

STORAGE NAME: h1229.ei.doc

DATE: February 6, 2002

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
EDUCATION INNOVATION
ANALYSIS**

BILL #: HB 1229

RELATING TO: Charter Technical Career Centers

SPONSOR(S): Representative Arza and others

TIED BILL(S): None

ORIGINATING COMMITTEE(S)/COUNCIL(S)/COMMITTEE(S) OF REFERENCE:

- (1) EDUCATION INNOVATION
 - (2) EDUCATION APPROPRIATIONS
 - (3) COUNCIL FOR LIFELONG LEARNING
 - (4)
 - (5)
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I. SUMMARY:

THIS DOCUMENT IS NOT INTENDED TO BE USED FOR THE PURPOSE OF CONSTRUING STATUTES, OR TO BE CONSTRUED AS AFFECTING, DEFINING, LIMITING, CONTROLLING, SPECIFYING, CLARIFYING, OR MODIFYING ANY LEGISLATION OR STATUTE.

HB 1229 changes the deadline for submitting an application to establish a charter technical career center from February 1 to October 1 of the year preceding the academic year in which the center will begin to operate. Additionally, the bill requires the sponsor to issue a decision on the charter application within 60 days of its submission, rather than by March 1.

The bill no longer requires an application for the establishment of a charter technical career center to include information required by the school board or community college board of trustees.

The bill no longer requires the reason for the denial of an application to be based on good cause. Instead, the bill requires the reason for denial of an application to be based upon a finding that the application does not meet the purpose or any other applicable requirement of the section of the statute that governs charter technical career centers.

The bill requires the sponsor, rather than the school board and community college board of trustees, to approve a charter for a technical career center.

The bill deletes language that states a school board or community college board of trustees is not required to issue a charter to any person.

Lastly, the bill revises provisions relating to the funding of charter technical career centers. Specifically, HB 1229 requires each sponsor of a charter technical career center to pay the center at least 95 percent of eligible funds and authorizes each sponsor to retain up to 5 percent of eligible funds for administrative services.

The bill has an effective date of July 1, 2002.

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- | | | | |
|-----------------------------------|---|-----------------------------|---|
| 1. <u>Less Government</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. <u>Lower Taxes</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u> | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

B. PRESENT SITUATION:

The Legislature established charter technical career centers in 1998 to assist in promoting advances and innovations in workforce preparation and economic development. Pursuant to s. 228.505(2), F.S., their purpose serves to:

- Develop a competitive workforce to support local business and industry and economic development.
- Create a training and education model that is reflective of marketplace realities.
- Offer a continuum of career educational opportunities using a school-to-work, tech-prep, technical, academy, and magnet school model.
- Provide career pathways for lifelong learning and career mobility.
- Enhance career and technical training.

Presently, s. 228.505, F.S., authorizes a sponsor (school board, community college board of trustees, or a consortium of one or more of each) to designate charter technical career centers. Provisions in s. 228.505(4), F.S., require an applicant who wishes to establish a charter technical career center to submit an application to the school board, community college board of trustees, or a consortium of one or more of each, that includes:

- The name of the proposed center.
- The proposed structure of the center, including a list of proposed members of the board of directors or a description of the qualifications for and method of their appointment or election.
- The workforce development goals of the center, the curriculum to be offered, and the outcomes and the methods of assessing the extent to which the outcomes are met.
- The admissions policy and criteria for evaluating the admission of students.
- A description of the staff responsibilities and the proposed qualifications of the teaching staff.
- A description of the procedures to be implemented to ensure significant involvement of representatives of business and industry in the operation of the center.
- A method for determining whether a student has satisfied the requirements for high school graduation and for completion of a postsecondary certificate or degree.
- A method for granting secondary and postsecondary diplomas, certificates, and degrees.
- A description of and address for the physical facility in which the center will be located.

- A method of resolving conflicts between the board of directors of the center and the sponsor and between consortium members, if applicable.
- A method for reporting student data as required by law and rule.
- Other information required by the school board or community college board of trustees.

According to s. 228.505(5), F.S., an application to establish a charter technical career center must be submitted to the sponsor by February 1 of the year preceding the academic year in which the center will begin to operate. The sponsor must review the application and issue a final decision on whether to approve the application and grant the charter by March 1.

According to s. 228.505(6) F.S., if an application is denied, the sponsor must, within 10 days, notify the applicant in writing of the specific reasons for denial, which must be based upon good cause. An applicant may appeal any denial of its application to the State Board of Education within 30 days after the sponsor's denial and must notify the sponsor of its appeal. The State Board of Education must, by majority vote, accept or reject the decision of the sponsor no later than 60 days after an appeal is filed, pursuant to State Board of Education rule. The State Board of Education must remand the application to the sponsor with a written recommendation that the sponsor approve or deny the application, consistent with its decision. The sponsor must act upon the recommendation of the State Board of Education within 30 days after it is received, unless the sponsor determines by competent substantial evidence that approving the recommendation would be contrary to law or to the best interests of the students or the community. The sponsor must notify the applicant in writing concerning the specific reasons for its failure to follow the State Board of Education's recommendation. The sponsor's action on the recommendation is a final action, subject to judicial review.

According to s. 228.505(4), F.S., if an initial application is approved, the school board and community college board of trustees, in whose geographic region the center will be located, must approve the charter.

Once a charter technical career center is approved and operational, s. 228.505(11)(a), F.S., requires each sponsor to pay the center an amount stated in the charter. State funding must be generated for the center for its student enrollment and program outcomes as provided in law. A center is eligible for funding from the Florida Workforce Development Education Fund, the Florida Education Finance Program, and the Community College Program Fund, depending upon the programs conducted by the center.

C. EFFECT OF PROPOSED CHANGES:

HB 1229 changes the deadline for submitting an application to establish a charter technical career center from February 1 to October 1 of the year preceding the academic year in which the center will begin to operate. Additionally, the bill requires the sponsor to issue a decision on the charter application within 60 days of its submission, rather than by March 1.

The bill no longer requires an application for the establishment of a charter technical career center to include information required by the school board or community college board of trustees.

The bill no longer requires the reason for the denial of an application to be based on good cause. Instead, the bill requires the reason for denial of an application to be based upon a finding that the application does not meet the purpose or any other applicable requirement of the section of statute that governs charter technical career centers

The bill requires the sponsor, rather than the school boards and community college board of trustees, to approve a charter for a technical career center.

The bill deletes language that states a school board or community college board of trustees is not required to issue a charter to any person.

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D. SECTION-BY-SECTION ANALYSIS:

This section need be completed only in the discretion of the Committee.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

Please see fiscal comments.

2. Expenditures:

Please see fiscal comments.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

Please see fiscal comments.

2. Expenditures:

Please see fiscal comments.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Please see fiscal comments.

D. FISCAL COMMENTS:

The bill requires each sponsor of a charter technical career center to pay the center at least 95 percent of eligible funds and authorizes each sponsor to retain up to 5 percent of eligible funds for administrative services. However, the bill does not define the term "eligible funds."

Since current law requires each sponsor to pay a center an amount stated in the charter, this bill appears to have an indeterminate fiscal impact on current school districts and community college boards of trustees that sponsor centers, but the fiscal impact depends on whether current sponsors pay centers an amount that is more or less than the amount required by the bill.

This bill may have a positive economic impact on private enterprises that provide those administrative services to centers that sponsors choose not to provide.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

The bill does not require counties or municipalities to spend funds or take action that requires the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

The bill does not reduce the authority that counties and municipalities have to raise revenues.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

The bill does not reduce the percentage of a state tax shared with counties and municipalities.

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

This bill does not appear to violate any constitutional provisions.

B. RULE-MAKING AUTHORITY:

This bill does not grant any additional rule-making authority.

C. OTHER COMMENTS:

None

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None

VII. SIGNATURES:

COMMITTEE ON EDUCATION INNOVATION:

Prepared by:

Staff Director:

Alex Amengual

Daniel Furman