

By Senator Grimsley

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1 A bill to be entitled
2 An act relating to educational options; amending s.
3 1002.395, F.S.; specifying the Department of
4 Education's duty to approve or deny an application for
5 the Florida Tax Credit Scholarship Program within a
6 specified time; specifying the department's duties
7 regarding the carryforward tax credit; requiring an
8 eligible nonprofit scholarship-funding organization to
9 allow certain dependent children to apply for a
10 scholarship at any time; revising parent and student
11 responsibilities for program participation; revising
12 the date upon which certain private schools must
13 submit a required report; specifying that certain
14 actions of the private school are a basis for program
15 ineligibility; authorizing the Learning Systems
16 Institute to receive compensation for research under
17 certain circumstances; revising the calculation of a
18 scholarship award; increasing the limit of a
19 scholarship award for certain students; revising
20 payment method options; amending s. 1012.98, F.S.;
21 authorizing specified eligible nonprofit scholarship-
22 funding organizations to develop a professional
23 development system; providing an effective date.

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

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27 Section 1. Paragraph (b) of subsection (5) of section
28 1002.395, Florida Statutes, is amended, present paragraph (f) of
29 that subsection is redesignated as paragraph (g) and a new

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30 paragraph (f) is added to that subsection, and paragraph (h) of
31 subsection (6), paragraph (f) of subsection (7), subsection (8),
32 paragraph (j) of subsection (9), and paragraphs (a) and (b) of
33 subsection (12) of that section are amended, to read:

34 1002.395 Florida Tax Credit Scholarship Program.—

35 (5) SCHOLARSHIP FUNDING TAX CREDITS; LIMITATIONS.—

36 (b) A taxpayer may submit an application to the department
37 for a tax credit or credits under one or more of s. 211.0251, s.
38 212.1831, s. 220.1875, s. 561.1211, or s. 624.51055.

39 1. The taxpayer shall specify in the application each tax
40 for which the taxpayer requests a credit and the applicable
41 taxable year for a credit under s. 220.1875 or s. 624.51055 or
42 the applicable state fiscal year for a credit under s. 211.0251,
43 s. 212.1831, or s. 561.1211. The department shall approve tax
44 credits on a first-come, first-served basis and must obtain the
45 division's approval before approving a tax credit under s.
46 561.1211.

47 2. Within 10 days after approving or denying an
48 application, the department shall provide a copy of its approval
49 or denial letter to the eligible nonprofit scholarship-funding
50 organization specified by the taxpayer in the application.

51 (f) Within 10 days after approving or denying an
52 application for a carryforward tax credit under paragraph (c),
53 the conveyance, transfer, or assignment of a tax credit under
54 paragraph (d), or the rescindment of a tax credit under
55 paragraph (e), the department shall provide a copy of its
56 approval or denial letter to the eligible nonprofit scholarship-
57 funding organization specified by the taxpayer in the
58 application. The department shall also include the eligible

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59 nonprofit scholarship-funding organization specified by the
60 taxpayer in the application on all letters or correspondence of
61 acknowledgment for tax credits under s. 212.1831.

62 (6) OBLIGATIONS OF ELIGIBLE NONPROFIT SCHOLARSHIP-FUNDING
63 ORGANIZATIONS.—An eligible nonprofit scholarship-funding
64 organization:

65 (h) Must allow a student in foster care, ~~or~~ out-of-home
66 care, or who is a dependent child of a parent or guardian who is
67 a member of the United States Armed Forces, to apply for a
68 scholarship at any time.

69
70 Information and documentation provided to the Department of
71 Education and the Auditor General relating to the identity of a
72 taxpayer that provides an eligible contribution under this
73 section shall remain confidential at all times in accordance
74 with s. 213.053.

75 (7) PARENT AND STUDENT RESPONSIBILITIES FOR PROGRAM
76 PARTICIPATION.—

77 (f) Upon receipt of a scholarship warrant from the eligible
78 nonprofit scholarship-funding organization, the parent to whom
79 the warrant is made must restrictively endorse the warrant to
80 the private school for deposit into the account of the private
81 school. If payments are made by funds transfer, the parent must
82 approve each payment before the scholarship funds may be
83 deposited. The parent may not designate any entity or individual
84 associated with the participating private school as the parent's
85 attorney in fact to endorse a scholarship warrant or approve a
86 funds transfer. A participant who fails to comply with this
87 paragraph forfeits the scholarship.

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88 (8) PRIVATE SCHOOL ELIGIBILITY AND OBLIGATIONS.—An eligible
89 private school may be sectarian or nonsectarian and must:

90 (a) Comply with all requirements for private schools
91 participating in state school choice scholarship programs
92 pursuant to s. 1002.421.

93 (b) Provide to the eligible nonprofit scholarship-funding
94 organization, upon request, all documentation required for the
95 student's participation, including the private school's and
96 student's fee schedules.

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

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

101 2. Annually administering or making provision for students
102 participating in the scholarship program in grades 3 through 10
103 to take one of the nationally norm-referenced tests identified
104 by the Department of Education or the statewide assessments
105 pursuant to s. 1008.22. Students with disabilities for whom
106 standardized testing is not appropriate are exempt from this
107 requirement. A participating private school must report a
108 student's scores to the parent. A participating private school
109 must annually report by August 15 the scores of all
110 participating students to the Learning System Institute
111 described in paragraph (9)(j).

112 3. Cooperating with the scholarship student whose parent
113 chooses to have the student participate in the statewide
114 assessments pursuant to s. 1008.22 or, if a private school
115 chooses to offer the statewide assessments, administering the
116 assessments at the school.

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

120 b. A participating private school must submit a request in
121 writing to the Department of Education by March 1 of each year
122 in order to administer the statewide assessments in the
123 subsequent school year.

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

127 (e) Annually contract with an independent certified public
128 accountant to perform the agreed-upon procedures developed under
129 paragraph (6)(o) and produce a report of the results if the
130 private school receives more than \$250,000 in funds from
131 scholarships awarded under this section in the 2010-2011 state
132 fiscal year or a state fiscal year thereafter. A private school
133 subject to this paragraph must submit the report by each August
134 15 ~~by September 15, 2011, and annually thereafter~~ to the
135 scholarship-funding organization that awarded the majority of
136 the school's scholarship funds. The agreed-upon procedures must
137 be conducted in accordance with attestation standards
138 established by the American Institute of Certified Public
139 Accountants.

140

141 The inability of a private school to meet the requirements of
142 this subsection, or the listing of material exceptions in its
143 agreed-upon procedures reports, constitutes ~~shall constitute~~ a
144 basis for the ineligibility of the private school to participate
145 in the scholarship program as determined by the Department of

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146 Education.

147 (9) DEPARTMENT OF EDUCATION OBLIGATIONS.—The Department of
148 Education shall:

149 (j) Issue a project grant award to the Learning System
150 Institute at the Florida State University, to which
151 participating private schools must report the scores of
152 participating students on the nationally norm-referenced tests
153 or the statewide assessments administered by the private school
154 in grades 3 through 10. The project term is 2 years, and the
155 amount of the project is up to \$500,000 per year. The Learning
156 Systems Institute may be compensated for additional research as
157 determined through the project grant award process. The project
158 grant award must be reissued in 2-year intervals in accordance
159 with this paragraph.

160 1. The Learning System Institute must annually report to
161 the Department of Education on the student performance of
162 participating students and any additional research included in
163 the project grant award issued by the Department of Education:

164 a. On a statewide basis. The report shall also include, to
165 the extent possible, a comparison of scholarship students'
166 performance to the statewide student performance of public
167 school students with socioeconomic backgrounds similar to those
168 of students participating in the scholarship program. To
169 minimize costs and reduce time required for the Learning System
170 Institute's analysis and evaluation, the Department of Education
171 shall coordinate with the Learning System Institute to provide
172 data to the Learning System Institute in order to conduct
173 analyses of matched students from public school assessment data
174 and calculate control group student performance using an agreed-

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175 upon methodology with the Learning System Institute; and

176 b. On an individual school basis. The annual report must
177 include student performance for each participating private
178 school in which at least 51 percent of the total enrolled
179 students in the private school participated in the Florida Tax
180 Credit Scholarship Program in the prior school year. The report
181 shall be according to each participating private school, and for
182 participating students, in which there are at least 30
183 participating students who have scores for tests administered.
184 If the Learning System Institute determines that the 30-
185 participating-student cell size may be reduced without
186 disclosing personally identifiable information, as described in
187 34 C.F.R. s. 99.12, of a participating student, the Learning
188 System Institute may reduce the participating-student cell size,
189 but the cell size must not be reduced to less than 10
190 participating students. The department shall provide each
191 private school's prior school year's student enrollment
192 information to the Learning System Institute no later than June
193 15 of each year, or as requested by the Learning System
194 Institute.

195 2. The sharing and reporting of student performance data
196 under this paragraph must be in accordance with requirements of
197 ss. 1002.22 and 1002.221 and 20 U.S.C. s. 1232g, the Family
198 Educational Rights and Privacy Act, and the applicable rules and
199 regulations issued pursuant thereto, and shall be for the ~~sole~~
200 purpose of research and creating the annual report required by
201 subparagraph 1. All parties must preserve the confidentiality of
202 such information as required by law. The annual report must not
203 disaggregate data to a level that will identify individual

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204 participating schools, except as required under sub-subparagraph
205 1.b., or disclose the academic level of individual students.

206 3. The annual report required by subparagraph 1. shall be
207 published by the Department of Education on its website.

208 (12) SCHOLARSHIP AMOUNT AND PAYMENT.—

209 (a) Except as provided in subparagraph 2., the amount of a
210 scholarship provided to any student for any single school year
211 by an eligible nonprofit scholarship-funding organization from
212 eligible contributions shall be for total costs authorized under
213 paragraph (6) (d), not to exceed annual limits, which shall be
214 determined as follows:

215 1.a. For a scholarship awarded to a student enrolled in an
216 eligible private school, the limit shall be determined as a
217 percentage ~~by multiplying the unweighted FTE funding amount in~~
218 ~~that state fiscal year by the percentage used to determine the~~
219 ~~limit in the prior state fiscal year. However, in each state~~
220 ~~fiscal year that the tax credit cap amount increases pursuant to~~
221 ~~paragraph (5) (a), the prior year percentage shall be increased~~
222 ~~by 4 percentage points and the increased percentage shall be~~
223 ~~used to determine the limit for that state fiscal year. If the~~
224 ~~percentage so calculated reaches 80 percent in a state fiscal~~
225 ~~year, no further increase in the percentage is allowed and the~~
226 ~~limit shall be 80 percent of the unweighted FTE funding amount~~
227 ~~for that state fiscal year and thereafter. Beginning in the~~
228 ~~2016-2017 state fiscal year, the amount of a scholarship awarded~~
229 ~~to a student enrolled in an eligible private school shall be~~
230 ~~equal to 82 percent of the unweighted FTE funding amount for~~
231 that state fiscal year and thereafter as follows:

232 (I) Eighty-eight percent for a student enrolled in

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233 kindergarten through grade 5.

234 (II) Ninety-two percent for a student enrolled in grade 6,
235 grade 7, or grade 8.

236 (III) Ninety-six percent for a student enrolled in grades 9
237 through 12.

238 b. For a scholarship awarded to a student enrolled in a
239 Florida public school that is located outside the district in
240 which the student resides or in a lab school as defined in s.
241 1002.32, the limit shall be \$750 ~~\$500~~.

242 2. The annual limit for a scholarship under sub-
243 subparagraph 1.a. shall be reduced by:

244 a. Twenty-five percent if the student's household income
245 level is equal to or greater than 200 percent, but less than 215
246 percent, of the federal poverty level.

247 b. Fifty percent if the student's household income level is
248 equal to or greater than 215 percent, but equal to or less than
249 230 percent, of the federal poverty level.

250 3. For the 2016-2017 state fiscal year and thereafter, the
251 annual limit for a scholarship under sub-subparagraph 1.a. shall
252 be reduced by:

253 a. Twelve percent if the student's household income level
254 is greater than or equal to 200 percent, but less than 215
255 percent, of the federal poverty level.

256 b. Twenty-six percent if the student's household income
257 level is greater than or equal to 215 percent, but less than 230
258 percent, of the federal poverty level.

259 c. Forty percent if the student's household income level is
260 greater than or equal to 230 percent, but less than 245 percent,
261 of the federal poverty level.

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262 d. Fifty percent if the student's household income level is
263 greater than or equal to 245 percent, but less than or equal to
264 260 percent, of the federal poverty level.

265 (b) Payment of the scholarship by the eligible nonprofit
266 scholarship-funding organization shall be by individual warrant
267 made payable to the student's parent or by funds transfer,
268 including, but not limited to, debit card, electronic payment
269 card, or any other means of payment that the department deems to
270 be commercially viable or cost-effective. A student's
271 scholarship award may not be reduced for debit card or
272 electronic payment fees. If the payment is made by warrant
273 ~~parent chooses that his or her child attend an eligible private~~
274 ~~school,~~ the warrant must be delivered by the eligible nonprofit
275 scholarship-funding organization to the private school of the
276 parent's choice, and the parent shall restrictively endorse the
277 warrant to the private school. An eligible nonprofit
278 scholarship-funding organization shall ensure that the parent to
279 whom the warrant is made restrictively endorsed the warrant to
280 the private school for deposit into the account of the private
281 school or that the parent has approved a funds transfer before
282 any scholarship funds are deposited.

283 Section 2. Subsection (6) of section 1012.98, Florida
284 Statutes, is amended to read:

285 1012.98 School Community Professional Development Act.—

286 (6) An organization of private schools or consortium of
287 charter schools which has no fewer than 10 member schools in
288 this state, or an eligible nonprofit scholarship-funding
289 organization as defined in s. 1002.395, which publishes and
290 files with the Department of Education copies of its standards,

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291 and the member schools of which comply with the provisions of
292 part II of chapter 1003, relating to compulsory school
293 attendance, may also develop a professional development system
294 that includes a master plan for inservice activities. The system
295 and inservice plan must be submitted to the commissioner for
296 approval pursuant to state board rules.

297 Section 3. This act shall take effect July 1, 2017.