

By Senator Perry

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1                   A bill to be entitled  
2           An act relating to reading scholarship accounts;  
3           creating s. 1002.411, F.S.; establishing reading  
4           scholarship accounts for specified purposes; providing  
5           for eligibility for scholarships under the program;  
6           providing for administration; providing duties of the  
7           Department of Education; providing school district  
8           obligations; specifying options for parents; providing  
9           that maximum funding shall be specified in the General  
10          Appropriations Act; providing for payment of funds;  
11          specifying that no state liability arises from the  
12          award or use of such an account; amending s. 11.45,  
13          F.S.; providing for duties and authority of the  
14          Auditor General relating to the program; providing an  
15          effective date.

16  
17 Be It Enacted by the Legislature of the State of Florida:

18  
19           Section 1. Section 1002.411, Florida Statutes, is created  
20 to read:

21           1002.411 Reading scholarship accounts.-

22           (1) READING SCHOLARSHIP ACCOUNTS.-Reading scholarship  
23 accounts are established to provide educational options for  
24 students.

25           (2) ELIGIBILITY.-Contingent upon available funds, and on a  
26 first-come, first-served basis, a student enrolled in a Florida  
27 public school is eligible for a scholarship under this program  
28 if the student scored a Level 1 or Level 2 on the grade 3  
29 statewide, standardized English Language Arts assessment.

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30 (3) PARENT AND STUDENT RESPONSIBILITIES FOR PARTICIPATION.-

31 (a) For an eligible student to receive a reading  
32 scholarship account, the student's parent must:

33 1. Submit an application to an eligible scholarship funding  
34 organization by the deadline established by the scholarship  
35 funding organization; and

36 2. Submit eligible expenses to the scholarship funding  
37 organization for reimbursement of qualifying expenditures which  
38 may include:

39 a. Instructional materials.

40 b. Curriculum. As used in this sub-subparagraph, the term  
41 "curriculum" means a complete course of study for a particular  
42 content area or grade level, including any required supplemental  
43 materials and associated online instruction.

44 c. Tuition and fees for part-time tutoring services. The  
45 services shall be provided by a person who holds a valid Florida  
46 educator's certificate pursuant to s. 1012.56; a person who  
47 holds an adjunct teaching certificate pursuant to s. 1012.57; or  
48 a person who has demonstrated a mastery of subject area  
49 knowledge pursuant to s. 1012.56(5).

50 d. Fees for specialized summer education programs.

51 e. Fees for specialized after-school education programs.

52 f. Specialized services by approved providers or by a  
53 hospital in this state which are selected by the parent. These  
54 specialized services may include, but are not limited to:

55 (I) Applied behavior analysis services as provided in ss.  
56 627.6686 and 641.31098.

57 (II) Services provided by speech-language pathologists as  
58 defined in s. 468.1125.

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59 (III) Occupational therapy services as defined in s.  
60 468.203.

61 (IV) Services provided by physical therapists as defined in  
62 s. 486.021.

63 (V) Services provided by listening and spoken language  
64 specialists and an appropriate acoustical environment for a  
65 child who is deaf or hard of hearing and who has received an  
66 implant or assistive hearing device.

67 (VI) Contributions to the Florida College Savings Program  
68 pursuant to s. 1009.981 for the benefit of the eligible student.

69  
70 A provider of any services receiving payments pursuant to this  
71 subsection may not share, refund, or rebate any moneys from the  
72 reading scholarship with the parent or participating student in  
73 any manner. A parent, student, or provider of any services may  
74 not bill an insurance company, Medicaid, or any other agency for  
75 the same services that are paid for using reading scholarship  
76 funds.

77 (b) The parent is responsible for the payment of all  
78 eligible expenses in excess of the amount in the account in  
79 accordance with the terms agreed to between the parent and the  
80 providers and may not receive any refund or rebate of any  
81 expenditures made in accordance with paragraph (a).

82 (4) ADMINISTRATION.—A scholarship funding organization  
83 participating in the Florida Tax Credit Scholarship Program  
84 established by s. 1002.395 may establish Reading Scholarship  
85 accounts for eligible students in accordance with the  
86 requirements of scholarship funding organizations under this  
87 chapter.

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88       (5) DEPARTMENT OBLIGATIONS.—The department shall have the  
89 same duties imposed by this chapter upon the department  
90 regarding oversight of scholarship programs administered by a  
91 scholarship funding organization.

92       (6) SCHOOL DISTRICT OBLIGATIONS; PARENTAL OPTIONS.—Upon  
93 report of the assessment results pursuant to s. 1008.22(7)(h),  
94 the school district shall notify each parent, whose student  
95 scored a Level 1 or Level 2 on the grade 3 statewide,  
96 standardized English Language Arts assessment, of the process to  
97 request and receive a scholarship, subject to available funding.

98       (7) ACCOUNT FUNDING AND PAYMENT.—

99       (a) The maximum amount granted for an eligible student  
100 shall be provided in the General Appropriations Act.

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

104       (c) Upon notification from the organization that a student  
105 has been determined eligible, the department shall release the  
106 student's scholarship funds to the organization to be deposited  
107 into the student's account.

108       (d) Accrued interest in the student's account is in  
109 addition to, and not part of, the awarded funds. Program funds  
110 include both the awarded funds and accrued interest.

111       (e) The organization may develop a system for payment of  
112 benefits by funds transfer, including, but not limited to, debit  
113 cards, electronic payment cards, or any other means of payment  
114 that the department deems to be commercially viable or cost-  
115 effective. A student's scholarship award may not be reduced for  
116 debit card or electronic payment fees. Commodities or services

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117 related to the development of such a system shall be procured by  
118 competitive solicitation unless they are purchased from a state  
119 term contract pursuant to s. 287.056. The school district shall  
120 report all students who are receiving a reading scholarship  
121 account under this program. These students shall be reported  
122 separately from other students reported for purposes of the  
123 Florida Education Finance Program.

124 (f) Payment of the scholarship shall be made by the  
125 eligible nonprofit scholarship-funding organization no less  
126 frequently than on a quarterly basis.

127 (g) An organization may use up to 3 percent of eligible  
128 contributions received during the state fiscal year in which  
129 specifying parent and student responsibilities for  
130 participation; such contributions are collected for  
131 administrative expenses if the organization has operated as an  
132 eligible nonprofit scholarship-funding organization for at least  
133 the preceding 3 fiscal years and did not have any findings of  
134 material weakness or material noncompliance in its most recent  
135 audit under s. 1002.395(6) (m). Such administrative expenses must  
136 be reasonable and necessary for the organization's management  
137 and distribution of eligible contributions under this section.  
138 Funds authorized under this paragraph may not be used for  
139 lobbying or political activity or expenses related to lobbying  
140 or political activity. Up to one-third of the funds authorized  
141 for administrative expenses under this paragraph may be used for  
142 expenses related to the recruitment of contributions from  
143 taxpayers. An eligible nonprofit scholarship-funding  
144 organization may not charge an application fee.

145 (h) Moneys received pursuant to this section do not

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146 constitute taxable income to the qualified student or his or her  
147 parent.

148 (8) LIABILITY.—No liability shall arise on the part of the  
149 state based on the award or use of a Reading Scholarship  
150 Account.

151 Section 2. Paragraph (l) is added to subsection (2), and  
152 paragraph (y) is added to subsection (3) of section 11.45,  
153 Florida Statutes, to read:

154 11.45 Definitions; duties; authorities; reports; rules.—

155 (2) DUTIES.—The Auditor General shall:

156 (1) Annually conduct financial and operational audits of  
157 all scholarship-funding organizations participating in a  
158 scholarship program created under part III of chapter 1002.

159  
160 The Auditor General shall perform his or her duties  
161 independently but under the general policies established by the  
162 Legislative Auditing Committee. This subsection does not limit  
163 the Auditor General's discretionary authority to conduct other  
164 audits or engagements of governmental entities as authorized in  
165 subsection (3).

166 (3) AUTHORITY FOR AUDITS AND OTHER ENGAGEMENTS.—The Auditor  
167 General may, pursuant to his or her own authority, or at the  
168 direction of the Legislative Auditing Committee, conduct audits  
169 or other engagements as determined appropriate by the Auditor  
170 General of:

171 (y) The accounts and records of any scholarship-funding  
172 organization participating in a scholarship program created  
173 under part III of chapter 1002.

174 Section 3. This act shall take effect July 1, 2018.