

1 A bill to be entitled
2 An act relating to Florida personal learning
3 scholarship accounts; amending s. 1002.385, F.S.,
4 relating to the Florida Personal Learning Scholarship
5 Accounts Program; revising definitions of the terms
6 "disability," "eligible postsecondary educational
7 institution," and "eligible private school" to revise
8 eligibility for the program; revising requirements for
9 the authorized uses of program funds, including for
10 the payment of specified fees; revising provisions
11 relating to the term of the program; authorizing
12 payments for program expenditures by a parent to
13 continue until the account is closed; providing
14 criteria for account closure; requiring remaining
15 funds to revert to the state; requiring notice to a
16 parent upon the closure of the account; providing that
17 parents of certain students may request an individual
18 education plan (IEP) meeting and evaluation from the
19 school district under certain circumstances; requiring
20 the school district to conduct the meeting and develop
21 an IEP; deleting certain school district notification
22 requirements; requiring the Department of Education to
23 compare specified lists throughout the school year for
24 certain purposes; revising authority of the
25 Commissioner of Education to deny, suspend, or revoke
26 program participation or use of program funds;

27 | revising parent responsibilities for program
28 | participation; requiring the provision of certain
29 | documentation for a high-risk child to remain eligible
30 | for program participation upon attaining a certain
31 | age; deleting a requirement for a parent to maintain
32 | certain records and materials for a specified period;
33 | requiring priority to be given to certain students for
34 | participation in the program; requiring scholarship-
35 | funding organizations to maintain records of accrued
36 | interest in scholarship accounts; requiring program
37 | funds to be released during the first quarter of each
38 | fiscal year; authorizing the use of certain funds for
39 | administrative expenses by eligible nonprofit
40 | scholarship-funding organizations; prohibiting the use
41 | of such funds for lobbying or political activity;
42 | providing for the refund of an application fee under
43 | certain circumstances; deleting a requirement for a
44 | financial audit; requiring the Auditor General to
45 | provide the Commissioner of Education with certain
46 | information; deleting obsolete provisions; amending s.
47 | 1002.395, F.S., relating to the Florida Tax Credit
48 | Scholarship Program; revising eligibility for using
49 | certain funds for administrative expenses for a
50 | scholarship-funding organization; revising the
51 | contents of an application for initial approval and
52 | renewal; providing for the transfer of certain funds

53 to provide scholarships for certain students;
 54 providing for the deposit of transferred funds;
 55 requiring that transferred funds be disclosed
 56 separately in a specific audit; requiring that the
 57 results of certain audits be submitted to the
 58 department and Auditor General; amending s. 1009.98,
 59 F.S.; requiring the Florida Prepaid College Board to
 60 develop procedures and contracts to allow
 61 contributions from the Florida Personal Learning
 62 Scholarship Accounts Program to be used to purchase
 63 prepaid college plans; providing requirements for such
 64 funds; providing an effective date.

65
 66 Be It Enacted by the Legislature of the State of Florida:

67
 68 Section 1. Section 1002.385, Florida Statutes, is amended
 69 to read:

70 1002.385 Florida personal learning scholarship accounts.—

71 (1) ESTABLISHMENT OF PROGRAM.—The Florida Personal
 72 Learning Scholarship Accounts Program is established to provide
 73 the option for a parent to better meet the individual
 74 educational needs of his or her eligible child.

75 (2) DEFINITIONS.—As used in this section, the term:

76 (a) "Approved provider" means a provider approved by the
 77 Agency for Persons with Disabilities, a health care practitioner
 78 as defined in s. 456.001(4), or a provider approved by the

79 department pursuant to s. 1002.66.

80 (b) "Curriculum" means a complete course of study for a
 81 particular content area or grade level, including any required
 82 supplemental materials.

83 (c) "Department" means the Department of Education.

84 (d) "Disability" means, for a student in kindergarten to
 85 grade 12, autism spectrum disorder, as defined in the Diagnostic
 86 and Statistical Manual of Mental Disorders, Fifth Edition,
 87 published by the American Psychiatric Association ~~s. 393.063(3);~~
 88 cerebral palsy, as defined in s. 393.063(4); Down syndrome, as
 89 defined in s. 393.063(13); an intellectual disability, as
 90 defined in s. 393.063(21); Prader-Willi syndrome, as defined in
 91 s. 393.063(25); ~~or~~ spina bifida, as defined in s. 393.063(36);
 92 for a student in kindergarten, being a high-risk child, as
 93 defined in s. 393.063(20) (a); ~~and~~ Williams syndrome; or muscular
 94 dystrophy.

95 (e) "Eligible nonprofit scholarship-funding organization"
 96 or "organization" has the same meaning as in s. 1002.395.

97 (f) "Eligible postsecondary educational institution" means
 98 a Florida College System institution, a state university, a
 99 school district technical center, a school district adult
 100 general education center, an institution that is eligible to
 101 participate in the William L. Boyd, IV, Florida Resident Access
 102 Grant Program under s. 1009.89, or an accredited independent
 103 ~~nonpublic~~ postsecondary educational institution, as defined in
 104 s. 1005.02, which is licensed to operate in the state pursuant

105 to requirements specified in part III of chapter 1005.

106 (g) "Eligible private school" means a private school, as
 107 defined in s. 1002.01, which is located in this state, which
 108 offers an education to students in any grade from kindergarten
 109 to grade 12, and which meets requirements of:

- 110 1. Sections 1002.42 and 1002.421; and
- 111 2. A scholarship program under s. 1002.39 or s. 1002.395~~7~~
 112 ~~as applicable, if the private school participates in a~~
 113 ~~scholarship program under s. 1002.39 or s. 1002.395.~~

114 (h) "IEP" means individual education plan.

115 (i) "Parent" means a resident of this state who is a
 116 parent, as defined in s. 1000.21.

117 (j) "Program" means the Florida Personal Learning
 118 Scholarship Accounts Program established in this section.

119 (3) PROGRAM ELIGIBILITY.—A parent of a student with a
 120 disability may request and receive from the state a Florida
 121 personal learning scholarship account for the purposes specified
 122 in subsection (5) if:

- 123 (a) The student:
 - 124 1. Is a resident of this state;
 - 125 2. Is eligible to enroll in kindergarten through grade 12
 126 in a public school in this state;
 - 127 3. Has a disability as defined in paragraph (2) (d); and
 - 128 4. Is the subject of an IEP written in accordance with
 129 rules of the State Board of Education or has received a
 130 diagnosis of a disability as defined in subsection (2) from a

131 physician who is licensed under chapter 458 or chapter 459 or a
132 psychologist who is licensed under chapter 490 ~~in this state~~.

133 (b) Beginning January 2015, the parent has applied to an
134 eligible nonprofit scholarship-funding organization to
135 participate in the program by February 1 before the school year
136 in which the student will participate or an alternative date as
137 set by the organization for any vacant, funded slots. The
138 request must be communicated directly to the organization in a
139 manner that creates a written or electronic record of the
140 request and the date of receipt of the request. The organization
141 shall notify the district and the department of the parent's
142 intent upon receipt of the parent's request.

143 (4) PROGRAM PROHIBITIONS.—

144 (a) A student is not eligible for the program while he or
145 she is:

146 1. Enrolled in a public school, including, but not limited
147 to, the Florida School for the Deaf and the Blind; the Florida
148 Virtual School; the College-Preparatory Boarding Academy; a
149 developmental research school authorized under s. 1002.32; a
150 charter school authorized under s. 1002.33, s. 1002.331, or s.
151 1002.332; or a virtual education program authorized under s.
152 1002.45;

153 2. Enrolled in a school operating for the purpose of
154 providing educational services to youth in the Department of
155 Juvenile Justice commitment programs;

156 3. Receiving a scholarship pursuant to the Florida Tax

157 Credit Scholarship Program under s. 1002.395 or the John M.
 158 McKay Scholarships for Students with Disabilities Program under
 159 s. 1002.39; or

160 4. Receiving any other educational scholarship pursuant to
 161 this chapter.

162 (b) A student is not eligible for the program if:

163 1. The student or student's parent has accepted any
 164 payment, refund, or rebate, in any manner, from a provider of
 165 any services received pursuant to subsection (5);

166 2. The student's participation in the program has been
 167 denied or revoked by the Commissioner of Education pursuant to
 168 subsection (10); or

169 3. The student's parent has forfeited participation in the
 170 program for failure to comply with requirements pursuant to
 171 subsection (11).

172 (5) AUTHORIZED USES OF PROGRAM FUNDS.—Program funds must
 173 be used to meet the individual educational needs of an eligible
 174 student and may be spent for the following purposes:

175 (a) Instructional materials, including digital devices,
 176 digital periphery devices, and assistive technology devices that
 177 allow a student to access instruction or instructional content.

178 (b) Curriculum as defined in paragraph (2)(b).

179 (c) Specialized services by approved providers that are
 180 selected by the parent. These specialized services may include,
 181 but are not limited to:

182 1. Applied behavior analysis services as provided in ss.

183 627.6686 and 641.31098.

184 2. Services provided by speech-language pathologists as
185 defined in s. 468.1125.

186 3. Occupational therapy services as defined in s. 468.203.

187 4. Services provided by physical therapists as defined in
188 s. 486.021.

189 5. Services provided by listening and spoken language
190 specialists and an appropriate acoustical environment for a
191 child who is deaf or hard of hearing and who has received an
192 implant or assistive hearing device.

193 (d) Enrollment in, or tuition or fees associated with
194 enrollment in, an eligible private school, an eligible
195 postsecondary educational institution or a program offered by an
196 eligible postsecondary educational institution, a private
197 tutoring program authorized under s. 1002.43, a virtual program
198 offered by a department-approved private online provider that
199 meets the provider qualifications specified in s. 1002.45(2)(a),
200 the Florida Virtual School as a private paying student, or an
201 approved online course offered pursuant to s. 1003.499 or s.
202 1004.0961.

203 (e) Fees for nationally standardized, norm-referenced
204 achievement tests, Advanced Placement Examinations, industry
205 certification examinations, assessments related to postsecondary
206 education, or other assessments.

207 (f) Contributions to the Stanley G. Tate Florida Prepaid
208 College Program pursuant to s. 1009.98, for the benefit of the

209 eligible student.

210 (g) Contracted services provided by a public school or
211 school district, including classes. A student who receives
212 services under a contract under this paragraph is not considered
213 enrolled in a public school for eligibility purposes as
214 specified in subsection (4).

215 (h) Tuition and fees for part-time tutoring services
216 provided by a person who holds a valid Florida educator's
217 certificate pursuant to s. 1012.56, a person who holds an
218 adjunct teaching certificate pursuant to s. 1012.57, or a person
219 who has demonstrated a mastery of subject area knowledge
220 pursuant to s. 1012.56(5). For purposes of this paragraph, the
221 term "part-time tutoring services" does not satisfy regular
222 school attendance as defined in s. 1003.01(13)(e).

223 (i) Fees for an annual evaluation of educational progress
224 under s. 1002.41(1)(c).

225 (j) Fees associated with the use of an electronic payment
226 system under paragraph (13)(c).

227
228 A specialized service provider, eligible private school,
229 eligible postsecondary educational institution, private tutoring
230 program provider, online or virtual program provider, public
231 school, school district, or other entity receiving payments
232 pursuant to this subsection may not share, refund, or rebate any
233 moneys from the Florida Personal learning scholarship account
234 with the parent or participating student in any manner.

235 (6) TERM OF THE PROGRAM.—For purposes of continuity of
236 educational choice and program integrity:~~7~~

237 (a) The program payments made by the state to an
238 organization for a personal learning scholarship account under
239 this section shall continue ~~remain in force~~ until the parent
240 does not renew program eligibility; the eligible nonprofit
241 scholarship-funding organization determines that a student is
242 not eligible for program renewal; the Commissioner of Education
243 denies, suspends, or revokes program participation or the use of
244 funds; or a student participating in the program participates in
245 any of the prohibited activities specified in subsection (4),
246 ~~has funds revoked by the Commissioner of Education pursuant to~~
247 ~~subsection (10)~~, returns to a public school, graduates from high
248 school, or attains 22 years of age, whichever occurs first. A
249 participating student who enrolls in a public school or public
250 school program is considered to have returned to a public school
251 for the purpose of determining the end of the program's term.

252 (b) Payments for program expenditures by a parent from the
253 personal learning scholarship account may continue until a
254 student's personal learning scholarship account is closed
255 pursuant to paragraph (c).

256 (c) A student's personal learning scholarship account
257 shall be closed, and any remaining funds, including accrued
258 interest or contributions made to the Stanley G. Tate Florida
259 Prepaid College Program using program funds pursuant to
260 paragraph (5) (f), shall revert to the state if:

261 1. The student's program eligibility is denied or revoked;

262 2. The eligible nonprofit scholarship-funding organization
263 denies the student's application;

264 3. The student does not enroll in an eligible
265 postsecondary education institution within 4 years after high
266 school graduation or completion;

267 4. The student is no longer enrolled in an eligible
268 postsecondary educational institution or a program offered by
269 the institution; or

270 5. The student graduates from an eligible postsecondary
271 educational institution.

272
273 The eligible nonprofit scholarship-funding organization must
274 notify a parent when a personal learning scholarship account is
275 closed.

276 (7) SCHOOL DISTRICT OBLIGATIONS; PARENTAL OPTIONS.—

277 (a)1. For a student with a disability who does not have an
278 IEP in accordance with subparagraph (3)(a)4., a matrix of
279 services under s. 1011.62(1)(e) and for whom the parent may
280 request an IEP meeting and evaluation from the school district.

281 The school district shall conduct a meeting and develop an IEP
282 in accordance with rules of the State Board of Education. Upon
283 completion of the IEP ~~requests a matrix of services,~~ the school
284 district must complete a matrix that assigns the student to one
285 of the levels of service as they existed before the 2000-2001
286 school year.

287 ~~2.a. Within 10 school days after a school district~~
288 ~~receives notification of a parent's request for completion of a~~
289 ~~matrix of services, the school district must notify the~~
290 ~~student's parent if the matrix of services has not been~~
291 ~~completed and inform the parent that the district is required to~~
292 ~~complete the matrix within 30 days after receiving notice of the~~
293 ~~parent's request for the matrix of services. This notice must~~
294 ~~include the required completion date for the matrix.~~

295 a.b. The school district shall complete the matrix of
296 services for a student whose parent has made a request. The
297 school district must provide the student's parent with the
298 student's matrix level within 10 school days after its
299 completion.

300 b.e. The department shall notify the parent and the
301 eligible nonprofit scholarship-funding organization of the
302 amount of the funds awarded within 10 days after receiving the
303 school district's notification of the student's matrix level.

304 c.d. A school district may change a matrix of services
305 only if the change is to correct a technical, typographical, or
306 calculation error.

307 (b) For each student participating in the program who
308 chooses to participate in statewide, standardized assessments
309 under s. 1008.22 or the Florida Alternate Assessment, the school
310 district in which the student resides must notify the student
311 and his or her parent about the locations and times to take all
312 statewide, standardized assessments.

313 ~~(c) For each student participating in the program, a~~
314 ~~school district shall notify the parent about the availability~~
315 ~~of a reevaluation at least every 3 years.~~

316 (8) PRIVATE SCHOOL ELIGIBILITY AND OBLIGATIONS.—An
317 eligible private school may be sectarian or nonsectarian and
318 shall:

319 (a) Comply with all requirements for private schools
320 participating in state school choice scholarship programs
321 pursuant to s. 1002.421.

322 (b) Provide to the eligible nonprofit scholarship-funding
323 organization, upon request, all documentation required for the
324 student's participation, including the private school's and
325 student's fee schedules.

326 (c) Be academically accountable to the parent for meeting
327 the educational needs of the student by:

328 1. At a minimum, annually providing to the parent a
329 written explanation of the student's progress.

330 2. Annually administering or making provision for students
331 participating in the program in grades 3 through 10 to take one
332 of the nationally norm-referenced tests identified by the
333 Department of Education or the statewide assessments pursuant to
334 s. 1008.22. Students with disabilities for whom standardized
335 testing is not appropriate are exempt from this requirement. A
336 participating private school shall report a student's scores to
337 the parent.

338 3. Cooperating with the scholarship student whose parent

339 chooses to have the student participate in the statewide
340 assessments pursuant to s. 1008.22 or, if a private school
341 chooses to offer the statewide assessments, administering the
342 assessments at the school.

343 a. A participating private school may choose to offer and
344 administer the statewide assessments to all students who attend
345 the private school in grades 3 through 10.

346 b. A participating private school shall submit a request
347 in writing to the Department of Education by March 1 of each
348 year in order to administer the statewide assessments in the
349 subsequent school year.

350 (d) Employ or contract with teachers who have regular and
351 direct contact with each student receiving a scholarship under
352 this section at the school's physical location.

353 (e) Annually contract with an independent certified public
354 accountant to perform the agreed-upon procedures developed under
355 s. 1002.395(6)(o) ~~1002.395(6)(n)~~ and produce a report of the
356 results if the private school receives more than \$250,000 in
357 funds from scholarships awarded under this section in the 2014-
358 2015 state fiscal year or a state fiscal year thereafter. A
359 private school subject to this paragraph must submit the report
360 by September 15, 2015, and annually thereafter to the eligible
361 nonprofit scholarship-funding organization that awarded the
362 majority of the school's scholarship funds. The agreed-upon
363 procedures must be conducted in accordance with attestation
364 standards established by the American Institute of Certified

365 Public Accountants.

366

367 The inability of a private school to meet the requirements of
368 this subsection constitutes a basis for the ineligibility of the
369 private school to participate in the program as determined by
370 the department.

371 (9) DEPARTMENT OF EDUCATION OBLIGATIONS.—The department
372 shall:

373 (a) Maintain a list of approved providers.

374 (b) Require each eligible nonprofit scholarship-funding
375 organization to verify eligible expenditures before
376 reimbursement ~~the distribution of funds for any expenditures~~
377 ~~made pursuant to paragraphs (5) (a) and (b).~~ Review of
378 ~~expenditures made for services in paragraphs (5) (c)–(g) may be~~
379 ~~completed after the payment has been made.~~

380 (c) Investigate any written complaint of a violation of
381 this section in accordance with the process established by s.
382 1002.395(9) (f).

383 (d) Require quarterly reports by an eligible nonprofit
384 scholarship-funding organization regarding the number of
385 students participating in the program, the providers of services
386 to students, and other information deemed necessary by the
387 department.

388 (e) Compare the list of students participating in the
389 program with the public school enrollment lists and the list of
390 students participating in school choice scholarship programs

391 established pursuant to this chapter throughout the school year
 392 ~~before each program payment~~ to avoid duplicate payments and
 393 confirm program eligibility.

394 (10) COMMISSIONER OF EDUCATION AUTHORITY AND OBLIGATIONS.—

395 (a) The Commissioner of Education:

396 1. Shall deny, suspend, or revoke a student's
 397 participation in the program if the health, safety, or welfare
 398 of the student is threatened or fraud is suspected.

399 2. Shall deny, suspend, or revoke an authorized use of
 400 program funds if the health, safety, or welfare of the student
 401 is threatened or fraud is suspected.

402 3. May ~~deny, suspend, or revoke~~ an authorized use of
 403 program funds for material failure to comply with this section
 404 and applicable State Board of Education ~~department~~ rules if the
 405 noncompliance is correctable within a reasonable period of time.
 406 Otherwise, the commissioner shall ~~deny, suspend,~~ or revoke an
 407 authorized use for failure to materially comply with the law and
 408 rules adopted under this section.

409 4. Shall require compliance by the appropriate party by a
 410 date certain for all nonmaterial failures to comply with this
 411 section and applicable State Board of Education ~~department~~
 412 rules.

413 5. Notwithstanding any other provision of this section,
 414 ~~The commissioner~~ may deny, suspend, or revoke program
 415 participation or the use of program funds by the student or the
 416 participation or eligibility of an organization, eligible

417 private school, eligible postsecondary educational institution,
418 approved provider, or other appropriate party for a violation of
419 this section. The commissioner may determine the length of, and
420 conditions for lifting, a suspension or revocation specified in
421 this paragraph ~~under this section thereafter.~~

422 6. Shall deny or revoke a student's participation in the
423 program upon forfeiture of a personal learning scholarship
424 account pursuant to subsection (11).

425 (b) In determining whether to deny, suspend, ~~or~~ revoke, or
426 lift a suspension or revocation in accordance with this
427 subsection, the commissioner may consider factors that include,
428 but are not limited to, acts or omissions that ~~by a~~
429 ~~participating entity which~~ led to a previous denial, suspension,
430 or revocation of participation in a state or federal program or
431 an education scholarship program; failure to reimburse the
432 eligible nonprofit scholarship-funding organization for program
433 funds improperly received or retained by the entity; imposition
434 of a prior criminal sanction related to the person or entity or
435 its officers or employees; imposition of a civil fine or
436 administrative fine, license revocation or suspension, or
437 program eligibility suspension, termination, or revocation
438 related to a person's or an entity's management or operation; or
439 other types of criminal proceedings in which the person or
440 entity or its officers or employees were found guilty of,
441 regardless of adjudication, or entered a plea of nolo contendere
442 or guilty to, any offense involving fraud, deceit, dishonesty,

443 or moral turpitude.

444 (11) PARENT AND STUDENT RESPONSIBILITIES FOR PROGRAM
445 PARTICIPATION.—A parent who applies for program participation
446 under this section is exercising his or her parental option to
447 determine the appropriate placement or the services that best
448 meet the needs of his or her child. The scholarship award for a
449 student is based on a matrix that assigns the student to support
450 Level III services. If a parent chooses to request and receive
451 an IEP and a matrix of services from the school district, the
452 amount of the payment shall be adjusted as needed, when the
453 school district completes the matrix.

454 (a) To satisfy and maintain program eligibility ~~enroll an~~
455 ~~eligible student in the program~~, the parent must sign an
456 agreement with the eligible nonprofit scholarship-funding
457 organization and annually submit a notarized, sworn compliance
458 statement to the organization to:

459 1. Affirm that the student is enrolled in a program that
460 meets regular school attendance requirements as provided in s.
461 1003.01(13)(b)-(e) ~~1003.01(13)(b)-(d)~~.

462 2. Affirm that ~~Use~~ the program funds are used only for
463 authorized purposes serving the student's educational needs, as
464 described in subsection (5).

465 3. Affirm that the student takes all appropriate
466 standardized assessments as specified in this section.

467 a. If the parent enrolls the child in an eligible private
468 school, the student must take an assessment selected by the

469 private school pursuant to s. 1002.395(7)(e) or, if requested by
470 the parent, the statewide, standardized assessments pursuant to
471 s. 1002.39(8)(c)2. and (9)(e).

472 b. If the parent enrolls the child in a home education
473 program, the parent may choose to participate in an assessment
474 as part of the annual evaluation provided for in s.
475 1002.41(1)(c).

476 4. Notify the school district that the student is
477 participating in the Personal Learning Scholarship Accounts if
478 the parent chooses to enroll in a home education program as
479 provided in s. 1002.41.

480 5. Request participation in the program by the date
481 established by the eligible nonprofit scholarship-funding
482 organization.

483 6. Affirm that the student remains in good standing with
484 the provider or school if those options are selected by the
485 parent.

486 7. Apply for admission of his or her child if the private
487 school option is selected by the parent.

488 8. Annually renew participation in the program.
489 Notwithstanding any changes to the student's IEP, a student who
490 was previously eligible for participation in the program shall
491 remain eligible to apply for renewal ~~as provided in subsection~~
492 ~~(6)~~. However, in order for a high-risk child to continue to
493 participate in the program in the school year after he or she
494 reaches 6 years of age, the child's application for renewal of

495 program participation must contain documentation that the child
496 has a disability as defined in paragraph (2)(d) other than high-
497 risk status.

498 9. Affirm that the parent will not transfer any college
499 savings funds to another beneficiary.

500 10. Affirm that the parent will not take possession of any
501 funding provided by the state for the Florida Personal Learning
502 Scholarship Accounts.

503 11. If a parent chooses to enroll the child in a home
504 education program pursuant to s. 1002.41, affirm that the parent
505 complies with all home education requirements ~~Maintain a~~
506 ~~portfolio of records and materials which must be preserved by~~
507 ~~the parent for 2 years and be made available for inspection by~~
508 ~~the district school superintendent or the superintendent's~~
509 ~~designee upon 15 days' written notice. This paragraph does not~~
510 ~~require the superintendent to inspect the portfolio. The~~
511 ~~portfolio of records and materials must consist of:~~

512 a. ~~A log of educational instruction and services which is~~
513 ~~made contemporaneously with delivery of the instruction and~~
514 ~~services and which designates by title any reading materials~~
515 ~~used; and~~

516 b. ~~Samples of any writings, worksheets, workbooks, or~~
517 ~~creative materials used or developed by the student.~~

518 (b) The parent is responsible for procuring the services
519 necessary to educate the student. When the student receives a
520 personal learning scholarship account, the district school board

521 is not obligated to provide the student with a free appropriate
522 public education. For purposes of s. 1003.57 and the Individuals
523 with Disabilities in Education Act, a participating student has
524 only those rights that apply to all other unilaterally
525 parentally placed students, except that, when requested by the
526 parent, school district personnel must develop an individual
527 education plan or matrix level of services.

528 (c) The parent is responsible for the payment of all
529 eligible expenses in excess of the amount of the personal
530 learning scholarship account in accordance with the terms agreed
531 to between the parent and the providers.

532

533 A parent who fails to comply with this subsection forfeits the
534 personal learning scholarship account.

535 (12) ADMINISTRATION OF PERSONAL LEARNING SCHOLARSHIP
536 ACCOUNTS.—An eligible nonprofit scholarship-funding organization
537 participating in the Florida Tax Credit Scholarship Program
538 established under s. 1002.395 may establish personal learning
539 scholarship accounts for eligible students by:

540 (a) Receiving applications and determining student
541 eligibility in accordance with the requirements of this section.
542 The organization shall notify the department of the applicants
543 for the program by March 1 before the school year in which the
544 student intends to participate. When an application is received,
545 the eligible nonprofit scholarship-funding ~~scholarship-funding~~
546 organization must provide the department with information on the

547 | student ~~to enable the department to report the student for~~
548 | ~~funding in accordance with subsection (13).~~

549 | (b) Notifying parents of their receipt of a scholarship on
550 | a first-come, first-served basis based upon the funds provided
551 | for this program in the General Appropriations Act. However,
552 | first priority must be given to eligible students who receive a
553 | personal learning scholarship during the previous school year
554 | and apply for renewal.

555 | (c) Establishing a date by which a parent must confirm
556 | initial or continuing participation in the program and confirm
557 | the establishment or continuance of a personal learning
558 | scholarship account.

559 | (d) Establishing a date and process by which students on
560 | the wait list or late-filing applicants may be allowed to
561 | participate in the program during the school year, within the
562 | amount of funds provided for this program in the General
563 | Appropriations Act.

564 | (e) Establishing and maintaining separate accounts for
565 | each eligible student. For each account, the organization must
566 | maintain a record of accrued interest that is retained in the
567 | student's account and available only for authorized program
568 | expenditures.

569 | (f) Verifying qualifying expenditures pursuant to ~~the~~
570 | ~~requirements of paragraph (9)(b) -(8)(b).~~

571 | (g) Returning any unused funds to the department when the
572 | student is no longer eligible for a personal learning

573 scholarship ~~learning~~ account pursuant to paragraph (6)(c).

574 (13) FUNDING AND PAYMENT.—

575 (a)1. The maximum funding amount granted for an eligible
576 student with a disability, pursuant to subsection (3), shall be
577 equivalent to the base student allocation in the Florida
578 Education Finance Program multiplied by the appropriate cost
579 factor for the educational program which would have been
580 provided for the student in the district school to which he or
581 she would have been assigned, multiplied by the district cost
582 differential.

583 2. In addition, an amount equivalent to a share of the
584 guaranteed allocation for exceptional students in the Florida
585 Education Finance Program shall be determined and added to the
586 amount in subparagraph 1. The calculation shall be based on the
587 methodology and the data used to calculate the guaranteed
588 allocation for exceptional students for each district in chapter
589 2000-166, Laws of Florida. Except as provided in subparagraph
590 3., the calculation shall be based on the student's grade, the
591 matrix level of services, and the difference between the 2000-
592 2001 basic program and the appropriate level of services cost
593 factor, multiplied by the 2000-2001 base student allocation and
594 the 2000-2001 district cost differential for the sending
595 district. The calculated amount must also include an amount
596 equivalent to the per-student share of supplemental academic
597 instruction funds, instructional materials funds, technology
598 funds, and other categorical funds as provided in the General

599 Appropriations Act.

600 3. Except as otherwise provided, the calculation for all
601 students participating in the program shall be based on the
602 matrix that assigns the student to support Level III of
603 services. If a parent requests ~~chooses to request~~ and receives
604 ~~receive~~ a matrix of services from the school district, when the
605 school district completes the matrix, the amount of the payment
606 shall be adjusted as needed.

607 4. ~~(b)~~ The amount of the awarded funds shall be 90 percent
608 of the calculated amount.

609 (b) One hundred percent of the funds appropriated for the
610 program shall be released to the department at the beginning of
611 the first quarter of each fiscal year.

612 ~~(c) Upon an eligible student's graduation from an eligible~~
613 ~~postsecondary educational institution or after any period of 4~~
614 ~~consecutive years after high school graduation in which the~~
615 ~~student is not enrolled in an eligible postsecondary educational~~
616 ~~institution, the student's personal learning scholarship account~~
617 ~~shall be closed, and any remaining funds shall revert to the~~
618 ~~state.~~

619 (c) ~~(d)~~ The eligible nonprofit scholarship-funding
620 organization shall develop a system for payment of benefits by
621 electronic funds transfer, including, but not limited to, debit
622 cards, electronic payment cards, or any other means of
623 electronic payment that the department deems to be commercially
624 viable or cost-effective. Commodities or services related to the

625 development of such a system shall be procured by competitive
626 solicitation unless they are purchased from a state term
627 contract pursuant to s. 287.056.

628 (d) An eligible nonprofit scholarship-funding organization
629 may use up to 5 percent of the total amount of payments received
630 during the state fiscal year for administrative expenses if the
631 organization has operated as an nonprofit scholarship-funding
632 organization for at least 3 fiscal years and did not have any
633 findings of material weakness or material noncompliance in its
634 most recent audit under s. 1002.395(6)(m). Such administrative
635 expenses must be reasonable and necessary for the organization's
636 management and distribution of scholarships under this section.
637 No funds authorized under this paragraph shall be used for
638 lobbying or political activity or expenses related to lobbying
639 or political activity. If an eligible nonprofit scholarship-
640 funding organization charges an application fee for a
641 scholarship, the application fee must be immediately refunded to
642 the person who paid the fee if the student is determined
643 ineligible for the program.

644 (e) Moneys received pursuant to this section do not
645 constitute taxable income to the parent of the qualified
646 student.

647 (14) OBLIGATIONS OF THE AUDITOR GENERAL.—

648 (a) The Auditor General shall conduct an annual ~~financial~~
649 ~~and~~ operational audit of accounts and records of each eligible
650 nonprofit scholarship-funding organization that participates in

651 the program. As part of this audit, the Auditor General shall
652 verify, at a minimum, the total amount of students served and
653 eligibility of reimbursements made by each eligible nonprofit
654 scholarship-funding organization ~~and transmit that information~~
655 ~~to the department.~~ The Auditor General shall provide the
656 Commissioner of Education with a copy of each annual operational
657 audit performed pursuant to this paragraph within 10 days after
658 each audit is finalized.

659 (b) The Auditor General shall notify the department of any
660 eligible nonprofit scholarship-funding organization that fails
661 to comply with a request for information.

662 (15) OBLIGATIONS RELATED TO APPROVED PROVIDERS.—The
663 Department of Health, the Agency for Persons with Disabilities,
664 and the Department of Education shall work with an eligible
665 nonprofit scholarship-funding organization for easy or automated
666 access to lists of licensed providers of services specified in
667 paragraph (5) (c) to ensure efficient administration of the
668 program.

669 (16) LIABILITY.—The state is not liable for the award or
670 any use of awarded funds under this section.

671 (17) SCOPE OF AUTHORITY.—This section does not expand the
672 regulatory authority of this state, its officers, or any school
673 district to impose additional regulation on participating
674 private schools, independent ~~nonpublic~~ postsecondary educational
675 institutions, and private providers beyond those reasonably
676 necessary to enforce requirements expressly set forth in this

677 section.

678 (18) RULES.—The State Board of Education shall adopt rules
679 pursuant to ss. 120.536(1) and 120.54 to administer this
680 section.

681 ~~(19) IMPLEMENTATION SCHEDULE FOR THE 2014-2015 SCHOOL~~
682 ~~YEAR. Notwithstanding the provisions of this section related to~~
683 ~~notification and eligibility timelines, an eligible nonprofit~~
684 ~~scholarship-funding organization may enroll parents on a rolling~~
685 ~~schedule on a first-come, first-served basis, within the amount~~
686 ~~of funds provided in the General Appropriations Act.~~

687 Section 2. Paragraphs (j) and (l) of subsection (6) and
688 paragraphs (a), (b), and (f) of subsection (16) of section
689 1002.395, Florida Statutes, are amended to read:

690 1002.395 Florida Tax Credit Scholarship Program.—

691 (6) OBLIGATIONS OF ELIGIBLE NONPROFIT SCHOLARSHIP-FUNDING
692 ORGANIZATIONS.—An eligible nonprofit scholarship-funding
693 organization:

694 (j)1. May use up to 3 percent of eligible contributions
695 received during the state fiscal year in which such
696 contributions are collected for administrative expenses if the
697 organization has operated as an eligible nonprofit scholarship-
698 funding organization ~~under this section~~ for at least 3 state
699 fiscal years and did not have any ~~negative financial~~ findings of
700 material weakness or material noncompliance in its most recent
701 audit under paragraph (m). Such administrative expenses must be
702 reasonable and necessary for the organization's management and

703 distribution of eligible contributions under this section. No
704 funds authorized under this subparagraph shall be used for
705 lobbying or political activity or expenses related to lobbying
706 or political activity. Up to one-third of the funds authorized
707 for administrative expenses under this subparagraph may be used
708 for expenses related to the recruitment of contributions from
709 taxpayers. If an eligible nonprofit scholarship-funding
710 organization charges an application fee for a scholarship, the
711 application fee must be immediately refunded to the person that
712 paid the fee if the student is not enrolled in a participating
713 school within 12 months.

714 2. Must expend for annual or partial-year scholarships an
715 amount equal to or greater than 75 percent of the net eligible
716 contributions remaining after administrative expenses during the
717 state fiscal year in which such contributions are collected. No
718 more than 25 percent of such net eligible contributions may be
719 carried forward to the following state fiscal year. All amounts
720 carried forward, for audit purposes, must be specifically
721 identified for particular students, by student name and the name
722 of the school to which the student is admitted, subject to the
723 requirements of ss. 1002.22 and 1002.221 and 20 U.S.C. s. 1232g,
724 and the applicable rules and regulations issued pursuant
725 thereto. Any amounts carried forward shall be expended for
726 annual or partial-year scholarships in the following state
727 fiscal year. ~~Net eligible contributions remaining on June 30 of~~
728 ~~each year that are in excess of the 25 percent that may be~~

729 ~~carried forward shall be returned to the State Treasury for~~
730 ~~deposit in the General Revenue Fund.~~

731 3. Must, before granting a scholarship for an academic
732 year, document each scholarship student's eligibility for that
733 academic year. An eligible nonprofit ~~A~~ scholarship-funding
734 organization may not grant multiyear scholarships in one
735 approval process.

736 (1) With the prior approval of the Department of
737 Education, may transfer funds to another eligible nonprofit
738 scholarship-funding organization if additional funds are
739 required to meet scholarship demand at the receiving eligible
740 nonprofit scholarship-funding organization. A transfer is
741 limited to the greater of \$500,000 or 20 percent of the total
742 contributions received by the eligible nonprofit scholarship-
743 funding organization making the transfer. All transferred funds
744 must be deposited by the receiving eligible nonprofit
745 scholarship-funding organization into its scholarship accounts.
746 All transferred amounts received by any eligible nonprofit
747 scholarship-funding organization must be separately disclosed in
748 the annual financial ~~and compliance~~ audit required in this
749 section.

750
751 Information and documentation provided to the Department of
752 Education and the Auditor General relating to the identity of a
753 taxpayer that provides an eligible contribution under this
754 section shall remain confidential at all times in accordance

755 with s. 213.053.

756 (16) NONPROFIT SCHOLARSHIP-FUNDING ORGANIZATIONS;
757 APPLICATION.—In order to participate in the scholarship program
758 created under this section, a charitable organization that seeks
759 to be a nonprofit scholarship-funding organization must submit
760 an application for initial approval or renewal to the Office of
761 Independent Education and Parental Choice no later than
762 September 1 of each year before the school year for which the
763 organization intends to offer scholarships.

764 (a) An application for initial approval must include:

765 1. A copy of the organization's incorporation documents
766 and registration with the Division of Corporations of the
767 Department of State.

768 2. A copy of the organization's Internal Revenue Service
769 determination letter as a s. 501(c)(3) not-for-profit
770 organization.

771 3. A description of the organization's financial plan that
772 demonstrates sufficient funds to operate throughout the school
773 year.

774 4. A description of the geographic region that the
775 organization intends to serve and an analysis of the demand and
776 unmet need for eligible students in that area.

777 5. The organization's organizational chart.

778 6. A description of the criteria and methodology that the
779 organization will use to evaluate scholarship eligibility.

780 7. A description of the application process, including

781 deadlines and any associated fees.

782 8. A description of the deadlines for attendance
783 verification and scholarship payments.

784 9. A copy of the organization's policies on conflict of
785 interest and whistleblowers.

786 10. A copy of a surety bond or letter of credit in an
787 amount equal to 25 percent of the scholarship funds anticipated
788 for each school year or \$100,000, whichever is greater, to
789 secure the faithful performance of the obligations of the
790 eligible nonprofit scholarship-funding organization in
791 accordance with this section. The surety bond or letter of
792 credit must specify that any claim against the bond or letter of
793 credit may only be made by an eligible nonprofit scholarship-
794 funding organization to provide scholarships to and on behalf of
795 students who transferred from the ineligible nonprofit
796 scholarship-funding organization.

797 (b) In addition to the information required by
798 subparagraphs (a)1.-9., an application for renewal must include:

799 1. A surety bond or letter of credit equal to the amount
800 of undisbursed donations held by the organization based on the
801 annual report submitted pursuant to paragraph (6) (m). The amount
802 of the surety bond or letter of credit must be at least
803 \$100,000, but not more than \$25 million, to secure the faithful
804 performance of the obligations of the nonprofit scholarship-
805 funding organization in accordance with this section. The surety
806 bond or letter of credit must specify that any claim against the

807 bond or letter of credit may only be made by an eligible
808 nonprofit scholarship-funding organization to provide
809 scholarships to and on behalf of students who transferred from
810 the ineligible nonprofit scholarship-funding organization.

811 2. The organization's completed Internal Revenue Service
812 Form 990 submitted no later than November 30 of the year before
813 the school year that the organization intends to offer the
814 scholarships, notwithstanding the September 1 application
815 deadline.

816 3. A copy of the most recently available financial
817 ~~statutorily required~~ audit conducted pursuant to paragraph
818 (6) (m) and submitted to the Department of Education and Auditor
819 General.

820 4. An annual report that includes:

821 a. The number of students who completed applications, by
822 county and by grade.

823 b. The number of students who were approved for
824 scholarships, by county and by grade.

825 c. The number of students who received funding for
826 scholarships within each funding category, by county and by
827 grade.

828 d. The amount of funds received, the amount of funds
829 distributed in scholarships, and an accounting of remaining
830 funds and the obligation of those funds.

831 e. A detailed accounting of how the organization spent the
832 administrative funds allowable under paragraph (6) (j).

833 (f) All remaining funds held by an eligible ~~a~~ nonprofit
834 scholarship-funding organization that is disapproved for
835 participation shall be transferred ~~must revert to the Department~~
836 ~~of Revenue for redistribution~~ to other eligible nonprofit
837 scholarship-funding organizations to provide scholarships for
838 eligible students. All transferred funds must be deposited by
839 each eligible nonprofit scholarship-funding organization
840 receiving such funds into its scholarship account. All
841 transferred amounts received by any eligible nonprofit
842 scholarship-funding organization must be separately disclosed in
843 the annual financial audit required under subsection (6).

844 Section 3. Subsection (11) is added to section 1009.98,
845 Florida Statutes, to read:

846 1009.98 Stanley G. Tate Florida Prepaid College Program.—

847 (11) FLORIDA PERSONAL LEARNING SCHOLARSHIP ACCOUNTS
848 PROGRAM.—Notwithstanding any other provision of this section,
849 the Florida Prepaid College Board shall develop procedures,
850 contracts, and any other required documentation necessary to
851 allow contributions made pursuant to s. 1002.385 to be used in
852 conjunction with other funds used by the parent in the purchase
853 of a prepaid college plan. Such contributions and interest
854 earned from such contributions:

855 (a) Must be tracked and accounted for separately from
856 other funds deposited for a prepaid college plan.

857 (b) Must revert to the state pursuant to s.
858 1002.385(6)(c).

CS/HB 7095

2015

859 | (c) May be used only after private payments have been used
860 | for prepaid college plan expenditures.

861 | Section 4. This act shall take effect July 1, 2015.