

1 A bill to be entitled
 2 An act relating to dropout prevention; creating s.
 3 1003.531, F.S.; creating the Pay-for-Success Contract
 4 Program; defining the term "pay-for-success contract";
 5 providing that the State Board of Education may enter
 6 into contracts with certain entities to provide
 7 dropout prevention programs for high-risk students;
 8 providing duties of the state board; providing
 9 contract requirements; providing requirements for a
 10 dropout prevention program; providing for a report;
 11 authorizing the state board to request an estimate of
 12 certain costs to the state; providing for rulemaking;
 13 providing an effective date.

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

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 17 Section 1. Section 1003.531, Florida Statutes, is created
 18 to read:

19 1003.531 High school retention; pay for success.—

20 (1) The State Board of Education shall establish and
 21 administer the Pay-for-Success Contract Program.

22 (2) For purposes of this section, a "pay-for-success
 23 contract" or "contract" means a contract entered into between
 24 the State Board of Education and a private entity to provide a
 25 high-quality dropout prevention program to high-risk students
 26 attending a public school in the state.

27 (3) The state board shall have the following duties and
28 responsibilities:

29 (a) May negotiate and enter into a pay-for-success
30 contract with one or more private entities, selected through a
31 competitive process, to fund high-quality dropout prevention
32 programs.

33 (b) May not enter into additional pay-for-success
34 contracts if the total outstanding obligation of pay-for-success
35 contracts exceeds \$10 million at any time.

36 (c) May provide for repayment of investment to a private
37 entity, including a return on investment and an additional
38 return on investment, if performance outcome measures specified
39 in the contract are attained. The additional return on
40 investment may not exceed 5 percent above the Municipal Market
41 Data General Obligation Bond AAA scale for a 10-year maturity at
42 the time of the issuance of the contract.

43 (d) Shall select an independent, nationally recognized
44 education evaluator through a request for proposals to annually
45 evaluate performance outcome measures specified in each pay-for-
46 success contract.

47 (e) Shall ensure that the parent of a student
48 participating in a dropout prevention program funded through a
49 pay-for-success contract has given permission and signed an
50 acknowledgment that the student's data may be shared with an
51 education evaluator for research and evaluation purposes. The
52 state board shall retain the signed acknowledgement.

53 (4) Pay-for-success contracts shall:
 54 (a) Be limited to high-quality dropout prevention
 55 programs.
 56 (b) Subject to legislative appropriation, require the
 57 repayment of investment, including a return on investment and an
 58 additional return on investment, if performance outcome measures
 59 specified in the contract are attained.
 60 (c) Require an education evaluator to determine whether
 61 performance outcomes specified in the contract have been
 62 achieved.
 63 (d) Prohibit the private entity from receiving or viewing
 64 any personally identifiable student data.
 65 (5) A high-quality dropout prevention program run by a
 66 private entity under a pay-for-success contract must include:
 67 (a) An evidence-based model of programming and services.
 68 (b) Ongoing assessment of a student's educational growth
 69 and developmental progress to inform programming.
 70 (c) Ongoing program evaluation and data collection to
 71 monitor program goal achievement and implementation of required
 72 program components.
 73 (6) A private entity that receives funds pursuant to a
 74 contract under this section shall report annually to the state
 75 board the following de-identified information relating to the
 76 Pay-for-Success Contract Program:

77 (a) The number of eligible students served by the program,
 78 reported by a student's status as economically disadvantaged or
 79 as an English language learner.

80 (b) The attendance of students served by the program.

81 (c) The cost per student in the program.

82 (d) Aggregated longitudinal data on students who are
 83 currently participating and who previously participated in the
 84 program, including:

85 1. Academic achievement outcomes;

86 2. Dropout rates; and

87 3. Graduation rates.

88 (7) At the request of the state board, the Office of
 89 Economic and Demographic Research shall estimate the total cost
 90 incurred by the state due to students who drop out of high
 91 school.

92 (8) Funding obtained for a dropout prevention program
 93 under this section is not a procurement item under s. 287.057.

94 (9) The State Board of Education shall adopt rules to
 95 administer this section.

96 Section 2. This act shall take effect July 1, 2015.