

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1117 Education Recovery Scholarship Accounts

SPONSOR(S): Stevenson

TIED BILLS: None **IDEN./SIM. BILLS:** SB 488

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Early Learning & Elementary Education Subcommittee	14 Y, 0 N	Aaronson	Brink
2) Secondary Education & Career Development Subcommittee			
3) PreK-12 Appropriations Subcommittee			
4) Education & Employment Committee			

SUMMARY ANALYSIS

Florida schools experience closures due to statewide emergencies such as the COVID-19 pandemic and natural disasters. The bill establishes education recovery scholarship accounts to mitigate learning loss by providing options for students who attend a public school that has been closed for no less than 10 consecutive school days during the school year due to an emergency.

Education recovery scholarship accounts are nearly identical to reading scholarship accounts with respect to program administration, student eligibility requirements, and qualifying expenditures. However, recovery scholarship accounts include students struggling with mathematics, in addition to those with low reading scores.

The bill requires each school district to notify the parents of each student eligible for a recovery education scholarship account within 10 days after the school qualifies due to closure. The DOE must be notified within 20 days of any eligible student at a qualifying public school.

The bill also provides that a student may receive both an education recovery scholarship and a reading scholarship, if eligible.

The bill has an indeterminate fiscal impact. See fiscal comments, *infra*.

The bill provides an effective date of July 1, 2022.

English Language Arts			
Year	2018	2019	2021
Grade 3 Students Scoring Level 3 and Above	56.90%	57.60%	54.40%
Grade 8 Students Scoring Level 3 and Above	57.50%	56.30%	52.40%
Grade 10 Students Scoring Level 3 and Above	53.00%	52.50%	50.90%

Mathematics			
Year	2018	2019	2021
Grade 3 Students Scoring Level 3 and Above	61.70%	62.40%	51.40%
Grade 8 Students Scoring Level 3 and Above	44.70%	45.90%	37.10%

Natural Disasters

Florida has a well-documented history of natural disasters causing significant damages to communities, specifically along its coasts. The Florida Division of Emergency Management is responsible for maintaining a comprehensive statewide emergency management system, as well as the coordination of efforts with departments including state agencies and school boards.¹² This includes the notification of natural emergencies, such as hurricanes and tropical storms.¹³ Natural disasters have resulted in thousands of students missing school and experiencing learning loss throughout the school year.

Due to Tropical Storm Michael, the Governor declared a state of emergency in 26 Florida counties on October 7, 2018,¹⁴ and thousands of students missed school for multiple days.¹⁵ Some schools were unable to reopen for an extended period of time due to damaged facilities, and many Bay County students did not return to schools for almost a month.¹⁶ Additional recent examples of tropical systems causing school closures include Tropical Depression Fred (2021)¹⁷ and Tropical Storm Elsa (2021).¹⁸

Student Assistance

Reading Scholarship Accounts

In 2018, Florida became the first state to offer an education savings account for students who struggle with reading through the Reading Scholarship Accounts program.¹⁹ The program provides scholarship accounts for public school students in grades 3 through 5 who scored below a Level 3 on the statewide, standardized ELA assessment in the prior school year.²⁰ Funding for reading scholarship accounts is

¹² Section 252.32(1), F.S.

¹³ Section 252.34(8), F.S.

¹⁴ Fla. Exec. Order 18-277 (Oct. 7, 2018), available at <https://www.flgov.com/wp-content/uploads/2018/10/SLT-BIZHUB18100810270.pdf>.

¹⁵ Florida Department of Education, *Gov. Scott Issues Updates on Hurricane Michael* (Oct. 9, 2018), <https://www.fldoe.org/newsroom/latest-news/2025342-gov-scott-issues-updates-on-hurricane-michael.stml> (last visited Feb. 10, 2022).

¹⁶ Florida Division of Emergency Management, *Gov. Scott Releases Updates on Hurricane Michael Recovery in Bay County* (Nov. 2, 2018), available at <https://www.floridadisaster.org/news-media/news/20181102-gov.-scott-releases-updates-on-hurricane-michael-recovery-in-bay-county/>.

¹⁷ See Fla. Exec. Order 21-190 (Aug. 13, 2021), available at https://www.flgov.com/wp-content/uploads/orders/2020/EO_20-52.pdf.

¹⁸ See Fla. Exec. Order 21-150 (July 3, 2021), available at <https://www.flgov.com/wp-content/uploads/2021/07/Executive-Order-21-150.pdf>.

¹⁹ Section 17, ch. 2018-6, L.O.F.

²⁰ Section 1002.411(2), F.S.

provided in the General Appropriations Act,²¹ and eligible students may receive a scholarship award of \$500 for qualifying expenses.²²

For a student to be eligible to participate, the student's parent must apply to an eligible nonprofit scholarship-funding organization and submit qualifying expenditures to the nonprofit organization for reimbursement.²³ Eligible expenses include:²⁴

- instructional materials;
- curriculum including a course of study for a particular content area or grade level, including required supplemental materials and associated online instruction;
- tuition and fees for part-time tutoring services provided by a person who holds a valid Florida educator's certificate, a person who holds an adjunct teaching certificate, or a person who has demonstrated mastery of subject area knowledge;
- fees for summer education programs designed to improve reading or literacy skills; and
- fees for after-school education programs designed to improve reading or literacy skills.

The parent of a student is responsible for payment of all eligible expenses in excess of funds in the account, and may not receive a refund or rebate of any qualifying expenditures.²⁵

Reading scholarship accounts must be administered by a scholarship funding organization (SFO) that is eligible to participate in the Florida Tax Credit scholarship program.²⁶ An SFO may establish reading scholarship accounts for eligible students, subject to requirements for administering scholarship programs, including:

- verification of eligible students;
- verification of eligible expenditures;
- processing scholarship applications;
- issuing scholarships on a first-come, first-served basis; and
- complying with annual expenditure requirements.²⁷

Additionally, a participating SFO:

- may develop a system for payment of benefits by funds transfer, including, but not limited to, debit cards, electronic payment cards, or any other means of payment that the department deems to be commercially viable or cost-effective;
- must provide payments no less frequently than on a quarterly basis; and
- may withhold up to 3 percent of the amount of each scholarship award from state funds for administrative expenses under certain circumstances.²⁸

The DOE has the same oversight responsibilities for reading scholarship accounts as those required for other scholarship programs,²⁹ including but not limited to verifying eligible expenditures and requiring quarterly reports by the SFO.³⁰

²¹ Section 1002.411(7)(a)-(c), F.S.

²² Florida Department of Education, *Reading Scholarship Accounts*, <https://www.fldoe.org/schools/school-choice/k-12-scholarship-programs/reading/> (last visited Feb. 9, 2022).

²³ Section 1002.411(3)(a), F.S.

²⁴ Section 1002.411(3)(a)(2), F.S.

²⁵ Section 1002.411(3)(b), F.S.

²⁶ See s. 1002.395(2)(f), F.S.

²⁷ See s. 1002.395(6), F.S.

²⁸ See s. 1002.395(6)(j)1., F.S.

²⁹ Section 1002.411(5), F.S.

³⁰ See ss. 1002.385(9), F.S., 1002.39(9), F.S., and 1002.395(9), F.S.

The reading scholarship accounts program served 3,496 students in the 2020-2021 school year³¹ and 1,608 students have been identified so far in the 2021-2022 school year.³²

Early Warning Systems

Florida district school boards must maintain a system of school improvement and education accountability, including school improvement plans, public disclosure regarding performance of students and educational programs, school improvement funds, and implementation of early warning systems.³³

A school serving students in grade kindergarten through grade 8 is required to implement an early warning system to identify students needing additional support to improve academic performance and engagement in school. The early warning system must include the following indicators:³⁴

- Attendance below 90 percent, regardless of whether absence is excused or a result of out-of-school suspension.
- One or more suspensions.
- Course failure in ELA or mathematics during any grading period.
- A Level 1 score on the ELA or mathematics statewide, standardized assessments, or for students below grade 3, an identified substantial reading deficiency.³⁵

The system must include data on the number of students identified by the system as exhibiting two or more early warning indicators, the number of students by grade level who exhibit each indicator, and a description of all intervention strategies employed by the school for the student.³⁶

A school team is responsible for implementing the early warning system and monitoring student data to identify students with two or more early warning indicators. The team, in consultation with the student's parent, must determine appropriate intervention strategies unless the student is already being assisted at the direction of a school-based, multidisciplinary team.³⁷

Effect of Proposed Changes

To mitigate learning loss by providing options for students who attend a public school that has been closed for no less than 10 consecutive school days during the school year due to an emergency,³⁸ the bill establishes education recovery scholarship accounts.

³¹ Step Up for Students, *Basic Program Facts about the Reading Scholarship*, <https://www.stepupforstudents.org/research-and-reports/reading-scholarship/basic-program-facts-reading/#:~:text=The%20scholarship%20served%205%2C375%20students,Scholarship%20Account%20Fact%20Sheet%20here.&text=The%20Reading%20Scholarship%20is%20available,the%20third%20or%20fourth%20grades.> (last visited Jan. 19, 2022).

³² Step Up for Students, *2020-21 Reading Scholarship Account Fact Sheet* (2022), available at <https://www.stepupforstudents.org/wp-content/uploads/22.1.12-Reading-Scholarship.pdf>.

³³ Section 1001.42(18), F.S.

³⁴ Section 1001.42(18)(b)1., F.S.

³⁵ Section 1008.25(5)(a), F.S. Any student in kindergarten through grade 3 who exhibits a substantial deficiency in reading based upon screening, diagnostic, progress monitoring, or assessment data; statewide assessments; or teacher observations must be provided intensive, explicit, systematic, and multisensory reading interventions immediately following the identification of the reading deficiency.

³⁶ Section 1001.32(18)(b)1.d., F.S. (flush-left provision at end of subsection).

³⁷ Section 1001.32(18)(b)2., F.S.

³⁸ See s. 252.34(4), F.S. "Emergency" is defined as any occurrence, or threat thereof, whether natural, technological, or manmade, in war or in peace, which results or may result in substantial injury or harm to the population or substantial damage to or loss of property.

Education recovery scholarship accounts are nearly identical to reading scholarship accounts with respect to program administration, student eligibility requirements, and qualifying expenditures. However, recovery scholarship accounts include students struggling with mathematics, in addition to those with low reading scores.

A student enrolled in a qualifying school in grades 3 through grade 5 may receive an education recovery scholarship account if he or she scored below a Level 3 on the statewide, standardized mathematics or ELA assessment in the previous school year. Students in grades 3 through grade 5 identified as needing additional support through the school's early warning system are also eligible. Similar to reading scholarship accounts, qualifying expenditures for recovery scholarships include instructional materials, tutoring, curriculum, after-school programs, and summer education programs to include mathematics, reading, or literacy skills.

The bill requires each school district to notify the parents of each student eligible for a recovery education scholarship account within 10 days after the school qualifies due to closure. The DOE must be notified within 20 days of any eligible student at a qualifying public school.

Recovery scholarship accounts are funded as provided in the General Appropriations Act. The bill prohibits a SFO providing reading scholarship accounts from distributing more than 25 percent of the available remaining funds before May 1 of each year. After May 1, the SFO may distribute the remaining funds to eligible students for recovery scholarships.

The bill provides that a student may receive both an education recovery scholarship and a reading scholarship, if eligible.

B. SECTION DIRECTORY:

Section 1: Creates s. 1002.4111, F.S.; establishing education recovery scholarship accounts; providing the purpose of the accounts; specifying eligibility requirements; providing requirements for parent and student participation; defining the term "curriculum"; prohibiting providers from sharing scholarship account moneys with parents or students; prohibiting a parent, student, or provider from billing specified entities for the same services that are paid for using scholarship account funds; providing that parents are responsible for certain unreimbursed expenses; providing for administration of the scholarship; specifying Department of Education scholarship obligations; specifying school district scholarship obligations; providing for funding and payment of scholarships; providing immunity from liability for the state; authorizing the State Board of Education to adopt rules.

Section 2: Provides an effective date of July 1, 2022.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

See fiscal comments.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

The bill establishes education recovery scholarship accounts, which are funded by remaining funds from reading scholarship accounts. Reading scholarship accounts were funded with nonrecurring funds for 2021-2022 in the General Appropriations Act. Funding for scholarship accounts is subject to legislative appropriation in the 2022-2023 General Appropriations Act.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

None.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

None.