school board in the same manner as any other charter school.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.