

By the Committee on Education Pre-K - 12; and Senators Gaetz, Lawson, King, Storms, Baker, Crist, Posey, Oelrich, Saunders, Fasano, Peaden, Siplin, Wise, Bennett, Dockery, Haridopolos, (Additional Introdurers on Last Printed Page)

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1 A bill to be entitled

2 An act relating to the Corporate Income Tax Credit
3 Scholarship Program; amending s. 220.187, F.S.; providing
4 legislative findings; revising program purposes; providing
5 that siblings of certain students are eligible for
6 participation in the program; revising provisions
7 authorizing the total amount of tax credits that may be
8 granted and deleting the reservation of a portion thereof;
9 revising authorized uses of scholarship funds and
10 providing for premium payments to certain students who
11 participate in statewide assessments; revising provisions
12 relating to expenditure of contributions received during a
13 fiscal year; removing parent responsibility for providing
14 transportation to certain assessment sites; providing
15 obligations of the Department of Education relating to
16 scholarship student participation in statewide
17 assessments; revising scholarship amounts and providing
18 amount of premium payments; requiring State Board of
19 Education rule for adjustment of scholarship awards;
20 revising requirements relating to verification of student
21 attendance for purposes of scholarship payment; providing
22 for preservation of credits under certain circumstances;
23 providing an effective date.

24
25 Be It Enacted by the Legislature of the State of Florida:

26
27 Section 1. Subsections (1) and (3), paragraph (b) of
28 subsection (5), paragraphs (d), (i), and (m) of subsection (6),
29 paragraph (e) of subsection (7), paragraph (c) of subsection (8),

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30 and paragraphs (a), (b), and (c) of subsection (11) of section
31 220.187, Florida Statutes, are amended, paragraphs (k) through
32 (n) of subsection (9) are redesignated as paragraphs (m) through
33 (p), respectively, new paragraphs (k) and (l) are added to that
34 subsection, and a new subsection (14) is added to that section,
35 to read:

36 220.187 Credits for contributions to nonprofit scholarship-
37 funding organizations.--

38 (1) FINDINGS AND PURPOSE.--

39 (a) The Legislature finds that:

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

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

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

52 4. The existence of programs that provide expanded
53 educational opportunities in this state has not been shown to
54 reduce funding to or otherwise harm public schools within the
55 state, and, to the contrary, per-student funding in public
56 schools has risen each year since the inception of those programs
57 in 1999.

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58 5. Expanded educational opportunities and the healthy
59 competition they promote are critical to improving the quality of
60 education in the state and to ensuring that all children receive
61 the high-quality education to which they are entitled.

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

63 1.(a) Enable taxpayers to make ~~Encourage~~ private, voluntary
64 contributions to nonprofit scholarship-funding organizations in
65 order to promote the general welfare.

66 2. Provide taxpayers who wish to help parents with limited
67 resources exercise their basic right to educate their children as
68 they see fit with a means to do so.

69 3.(b) Promote the general welfare by expanding ~~Expand~~
70 educational opportunities for children of families that have
71 limited financial resources.

72 4.(e) Enable children in this state to achieve a greater
73 level of excellence in their education.

74 5. Improve the quality of education in this state, both by
75 expanding educational opportunities for children and by creating
76 incentives for schools to achieve excellence.

77 (3) PROGRAM; SCHOLARSHIP ELIGIBILITY.--The Corporate Income
78 Tax Credit Scholarship Program is established. A student is
79 eligible for a corporate income tax credit scholarship if the
80 student qualifies for free or reduced-price school lunches under
81 the National School Lunch Act and:

82 (a) Was counted as a full-time equivalent student during
83 the previous state fiscal year for purposes of state per-student
84 funding;

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85 (b) Received a scholarship from an eligible nonprofit
86 scholarship-funding organization or from the State of Florida
87 during the previous school year; or

88 (c) Is eligible to enter kindergarten or first grade.

89
90 Contingent upon available funds, a student may continue in the
91 scholarship program as long as the student's household ~~family~~
92 income level does not exceed 200 percent of the federal poverty
93 level. A sibling of a student who is continuing in the program
94 and resides in the same household as the student shall also be
95 eligible as a first-time corporate income tax credit scholarship
96 recipient as long as the student's and sibling's household income
97 level does not exceed 200 percent of the federal poverty level.

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

100 (b) The total amount of tax credits and carryforward of tax
101 credits which may be granted each state fiscal year under this
102 section is:

103 1. Through June 30, 2008, \$88 million.

104 2. Through June 30, 2009, \$118 million.

105 3. Through June 30, 2010, \$148 million.

106 4. Through June 30, 2011, \$178 million.

107 5. Through June 30, 2012, \$208 million.

108 6. Beginning July 1, 2012, and thereafter, \$238 million.

109 ~~At least 1 percent of the total statewide amount authorized for~~
110 ~~the tax credit shall be reserved for taxpayers who meet the~~
111 ~~definition of a small business provided in s. 288.703(1) at the~~
112 ~~time of application.~~

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113 (6) OBLIGATIONS OF ELIGIBLE NONPROFIT SCHOLARSHIP-FUNDING
114 ORGANIZATIONS.--An eligible nonprofit scholarship-funding
115 organization:

116 (d)1. Must provide scholarships, from eligible
117 contributions, to eligible students for the cost of:

118 a.1. Tuition and fees ~~or textbook expenses for, or~~
119 ~~transportation to,~~ an eligible private school. ~~At least 75~~
120 ~~percent of the scholarship funding must be used to pay tuition~~
121 ~~expenses; or~~

122 b.2. Transportation ~~expenses~~ to a Florida public school
123 that is located outside the district in which the student resides
124 or to a lab school as defined in s. 1002.32.

125 2. Beginning in the 2009-2010 state fiscal year, must
126 provide a premium payment to a scholarship student who
127 participates in the statewide assessments pursuant to s. 1008.22
128 and who attends an eligible private school that has at least 95-
129 percent participation of eligible scholarship students in the
130 statewide assessments. This premium payment shall be applied to
131 transportation costs related to participation in the statewide
132 assessments, statewide assessment preparation costs, and other
133 school fees incurred by a student that are not otherwise covered
134 under this paragraph.

135 (i) Must expend for annual or partial-year scholarships an
136 amount equal to or greater than 75 percent of the eligible
137 contributions received during the fiscal year in which such
138 contributions are collected. No more than 25 percent of such
139 eligible contributions may be carried forward to the following
140 fiscal year. Any amounts carried forward shall be expended for
141 ~~obligate, in the same fiscal year in which the contribution was~~

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142 | ~~received, 100 percent of the eligible contribution to provide~~
143 | ~~annual or partial-year scholarships; however, up to 25 percent of~~
144 | ~~the total contribution may be carried forward for expenditure in~~
145 | ~~the following state fiscal year. A scholarship-funding~~
146 | ~~organization must, before granting a scholarship for an academic~~
147 | ~~year, document each scholarship student's eligibility for that~~
148 | ~~academic year. A scholarship-funding organization may not grant~~
149 | ~~multiyear scholarships in one approval process. No portion of~~
150 | ~~eligible contributions may be used for administrative expenses.~~
151 | Beginning in the 2009-2010 state fiscal year, up to 3 percent of
152 | eligible collected contributions may be used for administrative
153 | expenses incurred by a scholarship-funding organization under
154 | this section. All interest accrued from contributions must be
155 | used for scholarships.

156 | (m) Must prepare and submit quarterly reports to the
157 | Department of Education pursuant to paragraph (9) (o) ~~(m)~~. In
158 | addition, an eligible nonprofit scholarship-funding organization
159 | must submit in a timely manner any information requested by the
160 | Department of Education relating to the scholarship program.

161 |
162 | Any and all information and documentation provided to the
163 | Department of Education and the Auditor General relating to the
164 | identity of a taxpayer that provides an eligible contribution
165 | under this section shall remain confidential at all times in
166 | accordance with s. 213.053.

167 | (7) PARENT AND STUDENT RESPONSIBILITIES FOR PROGRAM
168 | PARTICIPATION.--

169 | (e) The parent shall ensure that the student participating
170 | in the scholarship program takes the norm-referenced assessment

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171 | offered by the private school. The parent may also choose to have
172 | the student participate in the statewide assessments pursuant to
173 | s. 1008.22. Except as provided in subsection (6), if the parent
174 | requests that the student participating in the scholarship
175 | program take statewide assessments pursuant to s. 1008.22, the
176 | parent is responsible for transporting the student to the
177 | assessment site designated by the school district.

178 | (8) PRIVATE SCHOOL ELIGIBILITY AND OBLIGATIONS.--An
179 | eligible private school may be sectarian or nonsectarian and
180 | must:

181 | (c) Be academically accountable to the parent for meeting
182 | the educational needs of the student by:

183 | 1. At a minimum, annually providing to the parent a written
184 | explanation of the student's progress.

185 | 2. Annually administering or making provision for students
186 | participating in the scholarship program to take one of the
187 | nationally norm-referenced tests identified by the Department of
188 | Education. Students with disabilities for whom standardized
189 | testing is not appropriate are exempt from this requirement. A
190 | participating private school must report a student's scores to
191 | the parent and to the independent research organization selected
192 | by the Department of Education as described in paragraph (9)(j).

193 | 3. Cooperating with the scholarship student whose parent
194 | chooses to have the student participate in the statewide
195 | assessments pursuant to s. 1008.22 ~~s. 1008.32~~. Beginning in the
196 | 2009-2010 state fiscal year, in order to encourage participation,
197 | a scholarship student who participates in the statewide
198 | assessments is eligible for a premium payment pursuant to
199 | subparagraph (6)(d)2. and subparagraph (11)(a)2.

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200
201 The inability of a private school to meet the requirements of
202 this subsection shall constitute a basis for the ineligibility of
203 the private school to participate in the scholarship program as
204 determined by the Department of Education.

205 (9) DEPARTMENT OF EDUCATION OBLIGATIONS.--The Department of
206 Education shall:

207 (k) Provide participating schools with all preparation and
208 instructional materials to prepare students for the statewide
209 assessments pursuant to s. 1008.22.

210 (l) Beginning in the 2009-2010 state fiscal year, determine
211 if at least 95 percent of a private school's eligible scholarship
212 students participate in the statewide assessments pursuant to s.
213 1008.22.

214 (11) SCHOLARSHIP AND PREMIUM AMOUNT AND PAYMENT.--

215 (a) 1. The amount of a scholarship provided to any student
216 for any single school year by an eligible nonprofit scholarship-
217 funding organization from eligible contributions shall be for
218 total costs authorized under subparagraph (6) (d) 1., not to exceed
219 the following annual limits:

220 a. 1. Three thousand seven hundred fifty dollars for a
221 scholarship awarded to a student enrolled in an eligible private
222 school for the 2008-2009 state fiscal year. Beginning in the
223 2009-2010 state fiscal year, the State Board of Education shall,
224 by rule, adjust the maximum amounts for the scholarship awards
225 under this sub-subparagraph to reflect 60 percent of the
226 unweighted FEFP student funding amount established in the annual
227 appropriations act for the ensuing state fiscal year. However,
228 the increase in the maximum amounts for a scholarship award under

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229 this sub-subparagraph may not exceed \$200 annually. The annually
230 adjusted amounts shall be rounded downward to the nearest dollar.

231 b.2. Five hundred dollars for a scholarship awarded to a
232 student enrolled in a Florida public school that is located
233 outside the district in which the student resides or in a lab
234 school as defined in s. 1002.32.

235 2. Beginning in the 2009-2010 state fiscal year, the amount
236 of an annual premium payment by an eligible nonprofit
237 scholarship-funding organization from eligible contributions
238 shall be \$200 for costs authorized under subparagraph (6) (d)2.
239 provided to a student who takes the statewide assessments
240 pursuant to s. 1008.22 if at least 95 percent of the private
241 school's eligible scholarship students participate in the
242 statewide assessments.

243 (b) Payment of the scholarship and premium by the eligible
244 nonprofit scholarship-funding organization shall be by individual
245 warrant made payable to the student's parent. If the parent
246 chooses that his or her child attend an eligible private school,
247 the warrant must be delivered by the eligible nonprofit
248 scholarship-funding organization to the private school of the
249 parent's choice, and the parent shall restrictively endorse the
250 warrant to the private school. An eligible nonprofit scholarship-
251 funding organization shall ensure that the parent to whom the
252 warrant is made restrictively endorsed the warrant to the private
253 school for deposit into the account of the private school.

254 (c) An eligible nonprofit scholarship-funding organization
255 shall obtain verification from the private school of a student's
256 continued attendance at the school for ~~prior to~~ each period
257 covered by a scholarship payment.

