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A bill to be entitled
 An act relating to scholarship program accountability;
 amending s. 220.187, F.S., relating to credits for
 contributions to nonprofit scholarship-funding
 organizations; revising provisions relating to corporate
 income tax credit scholarships; changing terminology from
 "nonpublic school" to "private school"; defining the term
 "operator or owner"; revising eligible nonprofit
 scholarship-funding organization obligations, parent
 obligations, and private school obligations; providing
 student obligations; authorizing scholarships for
 transportation expenses to lab schools; providing
 restrictions regarding the provision of scholarships;
 specifying audit requirements; requiring quarterly
 reports; requiring fingerprinting and criminal background
 checks; requiring norm-referenced testing; providing
 Department of Education and Commissioner of Education
 obligations and responsibilities; requiring State Board of
 Education rules; amending s. 1002.39, F.S., relating to
 the John M. McKay Scholarships for Students with
 Disabilities Program; providing Department of Education
 obligations; revising requirements for private school
 eligibility; requiring fingerprinting and criminal
 background checks; providing an effective date.

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

Section 1. Section 220.187, Florida Statutes, is amended
 to read:

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30 220.187 Credits for contributions to nonprofit
 31 scholarship-funding organizations.--

32 (1) PURPOSE.--The purpose of this section is to:

33 (a) Encourage private, voluntary contributions to
 34 nonprofit scholarship-funding organizations.

35 (b) Expand educational opportunities for children of
 36 families that have limited financial resources.

37 (c) Enable children in this state to achieve a greater
 38 level of excellence in their education.

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

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

41 (b) "Eligible contribution" means a monetary contribution
 42 from a taxpayer, subject to the restrictions provided in this
 43 section, to an eligible nonprofit scholarship-funding
 44 organization. The taxpayer making the contribution may not
 45 designate a specific child as the beneficiary of the
 46 contribution. The taxpayer may not contribute more than \$5
 47 million to any single eligible nonprofit scholarship-funding
 48 organization.

49 (c)~~(d)~~ "Eligible nonprofit scholarship-funding
 50 organization" means a charitable organization that is exempt
 51 from federal income tax pursuant to s. 501(c)(3) of the Internal
 52 Revenue Code, that is registered as a Florida corporation, and
 53 that complies with the provisions of subsection (4).

54 (d)~~(e)~~ "Eligible private ~~nonpublic~~ school" means a private
 55 ~~nonpublic~~ school located in Florida that offers an education to
 56 students in any grades K-12 and that meets the requirements in
 57 subsection (6)~~(5)~~.

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58 (e) "Owner or operator" means the owner, president, chair
 59 of the board of directors, superintendent, or principal, or
 60 person with equivalent decisionmaking authority, who owns or
 61 operates an eligible private school or an eligible nonprofit
 62 scholarship-funding organization.

63 ~~(f)~~(e) "Qualified student" means a student who qualifies
 64 for free or reduced-price school lunches under the National
 65 School Lunch Act and who:

66 1. Was counted as a full-time equivalent student during
 67 the previous state fiscal year for purposes of state per-student
 68 funding;

69 2. Received a scholarship from an eligible nonprofit
 70 scholarship-funding organization during the previous school
 71 year; or

72 3. Is eligible to enter kindergarten or first grade.

73 (3) AUTHORIZATION TO GRANT SCHOLARSHIP FUNDING TAX
 74 CREDITS; LIMITATIONS ON INDIVIDUAL AND TOTAL CREDITS.--

75 (a) There is allowed a credit of 100 percent of an
 76 eligible contribution against any tax due for a taxable year
 77 under this chapter. However, such a credit may not exceed 75
 78 percent of the tax due under this chapter for the taxable year,
 79 after the application of any other allowable credits by the
 80 taxpayer. ~~However, at least 5 percent of the total statewide~~
 81 ~~amount authorized for the tax credit shall be reserved for~~
 82 ~~taxpayers who meet the definition of a small business provided~~
 83 ~~in s. 288.703(1) at the time of application.~~ The credit granted
 84 by this section shall be reduced by the difference between the
 85 amount of federal corporate income tax taking into account the
 86 credit granted by this section and the amount of federal

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87 corporate income tax without application of the credit granted
88 by this section.

89 (b) The total amount of tax credits and carryforward of
90 tax credits which may be granted each state fiscal year under
91 this section is \$88 million. However, at least 5 percent of the
92 total statewide amount authorized for tax credits shall be
93 reserved for taxpayers who meet the definition of a small
94 business provided in s. 288.703(1) at the time of application.

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

100 (4) OBLIGATIONS OF ELIGIBLE NONPROFIT SCHOLARSHIP-FUNDING
101 ORGANIZATIONS.--An eligible nonprofit scholarship-funding
102 organization participating in the scholarship program
103 established in this section shall have the following
104 obligations:

105 (a) An eligible nonprofit scholarship-funding organization
106 shall provide corporate income tax credit scholarships, from
107 eligible contributions, to qualified students for:

108 1. Tuition or textbook expenses for, or transportation to,
109 an eligible private ~~nonpublic~~ school. At least 75 percent of
110 each the scholarship funding must be used to pay tuition
111 expenses; or

112 2. Transportation expenses to a Florida public school that
113 is located outside the district in which the student resides or
114 to a lab school as defined in s. 1002.32.

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115 (b) An eligible nonprofit scholarship-funding organization
 116 shall give priority to qualified students who received a
 117 scholarship from an eligible nonprofit scholarship-funding
 118 organization during the previous school year.

119 (c) An eligible nonprofit scholarship-funding organization
 120 shall not provide a scholarship to a student who is receiving an
 121 Opportunity Scholarship pursuant to s. 1002.38 or a John M.
 122 McKay Scholarship pursuant to s. 1002.39. In addition, an
 123 eligible nonprofit scholarship-funding organization shall not
 124 provide a scholarship to a student who is receiving a corporate
 125 income tax credit scholarship from another eligible nonprofit
 126 scholarship-funding organization.

127 (d)+(e) The amount of a scholarship provided to any child
 128 for any single school year by an ~~all~~ eligible nonprofit
 129 scholarship-funding organization ~~organizations~~ from eligible
 130 contributions shall not exceed the following annual limits:

131 1. Three thousand five hundred dollars for a scholarship
 132 awarded to a student enrolled in an eligible private ~~nonpublic~~
 133 school.

134 2. Five hundred dollars for a scholarship awarded to a
 135 student enrolled in a Florida public school that is located
 136 outside the district in which the student resides or in a lab
 137 school as defined in s. 1002.32.

138 (e)+(d) The amount of an eligible contribution which may be
 139 accepted by an eligible nonprofit scholarship-funding
 140 organization is limited to the amount needed to provide
 141 scholarships for qualified students which the organization has
 142 identified and for which vacancies in eligible private ~~nonpublic~~
 143 schools have been identified.

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144 (f)(e) An eligible nonprofit scholarship-funding
 145 organization that receives an eligible contribution must expend
 146 ~~spend~~ 100 percent of the eligible contribution to provide
 147 scholarships in the same state fiscal year in which the
 148 contribution was received. No portion of eligible contributions
 149 may be used for administrative expenses. All interest accrued
 150 from contributions must be used for scholarships.

151 (g) An eligible nonprofit scholarship-funding organization
 152 must maintain separate accounts for scholarship funds and
 153 operating funds.

154 (h)(f) An eligible nonprofit scholarship-funding
 155 organization that receives eligible contributions must provide
 156 to the Auditor General and the Department of Education an annual
 157 financial and compliance audit of its accounts and records
 158 conducted by an independent certified public accountant and in
 159 accordance with rules adopted by the Auditor General. The audit
 160 must be conducted in compliance with generally accepted
 161 accounting principles and must include a report on financial
 162 statements presented in accordance with the reporting standards
 163 set forth in Statement of Financial Accounting Standards No.
 164 117, Financial Statements of Not-for-Profit Organizations, and a
 165 determination of compliance with the statutory eligibility and
 166 expenditure requirements set forth in this section. Audits must
 167 be provided to the Auditor General and the Department of
 168 Education within 120 days after completion of the nonprofit
 169 scholarship-funding organization's fiscal year.

170 (i)(g) An eligible nonprofit scholarship-funding
 171 organization shall obtain verification from the private school
 172 of a student's continued attendance at the school prior to each

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173 scholarship payment. Payment of the scholarship shall be made by
 174 the eligible nonprofit scholarship-funding organization no less
 175 frequently than on a quarterly basis. Payment of the scholarship
 176 by the eligible nonprofit scholarship-funding organization shall
 177 be by individual warrant or check made payable to the student's
 178 parent. If the parent chooses for his or her child to attend an
 179 eligible private ~~nonpublic~~ school, the warrant or check must be
 180 mailed by the eligible nonprofit scholarship-funding
 181 organization to the private ~~nonpublic~~ school of the parent's
 182 choice, and the parent shall restrictively endorse the warrant
 183 or check to the private ~~nonpublic~~ school. An eligible nonprofit
 184 scholarship-funding organization shall ensure that, upon receipt
 185 of a scholarship warrant or check, the parent to whom the
 186 warrant or check is made restrictively endorses the warrant or
 187 check to the private ~~nonpublic~~ school of the parent's choice for
 188 deposit into the account of the private ~~nonpublic~~ school.

189 (j) An eligible nonprofit scholarship-funding organization
 190 must prepare and submit quarterly reports to the Department of
 191 Education pursuant to subsection (7). In addition, an eligible
 192 nonprofit scholarship-funding organization must submit in a
 193 timely manner any information requested by the Department of
 194 Education relating to the scholarship program.

195 (k) An eligible nonprofit scholarship-funding organization
 196 must verify the income of all applicants participating in the
 197 scholarship program each year with independent income
 198 documentation.

199 (l)1. An owner or operator of an eligible nonprofit
 200 scholarship-funding organization must, within 5 days after
 201 assuming ownership or decisionmaking authority, file with the

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202 Department of Law Enforcement a complete set of fingerprints for
 203 state processing for a criminal background check consistent with
 204 the requirements of the National Child Protection Act, 42 U.S.C.
 205 s. 5119(b). The costs of fingerprinting and the background check
 206 shall not be borne by the state.

207 2. The results of a criminal background check shall be
 208 reported as set forth under the National Child Protection Act,
 209 42 U.S.C. s. 5119(b) and forwarded to the owner or operator of
 210 the eligible nonprofit scholarship-funding organization and to
 211 the Department of Education.

212 3. A nonprofit scholarship-funding organization whose
 213 owner or operator has been convicted of a crime involving moral
 214 turpitude or a crime that bears upon the fitness of the owner or
 215 operator to have responsibility for the safety and well-being of
 216 children shall not be eligible to provide scholarships under
 217 this section.

218 (m) A nonprofit scholarship-funding organization whose
 219 owner or operator in the last 7 years has filed for personal
 220 bankruptcy or corporate bankruptcy in a corporation in which he
 221 or she owned more than 20 percent of the corporation shall not
 222 be eligible to provide scholarships under this section.

223 (n) An owner or operator of an eligible nonprofit
 224 scholarship-funding organization is prohibited from owning or
 225 operating an eligible private school that is participating in
 226 the scholarship program.

227 (o) An eligible nonprofit scholarship-funding organization
 228 shall report to the Department of Education any private school
 229 that is not in compliance with the requirements of the
 230 scholarship program. The eligible nonprofit scholarship-funding

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231 organization shall not provide additional scholarship funds to a
 232 parent for a student to attend the private school until a
 233 determination is made by the Commissioner of Education that the
 234 school is in compliance with the requirements of the scholarship
 235 program.

236 (p) An eligible nonprofit scholarship-funding organization
 237 shall not discriminate in the provision of scholarships to a
 238 qualified student based on the student's race, color, national
 239 origin, sex, or religion.

240 (q) An eligible nonprofit scholarship-funding organization
 241 shall allow a qualified student to attend any eligible private
 242 school and shall allow a parent to transfer a scholarship during
 243 a school year to any other eligible private school of the
 244 parent's choice.

245 (r) An eligible nonprofit scholarship-funding organization
 246 shall not target scholarships to a particular private school or
 247 provide scholarships to children of employees of the
 248 organization.

249 (5) ~~PARENT~~ OBLIGATIONS OF PARENTS AND STUDENTS.--

250 (a) As a condition for scholarship payment pursuant to
 251 paragraph (4)(i)~~(g)~~, if the parent chooses for his or her child
 252 to attend an eligible private ~~nonpublic~~ school, the parent must
 253 inform the child's school district within 15 days after such
 254 decision.

255 (b) A student is not eligible to receive a corporate
 256 income tax credit scholarship if he or she is receiving an
 257 Opportunity Scholarship pursuant to s. 1002.38 or a John M.
 258 McKay Scholarship pursuant to s. 1002.39. A student is not

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259 eligible to receive a scholarship from more than one eligible
 260 nonprofit scholarship-funding organization.

261 (c) Upon receipt of a scholarship warrant or check from
 262 the eligible nonprofit scholarship-funding organization, the
 263 parent to whom the warrant or check is made must restrictively
 264 endorse the warrant or check to the private school for deposit
 265 into the account of the private school. No power of attorney
 266 shall be valid for this purpose.

267 (d) Any student participating in the scholarship program
 268 must remain in attendance throughout the school year unless
 269 excused by the school for illness or other good cause and must
 270 comply fully with the school's code of conduct.

271 (e) The parent of a student participating in the
 272 scholarship program must comply fully with the private school's
 273 parental involvement requirements unless excused by the school
 274 for illness or other good cause.

275 (f) The parent of a student participating in the
 276 scholarship program must ensure that the student participates in
 277 the nationally norm-referenced testing required by this section.
 278 Students with disabilities for whom standardized testing is not
 279 appropriate are exempt from this requirement.

280 (g) A participant in the scholarship program who fails to
 281 comply with this subsection forfeits the scholarship.

282 (6) ELIGIBLE PRIVATE ~~NONPUBLIC~~ SCHOOL OBLIGATIONS.--An
 283 eligible private ~~nonpublic~~ school must:

284 (a) Demonstrate fiscal soundness by being in operation for
 285 3 school years or obtain ~~one school year or provide the~~
 286 ~~Department of Education with a statement by a certified public~~
 287 ~~accountant confirming that the nonpublic school desiring to~~

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288 ~~participate is insured and the owner or owners have sufficient~~
 289 ~~capital or credit to operate the school for the upcoming year~~
 290 ~~erving the number of students anticipated with expected~~
 291 ~~revenues from tuition and other sources that may be reasonably~~
 292 ~~expected. In lieu of such a statement, a surety bond or letter~~
 293 ~~of credit for the amount equal to the scholarship funds for any~~
 294 ~~quarter to~~ may be filed with the Department of Education. The
 295 surety bond or letter of credit shall serve to secure
 296 expenditures of scholarship funds should such funds be found to
 297 have been used for unlawful purposes.

298 (b) Notify the Department of Education of its intent to
 299 participate in the scholarship program. The notice must specify
 300 the grade levels that the private school has available for
 301 students participating in the scholarship program.

302 (c)~~(b)~~ Comply with the antidiscrimination provisions of 42
 303 U.S.C. s. 2000d in existence on July 1, 2003.

304 (d)~~(e)~~ Meet state and local health and safety laws and
 305 codes, including, but not limited to, laws pertaining to:

306 1. Fire safety.

307 2. Building codes.

308 (e)~~(d)~~ Comply with all state laws relating to general
 309 regulation of private ~~nonpublic~~ schools, including, but not
 310 limited to, laws pertaining to:

311 1. Annual private school survey required in s. 1002.42(2).

312 2. Retention of records required in s. 1002.42(3).

313 3. Attendance records and reports required in s.
 314 1003.23(2).

315 4. School-entry health examinations and immunizations
 316 required in s. 1003.22.

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317 5. Attendance requirements prescribed in ss. 1003.01(13)
 318 and 1003.21(1).

319 (f) Employ or contract with teachers who hold
 320 baccalaureate or higher degrees, have at least 3 years of
 321 teaching experience in public or private schools, or have
 322 special skills, knowledge, or expertise that qualifies them to
 323 provide instruction in subjects taught.

324 (g) Annually administer or make provision for students
 325 participating in the scholarship program to take one of the
 326 nationally norm-referenced tests identified by the Department of
 327 Education. Students with disabilities for whom standardized
 328 testing is not appropriate are exempt from this requirement. A
 329 participating private school must report a student's scores to
 330 the parent and to the independent private research organization
 331 selected by the Department of Education pursuant to subsection
 332 (7).

333 (h) Within 60 days after employment, for any individual
 334 with direct student contact, file with the Department of Law
 335 Enforcement a complete set of fingerprints for state processing
 336 for a criminal background check consistent with the requirements
 337 of the National Child Protection Act, 42 U.S.C. s. 5119(b). An
 338 "individual with direct student contact" means any individual
 339 who:

- 340 1. Is employed by a private school in any capacity,
 341 including an individual employed as a child care provider, a
 342 teacher, or another member of school personnel, and who is
 343 responsible for the provision of care, treatment, education,
 344 training, instruction, supervision, or recreation of children;
- 345 2. Is the owner or operator of the private school; or

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346 3. Has unsupervised access to a child for whom the private
 347 school is responsible.

348
 349 The costs of fingerprinting and the background check shall not
 350 be borne by the state. The results of a criminal background
 351 check shall be reported as set forth under the National Child
 352 Protection Act, 42 U.S.C. s. 5119(b). The owner or operator of
 353 the private school shall immediately report to the Department of
 354 Education any individual with direct student contact who has
 355 been convicted of a crime that bears upon the individual's
 356 fitness to have responsibility for the safety and well-being of
 357 children. Employment of such an individual shall cause a private
 358 school to be ineligible for participation in the scholarship
 359 program. An individual holding a valid Florida teaching
 360 certificate who has been fingerprinted pursuant to s. 1012.32
 361 shall not be required to comply with the provisions of this
 362 paragraph.

363 (i) Annually comply with the requirements of the
 364 Department of Education to complete a sworn compliance form
 365 certifying compliance with state laws pursuant to subsection
 366 (7).

367 (j) Notify the Department of Education and the eligible
 368 nonprofit scholarship-funding organization if any participating
 369 student is receiving a warrant or check from more than one
 370 nonprofit scholarship-funding organization.

371 (7) DEPARTMENT OF EDUCATION, COMMISSIONER OF EDUCATION,
 372 AND STATE BOARD OF EDUCATION OBLIGATIONS; RESPONSIBILITIES.--

373 (a) The Department of Education shall:

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- 374 1. Annually submit to the Department of Revenue, by March
 375 15, a list of eligible nonprofit scholarship-funding
 376 organizations that meet the requirements of paragraph (2)(c).
- 377 2. Verify the eligibility of nonprofit scholarship-funding
 378 organizations that meet the requirements of paragraph (2)(c).
- 379 3. Verify the eligibility of private schools that meet the
 380 requirements of paragraph (2)(d).
- 381 4. Verify the eligibility of expenditures as provided in
 382 subsection (4).
- 383 5. Establish a toll-free hotline that provides parents,
 384 private schools, and nonprofit scholarship-funding organizations
 385 with information on participation in the scholarship program.
- 386 6. Establish a process by which individuals may notify the
 387 Department of Education of any violation by a private school or
 388 nonprofit scholarship-funding organization of state laws
 389 relating to scholarship program participation.
- 390 7. Require annual completion of a sworn compliance form by
 391 participating private schools certifying compliance with state
 392 laws and retain such records.
- 393 8. Identify all nationally norm-referenced tests that are
 394 comparable to the norm-referenced test portions of the Florida
 395 Comprehensive Assessment Test (FCAT).
- 396 9. Select an independent private research organization to
 397 which participating private schools must report the scores of
 398 participating students on the nationally norm-referenced tests
 399 administered by the private school. The independent private
 400 research organization must annually report to the Department of
 401 Education on the year-to-year improvements of the participating
 402 students. The independent private research organization must

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403 analyze and report student performance data in a manner that
 404 protects the rights of students and parents as mandated in 20
 405 U.S.C. s. 1232g and must not disaggregate data to a level that
 406 will disclose the academic level of individuals or of individual
 407 schools. To the extent possible, the independent private
 408 research organization must accumulate historical performance
 409 data on students from the Department of Education and private
 410 schools to describe baseline performance and to conduct
 411 longitudinal studies.

412 10. Provide a private school profile on-line for those
 413 private schools participating in the scholarship program.

414 11. Notify an eligible nonprofit scholarship-funding
 415 organization of any of the organization's identified students
 416 who are receiving an Opportunity Scholarship pursuant to s.
 417 1002.38 or a John M. McKay Scholarship pursuant to s. 1002.39.

418 12. Notify an eligible nonprofit scholarship-funding
 419 organization of any of the organization's identified students
 420 who are receiving a corporate income tax credit scholarship from
 421 another eligible nonprofit scholarship-funding organization.

422 13. Require quarterly reports by an eligible nonprofit
 423 scholarship-funding organization regarding the number of
 424 students participating in the scholarship program, the private
 425 schools at which the students are enrolled, and other
 426 information deemed necessary by the Department of Education.

427 (b) The Commissioner of Education is authorized to suspend
 428 or prohibit an eligible nonprofit scholarship-funding
 429 organization from participation in the scholarship program and
 430 to take other action necessary to ensure compliance with the
 431 provisions of this section.

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432 (c) The State Board of Education shall adopt rules
 433 pursuant to ss. 120.536(1) and 120.54 to implement the
 434 provisions of this subsection, including rules to determine the
 435 eligibility of nonprofit scholarship-funding organizations and
 436 to identify qualified students.

437 ~~(8)(7)~~ ADMINISTRATION; RULES.--

438 (a) If the credit granted pursuant to this section is not
 439 fully used in any one year because of insufficient tax liability
 440 on the part of the corporation, the unused amount may be carried
 441 forward for a period not to exceed 3 years; however, any
 442 taxpayer that seeks to carry forward an unused amount of tax
 443 credit must submit an application for allocation of tax credits
 444 or carryforward credits as required in paragraph (d) in the year
 445 that the taxpayer intends to use the carryforward. ~~The total~~
 446 ~~amount of tax credits and carryforward of tax credits granted~~
 447 ~~each state fiscal year under this section is \$88 million.~~ This
 448 carryforward applies to all approved contributions made after
 449 January 1, 2002. A taxpayer may not convey, assign, or transfer
 450 the credit authorized by this section to another entity unless
 451 all of the assets of the taxpayer are conveyed, assigned, or
 452 transferred in the same transaction.

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

456 (c) The department and the Department of Education shall
 457 develop a cooperative agreement to assist in the administration
 458 of this section. ~~The Department of Education shall be~~
 459 ~~responsible for annually submitting, by March 15, to the~~
 460 ~~department a list of eligible nonprofit scholarship-funding~~

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461 ~~organizations that meet the requirements of paragraph (2)(d) and~~
 462 ~~for monitoring eligibility of nonprofit scholarship funding~~
 463 ~~organizations that meet the requirements of paragraph (2)(d),~~
 464 ~~eligibility of nonpublic schools that meet the requirements of~~
 465 ~~paragraph (2)(c), and eligibility of expenditures under this~~
 466 ~~section as provided in subsection (4).~~

467 (d) The department shall adopt rules necessary to
 468 administer this section, including rules establishing
 469 application forms and procedures and governing the allocation of
 470 tax credits and carryforward credits under this section on a
 471 first-come, first-served basis.

472 ~~(e) The Department of Education shall adopt rules~~
 473 ~~necessary to determine eligibility of nonprofit scholarship-~~
 474 ~~funding organizations as defined in paragraph (2)(d) and~~
 475 ~~according to the provisions of subsection (4) and identify~~
 476 ~~qualified students as defined in paragraph (2)(e).~~

477 (9)(8) DEPOSITS OF ELIGIBLE CONTRIBUTIONS.--All eligible
 478 contributions received by an eligible nonprofit scholarship-
 479 funding organization shall be deposited in a manner consistent
 480 with s. 17.57(2).

481 Section 2. Paragraphs (g), (h), and (i) are added to
 482 subsection (3) of section 1002.39, Florida Statutes, and
 483 subsection (4) and paragraph (f) of subsection (5) of said
 484 section are amended, to read:

485 1002.39 The John M. McKay Scholarships for Students with
 486 Disabilities Program.--There is established a program that is
 487 separate and distinct from the Opportunity Scholarship Program
 488 and is named the John M. McKay Scholarships for Students with
 489 Disabilities Program, pursuant to this section.

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490 (3) SCHOOL DISTRICT AND DEPARTMENT OF EDUCATION
 491 OBLIGATIONS.--

492 (g) The Department of Education shall establish a toll-
 493 free hotline that provides parents and private schools with
 494 information on participation in the John M. McKay Scholarships
 495 for Students with Disabilities Program.

496 (h) The Department of Education shall establish a process
 497 by which individuals may notify the department of any violation
 498 by a private school of state laws relating to program
 499 participation.

500 (i) The Department of Education shall require annual
 501 completion of a sworn compliance form by participating private
 502 schools certifying compliance with state laws and shall retain
 503 such records.

504 (4) PRIVATE SCHOOL ELIGIBILITY.--To be eligible to
 505 participate in the John M. McKay Scholarships for Students with
 506 Disabilities Program, a private school must be a Florida private
 507 school, may be sectarian or nonsectarian, and must:

508 (a) Demonstrate fiscal soundness by being in operation for
 509 ~~3 school years or obtain 1 school year or provide the Department~~
 510 ~~of Education with a statement by a certified public accountant~~
 511 ~~confirming that the private school desiring to participate is~~
 512 ~~insured and the owner or owners have sufficient capital or~~
 513 ~~credit to operate the school for the upcoming year serving the~~
 514 ~~number of students anticipated with expected revenues from~~
 515 ~~tuition and other sources that may be reasonably expected. In~~
 516 ~~lieu of such a statement,~~ a surety bond or letter of credit for
 517 the amount equal to the scholarship funds for any quarter to ~~may~~
 518 be filed with the Department of Education. The surety bond or

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519 letter of credit shall serve to secure expenditures of
 520 scholarship funds should such funds be found to have been used
 521 for unlawful purposes.

522 (b) Notify the Department of Education of its intent to
 523 participate in the program under this section. The notice must
 524 specify the grade levels and services that the private school
 525 has available for students with disabilities who are
 526 participating in the scholarship program.

527 (c) Comply with the antidiscrimination provisions of 42
 528 U.S.C. s. 2000d in existence on July 1, 2003.

529 (d) Meet state and local health and safety laws and codes,
 530 including, but not limited to, laws pertaining to:

531 1. Fire safety.

532 2. Building codes.

533 (e) Be academically accountable to the parent for meeting
 534 the educational needs of the student by providing to the parent
 535 a documented explanation of the student's progress.

536 (f) Employ or contract with teachers who hold
 537 baccalaureate or higher degrees, or have at least 3 years of
 538 teaching experience in public or private schools, or have
 539 special skills, knowledge, or expertise that qualifies them to
 540 provide instruction in subjects taught.

541 (g) Comply with all state laws relating to general
 542 regulation of private schools, including, but not limited to,
 543 laws pertaining to:

544 1. Annual private school survey required in s. 1002.42(2).

545 2. Retention of records required in s. 1002.42(3).

546 3. Attendance records and reports required in s.
 547 1003.23(2).

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548 4. School-entry health examinations and immunizations
 549 required in s. 1003.22.

550 5. Attendance requirements prescribed in ss. 1003.01(13)
 551 and 1003.21(1).

552 (h) Adhere to the tenets of its published disciplinary
 553 procedures prior to the expulsion of a scholarship student.

554 (i) Within 60 days after employment, for any individual
 555 who has direct student contact, file with the Department of Law
 556 Enforcement a complete set of fingerprints for state processing
 557 for a criminal background check consistent with the requirements
 558 of the National Child Protection Act, 42 U.S.C. s. 5119(b). An
 559 "individual with direct student contact" means any individual
 560 who:

561 1. Is employed by a private school in any capacity,
 562 including an individual employed as a child care provider, a
 563 teacher, or another member of school personnel, and who is
 564 responsible for the provision of care, treatment, education,
 565 training, instruction, supervision, or recreation of children;

566 2. Is the owner or operator of the private school; or

567 3. Has unsupervised access to a child for whom the private
 568 school is responsible.

569
 570 The costs of fingerprinting and the background check shall not
 571 be borne by the state. The results of a criminal background
 572 check shall be reported as set forth under the National Child
 573 Protection Act, 42 U.S.C. s. 5119(b). The owner or operator of
 574 the private school shall immediately report to the Department of
 575 Education any individual with direct student contact who has
 576 been convicted of a crime that bears upon the individual's

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577 fitness to have responsibility for the safety and well-being of
 578 children. Employment of such an individual shall cause a private
 579 school to be ineligible for participation in the program. An
 580 individual holding a valid Florida teaching certificate who has
 581 been fingerprinted pursuant to s. 1012.32 shall not be required
 582 to comply with the provisions of this paragraph.

583 (j) Annually comply with the requirements of the
 584 Department of Education to complete a sworn compliance form
 585 certifying compliance with state laws pursuant to subsection
 586 (3).

587 (5) OBLIGATION OF PROGRAM PARTICIPANTS.--

588 (f) Upon receipt of a scholarship warrant, the parent to
 589 whom the warrant is made must restrictively endorse the warrant
 590 to the private school for deposit into the account of the
 591 private school. No power of attorney shall be valid for this
 592 purpose.

593 Section 3. This act shall take effect upon becoming a law.