

Tab 1	SB 250 by Simon (CO-INTRODUCERS) Bradley; Rural Communities
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Tab 2	SB 318 by Gaetz (CO-INTRODUCERS) Simon, Pizzo, Burgess, Osgood; Educational Scholarship Programs
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348712	A	S	AP, Gaetz	Delete L.637 - 638:	12/09 08:42 AM
899626	A	S	AP, Gaetz	Delete L.669 - 670:	12/09 08:43 AM
174286	A	S	AP, Gaetz	Delete L.688 - 689:	12/09 08:43 AM
884508	A	S	AP, Gaetz	Delete L.960:	12/09 08:42 AM
442232	A	S	AP, Gaetz	Delete L.4198 - 4234:	12/09 08:42 AM

The Florida Senate
COMMITTEE MEETING EXPANDED AGENDA

APPROPRIATIONS
Senator Hooper, Chair
Senator Rouson, Vice Chair

MEETING DATE: Wednesday, December 10, 2025

TIME: 9:00—11:00 a.m.

PLACE: Pat Thomas Committee Room, 412 Knott Building

MEMBERS: Senator Hooper, Chair; Senator Rouson, Vice Chair; Senators Berman, Brodeur, Burgess, DiCeglie, Garcia, Grall, Harrell, Martin, McClain, Pizzo, Polsky, Sharief, Smith, Trumbull, and Wright

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
1	SB 250 Simon	Rural Communities; Requiring the state land planning agency to give preference for technical assistance funding to local governments located in a rural area of opportunity; revising the conditions required for a county to be considered a fiscally constrained county; creating the Office of Rural Prosperity within the Department of Commerce; requiring the Office of Rural Prosperity to administer the Renaissance Grants Program to provide block grants to eligible communities; creating the Public Infrastructure Smart Technology Grant Program within the Office of Rural Prosperity; creating the Florida Arterial Road Modernization Program within the Department of Transportation, etc.	
		AP	12/10/2025
2	SB 318 Gaetz	Educational Scholarship Programs; Creating a categorical fund for implementing the Family Empowerment Scholarship Program; creating the educational enrollment stabilization program to provide supplemental state funds to address changes in full-time equivalent student enrollment; renaming the Hope Scholarship Program as the Hope Program; requiring an eligible nonprofit scholarship-funding organization to provide a parent with certain information on scholarship programs; requiring an eligible nonprofit scholarship-funding organization to create a single application for all educational scholarship programs, etc.	
		AP	12/10/2025
Other Related Meeting Documents			

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: SB 250

INTRODUCER: Senators Simon and Bradley

SUBJECT: Rural Communities

DATE: December 9, 2025

REVISED: _____

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Fleming	Sadberry	AP	Pre-meeting

I. Summary:

SB 250 addresses a number of issues for the benefit of rural communities in the state. Namely, the bill creates a statewide office to coordinate the advancement of rural communities and opportunity therein, and to that aim amends a swathe of programs and regulations across various departments and policy areas.

Regarding the Department of Commerce (department), the bill creates the Office of Rural Prosperity (office) within the department to serve as the state's dedicated office for rural local governments. The bill transfers administration of existing rural community grant programs currently administered by the department, to the newly established office, and creates two new grant programs benefitting rural communities: the Renaissance Grant Program and the Public Infrastructure Smart Technology Grant Program.

Among other directives, the office is responsible for:

- Providing training and technical assistance to rural local governments;
- Creating an online Rural Resource Directory for rural local governments to navigate available state and federal resources and funding opportunities; and
- Establishing a network of seven regional rural community liaison centers across the state to provide in-person state support to rural communities to enhance communication and increase access to state and federal resources for rural areas of the state.

The bill also:

- Enhances the Rural Economic Development Initiative to promote rural local government participation in state grant and other program opportunities and evaluate opportunities to waive certain grant program requirements for rural governments; and
- Directs the Office of Program Policy Analysis and Government Accountability (OPPAGA) to routinely evaluate the effectiveness of the office and also study strategies implemented by other states to support and enhance rural communities.

To further healthcare access in rural communities, the bill:

- Creates the Stroke, Cardiac, and Obstetric Response and Education (SCORE) Grant Program within the Department of Health (DOH) to implement training, purchase equipment, establish telehealth capabilities, and develop quality improvement programs with the goal of improving patient outcomes and increasing access to high-quality stroke, cardiac, and obstetric care in rural communities;
- Creates the Rural Access to Primary and Preventative Care Grant Program (RAPP-C) program within the DOH to provide incentive funding for primary care physicians, physician assistants, and autonomous Advanced Practice Registered Nurses to open new practice locations in rural and underserved areas of the state; and
- Expands the existing Rural Hospital Capital Improvement Grant Program (RHCI) to allow rural hospitals to use grant funds to establish mobile care units to provide primary care services, behavioral health services, or obstetric and gynecological services in rural health professional shortage areas (HPSA) or to establish telehealth kiosks to provide urgent care services in rural HPSAs.

Regarding the Florida Department of Transportation (FDOT), the bill:

- Creates the Florida Arterial Road Modernization (FARM) program to provide investment in rural arterial roads to enhance the safety, reliability, and resiliency of critical state facilities;
- Provides additional funds annually to the FDOT to enhance the Small County Road Assistance Program (SCRAP) and revises Small County Outreach Program (SCOP) funding eligibility requirements;
- Improves connectivity between rural agricultural areas and market distribution centers; and
- Creates a rural transit operating block grant program for public transit providers not eligible for public transit grants under current law.

Regarding the Department of Education, the bill:

- Expands authorized services under regional consortium service organizations (regional consortia), increases to \$150,000 the per member funding for such regional consortia, and authorizes all revenue to be carried forward for specified purposes;
- Creates the Regional Consortia Service Organization Supplemental Services Program to provide additional financial resources for regional consortia to provide specified programs and services to school districts and consortia members;
- Establishes the Rural Incentive for Professional Educators program to provide a student loan repayment of up to \$15,000 for teachers and administrators to live and work at a public or private school in rural areas of opportunity;

- Removes the requirement that school districts receiving funds under the Special Facility Construction Account (SFCA) budget toward the project the value of 1 mill from its discretionary ad valorem levy; and
- Modifies the calculation for the deducted amount from total tax revenue that must be shared with district charter schools for future projects under the SFCA.

Regarding affordable housing, the bill:

- Provides funding for and directs the Florida Housing Finance Corporation to issue competitive requests for application to preserve multifamily housing funded through U.S. Department of Agriculture (USDA) loans in rural areas;
- Authorizes local governments to utilize a certain percentage of State Housing Initiatives Program (SHIP) funds on projects to preserve USDA-financed multifamily housing in rural areas; and
- Increases the minimum SHIP allocation from \$350,000 to \$1 million for counties and eligible municipalities.

Regarding fiscally constrained counties, the bill:

- Amends the criteria for being designated as a fiscally constrained county;
- Changes the revenue source for the fiscally constrained counties distribution from the direct-to-home satellite service tax to sales tax;
- Provides to fiscally constrained counties a distribution from sales tax in an amount equal to no less than \$50 million each fiscal year; and
- Makes several changes to the fiscally constrained counties distribution, including changing distribution factors for allocating revenue among counties and creating spending requirements.

The bill makes several appropriations to the Department of Commerce (\$16.8 million recurring general revenue, \$74.7 million nonrecurring general revenue, and \$750,000 recurring trust fund); the Department of Education (\$35.6 million recurring general revenue); and the Department of Health (\$7.7 million recurring general revenue, \$55 million nonrecurring general revenue, and \$10.3 million recurring trust fund). The bill redirects funds to the Department of Transportation for specific purposes, but requires the department to submit budget amendments to receive the funds. The bill also provides for an increased share of state tax revenues for fiscally constrained counties. **See Section V. Fiscal Impact Statement.**

The bill takes effect July 1, 2026.

II. Present Situation:

The present situation for each issue is described below in Section III, Effect of Proposed Changes.

III. Effect of Proposed Changes:

Present Situation:

The Department of Commerce

The Department of Commerce (department) is Florida's lead agency for working with the Legislature, state agencies, business leaders, and economic development professionals to formulate and implement coherent and consistent policies and strategies designed to promote economic opportunities for all Floridians.¹ The department is also the state's chief agency for business recruitment and expansion.² The department must also promote viable, sustainable communities by providing technical assistance and guidance on growth and development issues, grants, and other assistance to local communities.³

The head of the department is the Secretary of Commerce, who is appointed by the Governor and confirmed by the Senate.⁴ The secretary may create offices within the Office of the Secretary and within the divisions to promote efficient and effective operation of the department.⁵ The department must also ensure that the state's goals and policies relating to economic development, workforce development, community planning and development, and affordable housing are fully integrated with appropriate implementation strategies.⁶

To achieve these goals, the Legislature established seven divisions and offices within the department:

- Economic Development.
- Community Development.
- Workforce Services.
- Finance and Administration.
- Information Technology.
- Office of the Secretary.
- Office of Economic Accountability and Transparency.⁷

The department is charged with managing the activities of public-private partnerships and state agencies in order to avoid duplication and promote coordinated and consistent implementation of programs including among other things, rural community development.⁸ This includes stimulation of economic development and job creation in rural areas, including strategies for rural marketing and the development of infrastructure in rural areas.⁹ Additionally, the department runs a number of financial and grant programs aimed at helping small rural communities in Florida.

¹ Section 20.60(4), F.S.

² *Id.*

³ Section 20.60(4)(c), F.S.

⁴ Section 20.60(2), F.S.

⁵ Section 20.60(3)(b), F.S.

⁶ Section 20.60(3), F.S.

⁷ *Id.*

⁸ Section 20.60(4)(e), F.S.

⁹ Section 20.60(5)(a)4.c., F.S.

*Effect of Proposed Changes:***Office of Rural Prosperity**

The bill creates the Office of Rural Prosperity (office) within the department for the purpose of supporting rural communities, helping navigate available state and federal resources, and representing rural interests across state government. The office will serve as the state point of contact for rural local governments and will administer various rural-focused grant programs currently administered by the department, as well as new programs created in the bill.

Section 1 amends s. 20.60, F.S., to formally designate the office as one of eight permanent offices or divisions under the department.

Section 10 creates s. 288.013, F.S., to establish the framework and responsibilities of the office. The office will be led by a director, who will be appointed by the Governor and confirmed by the Senate.

The bill directs the office to provide training and technical assistance to rural local governments on various community and economic development topics. Offered either in person or online, the training and technical assistance must, at a minimum, address the following:

- Accessing state and federal resources;
- Best practices relating to comprehensive planning, economic development, and land development in rural communities;
- Strategies to address management and administrative capacity challenges for rural local governments; and
- Requirements or recent changes to the Community Planning Act and other state and federal laws affecting rural local governments.

Rural Resource Directory

The bill directs the office to create and maintain an online Rural Resource Directory to serve as an interactive tool to help rural local governments navigate state and federal resources, tools, and services available to them. The directory must allow users to search by various indicators and receive notifications when new or modified resources are available. Each state agency must provide information and updates to the office for inclusion in the directory and, to the greatest extent possible, the directory must include information on local financial match requirements for state and federal grant programs.

Regional Rural Community Liaison Centers

By October 1, 2026, the office must establish and staff 7 regional rural community liaison centers across the state for the purpose of providing in-person state support to rural local governments. The office must by rule divide the state into 7 regions and assign a liaison center to each region. Each liaison center will be staffed with at least two full-time department personnel who will be responsive to the rural local governments within the respective region. Specifically, the each liaison center is responsible for:

- Assisting local governments in planning and achieving goals related to local or regional growth, economic development, and rural prosperity;

- Facilitating access to state and federal resources, such as grants, loans, and other available assistance;
- Advising local government on available program waivers, including financial match waivers;
- Coordinating technical assistance needs with the department and other state or federal agencies;
- Promoting model ordinances, policies, and strategies related to economic development;
- Regularly engaging with the Rural Economic Development Initiative; and
- Assisting local governments with regulatory and reporting compliance.

Annual Report

By December 1, 2026, and each year thereafter, the office director must submit to the President of the Senate, the Speaker of the House of Representative, and the Administration Commission a written report describing the office's operations and accomplishments for the preceding year. The report must also be presented by the office director in-person at a meeting of the Administration Commission and posted to the office website. In preparing the report, the office must consult with the Department of Agriculture and Consumer Services on recommendations for policies, programs, and funding to further support the needs of rural communities.

OPPAGA Reports

The bill directs OPPAGA to produce the following reports relating to the office and rural communities in Florida:

- By December 15, 2027, and every year thereafter through 2029, OPPAGA must evaluate the effectiveness of the office and submit a report of its findings to the President of the Senate and the Speaker of the House of Representatives. Beginning in 2032, the frequency of the report is reduced to every 3 years.
- By December 15, 2028, and every 5 years thereafter, OPPAGA must review strategies implemented by other states for rural community preservation, enhancement, and revitalization and evaluate their effectiveness and potential applicability in Florida. A report must be submitted to the President of the Senate and the Speaker of the House of Representatives.

Section 46 appropriates \$1,827,591 in recurring funds and \$652,327 in nonrecurring funds from the General Revenue Fund to the to the Department of Commerce for the staffing and operation of the Office of Rural Prosperity, which includes funding for 17 full-time equivalent positions for the office.

Renaissance Grant Program

Section 11 creates s. 288.014, F.S., to establish the Renaissance Grant Program to be administered by the Office of Rural Prosperity (office). Under the program and subject to appropriation, the office will annually provide \$1 million block grants (or an equal share if the appropriation is insufficient) to counties which are "growth-impeded," meaning a county has had a declining population over the last ten years, as certified by the Office of Economic and Demographic Research (EDR). By October 1, 2026, the EDR must certify to the office which counties are growth-impeded. After the initial certification, the EDR shall annually certify whether each participating county remains growth-impeded. A county remains eligible for the

block grant until it experiences three consecutive years of population growth. Once this growth is certified, the county's eligibility for the block grant is extended for one additional year.

Participating counties must enter into an agreement with the office to receive the block grant and have broad authority to design a specific plan to achieve population growth within the specified parameters.

Participating counties must design a plan to make targeted investments in the community to achieve population growth and increase the economic vitality of the community. The plan must incorporate the following key features:

- Technology centers located within schools or on school premises, administered by the local school board, providing extended hours and access for students;
- Facilities that co-locate adult day care with childcare facilities; and
- Technology labs operated in partnership with the nearest Florida College System institution or career center.

Each participating county must hire a renaissance coordinator who is responsible for overseeing the use of funds, coordinating with other entities, and complying with reporting requirements. Upon request, the regional rural community liaison center staff must provide training and assistance to the renaissance coordinator.

The bill directs the Auditor General to conduct an operational audit of each participating county's grant program every two years, beginning in 2027. Additionally, on December 15, 2027, and each year thereafter, the EDR must submit an annual report of grant recipients by county to the President of the Senate and the Speaker of the House of Representatives.

The Renaissance Grant Program expires in 2041.

Section 47 appropriates \$7 million in recurring funds from the General Revenue Fund to the Office of Rural Prosperity for the Renaissance Grant Program. No funds may be used by the state for administrative costs.

Public Infrastructure Smart Technology Grants

Section 12 creates s. 288.0175, F.S., to establish the Public Infrastructure Smart Technology Grant Program to be administered by the Office of Rural Prosperity (office). The program is created to fund and support infrastructure projects in rural communities that utilize smart technology to increase efficiency, enhance public services, and promote sustainable development.

The office is required to contract with one or more not-for-profit entities (lead organization) that specializes in smart regional planning to provide grants to counties and municipalities within a rural area of opportunity for public infrastructure smart technology projects. The bill defines "public infrastructure smart technology" as systems and applications that use connectivity, data analytics, automation to improve public infrastructure by increasing efficiency, enhancing public services, and promoting sustainable development.

The contract must require a lead organization to:

- Collaborate with rural counties and municipalities to identify opportunities to institute cost-effective smart technology, and provide technical assistance; and
- Assist such counties and municipalities in connecting with other communities, companies, and other entities to leverage the impact of each public infrastructure smart technology project.

In its annual report, the office must include a description of the projects funded under this program.

Section 48 appropriates \$500,000 in recurring funds from the Grants and Donations Trust Fund within the department to the Office of Rural Prosperity for the Smart Technology Grant Program.

Present Situation:

Rural Economic Development Initiative (REDI)

The Rural Economic Development Initiative (REDI) was established by the Legislature to encourage and facilitate the location and expansion of major economic development projects of significant scale in rural communities.¹⁰ Today, the REDI operates as a statewide initiative led by the Department of Commerce (department) to better serve Florida's rural communities by providing a more focused and coordinated effort among state and regional agencies to improve the fiscal, economic, and community viability of these areas.¹¹

Specified agencies and organizations¹² are required to designate a high-level staff person to serve as their REDI representative. Each REDI representative is responsible for ensuring that their agency or organization is informed about the REDI and helps to identify opportunities to accommodate or include rural local governments in their agency programs.

The REDI is required to review and evaluate the impact of statutes and rules on rural communities and work to minimize any adverse impact and undertake outreach and capacity-building efforts.¹³ Under the REDI statute, a "rural community"¹⁴ is defined as:

- A county with a population of 75,000 or fewer (27 counties);
- A county with a population of 125,000 or fewer, if the county is contiguous to a county with a population of 75,000 or fewer (4 counties);
- Any municipality in a county that meets the above criteria (92 municipalities); or
- An unincorporated federal enterprise community or an incorporated rural city with a population of 25,000 or fewer, with an employment base focused on traditional agriculture or

¹⁰ Section 288.0656(1)(a), F.S.

¹¹ Section 288.0656(3), F.S.

¹² The Department of Transportation, Department of Environmental Protection, Department of Agriculture and Consumer Services, Department of State, Department of Health, Department of Children and Families, Department of Corrections, Department of Education, Department of Juvenile Justice, Fish and Wildlife Conservation Commission, each water management district, CareerSource Florida, Inc., VISIT Florida, the Florida Regional Planning Council Association, Agency for Health Care Administration, the Institute of Food and Agricultural Sciences (IFAS). See s. 288.0656(6)(a), F.S.

¹³ Section 288.0656(4), F.S.

¹⁴ Section 288.0656(2)(e), F.S.

resource-based industries, located in a county not defined as rural, and which has at least three or more economic distress factors (61 municipalities).¹⁵

Each REDI member agency is required to review financial match requirements for projects in rural areas and develop a proposal to waive or reduce match requirements, and such proposals must be submitted to REDI.¹⁶ The REDI must call a meeting within 30 days of receipt of such proposals for comment and recommendation.¹⁷ Waivers and reductions must be requested by the county or community, and to the fullest extent possible member organizations must expedite rule and amendment adoption to incorporate the reduction in match by rural areas in financial distress.¹⁸ The REDI must prepare an annual report as a supplement to the Department of Commerce's annual report which includes an evaluation on the status of changes to rules, number of awards made with waivers, and recommendations for future changes.¹⁹

Based on recommendations of the REDI, the Governor may designate up to three rural areas of opportunity (RAOs) by executive order, which establishes certain local governments as a priority for the department.²⁰ The executive orders also authorize all state agencies and departments to use all available tools and resources to the extent permissible by law to promote the creation and development of projects designated by the RAO that has been recommended by the department.

Rural Area of Opportunity

A RAO is a rural community,²¹ or region comprised of rural communities, designated by the Governor, that has been adversely affected by an extraordinary economic event, severe or chronic distress, or a natural disaster.²² An area may also be designated as an RAO if it presents a unique economic development opportunity of regional impact.²³ The designation of an RAO must be agreed upon by the Department of Commerce, as well as the county and municipal governments to be included in the RAO.²⁴

This designation establishes these areas as priority assignments for the REDI and allows the Governor, acting through the REDI, to waive criteria, requirements, or similar provisions of any economic development incentive. Such incentives include, but are not limited to, the Quick Response Training Program,²⁵ the Quick Response Training Program for participants in the

¹⁵ See Department of Commerce, Office of Rural Initiatives, *Rural Community Analysis*, available at: <https://floridajobs.org/docs/default-source/office-of-rural-initiatives/2025-rural-communities-analysis.pdf> (last visited Dec. 3, 2025).

¹⁶ Section 288.06561, F.S.

¹⁷ Section 288.06561(3), F.S.

¹⁸ Section 288.06561(4) and (7), F.S.

¹⁹ Section 288.06561(8), F.S.

²⁰ Section 288.0656(7)(a), F.S. See Executive Office of the Governor, Executive Orders 21-149, 23-132, and 25-141, available at: <https://www.flgov.com/eog/news/executive-orders> (last visited Dec. 3, 2025).

²¹ Section 288.0656(2)(e), F.S.

²² Section 288.0656(2)(d), F.S.

²³ *Id.*

²⁴ Section 288.0656(7)(b), F.S.

²⁵ Section 288.047, F.S.

welfare transition program²⁶, transportation projects,²⁷ the brownfield redevelopment bonus refund,²⁸ and the rural job tax credit program.²⁹

Currently, there are three designated RAO areas:

- Northwest RAO: Calhoun, Franklin, Gadsden, Gulf, Holmes, Jackson, Liberty, Wakulla, and Washington counties, portions of Bay, Okaloosa, and Walton counties.
- South Central RAO: DeSoto, Glades, Hardee, Hendry, Highlands, and Okeechobee counties, and the communities of Pahokee, Belle Glade, and South Bay in Palm Beach County and Immokalee in Collier County.
- North Central RAO: Baker, Bradford, Columbia, Dixie, Gilchrist, Hamilton, Jefferson, Lafayette, Levy, Madison, Putnam, Suwannee, Taylor, and Union counties.³⁰

Effect of Proposed Changes:

Section 18 amends s. 288.0656, F.S., to modernize the REDI statute to enhance the visibility and effectiveness of the program. Specifically, the bill:

- Moves creation of the REDI from within the department generally, to the Office of Rural Prosperity;
- Requires the REDI to meet at least monthly and requires the REDI representative or his or her designee to be physically present or available electronically;
- Provides a legislative finding that rural communities are the essential conduits for the economy's distribution, manufacturing, and food supply;
- Removes a reference to "economically distressed" rural communities to broaden the REDI's reach to all rural communities;
- Requires enhanced reporting on projects being coordinated by the REDI and enhanced reporting on program requirement waivers granted to rural communities;
- Requires the REDI to provide legislative recommendations for statutory waivers or reductions for economic development programs for rural applicants; and
- Repeals obsolete language regarding rural enterprise zones, catalyst projects, and catalyst sites.

Section 14 amends s. 288.019, F.S., to enhance rural considerations in grant review and evaluation processes. The bill requires REDI member agencies and organizations to review grant and loan application evaluation criteria and scoring procedures to ensure full access for rural communities. Each agency must develop a proposal to modify evaluation and scoring procedures to accommodate rural communities, including opportunities to waive or reduce required financial match requirements.

²⁶ Section 288.047(8), F.S.

²⁷ Section 339.2821, F.S.

²⁸ Section 288.107, F.S.

²⁹ Sections 212.098 and 220.1895, F.S.

³⁰ Department of Commerce, *Florida's Rural Areas of Opportunity*, on file with the Senate Committee on Appropriations. The economic development organizations for these RAOs are named "Opportunity Florida," "Florida Heartland Economic Region of Opportunity," and "North Florida Economic Development Partnership," respectively.

Section 15 amends s. 288.021, F.S., to require that, when practicable, the staff member appointed as the economic development liaison of a state agency also serves as the agency representative for the REDI.

Section 19 repeals s. 288.06561, F.S., relating to reduction or waivers of financial match requirements. The general substance of this statute is incorporated into the revisions of section 14 of the bill.

Section 24 repeals s. 290.06561, F.S., which is a remnant statute from the former Enterprise Zone program, which was repealed by the Legislature in 2023.³¹

Present Situation:

Florida Office of Broadband

The Office of Broadband (office) is an office created within the Division of Community Development³² in the Department of Commerce (department) for the purpose of providing broadband internet service to residents of Florida including: libraries, schools, colleges and universities, health care providers, and community organizations.³³ Under the office, the department may apply for and accept federal funds, enter into contracts, and establish any committee or workgroups to administer the program.³⁴

Effect of Proposed Changes:

Section 23 amends s. 288.9961, F.S., to:

- Require the office to consult with regional rural community liaison centers to assist with providing feedback from rural communities in applying for federal grants for broadband internet services; and
- Require annual and quarterly reports be submitted to Governor, the President of the Senate, and the Speaker of the House of Representatives detailing broadband implementation in rural, unserved, and underserved communities, as well as the operations and accomplishments of the office.

Present Situation:

Regional Rural Development Grants Program

The Regional Rural Development Grants Program was established to provide funding, through matching grants, to build the professional capacity of regionally based economic development organizations located in rural communities. The concept of building the professional capacity of an economic development organization includes hiring professional staff to develop, deliver, and provide economic development professional services. Professional services includes technical assistance, education and leadership development, marketing, and project recruitment.³⁵

³¹ Chapter 2023-173, Laws of Fla.

³² Section 288.9961(4), F.S.

³³ Section 288.9961(1), F.S.

³⁴ Section 288.9961(5), F.S.

³⁵ Section 288.018(1)(b), F.S.

Applications submitted to the Department of Commerce (department) for funding through this program must provide proof:

- Of official commitments of support from each of the units of local government represented by the regional organization;
- That the regional organization is in existence and actively involved in economic development activities serving the region; and
- Of the manner in which the organization coordinates its efforts with those other local and state organizations.³⁶

A contract or agreement that involves the expenditure of grant funds must include:

- The purpose of the contract or agreement.
- Specific performance standards and responsibilities for each entity under the contract or agreement.
- A detailed project or contract budget, if applicable.
- The value of any services provided.
- The projected travel expenses for employees and board members, if applicable.³⁷

An organization may receive up to \$50,000 a year or \$250,000 for any three regional economic development organizations that serve an entire RAO.³⁸ The department is authorized to spend up to \$750,000 each fiscal year from the funds appropriated to the Rural Community Development Revolving Loan Fund to carry out this program.³⁹

Effect of Proposed Changes:

Section 13 amends s. 288.018, F.S., to move administration of the program from the Department of Commerce generally, to the Office of Rural Prosperity.

Present Situation:

Rural Infrastructure Fund

The Rural Infrastructure Fund is a grant program created to facilitate the planning, preparing, and financing of infrastructure projects in rural communities.⁴⁰ The program provides access to federal and state infrastructure funding programs, including, but not limited to, those offered by the United States Departments of Agriculture and Commerce and including those offered by Rural Economic Development Initiative agencies.⁴¹ The program funds total infrastructure project grants, infrastructure feasibility grants, and preclearance review grants.

The Department of Commerce (department) may award grants for up to 75 percent of the total infrastructure cost or up to 100 percent of the total infrastructure project cost for a project that is

³⁶ Section 288.018(2), F.S.

³⁷ Section 288.018(3)(a), F.S.

³⁸ Section 288.018(1)(c), F.S.

³⁹ Section 288.018(4), F.S.

⁴⁰ See s. 288.0655, F.S.

⁴¹ Section 288.0655(2)(b), F.S.

located in a rural community that is also located in a fiscally constrained county⁴² or a RAO.⁴³ Additionally, projects may include improving any inadequate infrastructure that has resulted in regulatory action that prohibits economic or community growth or reducing the costs to community users of proposed infrastructure improvements that exceed such costs in comparable communities.

Eligible uses of funds include improvements to public infrastructure for industrial or commercial sites and upgrades to or development of public tourism infrastructure.⁴⁴ Infrastructure can include public or public-private partnership facilities, like stormwater systems, telecommunication, roads or other remedies to transportation impediments, nature-based tourism facilities and physical requirements necessary to facilitate tourism, trade, and economic development activities.⁴⁵ The department may award grants of up to \$300,000 for infrastructure feasibility studies, design and engineering activities, or other infrastructure planning and preparation activities.⁴⁶ The total project participation grant may be used in conjunction with the infrastructure feasibility grant.

To enable local governments to access the resources the department may award grants for surveys, feasibility studies, and other activities related to the identification and preclearance review of suitable land.⁴⁷ Authorized grants under program may not exceed \$75,000 each, except in the case of a project in a rural area of opportunity, in which case the grant may not exceed \$300,000.⁴⁸

Effect of Proposed Changes:

Section 17 amends s. 288.0655, F.S., to:

- Move the administration of the program from the department generally, to the Office of Rural Prosperity.
- Specifically provide that grant funds may be awarded to a unit of local government within a rural community or a RAO or to a regional economic development organization, a unit of local government, or certain economic development organizations for an infrastructure project located within an unincorporated area that has a population of 15,000 or less, has been in existence for 100 years or more, is contiguous to a rural community, and has been adversely affected by a natural disaster or presents a unique economic development opportunity of regional impact.
- Clarify that grant funds may be awarded for “site readiness” expenses, which may include clearing title, surveys, permitting, environmental studies, and regulatory compliance costs.
- Require the Office of Rural Prosperity to consult with the Department of Transportation instead of Visit Florida when reviewing applications for funding.

⁴² A fiscally constrained county is any county that is entirely within a rural area of opportunity as designated by the Governor pursuant to s. 288.0656, F.S., or each county for which the value of a mill will raise no more than \$5 million in revenue, based on the taxable value certified pursuant to s. 1011.62(4)(a)1.a., F.S., from the previous July 1. Section 218.67(1), F.S.

⁴³ Section 288.0655(2)(b), F.S.

⁴⁴ *Id.*

⁴⁵ Broadband internet service must be provided in partnership with one or more dealers of communications services. Section 288.0655(2)(b), F.S.

⁴⁶ Section 288.0655(2)(c), F.S.

⁴⁷ Section 288.0655(2)(e), F.S.

⁴⁸ *Id.*

- Require enhanced annual reporting of the program.

Section 50 appropriates \$40 million in nonrecurring funds and \$5 million in recurring funds from the General Revenue Fund to the Office of Rural Prosperity for the Rural Infrastructure Fund.

Present Situation:

Rural Community Development Revolving Loan Fund

The Rural Community Development Revolving Loan Fund Program is administered by the Department of Commerce (department) to facilitate the use of existing federal, state, and local financial resources by providing local governments with financial assistance to further promote the economic viability of rural communities.⁴⁹

The program provides for long-term loans, loan guarantees, and loan loss reserves to units of local governments, or economic development organizations in counties with populations of 75,000 or fewer, or within any county with a population of 125,000 or fewer which is contiguous to a county with a population of 75,000 or fewer.⁵⁰ Loans must be made pursuant to agreements specifying the terms and conditions agreed to between the applicant and the department, and loans are the legal obligations of the applicant.⁵¹ All repayments of principal and interest must be returned to the loan fund and made available for loans to other applicants.

However, in a rural area of opportunity, repayments of principal and interest may be retained by the applicant if repayments are dedicated and matched to fund regionally based economic development organizations representing the rural area of opportunity.⁵²

Effect of Proposed Changes:

Section 16 amends s. 288.065, F.S., to:

- Move the administration of the program from the department generally, to the Office of Rural Prosperity.
- Require the Office of Rural Prosperity to include in its annual report detailed information about the fund, including loans made during the previous fiscal year, loans active, loans repaid, and unobligated funds.

Section 49 appropriates \$4 million in nonrecurring funds and \$1 million in recurring funds from General Revenue to the Office of Rural Prosperity for the Rural Community Development Revolving Loan Fund.

⁴⁹ Section 288.065, (1) F.S.

⁵⁰ Section 288.065, (2)(a) F.S.

⁵¹ Section 288.065 (2)(b), F.S.

⁵² Section 288.065 (2)(c), F.S.

*Present Situation:***Community Planning Technical Assistance Grants**

The Department of Commerce's (department) Community Planning office is charged with providing technical assistance and guidance on growth and development issues, grants, and other assistance to local communities to promote viable, sustainable communities.⁵³ Community Planning Technical Assistance (CPTA) Grant Program is administered by the department to provide counties, municipalities and regional planning councils the opportunity to create innovative plans and development strategies to promote a diverse economy, vibrant rural and suburban areas and meet statutory requirements for planning, while also protecting environmentally sensitive areas.⁵⁴ CPTA grants may also be used to assist with disaster recovery, resiliency, and economic development planning.⁵⁵

Projects should relate to community planning and economic development strategies that implement the requirements in the Community Planning Act, as well as workforce development, and workforce housing opportunities.⁵⁶

Effect of Proposed Changes:

Section 2 amends s. 163.3168, F.S., to:

- Require preference to be given to local government applicants located in a rural area of opportunity; and
- Require the department to consult with the Office of Rural Prosperity when awarding the CPTA grants.

*Present Situation:***Florida Rural Economic Development Strategy Grants**

The Department of Commerce (department), under s. 288.0657, F.S., accepts and administers money which is appropriated to the department for providing grants to assist rural communities in developing and implementing strategic economic development plans.⁵⁷ To be eligible the rural community must be a county with a population of 75,000 or fewer, or within any county with a population of 125,000 or fewer which is contiguous to a county with a population of 75,000 or fewer, or a municipality therein.⁵⁸ The department must establish criteria for reviewing grant applications under this section, which must include, but are not limited to, the degree of participation and commitment by the local community and the application's consistency with local comprehensive planning.⁵⁹

⁵³ Section 20.60 (4)(c), F.S.

⁵⁴ Department of Commerce, Community Planning Technical Assistance Grants, State Fiscal Year 2025-2026, available at: <https://floridajobs.org/community-planning-and-development/programs/community-planning-table-of-contents/technical-assistance/community-planning-technical-assistance-grant> (last visited Dec. 3, 2025)

⁵⁵ *Id.*

⁵⁶ *Id.* The Community Planning Act refers to part II of ch. 163, F.S., see s. 163.3161, F.S.

⁵⁷ Section 288.0657(2), F.S.

⁵⁸ Section 288.0657(1), F.S.

⁵⁹ Section 288.0657(4), F.S.

Effect of Proposed Changes:

Section 20 amends s. 288.0657, F.S., to:

- Move the administration of the program from the Department of Commerce generally, to the Office of Rural Prosperity;
- Specify that grants may be provided to assist with costs associated with marketing sites to potential businesses for an economic development project;
- Require the regional rural community liaison centers within the Office of Rural Prosperity to provide assistance to those applying for grants; and
- Provide that marketing grants may include funding to deploy materials through advertising campaigns and costs associated with marketing, site preparation, meetings, trade missions, and professional development.

Section 51 appropriates \$250,000 in recurring funds from the Grants and Donations Trust Fund within the department to the Office of Rural Prosperity for the Rural Economic Development Strategy Grants.

*Present Situation:***Inventory of Communities Seeking to Recruit Businesses**

By September 30 of each year, a county or municipality that has a population of at least 25,000 or its local economic development organization must submit to the Department of Commerce (department) a brief overview of the strengths, services, and economic development incentives that its community offers.⁶⁰ The local government or its local economic development organization also must identify any industries that it is encouraging to locate or relocate to its area.⁶¹ Such local governments and organizations seeking to recruit businesses may submit information and may participate in any activity or initiative resulting from the collection, analysis, and reporting of the information to the department.⁶²

Effect of Proposed Changes:

Section 9 amends s. 288.007, F.S., to require each local government within a rural area of opportunity or its local economic development organization to submit the required information the department to be included in the inventory of communities seeking to recruit businesses.

*Present Situation:***Agreements Funded with Federal or State Assistance**

Current law requires an agency agreement that provides state financial assistance to a recipient or subrecipient⁶³ or that provides federal financial assistance to a subrecipient to include all of the following:

⁶⁰ Section 288.007, F.S.

⁶¹ *Id.*

⁶² *Id.*

⁶³ Section 215.97, F.S., defines a “subrecipient” as a nonstate entity that receives state financial assistance through another nonstate entity.

- A provision specifying scope of work that clearly establishes the tasks the recipient or subrecipient is required to perform.
- A provision dividing the agreement into quantifiable units of deliverables that must be received and accepted in writing by the agency before payment. Each deliverable must be directly related to the scope of work and must specify the required minimum level of service to be performed and the criteria for evaluating the successful completion of each deliverable.
- A provision specifying the financial consequences that apply if the recipient or subrecipient fails to perform the minimum level of service required in the agreement. The provision can be excluded in specified situations.
- A provision specifying that a recipient or subrecipient of federal or state financial assistance may expend funds only for allowable costs resulting from obligations incurred during the specified agreement period.
- A provision specifying that any balance of unobligated funds which has been advanced or paid must be refunded to the state agency.
- A provision specifying that any funds paid in excess of the amount to which the recipient or subrecipient is entitled must be refunded to the state agency.
- Any additional information required pursuant to the Florida Single Audit Act.⁶⁴

Current law prohibits an agency agreement that provides state or federal financial assistance to local government entities within an RAO from requiring the local government entity to expend funds in order to be reimbursed. For these local government entities, an agency is authorized to advance funding based on an analysis of estimated costs, to pay service providers and vendors directly, or to undertake other options to meet the requirements of the agreement, allowing local governments in rural areas to be paid without spending their own capital first.⁶⁵

Effect of Proposed Changes:

Section 6 amends s. 215.971, F.S., to:

- Clarify provisions regarding the payment of invoices due and require agencies to expedite such payment requests for local governments.
- Require each state agency to annually report to the Office of Rural Prosperity (office), by August 1, a summary of the implementation the agency agreement requirements for the previous fiscal year, which must be incorporated in the office's annual report.

Present Situation:

The Florida Small Business Development Center Network

The Florida Small Business Development Center Network (SBDC) is the principal business assistance organization for small businesses in the state. The purpose of the network is to serve emerging and established for-profit, privately held businesses that maintain a place of business in the state.⁶⁶ The network is a consortium of regional small business development centers throughout the state that offer current and prospective small businesses consulting services,

⁶⁴ Section 215.971(1)(a)-(g), F.S.

⁶⁵ Section 215.971(1)(h), F.S.

⁶⁶ Ch. 2008-149, Laws of Fla., codified as s. 288.001, F.S.

training opportunities, and access to other resources and information.⁶⁷ Regional centers are based at several of Florida's colleges and universities.⁶⁸ The SBDC is run by the network's statewide director in consultation with a 19 member statewide advisory board.⁶⁹

The network is funded, in part, by the U.S. Small Business Administration, the Department of Defense, the State of Florida, and other private and public partners, with the University of West Florida serving as the Network's designated lead host institution.⁷⁰ Half of any state funds received directly by a host institution which are specifically designated for the network are distributed for the following purposes:

- Ensuring that support services are available statewide, especially in underserved and rural areas of the state, to assist eligible businesses;
- Enhancing participation in the network among state universities and colleges; and
- Facilitating the adoption of innovative small business assistance best practices by the regional small business development centers.⁷¹

Effect of Proposed Changes:

Section 8 amends s. 288.001, F.S., to:

- Require the SBDC Network to use certain funds for the specific purpose of expanding service in rural communities, including developing an activity plan focused on network consultants and resources in rural communities; and
- Increase staffing for "circuit riders" who work with local governments and communities of their region to bring services, including access to capital, technical assistance, and other small business services, to the region.

Section 45 appropriates \$1 million in recurring funds from the General Revenue Fund to the Office of Rural Prosperity to implement the requirements of the rural-focused Florida SBDC Network activity.

Present Situation:

Visit Florida

Visit Florida is the fictitious name for the Florida Tourism Industry Marketing Corporation, a nonprofit corporation established by the Legislature to serve as Florida's statewide destination marketing organization and represent the state's tourism industry.⁷² Visit Florida is required to develop a four-year marketing plan for the state that addresses issues such as continuation of tourism growth in Florida, expansion to new or underrepresented markets, coordination with local and private sector partners on tourism advertising, and addressing emergency responses to disasters from a marketing standpoint.⁷³

⁶⁷ America's SBDC Florida, available at: <https://floridasbdc.org/> (last visited Dec. 3, 2025)

⁶⁸ *Id.*

⁶⁹ Section 288.001(3) and(4), F.S.

⁷⁰ America's SBDC Florida, *About Florida's SBDC*, available at: <https://floridasbdc.org/about/> (last visited Dec. 3, 2025)

⁷¹ Section 288.001(7)(b), F.S.

⁷² Section 288.1226, F.S.

⁷³ Section 288.1226(13), F.S.

In 2017,⁷⁴ the Legislature directed Visit Florida to administer, in partnership with the Department of Commerce, the Targeted Marketing Assistance Program to enhance the tourism business marketing of small, minority, rural, and agritourism businesses in the state.⁷⁵ The program provides marketing plans, marketing assistance, promotional support, media development, technical expertise, marketing advice, technology training, social marketing support, and other assistance to small independently owned and operated businesses or non-profit organizations.⁷⁶

Effect of Proposed Changes:

Section 21 amends s. 288.1226, F.S., to direct Visit Florida to incorporate into its four-year marketing plan the provision of appropriate marketing assistance resources to small, rural and agritourism businesses in the state. Such resources may include, but are not limited to, marketing plans, marketing assistance, promotional support, media development, technical expertise, marketing advice, technology training, and social marketing support.

Section 22 repeals s. 288.12266, F.S., relating to the Targeted Marketing Assistance Program. However, the general goals of the program are incorporated into Visit Florida's four-year marketing program in section 21 of the bill.

Present Situation:

Fiscally Constrained Counties

Fiscally constrained counties are counties entirely within an RAO or where a 1-mill levy would raise no more than \$5 million in annual tax revenue.⁷⁷ A "rural area of opportunity" is a rural community, or a region composed of rural communities, designated by the Governor, which has been adversely affected by an extraordinary economic event, severe or chronic distress, or a natural disaster. A rural area of opportunity may also be a community or communities that present a unique economic development opportunity of regional impact.⁷⁸

There are 29 counties that currently meet these conditions; Baker, Bradford, Calhoun, Columbia, Desoto, Dixie, Franklin, Gadsden, Gilchrist, Glades, Gulf, Hamilton, Hardee, Hendry, Highlands, Holmes, Jackson, Jefferson, Lafayette, Levy, Liberty, Madison, Okeechobee, Putnam, Suwannee, Taylor, Union, Wakulla, and Washington.⁷⁹ Although each of the counties is designated by the Governor as a rural area of opportunity,⁸⁰ Highland's and Putnam's 1-mill levy currently surpass the \$5 million threshold.

⁷⁴ Chapter 2017-233, s. 18, Laws of Fla.

⁷⁵ Section 288.12266, F.S.

⁷⁶ Section 288.12266(1), F.S.

⁷⁷ Section 218.67(1), F.S.

⁷⁸ Section 288.0656, F.S.

⁷⁹ Florida Department of Revenue, *Fiscally Constrained Counties*, available at: https://www.floridarevenue.com/property/Documents/fcc_map.pdf (last visited Dec. 3, 2025).

⁸⁰ Executive Office of the Governor, see Executive Orders 21-149, 23-132, and 25-141, available at: <https://www.flgov.com/eog/news/executive-orders> (last visited Dec. 3, 2025).

Direct-to-Home Satellite Service Tax Distribution

Retail sales of direct-to-home satellite service received in Florida are subject to the communications service tax at the rate of 9.07 percent and the gross receipts tax at the rate of 2.37 percent.⁸¹

From communications services tax receipts, 55.9 percent is distributed through the state's "standard" sales tax distribution formula.⁸² The remaining 44.1 percent is transferred to the Local Government Half-cent Sales Tax Trust Fund.⁸³

Seventy percent of the transfer is distributed formulaically to all counties within the state. The remaining 30 percent is distributed to fiscally constrained counties that are eligible to participate in the local government half-cent sales tax distribution.⁸⁴ Fiscally constrained counties may use the funds from this distribution for any public purpose, except for debt service.⁸⁵

The collections from the tax on direct-to-home satellite service have declined in recent years; with distributions to fiscally constrained counties decreasing from \$18.1 million in Fiscal Year 2018-2019⁸⁶ to \$9.5 million in Fiscal Year 2024-2025.⁸⁷

Distribution Factors

Each fiscally constrained county receives a portion of the total direct-to-home satellite service distribution. At the beginning of each fiscal year, the Department of Revenue (department) determines the amount to be distributed to each fiscally constrained county using the prior fiscal year's certified school taxable value, county millage rate, and latest April 1 county population, excluding prisoners.⁸⁸ The following factors are created by the department to determine each county's relative share of the total distribution available for the coming fiscal year:⁸⁹

- The relative revenue-raising-capacity factor is based on a county's certified school taxable value and population and referred to in law as the ability of a county to generate property tax revenues from 1 mill on a per capita basis.⁹⁰ Counties that generate less per capita revenue receive a higher factor. For example, a county that raises \$25 or less per capita receives a factor value of 1; whereas a county that raises more than \$50 per capita receives a factor value of 0. In Fiscal Year 2025-2026, only two fiscally constrained counties were eligible for this factor.⁹¹

⁸¹ Sections 202.12(1)(b) and 203.01(1)(b)2., F.S.

⁸² Section 202.18(2)(b), F.S. *See also* s. 212.20(6)(d), F.S. Gross receipts tax revenues are distributed to the Public Education Capital Outlay (PECO) and Debt Service Trust Fund in accordance with section 9 of Article XII of the State Constitution.

⁸³ Section 202.18(2)(c)1., F.S.

⁸⁴ *Id.*

⁸⁵ Section 218.67(5), F.S.

⁸⁶ Florida Office of Economic and Demographic Research, *Ordinary, Emergency, Supplemental, and Fiscally-Constrained Distributions by County: SFY 1987-2024*, available at <https://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-lcfm> (last visited Dec. 3, 2025).

⁸⁷ Florida Department of Revenue, Office of Tax Research, General Tax Distributions, Form 5, available at <https://floridarevenue.com/DataPortal/Pages/TaxResearch.aspx> (last visited Dec. 3, 2025).

⁸⁸ Section 186.901, F.S.

⁸⁹ Section 218.67(3)(a), F.S.

⁹⁰ *Id.*

⁹¹ Email correspondence with staff at the Department of Revenue, Dec. 4, 2025 (on file with the Senate Committee on Appropriations).

- The local-effort factor is based on a county's millage rate and referred to in law as a measure of the relative level of local effort of a county as indicated by the millage rate levied for the prior fiscal year.⁹² This factor guarantees that each county receives a portion of the total distribution. It uses the most recently adopted countywide operating millage rate for each eligible county and multiplies that millage rate by 0.1. For example, a county with a countywide operating millage rate of 6.73 would receive a factor value of 0.673.

Sales and Use Tax

Florida levies a 6 percent tax on the sale or rental of most items of tangible personal property,⁹³ admissions,⁹⁴ transient rentals,⁹⁵ and a limited number of services. Sales tax is added to the price of the taxable good or service and collected from the purchaser at the time of sale.⁹⁶ Counties are authorized to impose local discretionary sales surtaxes in addition to the state sales tax.⁹⁷

A portion of Florida's state sales and use tax collections are distributed to all eligible counties and municipalities through the County and Municipal Revenue Sharing programs and the Local Government Half-Cent Sales Tax program. These programs distributed to fiscally constrained counties, including municipalities within the counties, approximately \$333.2 million in Fiscal Year 2024-2025.⁹⁸

In contrast to the tax on direct-to-home satellite service, collections from sales tax have increased from \$28.5 billion in Fiscal Year 2018-2019 to \$41.1 billion in Fiscal Year 2024-2025.⁹⁹ Additionally, sales tax collections are based on sales of a wide variety of goods and some services and change with the state's economic cycles.

Effect of Proposed Changes:

Section 4 amends s. 202.18, F.S., to redirect the entire remainder of direct-to-home satellite service tax to the Local Government Half-cent Sales Tax Trust Fund. This effectively ends the 30 percent distribution for fiscally constrained counties, which is replaced by a new distribution as described in the sections below.

Section 5 amends s. 212.20, F.S., to create a new sales tax distribution for fiscally constrained counties. The new distribution is the greater of \$50 million or 0.1412 percent of available sales tax proceeds.

Section 7 amends s. 218.67, F.S., to replace the fiscally constrained county distribution factors discussed in the present situation with:

⁹² Section 218.67(3)(b), F.S.

⁹³ Section 212.05(1)(a)1.a., F.S.

⁹⁴ Section 212.04(1)(b), F.S.

⁹⁵ Section 212.03(1)(a), F.S.

⁹⁶ Section 212.07(2), F.S.

⁹⁷ Section 212.055, F.S.

⁹⁸ Florida Department of Revenue, Office of Tax Research, General Tax Distributions, Forms 5 and 6, available at: <https://floridarevenue.com/DataPortal/Pages/TaxResearch.aspx> (last visited Dec. 3, 2025).

⁹⁹ Florida Office of Economic and Demographic Research, *Revenue Estimating Conference Long-Term Revenue Analysis, Volume 41, Rev. Nov. 6, 2025* available at <https://edr.state.fl.us/Content/conferences/longtermrevenue/index.cfm> (last visited Dec. 3, 2025).

- The contribution-to-revenue factor. This factor is calculated by dividing the county's population by the sales tax collections attributable to the county and then multiplying by 100.
- The personal-income factor. This factor is calculated by dividing the median per capita personal income of participating counties by the county's per capita personal income.

Each county's proportional allocation of the newly created sales tax distribution must be the same proportion as the sum of the county's two new factors is to the sum of the two factors for all eligible counties. The bill also adds the requirements that the proportional rate computation must be carried to the fifth decimal place and that the amount to distribute to each county must be rounded to the next whole dollar amount.

The money distributed pursuant to this section must be allocated as follows: 50 percent of the distribution may be used for public safety, including for salaries for law enforcement, correctional officers, firefighters, emergency medical technicians, or paramedics; 30 percent may be used for infrastructure; and 20 percent may be used for any public purpose. The money received may not be used for debt service.

The bill removes the provision for a county to be classified as fiscally constrained if the county is entirely within a rural area of opportunity. It also increases the revenue qualification from where a 1-mill levy would raise no more than \$10 million, which is an increase from \$5 million.

Present Situation:

State Housing Initiatives Partnership (SHIP) Program

The SHIP Program provides funds to local governments as an incentive to create partnerships that produce and preserve affordable homeownership and multifamily housing. The SHIP program provides funds to all 67 counties and 52 Community Development Block Grant¹⁰⁰ entitlement cities on a population-based formula to finance and preserve affordable housing based on locally adopted housing plans.¹⁰¹ The program was designed to serve very-low, low-, and moderate-income families and is administered by Florida Housing Finance Corporation (FHFC). SHIP funds may be used to pay for emergency repairs, rehabilitation, down payment and closing cost assistance, impact fees, construction and gap financing, mortgage buydowns, acquisition of property for affordable housing, matching dollars for federal housing grants and programs, and homeownership counseling.¹⁰²

Funds are expended per each local government's adopted Local Housing Assistance Plan (LHAP), which details the housing strategies the local government will use.¹⁰³ Local governments submit their LHAPs to the FHFC for review to ensure that they meet the broad statutory guidelines and the requirements of the program rules. The guaranteed minimum

¹⁰⁰ The CDBG program is a federal program that provides funding for housing and community development activities.

¹⁰¹ See ss. 420.907 through 420.9089, F.S.

¹⁰² Section 420.9072(7), F.S.

¹⁰³ Section 420.9075, F.S. Section 420.9075(3), F.S., outlines a list of strategies LHAPs are encouraged to employ, such as helping those affected by mobile home park closures, encouraging innovative housing design to reduce long-term housing costs, preserving assisted housing, and reducing homelessness.

allocation amount that must be disbursed on a quarterly or more frequent basis by the FHFC to local governments is \$350,000.¹⁰⁴

Certain statutory requirements restrict a local government's use of funds made available under the SHIP program (excluding amounts set aside for administrative costs):

- At least 75 percent of SHIP funds must be reserved for construction, rehabilitation, or emergency repair of affordable, eligible housing;¹⁰⁵ and
- Up to 25 percent of SHIP funds may be reserved for allowed rental services.¹⁰⁶

Within those distributions by local governments, additional requirements must be met:

- At least 65 percent of SHIP funds must be reserved for home ownership for eligible persons;¹⁰⁷
- At least 20 percent of SHIP funds must serve persons with special needs;¹⁰⁸
- Up to 20 percent of SHIP funds may be used for manufactured housing;¹⁰⁹ and
- At least 30 percent of SHIP funds must be used for awards to very-low-income persons or eligible sponsors serving very-low-income persons, and another 30 percent must be used for awards for low-income-persons or eligible sponsors serving low-income persons.¹¹⁰

Effect of Proposed Changes:

Section 38 amends s. 420.9073, F.S., to increase the minimum SHIP allocation from \$350,000 to \$1 million.

Present Situation:

USDA Section 515 Rural Affordable Housing

The United States Department of Agriculture's (USDA) Section 515 program is a part of the national Rural Rental Housing program. Many of rural America's 65 million residents experience acute housing problems with nearly 30 percent of rural households experiencing at least one major housing problem, such as high cost, physical deficiencies, or overcrowding.¹¹¹

Under the Section 515 program, USDA Rural Development makes direct loans to developers to finance affordable multifamily rental housing for very low-income, low-income, and moderate-income families, for elderly people, and for persons with disabilities. Section 515 loans have an

¹⁰⁴ Section 420.9073 (3)(a) and(b) F.S.

¹⁰⁵ Section 420.9075(5)(c), F.S.

¹⁰⁶ Section 420.9075(5)(b), F.S. However, a local government may not expend money distributed to it to provide ongoing rent subsidies, except for: security and utility deposit assistance; eviction prevention not to exceed six months' rent; or a rent subsidy program for very-low-income households with at least one adult who is a person with special needs or is homeless, not to exceed 12 months' rental assistance.

¹⁰⁷ Section 420.9075(5)(a), F.S. "Eligible person" or "eligible household" generally means one or more natural persons or a family determined by the county or eligible municipality to be of very low income, low income, or moderate income based upon the annual gross income of the household.

¹⁰⁸ Section 420.9075(5)(d), F.S.

¹⁰⁹ Section 420.9075(5)(e), F.S.

¹¹⁰ Section 420.9075(5)(g)2., F.S.

¹¹¹ National Low Income Housing Coalition, *USDA Rural Rental Housing Programs*, available at: https://nlihc.org/sites/default/files/AG-2019/04-13_USDA-Rural-Rental-Housing-Programs.pdf (last visited Dec. 3, 2025)

interest rate of 1 percent, amortized over 50 years, to finance modest rental or cooperatively-owned housing.¹¹²

Section 515 funds can be used for any new construction and for the rehabilitation of existing rural properties. Funding can also be used to buy or improve land, and to provide critical infrastructure for properties such as water and waste disposal systems. However, since 2011 no new rental properties have been developed under Section 515.¹¹³

Effect of Proposed Changes:

Section 39 amends s. 420.9075, F.S., to allow counties and municipalities to use up to 25 percent of their SHIP funds to preserve existing multifamily affordable rental housing financed with USDA loans to rehabilitate housing, extend affordability periods, or acquire or transfer properties in partnership with private organizations. This provision expires on June 30, 2032.

Section 52 appropriates \$30 million in nonrecurring funds from the General Revenue Fund to the Florida Housing Finance Corporation (FHFC) to preserve affordable multifamily rental housing funded through USDA loans. Funds must be used to issue competitive requests for application for the rehabilitation or acquisition of such properties to ensure continued affordability.

By October 1, 2027, the FHFC must submit a report to the President of the Senate and the Speaker of the House of Representatives on projects funded pursuant to this section of the bill. The report must include the number of units preserved and the financing portfolio for each project.

Present Situation:

FDOT Support to Local Governments

The Florida Department of Transportation (FDOT) provides funding and support to Florida's cities and counties through a variety of local programs. For example, the Local Agency Program provides local governments with federal funds to develop, design, and construct transportation facilities.¹¹⁴ The FDOT administers these funds on behalf of the Federal Highway Administration. There are also a number of state-sponsored programs designed to assist local governments, including the:

- County Incentive Grant Program, which provides grants to counties to improve transportation facilities located on the State Highway System or that relieve traffic congestion on the State Highway System;¹¹⁵
- Transportation Regional Incentive Program, which provides funds to improve regionally significant transportation facilities in certain regional transportation areas;¹¹⁶
- Small County Road Assistance Program, which assists small county governments in resurfacing or reconstructing county roads;¹¹⁷ and

¹¹² *Id.*

¹¹³ *Id.*

¹¹⁴ Section 339.28201, F.S.

¹¹⁵ Section 339.2817, F.S.

¹¹⁶ Section 339.2819, F.S.

¹¹⁷ Section 339.2816, F.S.

- Small County Outreach Program, which assists small county governments in repairing or rehabilitating county bridges, paving unpaved roads, addressing road-related drainage improvements, resurfacing or reconstructing county roads.¹¹⁸

Additionally, the FDOT coordinates directly with Florida's non-metropolitan, rural local governments, those located outside of a designated metropolitan planning area, to address their transportation planning and programming needs.

Small County Road Programs

Small County Road Assistance Program (SCRAP)

The FDOT administers the SCRAP to assist small county governments in resurfacing or reconstructing county roads that were part of the county road system on June 10, 1995.¹¹⁹ Counties eligible to compete for funding based on population include those with a population of 75,000 or less according to the 1990 federal census. Under this criteria there are currently 33 counties eligible to receive funding through the program. Capacity improvements on county roads are not eligible for the SCRAP funding, except where the FDOT determines that widening existing lanes as part of a resurfacing or reconstruction project is necessary to address safety concerns.¹²⁰

Currently, up to \$25 million annually from the State Transportation Trust Fund may be used to fund the SCRAP.¹²¹ Available funds are allocated to the FDOT districts based on the number of counties eligible for funding under the criteria set forth in s. 339.2816, F.S. The table below summarizes the SCRAP funding provided in the Fiscal Year 2026-2027 through 2030-2031 FDOT work program.

SCRAP Funding – FY 2026-2030¹²²					
2026	2027	2028	2029	2030	Total
\$27,963,192	\$25,000,001	\$25,000,001	\$25,000,001	\$25,000,001	\$127,963,196

Small County Outreach Program (SCOP)

The SCOP assists small counties in repairing or rehabilitating county bridges, paving unpaved roads, addressing road-related drainage improvements, resurfacing or reconstructing county roads, or constructing capacity or safety improvements to county roads. Small counties eligible to compete for project funding include those with a population of 200,000 or less as determined by the most recent official estimate of the Office of Economic and Demographic Research.¹²³ Similar to the SCRAP, available funds are allocated to the FDOT districts based on the number of counties eligible for funding under the criteria in s. 339.2818, F.S. The table below

¹¹⁸ Section 339.2818, F.S.

¹¹⁹ Section 339.2816(4), F.S.

¹²⁰ FDOT, *Work Program Instructions FY 25/26-29/30*, September 6, 2024, at pg. 394, available at: <https://fdotewp1.dot.state.fl.us/fmsupportapps/Documents/development/WorkProgramInstructions.pdf> (last visited Dec. 3, 2025).

¹²¹ Section 339.2816(3), F.S.

¹²² FDOT, *County Programs FY 2026-2031*. (On file with the Senate Committee on Appropriations).

¹²³ Section 339.2818, F.S.

summarizes the SCOP funding provided in the Fiscal Year 2026-2027 through 2030-2031 the FDOT work program.

SCOP Funding – FY 2026 to FY 2030 ¹²⁴					
2026	2027	2028	2029	2030	Total
\$98,420,660	\$80,983,929	\$79,690,400	\$79,410,400	\$79,080,400	\$417,585,789

The FDOT is required to fund 75 percent of the cost of projects on county roads selected for funding under the program and the county must provide 25 percent of such costs.¹²⁵ Rural counties qualifying under the Rural Economic Development Initiative¹²⁶ may apply for a waiver or reduction of the required 25 percent local match.¹²⁷ Subject to specific appropriation, municipalities within a rural area of opportunity may also compete for funding at up to 100 percent of the project costs.¹²⁸

In 2024, the SCOP was amended to incorporate additional eligibility provisions.¹²⁹ Specifically, subject to a specific appropriation, a local government either wholly or partially within the Everglades Agricultural Area, the Peace River Basin, or the Suwannee River Basin may compete for additional funding at up to 100 percent of project costs on state or county roads used primarily as farm-to-market connections between rural agricultural areas and market distribution centers, excluding capacity improvement projects.¹³⁰

Effect of Proposed Changes:

Section 26 amends s. 334.044, F.S., relating to the powers and duties of the FDOT, to specifically authorize the department to provide technical assistance and support to counties that are not located in a metropolitan planning organization created pursuant to s. 339.175, F.S.

Section 27 amends s. 339.0801, F.S., to provide that certain funds that result from the increased revenue to the State Transportation Trust Fund derived pursuant to s. 319.32(5), F.S.,¹³¹ must be used annually, beginning in the fiscal year 2026-2027, to support the SCRAP. This provision effectively increases funding for the SCRAP by approximately \$35 million annually.

Sections 28 and 32 amends s. 339.2816, F.S., and creates an undesignated section of law, respectively, to provide that FDOT must fund \$25 million annually for the SCRAP.¹³² The bill directs the FDOT, beginning in fiscal year 2026-2027, to utilize the additional revenues allocated by s. 339.0801, F.S., for the SCRAP. Finally, the bill codifies current provisions in the FDOT work program instructions which prohibit the use of funds for capacity improvements unless a

¹²⁴ FDOT, *County Programs FY 2026-2031*. (On file with the Senate Committee on Appropriations).

¹²⁵ Section 339.2818(4)(a), F.S.

¹²⁶ See s. 288.056, F.S., for a full description of the Rural Economic Development Initiative.

¹²⁷ FDOT, *Work Program Instructions FY 25/26-29/30*, September 6, 2024, at pg. 384.

¹²⁸ Section 339.2818(7), F.S.

¹²⁹ Chapter 2024-57, s. 12, Laws of Fla.

¹³⁰ Section 339.2818(8), F.S.

¹³¹ Chapter 2012-128, Laws of Fla., amended s. 319.32(5), F.S., to redirect motor vehicle title fee revenues from general revenue to the State Transportation Trust Fund.

¹³² Section 339.2816(3), F.S., currently provides that “...up to \$25 million annually from the State Transportation Trust Fund may be used for purposes of funding the Small County Road Assistance Program.”

safety issue exists or FDOT finds it necessary to widen existing lanes as part of a resurfacing or reconstruction project.

Section 30 amends s. 339.2818, F.S., relating to the SCOP to remove obsolete statutory provisions and correct cross-references. Similarly, the bill revises the SCOP funding eligibility requirements to repeal an existing category for certain local governments located within the Everglades Agricultural Area or designated river basins.

Present Situation:

Arterial Roads

Under Florida's Transportation Code "arterial road" means a route providing service which is relatively continuous and of relatively high traffic volume, long average trip length, high operating speed, and high mobility importance.¹³³ Arterials include U.S. numbered highways and principal state roads that connect cities and towns. The FDOT's Functional Classification system distinguishes between urban and rural designations for arterial roads.¹³⁴ The FDOT routinely manages and improves arterial roads to increase capacity and facilitate traffic throughput, while at the same time achieving the paramount goal of improving safety.

In 2021, the Legislature repealed the Multi-use Corridors of Regional Economic Significance (M-CORES) program and created several new initiatives related to arterial highway projects.¹³⁵ For example, the FDOT is required to identify and include in the work program projects to increase capacity by widening existing two-lane arterial rural roads to four lanes. To be included in a work program project, the road must be classified as an arterial rural road, and truck traffic using the road must amount to at least 15 percent of all such traffic, as determined by the department. The FDOT is required to fund at least \$20 million annually for such projects.¹³⁶

Effect of Proposed Changes:

Sections 3 and 31 amend ss. 201.15 and 339.68, F.S., respectively, to repeal the current provisions relating to arterial roads and create the Florida Arterial Road Modernization (FARM) Program. The purpose of the program is to make capacity and safety improvements to two-lane arterial roads located in rural communities.¹³⁷ Beginning in fiscal year 2026-2027, the FDOT is directed to allocate from the State Transportation Trust Fund a minimum of \$50 million annually to fund the program. This includes an additional \$30 million redirected by the bill from documentary stamp taxes revenues into the State Transportation Trust Fund¹³⁸ and the \$20 million currently required to be allocated to the existing rural arterial road program.

¹³³ Section 334.03(1), F.S.

¹³⁴ FDOT, *2020 Urban Area Boundary and Functional Classification Handbook*, available at: https://fdotwww.blob.core.windows.net/sitefinity/docs/default-source/statistics/docs/urbanfunclass.pdf?sfvrsn=84c718c4_15 (last visited Dec. 3, 2025).

¹³⁵ Chapter 2021-161, Laws of Fla.

¹³⁶ Section 339.68, F.S.

¹³⁷ For purposes of the program "rural community" has the same meaning as provided in s. 288.0656, F.S.

¹³⁸ The bill amends s. 201.15, F.S., to specify that \$30 million in documentary stamp taxes must be paid to the credit of the State Transportation Trust Fund and used exclusively for the FARM Program.

The FDOT is directed to use the following criteria to prioritize projects for funding under the program:

- Whether the road has documented safety concerns or requires additional safety and design improvements. This may be evidenced by the number of fatalities or crashes per vehicle mile traveled.
- Whether the road has or is projected to have a significant amount of truck tractor traffic as determined by the FDOT.
- Whether the road is used to transport agricultural products and commodities from the farm to the market or other sale or distribution point.
- Whether the road is used to transport goods to or from warehouses, distribution centers, or intermodal logistics centers.
- Whether the road is used as an evacuation route.
- Whether the physical condition of the road meets department standards.
- Whether the road has, or is projected to have within the next five years, a level of service of D, E, or F.
- Any other criteria related to the impact of a project on the public road system or on the state or local economy as determined by the FDOT.

Beginning January 1, 2028, and every two years thereafter, the FDOT must issue a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives evaluating the condition of arterial roads in rural communities and the implementation of the FARM Program.

Present Situation:

County Incentive Grant Program (CIGP)

The FDOT administers the CIGP for the purpose of providing grants to counties to improve a transportation facility that is located on the State Highway System or relieves traffic congestion on the State Highway System.¹³⁹ To be eligible for consideration, projects must be consistent, to the maximum extent feasible, with local metropolitan planning organization plans and local government comprehensive plans.¹⁴⁰ The FDOT must consider, but is not limited to, the following criteria for evaluation of projects:

- The extent to which the project will encourage, enhance, or create economic benefits;
- The likelihood that assistance would enable the project to proceed at an earlier date than the project could otherwise proceed;
- The extent to which assistance would foster innovative public-private partnerships and attract private debt or equity investment;
- The extent to which the project uses new technologies, including intelligent transportation systems, which enhance the efficiency of the project;
- The extent to which the project helps to maintain or protect the environment; and
- The extent to which the project includes transportation benefits for improving intermodalism and safety.¹⁴¹

¹³⁹ Section 339.2817(1), F.S.

¹⁴⁰ Section 339.2817(2), F.S.

¹⁴¹ Section 339.2817(3), F.S.

The FDOT must provide 50 percent of project costs for eligible projects.¹⁴² A municipality may apply to the county in which the municipality is located for consideration by the county for CIGP funding of any project or project phase of a transportation facility which is located on the State Highway System or which is demonstrated to relieve congestion on the State Highway System. The county must evaluate all municipal applications using the above-described criteria. If a municipality's proposed project is rejected by the county for funding, or if the county's proposed project adversely affects a municipality within the county, the municipality may request mediation to resolve any concerns of the municipality and the county.¹⁴³

Effect of Proposed Changes:

Section 29 amends s. 339.2817, F.S., relating to CIGP, to provide additional eligibility criteria. Specifically, the bill provides that in evaluating projects the FDOT must consider the extent to which the project enhances connectivity between rural agricultural areas and market distribution centers. In addition, the bill provides that a county located either wholly or partially within the Everglades Agricultural Area may request 100 percent of project costs for eligible projects that meet this new criteria.

Present Situation:

Rural Transit Grant Program

Section 341.052, F.S., creates the FDOT-administered public transit block grant program. Block grant funds may only be provided to providers designated by the United States Department of Transportation (USDOT) pursuant to its urbanized area program grant¹⁴⁴ and community transportation coordinators¹⁴⁵ under the transportation disadvantaged program.^{146, 147}

Costs for which public transit block grant program funds may be expended include:

- Costs of public bus transit and local public fixed guideway capital projects.
- Costs of public bus transit service development and transit corridor projects.
- Costs of public bus transit operations.¹⁴⁸

All projects must be consistent, to the maximum extent feasible, with the approved local government comprehensive plans of the units of local government in which the project is located.¹⁴⁹

The following limitations apply to the use of public transit block grant program funds:

¹⁴² Section 339.2817(4), F.S.

¹⁴³ Section 339.2817(5), F.S.

¹⁴⁴ 49 U.S.C. § 5307

¹⁴⁵ Section 427.011(5), F.S., defines the term "community transportation coordinator" to mean a transportation entity recommended by a metropolitan planning organization, or by the appropriate designated official planning agency as provided for in ss. 427.011-427.017, F.S., in an area outside the purview of a metropolitan planning organization, to ensure that coordinated transportation services are provided to the transportation disadvantaged population in a designated service area.

¹⁴⁶ The Transportation Disadvantaged Program is codified in part I of ch. 427, F.S.

¹⁴⁷ Section 341.052(1), F.S.

¹⁴⁸ Section 341.052(2), F.S.

¹⁴⁹ *Id.*

- State participation in eligible capital projects is limited to 50 percent of the project's nonfederal share.
- State participation in eligible public transit operating costs¹⁵⁰ may not exceed 50 percent of such costs or an amount equal to the total revenue, excluding farebox, charter, and advertising revenue and federal funds, received by the provider for operating costs, whichever amount is less.
- Eligible public transit provider may not use public transit block grant funds to supplant local tax revenues made available to such provider for operations in the previous year. However, the Secretary of Transportation may waive this provision for public transit providers located in a county recovering from a declared state of emergency.
- The state may not give any county more than 39 percent of the available grant funds or more than the amount that local revenue sources provide to that transit system.¹⁵¹

To remain eligible to receive public transit block grant funds, eligible public transit providers must comply with s. 341.071(1), F.S., relating to the establishment of public transit development plans, s. 341.071(2), F.S., relating to the FDOT-approved performance and productivity measures and with statutory provisions relating to existing transit corridor projects.¹⁵²

Effect of Proposed Changes:

Section 33 creates s. 341.0525, F.S., to establish the FDOT-administered rural transit operating block grant program. This program is similar to the public transit block grant program; however, rural transit operating block grants are only available to public transit providers¹⁵³ not eligible to receive funding under the federal public transit block grant program.

The FDOT must annually allocate at least \$3 million from the STTF for this program. At least \$20,000 must be distributed to each eligible provider, if the following formula provides less than that amount to any such provider:

- One-third is according to the percentage that an eligible provider's non-urbanized county population in the most recent year official population estimate¹⁵⁴ compared to the total population of all counties served by eligible providers.
- One-third is according to the percentage that the total non-urbanized revenue miles provided by an eligible provider, as verified by the most recent National Transit Database report or a similar audited report submitted to the FDOT, compared to the total rural revenue miles provided by eligible providers in the state in that year.
- One-third is distributed according to the percentage that the total non-urbanized passengers carried by an eligible provider, as verified by the most recent National Transit Database report or a similar audited report submitted to the FDOT, compared to the total number of passengers carried by eligible providers in the state in that year.

¹⁵⁰ Section 341.031(3), F.S., defines the term "eligible transit operating costs" to mean the total administrative, management, and operation costs directly incident to the provision of public transit services, excluding any depreciation or amortization of capital assets.

¹⁵¹ Section 341.052(3), F.S.

¹⁵² Section 341.052(4), F.S.

¹⁵³ Section 341.031(1), F.S., defines the term "public transit provider" to mean a public agency providing public transit service, including rail authorities created in ch. 343, F.S.

¹⁵⁴ Florida's official population estimate is provided pursuant to s. 186.901, F.S.

Public transit providers must use grant funds to pay public transit operating costs. State participation in such costs may not exceed 50 percent of such costs or an amount equal to the total revenue, excluding farebox, charter, and advertising revenue and federal funds, received by the provider for operating costs, whichever amount is less.

An eligible provider may not use block grant funds to supplant local tax revenues made available to such provider for operations in the previous year. However, the Secretary of Transportation may waive this for public transit providers located in a county recovering from a declared state of emergency.

To remain eligible for funding under the rural transit operating block grant, eligible providers must comply with s. 341.071(1), F.S., relating to the establishment of public transit development plans and s. 341.071(2), F.S., relating to the FDOT-approved performance and productivity measures.

Any grant funds distributed to an eligible provider which cannot be expended within the limitations of this block grant program must be returned to the FDOT for redistribution to other eligible providers.

The FDOT may consult with an eligible provider before distributing funds to that provider to determine whether the provider can expend its total block grant within the program's limitations.

If the FDOT and the provider agree that the total block grant amount cannot be expended, the provider may agree to accept a block grant amount of less than the total amount, in which case the funds that exceed such lesser agreed-upon amount are redistributed to other eligible providers.

Present Situation:

Rural Health Care

Data on Patient Outcomes

Studies continue to highlight health disparities between patient outcomes in rural and non-rural areas. Recent data indicates that rural Americans are at 30 percent higher risk of stroke, 40 percent more likely to develop heart disease, and live an average of three years fewer than urban counterparts.¹⁵⁵

A study published by the Centers for Disease Control (CDC) in 2021 indicated a stroke treatment disparity in Florida, favoring urban counties with more primary stroke centers than rural

¹⁵⁵ American Heart Association, *Rural Health Initiative*, available at <https://www.heart.org/en/professional/quality-improvement/rural-healthcare-outcomes-accelerator> (last visited Dec. 3, 2025). Marinacci, L, Zheng, Z, Mein, S. et al. Rural-Urban Differences in Cardiovascular Mortality in the United States, 2010-2022. *JACC*. 2025 Jan, 85 (1) 93–97, available at <https://www.jacc.org/doi/full/10.1016/j.jacc.2024.09.1215> (last visited Dec. 3, 2025).

counties.¹⁵⁶ Stroke death rates appear to be in correlation.¹⁵⁷ The study recommended the use of telemedicine for stroke treatment to reduce the disparity, listing availability and affordability as a potential constraint.¹⁵⁸

A review of the CDC Pregnancy Mortality Surveillance System found pregnancy-related mortality ratios from 2011 to 2016 were highest in rural areas (19.5-24.4 deaths per 100,000), as compared to urban areas (15.7-17.9 deaths per 100,000). In the year following a hospital's closure of a labor and delivery unit in rural and urban-adjacent counties, out-of-hospital births and preterm births increase, putting more pressure on rural emergency management system (EMS) staff and volunteers to be prepared for obstetrical emergencies.¹⁵⁹

Effect of Proposed Changes:

Section 36 creates s. 381.9856, F.S., to establish the Stroke, Cardiac, and Obstetric Response and Education (SCORE) Grant Program within the Department of Health (DOH) for the purpose of improving patient outcomes and the coordination of emergency medical care in rural communities. The DOH is required to award grants, in amounts of no more than \$100,000 per year, to high risk providers¹⁶⁰ serving rural communities to:

- Implement a blended learning training program for health care providers in stroke care protocols and best practices;
- Purchase simulation equipment and technology for training;
- Establish telehealth capabilities between pre-hospital providers, such as paramedics or emergency medical technicians, and in-hospital providers, such as neurologists, to expedite emergency stroke care, emergency cardiac care, or emergency obstetric care; and
- Develop quality improvement programs in one or more of the following specialty areas: emergency stroke care, emergency cardiac care, or emergency obstetric care.

The DOH must give priority to SCORE proposals that demonstrate collaboration between pre-hospital and in-hospital providers or show potential for significant improvement in patient outcomes in rural communities. Grant recipients must submit quarterly reports to the DOH, which must include program activities, expenditures, and outcomes. The DOH is also tasked with monitoring implementation and outcomes. The DOH must submit an annual report to the Governor, the President of the Senate, and the Speaker of the House of Representatives by December 1 of each year. The DOH may adopt rules to implement the grant program. The grant program may be implemented only to the extent that it is specifically funded. The program

¹⁵⁶ Centers for Disease Control, *Examining Stroke Disparities in Florida: Relationships Among County Classification, Age-Adjusted Stroke Mortality Rates, and the Presence of Primary Stroke Centers*, June 10, 2021, available at https://www.cdc.gov/pcd/issues/2021/20_0561.htm#References (last visited Dec. 3, 2025).

¹⁵⁷ *Id.*

¹⁵⁸ *Id.*

¹⁵⁹ National Rural Health Association, *Maternal Health in Rural America White Paper*, February 2024, available at: [https://www.ruralhealth.us/nationalruralhealth/media/documents/maternal-health-in-rural-america-white-paper-final-\(1\).pdf](https://www.ruralhealth.us/nationalruralhealth/media/documents/maternal-health-in-rural-america-white-paper-final-(1).pdf) (last visited Dec. 3, 2025). Kozhimannil, K. B., Hung, P., Henning-Smith, C., Casey, M. M., & Prasad, S. (2018). Association Between Loss of Hospital-Based Obstetric Services and Birth Outcomes in Rural Counties in the United States. *JAMA*, 319(12), 1239–1247, available at: <https://pubmed.ncbi.nlm.nih.gov/29522161/> (last visited Dec. 3, 2025).

¹⁶⁰ The bill defines the term “high-risk care provider” to mean a licensed health care facility or licensed ambulance service that regularly provides emergency or ongoing care to patients experiencing a stroke, heart attack, or pregnancy-related emergency.

stands repealed on July 1, 2030, unless reviewed and saved from repeal through enactment by the Legislature.

Section 54 appropriates \$5 million in nonrecurring funds from the General Revenue Fund to DOH for the purpose of implementing the Stroke, Cardiac, and Obstetric Response and Education (SCORE) Grant Program.

Present Situation:

Rural Health Disparities

Access to timely health care services has been a long-standing issue for rural communities. There are many barriers to care that make access difficult in rural communities, including health care workforce shortages, higher poverty rates and lower insurance coverage rates, and longer distances to health care facilities compared to urban residents.¹⁶¹ One major issue in providing sufficient care in rural communities is a lack of providers. A report from the United States Department of Health and Human Services: Health Resources and Services Administration (HRSA) shows fewer health care providers in rural areas over multiple license types.¹⁶² For example, at the time of the study there were 13.1 physicians/surgeons per 10k residents in rural areas compared with 31.2 in urban areas, 3 psychologists per 10k residents in rural areas compared with 6.8 in urban areas, 2.3 physician assistants per 10k residents in rural areas compared with 3.4 in urban areas, and 85.3 registered nurses per 10k residents in rural areas compared with 93.5 in urban areas.¹⁶³

About 20 percent of Americans live in rural areas, but barely one-tenth of physicians practice there. The federal government projects a shortage of over 20,000 primary care physicians in rural areas by 2025. Primary care physicians in rural areas often do not have the support of sub-specialists, hospitalists, or emergency physicians, and thus treat a wider range of conditions with limited access to sophisticated technology. Most are required to admit and take care of patients in community-based hospitals, many of which are gravitating toward an emergency room and short-stay models of care, moving more complex patients to larger medical centers.¹⁶⁴ A lack of primary care has been shown to have a direct impact on mortality rates with an increase in 10 primary care physicians per 100,000 population correlating with a 51.5-day increase in life expectancy.¹⁶⁵

¹⁶¹ Access to Specialty Care for Medicare Beneficiaries in Rural Communities, Lahr, Megan et. al., University of Minnesota Rural Health Research Center, 2019, available at https://rhrc.umn.edu/wp-content/uploads/2019/12/UMN-Access-to-Specialty-Care_12.4.pdf (last visited Dec. 3, 2025).

¹⁶² Distribution of U.S. Health Care Providers Residing in Rural and Urban Areas, United States Department of Health and Human Services: Health Resources and Services Administration, available at <https://www.ruralhealthinfo.org/assets/1275-5131/rural-urban-workforce-distribution-nchwa-2014.pdf> (last visited Dec. 3, 2025).

¹⁶³ *Id.* at pg. 2

¹⁶⁴ Nielsen M, D'Agostino D, Gregory P. Addressing Rural Health Challenges Head On. *Mo Med.* 2017 Sep-Oct;114(5):363-366. PMID: 30228634; PMCID: PMC6140198, available at https://pmc.ncbi.nlm.nih.gov/articles/PMC6140198/#b3-ms114_p0363 (last visited Dec. 3, 2025).

¹⁶⁵ Basu S, Berkowitz SA, Phillips RL, Bitton A, Landon BE, Phillips RS. Association of Primary Care Physician Supply With Population Mortality in the United States, 2005-2015. *JAMA Intern Med.* 2019;179(4):506–514. doi:10.1001/jamainternmed.2018.7624, available at <https://jamanetwork.com/journals/jamainternalmedicine/fullarticle/2724393> (last visited Dec. 3, 2025).

Another barrier to accessing health care in rural areas is lack of reliable transportation and the need to travel long distances to find practitioners. Rural areas can also lack public transportation options and have poor road conditions which make it more difficult to travel to find health care.¹⁶⁶ Rural populations most likely to need transportation services to maintain their health and well-being include:

- Older adults;
- People with disabilities;
- Low-income individuals and families;
- Veterans; and
- People with special healthcare needs, who often must travel long distances to access care.¹⁶⁷

Effect of Proposed Changes:

Section 35 creates s. 381.403, F.S., to establish the Rural Access to Primary and Preventive Care (RAPP-C) Grant Program. The bill provides legislative findings that primary and preventative care is critical for the well-being of the residents of Florida and that rural areas have significantly fewer physicians, physician assistants, and autonomous ARNPs. The bill defines the terms:

- “Autonomous advanced practice registered nurse” to mean an advanced practice registered nurse who is registered under s. 464.0123, F.S., to engage in autonomous practice.
- “Majority ownership” to mean ownership of more than 50 percent of the interests in a private practice.
- “Physician” to mean a physician licensed under ch. 458, F.S., or ch. 459, F.S.
- “Physician assistant” to mean a physician assistant licensed under ch. 458, F.S., or ch. 459, F.S., to perform medical services delegated by a supervising physician.
- “Preventive care” to mean routine health care services designed to prevent illness. The term includes, but is not limited to, general physical examinations provided on an annual basis, screenings for acute or chronic illnesses, and patient counseling to promote overall wellness and avoid the need for emergency services.
- “Primary care” to mean health care services focused primarily on preventive care, wellness care, and treatment for common illnesses. The term may include the health care provider serving as a patient’s entry point into the overall health care system and coordinating a patient’s care among specialists or acute care settings. The term does not include elective services provided solely for cosmetic purposes.
- “Program” to mean the RAPP-C grant program.
- “Qualifying rural area” to mean a rural community as defined in s. 288.0657, F.S., in this state which is also designated as a health professional shortage area by the HRSA.

The bill requires the DOH to award grants under the RAPP-C to physicians, physician assistants, and autonomous ARNPs who intend to open a new private practice in a qualifying rural area or to open a new location within a qualifying rural area that is in a different county from their current practice. In order to qualify, the practice must:

- Have majority ownership by physicians, physician assistants, or autonomous ARNPs;

¹⁶⁶ Rural Health Disparities, Rural Health Information Hub, available at: <https://www.ruralhealthinfo.org/topics/rural-health-disparities#causes>, (last visited Dec. 3, 2025).

¹⁶⁷ Transportation to Support Rural Healthcare, Rural Health Information Hub, available at: <https://www.ruralhealthinfo.org/topics/transportation>, (last visited Dec. 3, 2025).

- Be physically located in a qualifying rural area and serve patients who live in that qualifying rural area or in other nearby qualifying rural areas. The practice may also serve patients who reside outside of a qualifying rural area. While the practice may use telehealth to supplement the services provided at the location, the majority of services provided by the practice must be provided at the physical location; and
- Accept Medicaid patients.
 - Provide services solely in primary care or preventative care, except that a physician, or a physician assistant or APRN supervised by a physician, may provide services that are within the practitioner's scope of practice based on the physician's board-certified specialty in . obstetrics, gynecology, general and family practice, geriatrics, internal medicine, pediatrics, or psychiatry.

Additionally, the owners of the practice must commit to providing deidentified patient encounter data and a detailed report of the use of grant funds to the DOH annually.

By March 1, 2027, the DOH is required to create an application process for the RAPP-C which requires the applicant to provide a detailed budget of the anticipated use of grant funds and how the practice will meet the above requirements. The DOH is required to establish a ranking system to determine which applicants will be awarded grants if there are more applicants for the program than can be awarded grants with appropriated funds.

Subject to appropriation, the DOH may award up to \$250,000 to eligible applicants which may be used for the following expenses:

- Facility construction, acquisition, renovation, or lease.
- Purchasing medical equipment.
- Purchasing or implementing information technology equipment or services.
- Purchasing or implementing telehealth technology.
- Training on the use of medical equipment, information technology, or telehealth technology purchased with grant funds.

The bill specifies that grant funds may not be used for:

- Salaries.
- Utilities.
- Internet or telecommunications services other than those necessary for implementing telehealth technology.
- Insurance.
- Incidental maintenance and repairs.
- Disposable medical supplies.
- Medicines or vaccines.
- Licensing or certification fees, including costs for continuing education other than training specified above.

Only one grant may be awarded per practice and the bill requires the DOH to enter into a contract with each grant recipient which details the requirements for the expenditure of grant funds for that recipient. The contract must include, at a minimum:

- The purpose of the contract; and

- Specific performance standards and responsibilities for the recipient under the contract, including penalties for not meeting such performance standards and responsibilities.

Section 53 appropriates \$25 million in nonrecurring funds from the General Revenue Fund to the DOH to implement the RAPP-C grant program. Grant funds will be awarded over a 5-year period.

Present Situation:

Rural Hospital Capital Improvement (RHCI) Grant Program

Section 395.6061, F.S., establishes the RHCI grant program. The program is available to rural hospitals¹⁶⁸ that apply and guarantee, subject to appropriation, at least \$100,000 per hospital to fund projects to acquire, repair, improve, or upgrade systems, facilities, and equipment. Between fiscal years 2023-2025 the grant program has helped to fund numerous improvement projects at rural hospitals including, but not limited to:

- Adding a third chiller at AdventHealth Palm Coast;
- Purchasing a leased building which houses a rural health clinic by AdventHealth Wachula;
- Replacing nuclear medicine camera equipment and upgrading and refreshing patient rooms and air conditioning at Ascension Sacred Heart Emerald Coast;
- Replacing the air conditioning system at Doctors' Memorial Hospital in Bonifay; and
- Renovating emergency department space at Doctors' Memorial Hospital in Perry and Ed Fraser Memorial Hospital in Mcclenny.¹⁶⁹

Effect of Proposed Changes:

Section 37 amends s. 395.6061, F.S., to expand the RHCI grant program to allow rural hospitals to use grant funds to establish mobile care units to provide primary care, behavioral health, or obstetric and gynecologic services in a rural health professional shortage area; or to establish telehealth kiosks to provide urgent and primary care services remotely in rural health professional shortage areas. The bill defines:

- "Preventive care" to mean routine health care services designed to prevent illness. The term includes, but is not limited to, general physical examinations provided on an annual basis, screenings for acute or chronic illnesses, and patient counseling to promote overall wellness and avoid the need for emergency services.
- "Primary care" to mean health care services focused primarily on preventive care, wellness care, and treatment for common illnesses. The term may include the health care provider serving as a patient's entry point into the overall health care system and coordinating a

¹⁶⁸ A rural hospital is defined in s. 395.602, F.S., to include an acute care hospital licensed under this chapter, having 100 or fewer licensed beds and an emergency room, which is: the sole provider within a county with a population density of up to 100 persons per square mile; an acute care hospital, in a county with a population density of up to 100 persons per square mile, which is at least 30 minutes of travel time, on normally traveled roads under normal traffic conditions, from any other acute care hospital within the same county; a hospital supported by a tax district or subdistrict whose boundaries encompass a population of up to 100 persons per square mile; a hospital classified as a sole community hospital under 42 C.F.R. s. 412.92, regardless of the number of licensed beds; a hospital with a service area that has a population of up to 100 persons per square mile; or a hospital designated as a critical access hospital, as defined in s. 408.07. According to Florida Health Finder, there are 24 rural hospitals in Florida.

¹⁶⁹ A full list of all projects is on file with the Senate Committee on Health Policy.

patient's care among specialists or acute care settings. The term does not include elective services provided solely for cosmetic purposes.

- “Rural health professional shortage area” to mean a rural community as defined in s. 288.0657, F.S., which is also designated as a health professional shortage area by the HRSA.

Section 55 appropriates \$25 million in nonrecurring funds from the General Revenue Fund to the DOH for the purpose of implementing the rural hospital capital improvement grant program.

Present Situation:

The Rural Health Transformation Program

Authorized under the One Big Beautiful Bill Act,¹⁷⁰ the Rural Health Transformation Program (RHTP) provides \$50 billion in federal funding over five years for states to spend on three or more of the following approved uses:

- Promoting evidence-based, measurable interventions to improve prevention and chronic disease management.
- Providing payments to health care providers for the provision of health care items or services.
- Promoting consumer-facing, technology-driven solutions for the prevention and management of chronic diseases.
- Providing training and technical assistance for the development and adoption of technology-enabled solutions that improve care delivery in rural hospitals, including remote monitoring, robotics, artificial intelligence, and other advanced technologies.
- Recruiting and retaining clinical workforce talent to rural areas, with commitments to serve rural communities for a minimum of five years.
- Providing technical assistance, software, and hardware for significant information technology advances designed to improve efficiency, enhance cybersecurity capability development, and improve patient health outcomes.
- Assisting rural communities to right-size their health care delivery systems by identifying needed preventative, ambulatory, pre-hospital, emergency, acute inpatient care, outpatient care, and post-acute care service lines.
- Supporting access to opioid use disorder treatment services, other substance use disorder treatment services, and mental health services.
- Developing projects that support innovative models of care that include value-based care arrangements and alternative payment models, as appropriate.
- Additional uses designed to promote sustainable access to high quality rural health care services.¹⁷¹

To take advantage of the funding available under the RHTP, Florida's Agency for Health Care Administration (AHCA) applied for RHTP funding detailing 15 initiatives designed to “achieve

¹⁷⁰ Public Law 119-21, section 71401.

¹⁷¹ Rural Health Transformation Program, U.S. Centers for Medicare & Medicaid Services, last updated 9/26/2025, available at <https://www.cms.gov/priorities/rural-health-transformation-rht-program/overview> (last visited Dec. 1, 2025).

measurable improvements in access, outcomes, technology adoption, workforce capacity, and financial stability” in rural areas.¹⁷² These initiatives include:

- Providing start-up funds for established urban medical or dental practices to expand their services into rural areas;¹⁷³
- Deploying mobile health units to provide preventative, screening, rehabilitation, and prenatal services in rural communities;¹⁷⁴
- Deploying community paramedics and other licensed practitioners, as appropriate, to provide post-discharge care to high-risk patients to reduce preventable hospital readmissions;¹⁷⁵
- Establishing regional telepsychiatry hubs to provide same-day psychiatric consultations, therapy, and coordinated care;¹⁷⁶
- Enabling rural hospitals and clinics to host virtual specialty clinics allowing patients to consult with specialists via telehealth;¹⁷⁷
- Enabling rural hospitals to connect with remote critical care physicians and nurses to provide 24/7 patient monitoring for critically ill patients;¹⁷⁸
- Creating a “hub-and-spoke” telestroke initiative to connect rural hospital emergency departments (EDs) with stroke specialists for immediate assessment and treatment;¹⁷⁹
- Creating the Clinical Training Investment Opportunity to fund and support multiple aspects of clinical training programs, supervised rotations, and practitioner recruitment and retention efforts;¹⁸⁰
- Creating the Health and Lifestyle initiative to integrate food screenings, brief nutrition counseling, and referrals to local food programs into clinical settings;¹⁸¹
- Establishing the Remote Patient Telemonitoring initiative to allow rural patients with chronic conditions to use connected devices to transmit health data directly to care teams;¹⁸²
- Transitioning rural health care providers from fee-for-service models to performance-based payment models;¹⁸³
- Reimbursing rural pharmacies for providing non-emergency medical services within their scope of practice;¹⁸⁴
- Increasing access to the Florida Health Information Exchange and the Encounter Notification Service programs for rural hospitals, clinics, and providers;¹⁸⁵
- Equipping rural hospitals, clinics, and laboratories with Picture Archiving and Communication Systems to enable rapid sharing and review of diagnostic images and laboratory results;¹⁸⁶ and

¹⁷² Application for Federal Assistance SF-424, Florida Agency for Healthcare Administration, 11/03/25, pg. 17 (on file with Senate Committee on Appropriations).

¹⁷³ *Id.* Initiative 1 at pg. 24

¹⁷⁴ *Id.* Initiative 2 at pg. 26

¹⁷⁵ *Id.* Initiative 3 at pg. 27

¹⁷⁶ *Id.* Initiative 4 at pg. 29

¹⁷⁷ *Id.* Initiative 5 at pg. 30

¹⁷⁸ *Id.* Initiative 6 at pg. 32

¹⁷⁹ *Id.* Initiative 7 at pg. 33

¹⁸⁰ *Id.* Initiative 8 at pg. 35

¹⁸¹ *Id.* Initiative 9 at pg. 36

¹⁸² *Id.* Initiative 10 at pg. 37

¹⁸³ *Id.* Initiative 11 at pg. 39

¹⁸⁴ *Id.* Initiative 12 at pg. 40

¹⁸⁵ *Id.* Initiative 13 at pg. 41

¹⁸⁶ *Id.* Initiative 14 at pg. 43

- Increasing awareness and participation among Floridians dually eligible for both Medicare and Medicaid.¹⁸⁷

Effect of Proposed Changes:

Section 56 appropriates \$186,729 in recurring funds from the General Revenue Fund and \$250,884 in recurring funds from the Medical Care Trust Fund to the AHCA to establish a Diagnosis-Related Grouping (DRG) reimbursement methodology for critical access hospitals, as defined in s. 408.07, F.S., for the purpose of providing inpatient reimbursement to such a hospital in amounts comparable to the reimbursement the hospital would receive for inpatient services from the federal Medicare program.

Section 57 appropriates \$7,487,068 in recurring funds from the General Revenue Fund and \$10,059,377 in recurring funds from the Medical Care Trust Fund to the AHCA to establish an Enhanced Ambulatory Patient Grouping (EAPG) reimbursement methodology for critical access hospitals, as defined in s. 408.07, F.S., for the purpose of providing outpatient reimbursement to such a hospital in amounts comparable to the reimbursement the hospital would receive for outpatient services from the federal Medicare program.

Present Situation:

Florida Reimbursement Assistance for Medical Education Program

Section 381.402, F.S., establishes the Florida Reimbursement Assistance for Medical Education Program (FRAME). The FRAME program offers student loan reimbursement to various health care practitioners to offset their loans and educational expenses to entice them to practice in underserved locations where there are shortages of such practitioners. The DOH is authorized to reimburse over a four-year period as follows:

- Up to \$150,000 for medical and osteopathic doctors with primary care specialties;¹⁸⁸
- Up to \$90,000 for autonomous advanced practice registered nurses (APRN) who are practicing autonomously;
- Up to \$75,000 for APRNs, physician assistants, and mental health professionals;¹⁸⁹ and
- Up to \$45,000 for licensed practical nurses (LPN) and registered nurses (RN).

To be eligible for the FRAME program, a practitioner must:

- Provide proof of primary care practice in a rural hospital or an underserved area. The section specifies that, for practitioners other than physicians, serving in a non-primary care setting, such as a nursing home, is allowed so long as the setting is in an underserved area, serve residents or patients in that underserved area, and provide Medicaid services.
- Provide 25 hours of volunteer primary care services annually in a free clinic or through another specified volunteer program.

¹⁸⁷ *Id.* Initiative 15 at pg. 44

¹⁸⁸ Primary care specialties for physicians are defined as obstetrics, gynecology, general and family practice, internal medicine, pediatrics, and other specialties which may be identified by the DOH.

¹⁸⁹ Mental health professionals include licensed clinical social workers, licensed marriage and family therapists, licensed mental health counselors, and licensed psychologists.

Effect of Proposed Changes:

Section 34 amends s. 381.402, F.S., to provide that medical doctors or doctors of osteopathic medicine who are board certified in emergency medicine and employed by or under contract with a rural hospital or a rural emergency hospital to provide medical care in the hospital's emergency department are eligible to participate in the FRAME program.

*Present Situation:***Regional Educational Consortia**

School districts with 20,000 or fewer students, developmental research (laboratory) schools, and the Florida School for the Deaf and the Blind may enter into cooperative agreements to form a regional consortium service organization (regional consortium).¹⁹⁰ Regional consortium service organizations (regional consortia) are intended to provide programs and services to small school districts to save money, increase student achievement, and improve organizational efficiency via economies of scale and collaboration.¹⁹¹

There are three regional consortia: the Heartland Educational Consortium (HEC),¹⁹² the North East Regional Consortium (NEFEC),¹⁹³ and the Panhandle Area Educational Consortium (PAEC).¹⁹⁴ Florida's Regional Consortia members include 36 school districts, 430 schools, 12,000 teachers, and 160,000 students.¹⁹⁵

Each regional consortium must provide, at a minimum, three of the following services: exceptional student education; teacher education centers; environmental education; federal grant procurement and coordination; data processing; health insurance; risk management insurance; staff development; purchasing; or planning and accountability.¹⁹⁶ Each regional consortium receives an incentive grant of \$50,000 per school district and eligible member to be used for the delivery of services within the participating school districts. The determination of services and use of such funds is determined by the board of directors of the regional consortium.¹⁹⁷

The board of directors of a regional consortium may use various means to generate revenue in support of its activities, which may include patents, copyrights, and trademarks and licenses.

¹⁹⁰ Section 1001.451(1), F.S.

¹⁹¹ Heartland Educational Consortium, North East Florida Educational Consortium, Panhandle Area Educational Consortium, *Florida's Regional Consortia*, Presentation to the Florida Senate Committee on Education Pre-K - 12 (Feb. 4, 2025), available at <https://www.flsenate.gov/Committees/DownloadMeetingDocument/4166>, at 6.

¹⁹² HEC serves six member districts: DeSoto, Glades, Hardee, Hendry, Highlands, and Okeechobee.

¹⁹³ NEFEC serves 13 member districts: Baker, Bradford, Columbia, Dixie, Flagler, Gilchrist, Hamilton, Lafayette, Levy, Nassau, Putnam, Suwannee, and Union. NEFEC also serves the Florida School for the Deaf and the Blind and the P.K. Yonge Developmental Research School.

¹⁹⁴ PAEC serves 13 member districts: Calhoun, Franklin, Gadsden, Gulf, Holmes, Jackson, Jefferson, Liberty, Madison, Taylor, Wakulla, Walton, Washington. PAEC also serves the Florida State University Collegiate School and the Florida A&M University Developmental Research School.

¹⁹⁵ Heartland Educational Consortium, North East Florida Educational Consortium, Panhandle Area Educational Consortium, *Florida's Regional Consortia*, Presentation to the Florida Senate Committee on Education Pre-K - 12 (Feb. 4, 2025), available at <https://www.flsenate.gov/Committees/DownloadMeetingDocument/4166>, at 6.

¹⁹⁶ Section 1001.451(1), F.S.

¹⁹⁷ Section 1001.451(2), F.S.

Such funds must be used to support the organization's marketing and research and development activities in order to improve and increase services to its member districts.¹⁹⁸

Effect of Proposed Changes:

Section 40 amends s. 1001.451, F.S., to expand services, incentive grants, and authority over the use of funds by regional consortium service organizations (regional consortia). The bill authorizes the regional consortia boards of directors to determine the number of services to offer, and adds to those services safe schools support; state grant procurement; professional learning; college, career, and workforce development; and business and operational services.

The bill increases the allocation to the regional consortia from \$50,000 per member to \$150,000 per member. Each regional consortium must submit quarterly financial reports to members, and an annual report to the Department of Education (DOE) regarding the use of funds for consortia services. Of the allocation, the bill specifies that unexpended amounts may be carried forward into the approved operating budget for the following year.

The bill codifies the current practice that a member district serves as the fiscal agent for regional consortium contractual and reporting purposes. The bill specifies compensation to the fiscal agent and to each regional consortium for activities. Employees of the regional consortium are employees of the fiscal agent district; the regional consortium recommends appointments to the fiscal agent and recommends a salary schedule and job description for its personnel. However, the bill authorizes the regional consortium to purchase or lease property and facilities independent of the fiscal agent district.

The bill increases the alternate revenue sources for a regional consortium board of directors to include contracting for services to nonmember school districts. Of these additional funds, the bill removes the requirement that all such additional funds be used for development and marketing; the bill authorizes the board of directors to determine fund use. These funds may be carried forward for maintaining or expanding services, facilities maintenance, terminal pay, and other liabilities.

Finally, the bill authorizes each regional consortium to administer the Regional Consortia Service Organization Supplemental Services Program.

Section 58 appropriates \$3.6 million in recurring funds from the General Revenue Fund to DOE to fund the increased grant allocations for regional consortia pursuant to section 40 of the bill.

Section 41 creates s. 1001.4511, F.S., to establish the Regional Consortia Service Organization Supplemental Services Program (supplemental services) to provide additional resources to regional consortium service organizations for programs and services offered to members. The supplemental services funds may be used for transportation; district finance personnel services; property insurance, including property insurance obtained from any source; cybersecurity support; school safety; college, career, and workforce development; academic support; and behavior support within exceptional student education services. Each board of directors may

¹⁹⁸ Section 1001.451(5), F.S.

determine the use of supplemental services funds through cooperative agreements with regional consortium members.

The bill authorizes the regional consortium to carry forward unused supplemental services funds for up to five years. The regional consortium must annually report to the Legislature on the distribution of funds and member services provided.

Section 59 appropriates \$25 million in recurring funds from the General Revenue Fund to the DOE to be distributed to regional consortium service organizations as follows:

- \$5,555,149 to the Heartland Educational Consortium;
- \$11,912,923 to the North East Florida Educational Consortium; and
- \$7,531,928 to the Panhandle Area Educational Consortium.

The funds must be distributed to each regional consortium service organization no later than 30 days following the release of the funds to the department.

Present Situation:

Instructional Personnel in Rural Districts

Schools, especially those with inadequate resources, can experience difficulty hiring teachers and high turnover rates. These issues are linked with the availability of new teachers, salaries, and working conditions.¹⁹⁹ For example, rural schools may have limited instructional staff, which necessitates recruiting teachers with multiple subject endorsements. Staff members may teach multiple subjects, multiple grades, and sometimes multi-age students within the same classroom. More rural schools face higher transportation costs, siphoning resources away from other budget items, such as teacher salaries. Housing shortages and limited access to hospitals, banks, stores, cultural facilities, and higher education institutions may also negatively impact teacher recruitment in rural areas.²⁰⁰ Rural communities face challenges related to competition from higher urban compensation schedules, housing shortages, and a lack of support resources commonly found in urban areas.²⁰¹

In the 2020-2021 academic year, a higher percentage of schools in rural areas than of schools in cities and suburban areas found it very difficult or not possible to fill teaching vacancies in foreign languages, English or language arts, social studies, mathematics, biology or life sciences, music or art, and physical education or health.²⁰²

¹⁹⁹ National Center for Education Statistics, *Difficulty Hiring Teachers in Rural Areas*, available at <https://nces.ed.gov/programs/coe/indicator/llc> (last visited Dec. 2, 2025).

²⁰⁰ Principal's Research Review, *Recruiting and Retaining Rural Educators: Challenges and Strategies* (v. 7, Issue 6, Nov. 2012) available at <https://nisnresourcehub.org/wp-content/uploads/2021/01/Recruiting-and-Retaining-Rural-Educators-Challenges-and-Strategies.pdf>, at 2 (last visited Dec. 3, 2025).

²⁰¹ EdSource, *Rural counties far from universities struggle to recruit teachers*, available at <https://edsources.org/2024/rural-counties-far-from-universities-struggle-to-recruit-teachers/710566#:~:text=Rural%20teachers%20scarce,candidates%2C%20according%20to%20the%20study> (last visited Dec. 2, 2025).

²⁰² National Center for Education Statistics, *Difficulty Hiring Teachers in Rural Areas*, available at <https://nces.ed.gov/programs/coe/indicator/llc> (last visited Dec. 2, 2025).

Also in the 2020-2021 academic year, more than 20 percent of private schools in rural areas which had teaching vacancies in specific fields found it very difficult to fill or were not able to fill vacancies in the physical education or health, special education, computer science, mathematics, foreign languages, physical sciences, and biology or life sciences.²⁰³

Effect of Proposed Changes:

Section 42 creates s. 1009.635, F.S., to establish the Rural Incentive for Professional Educators (RIPE) program within the Office of Student Financial Assistance in the Department of Education (DOE). In order to support the recruitment and retention of qualified instructional personnel in rural communities, the RIPE program provides up to \$15,000 in total student loan repayment assistance over 5 years, disbursed in annual payments up to \$3,000 per year.

To be eligible for the RIPE program, an individual must:

- Establish permanent residency on or after July 1, 2026, in a rural area of opportunity. The address on a state-issued identification card or driver license is evidence of residence.
- Secure full-time employment as a teacher or administrator in a public or private school in the same district of residence.
- Hold an associate degree, bachelor's degree, postgraduate degree, or certificate from an accredited institution earned before establishing residency.
- Have an active student loan balance incurred for the completion of the qualifying degree or certificate.

Before disbursement of an award, the DOE must verify that the participant has maintained continuous enrollment in the school district in an instructional or administrative role, has an evaluation rating of effective or highly effective, and has not been subject to specified disciplinary actions.

The DOE must develop application procedures requiring documentation, including proof of residency, verification of employment, official academic transcripts, and details of outstanding student loans. The bill requires the State Board of Education to adopt rules no later than January 31, 2027, to administer the RIPE program.

Section 60 appropriates \$7 million in recurring funds from General Revenue Fund to the DOE for the RIPE Program.

Present Situation:

Special Facility Construction Accounts

The Special Facility Construction Account (SFCA) within the DOE is used to provide necessary construction funds to school districts that have urgent construction needs but lack sufficient resources and cannot reasonably anticipate sufficient resources within the next 3 years.²⁰⁴ These projects typically are located in rural school districts that have an insufficient tax base to fund large construction projects. The state's smaller school districts, which serve 20,000 or fewer

²⁰³ *Id.*

²⁰⁴ Section 1013.64(2)(a), F.S.

students, generally raise considerably less through local discretionary property taxes than larger Florida school districts. As a result, small school districts have a difficult time raising the local funds needed to pay for new schools.²⁰⁵ In 2023, rural school districts that were members of regional consortium service organizations occupied ranks 36-67 in taxable values and values of the 1.5 mill discretionary levy.²⁰⁶

A district that receives funds under the SFCA must, for three years prior to submitting an application for funds, and for a continuing period necessary to meet its participation requirement, levy the maximum millage against the district's nonexempt assessed property value as authorized under s. 1011.71(2), F.S., or raise an equivalent amount of revenue from the school capital outlay surtax authorized under s. 212.055(6), F.S. In addition, a district must budget the value of 1 mill per year to the project until the participation requirement²⁰⁷ related to the discretionary capital improvement levy or capital outlay surtax is satisfied.²⁰⁸ A district may not receive funding for more than one approved project in any 3-year period or while any portion of the district's participation requirement is outstanding.²⁰⁹

Since the 2014-2015 fiscal year, 21 school districts have received appropriations totaling \$1,384,368,617 from the SFCA.²¹⁰

Effect of Proposed Changes:

Section 44 amends s. 1013.64, F.S., to modify the participation requirement for a school district to receive funds under the Special Facility Construction Account (SFCA).

The bill specifies that, for new construction projects under the SFCA, beginning in the 2026-2027 fiscal year, the district is not required to budget the value of 1 mill per year toward the project, but must use those funds toward authorized capital purchases specified in law. However, the bill maintains a requirement that the district levies the maximum 1.5 mills ad valorem tax or raise an equivalent revenue from the school capital outlay surtax for the three years prior to the application for funds and for the initial year of appropriation plus two additional years.

The fourteen school districts that have received appropriations since the 2020-2021 fiscal year under the SFCA have an estimated outstanding participation requirement of \$130,529,796.²¹¹ These districts would be required to complete the terms of the participation agreement. However,

²⁰⁵ Office of Program Policy Analysis & Government Accountability, *Special Facility Construction Projects Appear Needed, but Have Excess Capacity* (Report 11-02, Jan. 2011) available at: <https://oppaga.fl.gov/Documents/Reports/11-02.pdf>, at 1-2, (last visited Dec. 3, 2025).

²⁰⁶ Heartland Educational Consortium, North East Florida Educational Consortium, Panhandle Area Educational Consortium, *Florida's Regional Consortia*, Presentation to the Florida Senate Committee on Education Pre-K - 12 (Feb. 4, 2025), available at <https://www.flsenate.gov/Committees/DownloadMeetingDocument/4166>, at 10.

²⁰⁷ The participation requirement is unencumbered and future revenue from school bonds under Art. XII, s. 9(d), Fla. Const., the discretionary capital improvement levy under s. 1011.71(2), F.S., and the amounts from the Public Education Capital Outlay and Debt Service Trust Fund in the year of the initial appropriation and for the 2 years immediately following the initial appropriation. Section 1013.64(2)(a)11., F.S.

²⁰⁸ Section 1013.64(2)(a)8., F.S.

²⁰⁹ Section 1013.64(2)(a), F.S.

²¹⁰ Email, Florida Department of Education (Dec. 2, 2025) (on file with the Senate Committee on Appropriations).

²¹¹ *Id.*

under the bill such districts with existing projects more than three years old would be eligible to apply for funds for an additional project.

Present Situation:

Charter School Capital Outlay Funding

Charter school capital outlay funding consists of state funds when such funds are appropriated in the General Appropriations Act and revenue resulting from the 1.5 mill discretionary capital improvement levy authorized in law.²¹²

If the school board levies the discretionary capital improvement millage, the Department of Education (DOE) must, when determining the amount of revenue that a school district must distribute to each eligible charter school, reduce from the total amount the total discretionary millage revenue by the school district's annual debt service obligation incurred as of March 1, 2017, which has not been subsequently retired, and any amount of participation requirement under the Special Facility Construction Account that is being satisfied by revenues raised by the discretionary millage.²¹³ Of the total calculated amount based on a district's discretionary millage and the total number of students in district charter schools, the school district must distribute 60 percent in 2025-2026, and 80 percent in 2026-2027.²¹⁴

By October 1 of each year, each school district must certify to the DOE the amount of debt service and participation requirement that can be reduced from the total discretionary millage revenue. The Auditor General must verify compliance with these requirements during scheduled operational audits of school districts.²¹⁵

For all school districts with charter schools within their district, the total 2026-2027 fiscal year estimated local funds that must be shared with charter schools is \$304,187,320. Of the 29 fiscally constrained counties²¹⁶ that may be eligible for funds under the Special Facilities Construction Account, the 2026-2027 fiscal year estimated local funds that must be shared with charter schools is \$1,518,626.²¹⁷

Effect of Proposed Changes:

Section 43 amends s. 1013.62, F.S., to specify the revenue to be deducted from the capital funds a district participating under the Special Facility Construction Account (SFCA) program must distribute to each eligible charter school.

²¹² Section 1013.62(1), F.S. The 1.5 mill discretionary capital improvement levy is authorized under s. 1011.71(2), F.S.

²¹³ Section 1013.62(3), F.S.

²¹⁴ Section 1013.62(3)(d), F.S.

²¹⁵ Section 1013.62(3), F.S.

²¹⁶ Each county that is entirely within a rural area of opportunity as designated by the Governor pursuant to s. 288.0656, F.S., or each county for which the value of a mill will raise no more than \$5 million in revenue, based on the taxable value certified pursuant to s. 1011.62(4)(a)1.a., F.S., from the previous July 1, is considered a fiscally constrained county. Section 218.67(1), F.S. See also Florida Department of Revenue, *Fiscally Constrained Counties*, available at https://www.floridarevenue.com/property/Documents/fcc_map.pdf (last visited Dec. 2, 2025).

²¹⁷ The amount is derived from 80 percent of the calculation of each district's ad valorem taxes, after specified deductions, and eligible charter school full-time equivalent students. See s. 1013.62(3), F.S.

The bill maintains the requirement that the total discretionary millage revenue that a school district must distribute to each eligible charter school must be reduced by the school district's annual debt service obligation incurred as of March 1, 2017, which has not been subsequently retired.

However, the bill modifies the additional amount of revenue that must be deducted from the total discretionary millage revenue related to the SFCA:

- For currently funded projects under the SFCA, the bill maintains the requirement that deducts any amount of participation requirement under the SFCA that is being satisfied by revenues raised by the discretionary millage.
- For construction projects for which SFCA funding is sought beginning in the 2026-2027 fiscal year, the additional deducted amount will be the value of 1 mill from the revenue generated under the district's 1.5 mill discretionary ad valorem levy or revenue from the school capital outlay surtax. This amount must be certified to the DOE.

Sections 61-91 make conforming changes throughout Florida Statutes and provides reenactments of provisions as necessary to implement the bill.

Section 92 provides that the bill takes effect on July 1, 2026.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

The bill changes a distribution to fiscally constrained counties from the tax collected on direct-to-home satellite service to sales tax. The bill provides for at least \$50 million annually to be distributed to fiscally constrained counties from sales tax based on a new

formula that takes into account sales tax collections, per capita personal income, and population. The Revenue Estimating Conference has not yet reviewed the bill, but adopted the following fiscal impact for a similar provision in SB 110 from the 2025 Regular Session:

New Sales Tax Distribution (\$million)			
Fund	FY 2025-26	FY 2026-27	FY 2027-28
General Revenue	(50.7)	(52.2)	(53.7)
Local/Other	50.7	52.2	53.7

The bill no longer requires that a portion of taxes collected from direct-to-home satellite service be distributed to the Local Government Half-cent Trust Fund and earmarked for distribution to fiscally constrained counties. Instead, the portion of taxes collected from such service will continue to be distributed to the Local Government Half-cent Trust Fund but be made available to all counties participating in the Local Government Half-cent Sales Tax Program.

The bill redirects revenues from documentary stamp taxes and title fees to the Department of Transportation for the new FARM program and the SCRAP. The Revenue Estimating Conference has not yet reviewed the bill, but adopted the following fiscal impact for similar provisions in SB 110 from the 2025 Regular Session:

Documentary Stamp Tax for FARM (\$million)			
Fund	FY 2025-26	FY 2026-27	FY 2027-28
General Revenue	(30.0)	(30.0)	(30.0)
State Transportation Trust Fund	30.0	30.0	30.0

Title Fees for SCRAP (\$million)			
Fund	FY 2025-26	FY 2026-27	FY 2027-28
General Revenue	(24.6)	(38.2)	(40.8)
State Transportation Trust Fund	24.6	38.2	40.8

Fiscally constrained counties will see an increase in state tax revenues shared with these counties. The bill requires these funds to be used as follows: 50 percent for public safety, 30 percent for infrastructure, and 20 percent for any public purpose.

B. Private Sector Impact:

The bill creates a number of new grant programs and increases funding for existing programs which are designed to fund, either directly or indirectly, private sector activity, primarily in the transportation, education, and healthcare fields. Citizens in rural communities will benefit indirectly from programs designed to increase community investment as guided by local governments.

C. Government Sector Impact:

Local governments in rural areas of the state will benefit from participating in the grant programs created specifically for them in the bill and the associated funding for the newly created and already existing programs.

The bill makes the following appropriations to the Department Commerce:

- \$1,827,591 in recurring funds and \$652,327 in nonrecurring funds from the General Revenue Fund for the staffing and operation of the Office of Rural Prosperity, which includes funding for 17 full-time equivalent positions for the office.
- \$7 million in recurring funds from the General Revenue Fund for the Office of Rural Prosperity for block grants to certain low-population rural counties under the Renaissance Grant Program.
- \$500,000 in recurring funds from the Grants and Donations Trust Fund within the Department of Commerce for the Public Infrastructure Smart Technology Grant Program as created by the bill.
- \$40 million in nonrecurring funds and \$5 million in recurring funds from the General Revenue Fund for the Rural Infrastructure Fund. This appropriation is in addition to the base appropriation of \$5 million, bringing the total recurring funds for the program to \$10 million.
- \$4 million in nonrecurring funds and \$1 million in recurring funds from General Revenue for Rural Community Development Revolving Loan Fund. This appropriation is in addition to the base appropriation of \$420,000, bringing the total recurring funds for the program to \$1.42 million.
- \$250,000 in recurring funds from the Grants and Donations Trust Fund within the Department of Commerce is appropriated for the Rural Economic Development Strategy Grant program created by the bill.
- \$1 million in recurring funds from the General Revenue Fund for the SBDC to implement the requirements of the rural-focused Florida SBDC Network activity.

The bill does not change the appropriation for the Regional Rural Development Grants Program in the Department of Commerce, which remains at \$750,000 annually.

The bill increases the base amount for the State Housing Initiatives Partnership (SHIP) from \$350,000 to \$1 million. Funding for this program is provided annually in the General Appropriations Act and is based on a distribution formula. In general, local governments that typically receive the base amount will see an increase in grant funds received.

The bill appropriates \$30 million in nonrecurring funds from the General Revenue Fund to the Florida Housing Finance Corporation to be used to issue loans to preserve affordable multifamily rental housing funded through USDA loans. The bill also authorizes local SHIP administrators to use up to 25 percent of their allocated SHIP funds to preserve such housing.

The amendments made in the bill to the Rural Economic Development Initiative to modernize and revitalize the organization and functions may result in increased use of state programs by rural communities, leading to a financial benefit in these areas.

The bill makes the following appropriations to the Department of Education:

- \$25 million in recurring funds from the General Revenue Fund for grant funding to the three regional consortium service organizations.
- \$3.6 million in recurring funds from the General Revenue Fund for the increase in grant funds to regional consortiums, from \$50,000 to \$150,000 annually. With a base appropriation of \$1.75 million, this would bring the total recurring funds for the program to \$5.35 million annually.
- \$7 million in recurring funds from General Revenue to implement the Rural Incentive for Professional Educators (RIPE) Program.

The bill makes the following appropriations to the Department of Health:

- \$5 million in nonrecurring funds from the General Revenue Fund for the purpose of implementing the Stroke, Cardiac, and Obstetric Response and Education (SCORE) Grant Program.
- \$25 million in nonrecurring funds from the General Revenue Fund to implement the Rural Access to Primary and Preventative Care (RAPP-C) Grant Program.
- \$25 million in nonrecurring funds from the General Revenue Fund implement the Rural Hospital Capital Improvement (RHCI) Grant Program.

The bill appropriates \$186,729 in recurring funds from the General Revenue Fund and \$250,884 in recurring funds from the Medical Care Trust Fund to the Agency for Health Care Administration (AHCA) to establish a Diagnosis-Related Grouping (DRG) reimbursement methodology for critical access hospitals, as defined in s. 408.07, F.S., for the purpose of providing inpatient reimbursement to such a hospital in amounts comparable to the reimbursement the hospital would receive for inpatient services from the federal Medicare program.

The bill appropriates \$7,487,068 in recurring funds from the General Revenue Fund and \$10,059,377 in recurring funds from the Medical Care Trust Fund to the AHCA to establish an Enhanced Ambulatory Patient Grouping (EAPG) reimbursement methodology for critical access hospitals, as defined in s. 408.07, F.S., for the purpose of providing outpatient reimbursement to such a hospital in amounts comparable to the reimbursement the hospital would receive for outpatient services from the federal Medicare program.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 20.60, 163.3168, 201.15, 202.18, 212.20, 215.971, 218.67, 288.001, 288.007, 288.018, 288.019, 288.021, 288.065, 288.0655, 288.0656, 288.0657, 288.1226, 288.9961, 319.32, 334.044, 339.0801, 339.2816, 339.2817, 339.2818, 339.68, 381.402, 395.6061, 420.9073, 420.9075, 1001.451, 420.9073, 420.9075, 1001.451, 1001.4511, 1013.62, 1013.64, 163.3187, 212.205, 257.191, 257.193, 265.283, 288.11621, 288.11631, 443.191, 571.26, and 571.265.

This bill creates the following sections of the Florida Statutes: 288.013, 288.014, 288.0175, 341.0525, 381.403, 381.9856, 1001.4511, and 1009.635.

This bill repeals the following sections of the Florida Statutes: 288.06561, 288.12266, and 290.06561.

This bill reenacts the following sections of the Florida Statutes: 20.60, 288.9935, 125.0104, 193.624, 196.182, 218.12, 218.125, 218.135, 218.136, 252.35, 288.102, 403.064, 589.08, 1011.62, 403.0741, 163.3177, 288.9962, 215.211, 339.66, 420.9072, 420.9075, 420.9076, and 420.9079.

IX. Additional Information:**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

By Senator Simon

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1 A bill to be entitled
 2 An act relating to rural communities; reenacting and
 3 amending s. 20.60, F.S.; revising the list of
 4 divisions and offices within the Department of
 5 Commerce to conform to changes made by the act;
 6 revising the annual program reports that must be
 7 included in the annual report of the Department of
 8 Commerce; amending s. 163.3168, F.S.; requiring the
 9 state land planning agency to give preference for
 10 technical assistance funding to local governments
 11 located in a rural area of opportunity; requiring the
 12 agency to consult with the Office of Rural Prosperity
 13 when awarding certain funding; amending s. 201.15,
 14 F.S.; requiring that a certain sum be paid to the
 15 credit of the State Transportation Trust Fund for the
 16 exclusive use of the Florida Arterial Road
 17 Modernization Program; amending s. 202.18, F.S.;
 18 redirecting the transfer of certain communication
 19 services tax proceeds; amending s. 212.20, F.S.;
 20 revising the distribution of sales and use tax revenue
 21 to include a transfer to fiscally constrained
 22 counties; amending s. 215.971, F.S.; providing
 23 construction regarding agreements funded with federal
 24 or state assistance; requiring a state agency to
 25 expedite payment requests from a county, municipality,
 26 or rural area of opportunity for a specified purpose;
 27 requiring each state agency to report to the Office of
 28 Rural Prosperity by a certain date with a summary of
 29 certain information; requiring the office to summarize

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30 the information it receives for its annual report;
 31 amending s. 218.67, F.S.; revising the conditions
 32 required for a county to be considered a fiscally
 33 constrained county; authorizing eligible counties to
 34 receive a distribution of sales and use tax revenue;
 35 revising the sources that the Department of Revenue
 36 must use to determine the amount distributed to
 37 fiscally constrained counties; revising the factors
 38 for allocation of the distribution of revenue to
 39 fiscally constrained counties; requiring that the
 40 computation and amount distributed be calculated using
 41 certain methods; authorizing specified uses for the
 42 revenue; conforming a cross-reference; amending s.
 43 288.001, F.S.; requiring the Florida Small Business
 44 Development Center Network to use certain funds
 45 appropriated for a specified purpose; authorizing the
 46 network to dedicate funds to facilitate certain
 47 events; amending s. 288.007, F.S.; revising which
 48 local governments and economic development
 49 organizations seeking to recruit businesses are
 50 required to submit a specified report; creating s.
 51 288.013, F.S.; providing legislative findings;
 52 creating the Office of Rural Prosperity within the
 53 Department of Commerce; requiring the Governor to
 54 appoint a director, subject to confirmation by the
 55 Senate; providing that the director reports to and
 56 serves at the pleasure of the secretary of the
 57 department; providing the duties of the office;
 58 requiring the office to establish by a specified date

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59 a certain number of regional rural community liaison
 60 centers across this state for a specified purpose;
 61 providing the powers, duties, and functions of the
 62 liaison centers; requiring each regional rural
 63 community liaison center, to the extent possible, to
 64 coordinate with certain entities; requiring the
 65 liaison centers to engage with the Rural Economic
 66 Development Initiative (REDI); requiring at least one
 67 staff member of a liaison center to attend the monthly
 68 REDI meetings in person or by means of electronic
 69 communication; requiring the director of the office to
 70 submit an annual report to the Administration
 71 Commission within the Executive Office of the
 72 Governor; specifying requirements for the annual
 73 report; requiring that the annual report also be
 74 submitted to the Legislature by a specified date and
 75 published on the office's website; requiring the
 76 director of the office to attend the next
 77 Administration Commission meeting to present detailed
 78 information from the annual report; requiring the
 79 Office of Program Policy Analysis and Government
 80 Accountability (OPPAGA) to evaluate the effectiveness
 81 of the office and submit a report of its findings to
 82 the Legislature by a certain date annually until a
 83 specified date; requiring OPPAGA to submit its report
 84 the office at specified intervals; requiring OPPAGA to
 85 review certain strategies from other states; requiring
 86 OPPAGA to submit a report of its findings to the
 87 Legislature at certain intervals; creating s. 288.014,

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88 F.S.; providing legislative findings; requiring the
 89 Office of Rural Prosperity to administer the
 90 Renaissance Grants Program to provide block grants to
 91 eligible communities; requiring the Office of Economic
 92 and Demographic Research to certify to the Office of
 93 Rural Prosperity certain information by a specified
 94 date; defining the term "growth-impaired"; requiring
 95 the Office of Economic and Demographic Research to
 96 certify annually that a county remains growth-impaired
 97 until such county has positive population growth for a
 98 specified amount of time; providing that such county,
 99 after 3 consecutive years of population growth, is
 100 eligible to participate in the program for 1
 101 additional year; requiring a county eligible for the
 102 program to enter into an agreement with the Office of
 103 Rural Prosperity in order to receive the block grant;
 104 giving such counties broad authority to design their
 105 specific plans; prohibiting the Office of Rural
 106 Prosperity from determining how such counties
 107 implement the block grant; requiring regional rural
 108 community liaison center staff to provide assistance,
 109 upon the county's request; requiring participating
 110 counties to report annually to the Office of Rural
 111 Prosperity with certain information; providing that a
 112 participating county receives a specified amount from
 113 funds appropriated to the program, or an equal share
 114 of the funds appropriated if the total of such
 115 appropriated funds is insufficient to provide that
 116 amount; requiring participating counties to make all

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117 attempts to limit the amount spent on administrative
 118 costs; authorizing participating counties to
 119 contribute other funds for block grant purposes;
 120 requiring participating counties to hire and retain a
 121 renaissance coordinator; providing that funds from the
 122 block grant may be used to hire the renaissance
 123 coordinator; providing the responsibilities of the
 124 renaissance coordinator; requiring the regional rural
 125 community liaison center staff to provide assistance
 126 and training to the renaissance coordinator, upon
 127 request; requiring participating counties to design a
 128 plan to make targeted investments to achieve
 129 population growth and increase economic vitality;
 130 specifying requirements for such plans; requiring
 131 participating counties to develop intergovernmental
 132 agreements with certain entities in order to implement
 133 the plan; requiring the Auditor General to conduct an
 134 operational audit every 2 years for a specified
 135 purpose; requiring the Office of Economic and
 136 Demographic Research to provide an annual report on a
 137 specified date of renaissance block grant recipients
 138 by county; specifying requirements for the annual
 139 report; requiring that the report be submitted to the
 140 Legislature; providing that funds appropriated from
 141 the program are not subject to reversion; providing
 142 for expiration; creating s. 288.0175, F.S.; creating
 143 the Public Infrastructure Smart Technology Grant
 144 Program within the Office of Rural Prosperity;
 145 defining terms; requiring the office to contract with

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146 one or more smart technology lead organizations to
 147 administer the grant program for a specified purpose;
 148 providing the criteria for such contracts; requiring
 149 that projects funded by the grant program be included
 150 in the office's annual report; amending s. 288.018,
 151 F.S.; requiring the office, rather than the Department
 152 of Commerce, to establish a grant program to provide
 153 funding for regional economic development
 154 organizations; revising who may apply for such grants;
 155 providing that a grant award may not exceed a certain
 156 amount in a year; providing exceptions to a provision
 157 that the department may expend a certain amount for a
 158 certain purpose; amending s. 288.019, F.S.; revising
 159 the program criteria and procedures that agencies and
 160 organizations of REDI are required to review; revising
 161 the list of impacts each REDI agency and organization
 162 must consider in its review; requiring REDI agencies
 163 and organizations to develop a proposal for
 164 modifications which minimizes the financial and
 165 resource impacts to a rural community; requiring that
 166 ranking of evaluation criteria and scoring procedures
 167 be used only when ranking is a component of the
 168 program; requiring that match requirements be waived
 169 or reduced for rural communities; providing that
 170 donations of land may be treated as in-kind matches;
 171 requiring each agency and organization that applies
 172 for or receives federal funding to request federal
 173 approval to waive or reduce the financial match
 174 requirements, if any, for projects in rural

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175 communities; requiring that proposals be submitted to
 176 the office, rather than the department; requiring each
 177 REDI agency and organization to modify rules or
 178 policies as necessary to reflect the finalized
 179 proposal; requiring that information about authorized
 180 waivers be included on the office's online rural
 181 resource directory; requiring the rural liaison from
 182 the related regional rural community liaison center
 183 districts to assist the rural community to make waiver
 184 or reduction requests; conforming a cross-reference;
 185 amending s. 288.021, F.S.; requiring, when
 186 practicable, the economic development liaison to serve
 187 as the agency representative for REDI; amending s.
 188 288.065, F.S.; defining the term "unit of local
 189 government"; requiring the office to include in its
 190 annual report certain information about the Rural
 191 Community Development Revolving Loan Fund; conforming
 192 provisions to changes made by the act; amending s.
 193 288.0655, F.S.; revising the list of grants that may
 194 be awarded by the office under the Rural
 195 Infrastructure Fund; deleting the authorization for
 196 local match requirements to be waived for a catalyst
 197 site; revising the list of departments the office must
 198 consult with to certify applicants; requiring the
 199 office to include certain information about the Rural
 200 Infrastructure Fund in its annual report; conforming
 201 provisions to changes made by the act; amending s.
 202 288.0656, F.S.; revising legislative intent; providing
 203 legislative findings; providing that REDI is created

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204 within the Office of Rural Prosperity, rather than the
 205 department; deleting the definitions of the terms
 206 "catalyst project" and "catalyst site"; requiring that
 207 an alternate for each designated deputy secretary be a
 208 deputy secretary or higher-level staff person;
 209 requiring that the names of such alternates be
 210 reported to the director of the office; requiring at
 211 least one rural liaison to participate in REDI
 212 meetings; requiring REDI to meet at least each month;
 213 deleting a provision that a rural area of opportunity
 214 may designate catalyst projects; requiring REDI to
 215 submit a certain report to the office, rather than to
 216 the department; specifying requirements for such
 217 report; conforming provisions to changes made by the
 218 act; making technical changes; repealing s. 288.06561,
 219 F.S., relating to reduction or waiver of financial
 220 match requirements; amending s. 288.0657, F.S.;
 221 requiring the office, rather than the department, to
 222 provide grants to assist rural communities; providing
 223 that such grants may be used for specified purposes;
 224 requiring the rural liaison to assist those applying
 225 for such grants; providing that marketing grants may
 226 include certain funding; amending s. 288.1226, F.S.;
 227 revising required components of the 4-year marketing
 228 plan of the Florida Tourism Industry Marketing
 229 Corporation; repealing s. 288.12266, F.S., relating to
 230 the Targeted Marketing Assistance Program; amending s.
 231 288.9961, F.S.; revising the definition of the term
 232 "underserved"; requiring the office to consult with

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233 regional rural community liaison centers on
 234 development and update of a certain strategic plan;
 235 requiring rural liaisons to assist rural communities
 236 with providing assistance in coordination with the
 237 regional rural community liaison centers; requiring
 238 the office to submit reports with specified
 239 information to the Governor and the Legislature within
 240 certain timeframes; repealing s. 290.06561, F.S.,
 241 relating to designation of rural enterprise zones as
 242 catalyst sites; amending s. 319.32, F.S.; revising the
 243 disposition of fees collected for certain title
 244 certificates; amending s. 334.044, F.S.; revising the
 245 powers and duties of the Department of Transportation;
 246 amending s. 339.0801, F.S.; revising the allocation of
 247 funds received in the State Transportation Trust Fund;
 248 amending s. 339.2816, F.S.; requiring, rather than
 249 authorizing, that certain funds received from the
 250 State Transportation Trust Fund be used for the Small
 251 County Road Assistance Program; requiring the
 252 department to use other additional revenues for the
 253 Small County Road Assistance Program; providing an
 254 exception to the prohibition against funding capacity
 255 improvements on county roads; amending s. 339.2817,
 256 F.S.; revising the criteria that the Department of
 257 Transportation must consider for evaluating projects
 258 for County Incentive Grant Program assistance;
 259 requiring the department to give priority to counties
 260 located either wholly or partially within the
 261 Everglades Agricultural Area and which request a

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262 specified percentage of project costs for eligible
 263 projects; specifying a limitation on such requests;
 264 providing for future expiration; amending s. 339.2818,
 265 F.S.; deleting a provision that the funds allocated
 266 under the Small County Outreach Program are in
 267 addition to the Small County Road Assistance Program;
 268 deleting a provision that a local government within
 269 the Everglades Agricultural Area, the Peace River
 270 Basin, or the Suwannee River Basin may compete for
 271 additional funding; conforming provisions to changes
 272 made by the act; making a technical change; amending
 273 s. 339.68, F.S.; providing legislative findings;
 274 creating the Florida Arterial Road Modernization
 275 Program within the Department of Transportation;
 276 defining the term "rural community"; requiring the
 277 department to allocate from the State Transportation
 278 Trust Fund a minimum sum in each fiscal year to fund
 279 the program; providing that such funding is in
 280 addition to any other funding provided to the program;
 281 providing criteria the department must use to
 282 prioritize projects for funding under the program;
 283 requiring the department to submit a report to the
 284 Governor and the Legislature by a specified date;
 285 requiring that such report be submitted every 2 years
 286 thereafter; providing the criteria for such report;
 287 requiring the Department of Transportation to allocate
 288 additional funds to implement the Small County Road
 289 Assistance Program and amend the tentative work
 290 program for a specified number of fiscal years;

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291 requiring the department to submit a budget amendment
 292 before the adoption of the work program; requiring the
 293 department to allocate sufficient funds to implement
 294 the Florida Arterial Road Modernization Program;
 295 requiring the department to amend the current
 296 tentative work program for a specified number of
 297 fiscal years to include the program's projects;
 298 requiring the department to submit a budget amendment
 299 before the implementation of the program; requiring
 300 that the revenue increases in the State Transportation
 301 Trust Fund which are derived from the act be used to
 302 fund the work program; creating s. 341.0525, F.S.;
 303 creating a rural transit operating block grant program
 304 to be administered by the Department of
 305 Transportation; limiting rural transit block grant
 306 funds to certain public transit providers; requiring
 307 the annual allocation of certain funds from the State
 308 Transportation Trust Fund for the program; providing
 309 for the distribution of funds to each eligible public
 310 transit provider in at least a certain amount;
 311 providing authorized uses of grant funds; prohibiting
 312 state participation in certain costs above a specified
 313 percentage or amount; prohibiting an eligible provider
 314 from using block grant funds in a certain manner;
 315 providing an exception; prohibiting the state from
 316 giving a county more than a specified percentage of
 317 available funds or a certain amount; providing
 318 eligibility requirements; requiring an eligible
 319 provider to return funds under certain circumstances;

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320 authorizing the department to consult with an eligible
 321 provider before distributing funds to make a certain
 322 determination; requiring an eligible provider to repay
 323 to the department funds expended on unauthorized uses
 324 if revealed in an audit; requiring the department to
 325 redistribute returned and repaid funds to other
 326 eligible providers; amending s. 381.402, F.S.;
 327 revising eligibility requirements for the Florida
 328 Reimbursement Assistance for Medical Education
 329 Program; revising the proof required to make payments
 330 for participation in the program; creating s. 381.403,
 331 F.S.; providing legislative findings; creating the
 332 Rural Access to Primary and Preventive Care Grant
 333 Program within the Department of Health for a
 334 specified purpose; defining terms; requiring the
 335 department to award grants under the program to
 336 physicians, physician assistants, and autonomous
 337 advanced practice registered nurses intending to open
 338 new practices or practice locations in qualifying
 339 rural areas; specifying eligibility criteria for the
 340 grants; requiring the department, by a specified date,
 341 to create an application process for practitioners
 342 applying for grants under the program; specifying
 343 requirements for the application and application
 344 process; authorizing the department, subject to
 345 specific appropriation, to award grants under the
 346 program; specifying limitations on the awarding of
 347 grants; specifying expenses for which grant funds are
 348 authorized and prohibited; requiring the department to

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349 enter into a contract with each grant recipient;
 350 specifying requirements for the contracts; authorizing
 351 the department to adopt rules; requiring the
 352 department, beginning on a specified date and annually
 353 thereafter, to provide a report containing specified
 354 information to the Governor and the Legislature;
 355 providing for future legislative review and repeal of
 356 the program; creating s. 381.9856, F.S.; creating the
 357 Stroke, Cardiac, and Obstetric Response and Education
 358 Grant Program within the Department of Health;
 359 specifying the purpose of the program; defining terms;
 360 requiring the department to award grants under the
 361 program to certain entities meeting specified
 362 criteria; requiring the department to give priority to
 363 certain applicants; limiting individual grants to a
 364 specified amount per year; requiring grant recipients
 365 to submit quarterly reports to the department;
 366 requiring the department to monitor program
 367 implementation and outcomes; requiring the department
 368 to submit an annual report to the Governor and the
 369 Legislature by a specified date; authorizing the
 370 department to adopt rules; providing that
 371 implementation is limited to the extent specifically
 372 funded by legislative appropriation; providing for
 373 future legislative review and repeal of the program;
 374 amending s. 395.6061, F.S.; providing that rural
 375 hospital capital improvement grant program funding may
 376 be awarded to rural hospitals to establish mobile care
 377 units and telehealth kiosks for specified purposes;

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378 defining terms; amending s. 420.9073, F.S.; revising
 379 the calculation of guaranteed amounts distributed from
 380 the Local Government Housing Trust Fund; reenacting
 381 and amending s. 420.9075, F.S.; authorizing a certain
 382 percentage of the funds made available in each county
 383 and eligible municipality from the local housing
 384 distribution to be used to preserve multifamily
 385 affordable rental housing; specifying what such funds
 386 may be used for; providing an expiration; amending s.
 387 1001.451, F.S.; revising the services required to be
 388 provided by regional consortium service organizations
 389 when such services are found to be necessary and
 390 appropriate by such organizations' boards of
 391 directors; revising the allocation that certain
 392 regional consortium service organizations are eligible
 393 to receive from the General Appropriations Act;
 394 requiring each regional consortium service
 395 organization to submit an annual report to the
 396 Department of Education; requiring that unexpended
 397 amounts in certain funds be carried forward; requiring
 398 each regional consortium service organization to
 399 provide quarterly financial reports to member
 400 districts; requiring member districts to designate a
 401 district to serve as a fiscal agent for certain
 402 purposes; providing for compensation of the fiscal
 403 agent district; requiring regional consortium service
 404 organizations to retain all funds received from grants
 405 or contracted services to cover indirect or
 406 administrative costs associated with the provision of

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407 such services; requiring the regional consortium
 408 service organization board of directors to determine
 409 products and services provided by the organization;
 410 requiring a regional consortium service organization
 411 board of directors to recommend the establishment of
 412 positions and appointments to a fiscal agent district;
 413 requiring that personnel be employed under specified
 414 personnel policies; authorizing the regional
 415 consortium service organization board of directors to
 416 recommend a salary schedule for personnel; authorizing
 417 regional consortium service organizations to purchase
 418 or lease property and facilities essential to their
 419 operations; providing for the distribution of revenue
 420 if a regional consortium service organization is
 421 dissolved; deleting a provision requiring applications
 422 for incentive grants; authorizing regional consortium
 423 service organization boards of directors to contract
 424 to provide services to nonmember districts; requiring
 425 that a fund balance be established for specified
 426 purposes; deleting a requirement for the use of
 427 certain funds; authorizing a regional consortium
 428 service organization to administer a specified
 429 program; creating s. 1001.4511, F.S.; creating the
 430 Regional Consortia Service Organization Supplemental
 431 Services Program; providing the purpose of the
 432 program; authorizing funds to be used for specified
 433 purposes; requiring each regional consortium service
 434 organization to report the distribution of funds
 435 annually to the Legislature; providing for the

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436 carryforward of funds; creating s. 1009.635, F.S.;
 437 establishing the Rural Incentive for Professional
 438 Educators Program within the Department of Education;
 439 requiring the program to provide financial assistance
 440 for the repayment of student loans to eligible
 441 participants who establish permanent residency and
 442 employment in rural areas of opportunity; providing
 443 eligibility requirements; providing that eligible
 444 participants may receive up to a certain amount in
 445 total student loan repayment assistance over a certain
 446 timeframe; requiring the department to verify certain
 447 information of participants in the program before it
 448 disburses awards; providing that the program is
 449 administered through the Office of Student Financial
 450 Assistance within the department; requiring the
 451 program to develop procedures and monitor compliance;
 452 requiring the State Board of Education to adopt rules
 453 by a certain date; amending s. 1013.62, F.S.; revising
 454 the calculation methodology used to determine the
 455 amount of revenue that a school district must
 456 distribute to each eligible charter school; amending
 457 s. 1013.64, F.S.; revising conditions under which a
 458 school district may receive funding on an approved
 459 construction project; providing appropriations for
 460 specified purposes; amending ss. 163.3187, 212.205,
 461 257.191, 257.193, 265.283, 288.11621, 288.11631,
 462 443.191, 571.26, and 571.265, F.S.; conforming cross-
 463 references and provisions to changes made by the act;
 464 reenacting s. 288.9935(8), F.S., relating to the

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465 Microfinance Guarantee Program, to incorporate the
 466 amendment made to s. 20.60, F.S., in a reference
 467 thereto; reenacting ss. 125.0104(5)(c), 193.624(3),
 468 196.182(2), 218.12(1), 218.125(1), 218.135(1),
 469 218.136(1), 252.35(2)(cc), 288.102(4), 403.064(16)(h),
 470 589.08(2) and (3), and 1011.62(1)(f), F.S., relating
 471 to authorized uses of tourist development tax revenue;
 472 applicability of assessments of renewable energy
 473 source devices; application of exemptions of renewable
 474 energy source devices; appropriations to offset
 475 reductions in ad valorem tax revenue in fiscally
 476 constrained counties; offset for tax loss associated
 477 with certain constitutional amendments affecting
 478 fiscally constrained counties; offset for tax loss
 479 associated with reductions in value of certain citrus
 480 fruit packing and processing equipment; offset for ad
 481 valorem revenue loss affecting fiscally constrained
 482 counties; Division of Emergency Management powers;
 483 one-to-one match requirement under the Supply Chain
 484 Innovation Grant Program; applicability of provisions
 485 related to reuse of reclaimed water; land acquisition
 486 restrictions; and funds for operation of schools,
 487 respectively, to incorporate the amendment made to s.
 488 218.67, F.S., in references thereto; reenacting s.
 489 403.0741(6)(c), F.S., relating to grease waste removal
 490 and disposal, to incorporate the amendments made to
 491 ss. 218.67 and 339.2818, F.S., in references thereto;
 492 reenacting s. 163.3177(7)(e), F.S., relating to
 493 required and optional elements of comprehensive plans

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494 and studies and surveys, to incorporate the amendment
 495 made to s. 288.0656, F.S., in a reference thereto;
 496 reenacting s. 288.9962(7)(a), F.S., relating to the
 497 Broadband Opportunity Program, to incorporate the
 498 amendment made to s. 288.9961, F.S., in a reference
 499 thereto; reenacting s. 215.211(1), F.S., relating to
 500 service charges and elimination or reduction for
 501 specified proceeds, to incorporate the amendment made
 502 to s. 319.32, F.S., in a reference thereto; reenacting
 503 s. 339.66(5) and (6), F.S., relating to upgrades of
 504 arterial highways with controlled access facilities,
 505 to incorporate the amendment made to s. 339.68, F.S.,
 506 in references thereto; reenacting ss. 420.9072(4) and
 507 (6), 420.9076(7)(b), and 420.9079(2), F.S., relating
 508 to the State Housing Initiatives Partnership Program,
 509 adoption of affordable housing incentive strategies
 510 and committees, and the Local Government Housing Trust
 511 Fund, respectively, to incorporate the amendment made
 512 to s. 420.9073, F.S., in references thereto; providing
 513 an effective date.

514
 515 Be It Enacted by the Legislature of the State of Florida:

516
 517 Section 1. Paragraph (a) of subsection (3) and paragraph
 518 (c) of subsection (10) of section 20.60, Florida Statutes, are
 519 amended, and paragraph (a) of subsection (5) of that section is
 520 reenacted, to read:

521 20.60 Department of Commerce; creation; powers and duties.—
 522 (3)(a) The following divisions and offices of the

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Department of Commerce are established:

1. The Division of Economic Development.
2. The Division of Community Development.
3. The Division of Workforce Services.
4. The Division of Finance and Administration.
5. The Division of Information Technology.
6. The Office of the Secretary.
7. The Office of Rural Prosperity.
8. The Office of Economic Accountability and Transparency,

which shall:

- a. Oversee the department's critical objectives as determined by the secretary and make sure that the department's key objectives are clearly communicated to the public.
 - b. Organize department resources, expertise, data, and research to focus on and solve the complex economic challenges facing the state.
 - c. Provide leadership for the department's priority issues that require integration of policy, management, and critical objectives from multiple programs and organizations internal and external to the department; and organize and manage external communication on such priority issues.
 - d. Promote and facilitate key department initiatives to address priority economic issues and explore data and identify opportunities for innovative approaches to address such economic issues.
 - e. Promote strategic planning for the department.
- (5) The divisions within the department have specific responsibilities to achieve the duties, responsibilities, and goals of the department. Specifically:

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(a) The Division of Economic Development shall:

1. Analyze and evaluate business prospects identified by the Governor and the secretary.
2. Administer certain tax refund, tax credit, and grant programs created in law. Notwithstanding any other provision of law, the department may expend interest earned from the investment of program funds deposited in the Grants and Donations Trust Fund to contract for the administration of those programs, or portions of the programs, assigned to the department by law, by the appropriations process, or by the Governor. Such expenditures shall be subject to review under chapter 216.
3. Develop measurement protocols for the state incentive programs and for the contracted entities which will be used to determine their performance and competitive value to the state. Performance measures, benchmarks, and sanctions must be developed in consultation with the legislative appropriations committees and the appropriate substantive committees, and are subject to the review and approval process provided in s. 216.177. The approved performance measures, standards, and sanctions shall be included and made a part of the strategic plan for contracts entered into for delivery of programs authorized by this section.
4. Develop a 5-year statewide strategic plan. The strategic plan must include, but need not be limited to:
 - a. Strategies for the promotion of business formation, expansion, recruitment, and retention through aggressive marketing, attraction of venture capital and finance development, domestic trade, international development, and

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export assistance, which lead to more and better jobs and higher wages for all geographic regions, disadvantaged communities, and populations of the state, including rural areas, minority businesses, and urban core areas.

b. The development of realistic policies and programs to further the economic diversity of the state, its regions, and their associated industrial clusters.

c. Specific provisions for the stimulation of economic development and job creation in rural areas and midsize cities and counties of the state, including strategies for rural marketing and the development of infrastructure in rural areas.

d. Provisions for the promotion of the successful long-term economic development of the state with increased emphasis in market research and information.

e. Plans for the generation of foreign investment in the state which create jobs paying above-average wages and which result in reverse investment in the state, including programs that establish viable overseas markets, assist in meeting the financing requirements of export-ready firms, broaden opportunities for international joint venture relationships, use the resources of academic and other institutions, coordinate trade assistance and facilitation services, and facilitate availability of and access to education and training programs that assure requisite skills and competencies necessary to compete successfully in the global marketplace.

f. The identification of business sectors that are of current or future importance to the state's economy and to the state's global business image, and development of specific strategies to promote the development of such sectors.

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g. Strategies for talent development necessary in the state to encourage economic development growth, taking into account factors such as the state's talent supply chain, education and training opportunities, and available workforce.

h. Strategies and plans to support this state's defense, space, and aerospace industries and the emerging complementary business activities and industries that support the development and growth of defense, space, and aerospace in this state.

5. Update the strategic plan every 5 years.

6. Involve CareerSource Florida, Inc.; direct-support organizations of the department; local governments; the general public; local and regional economic development organizations; other local, state, and federal economic, international, and workforce development entities; the business community; and educational institutions to assist with the strategic plan.

7. Coordinate with the Florida Tourism Industry Marketing Corporation in the development of the 4-year marketing plan pursuant to s. 288.1226(13).

8. Administer and manage relationships, as appropriate, with the entities and programs created pursuant to the Florida Capital Formation Act, ss. 288.9621-288.96255.

(10) The department shall, by November 1 of each year, submit an annual report to the Governor, the President of the Senate, and the Speaker of the House of Representatives on the condition of the business climate and economic development in the state.

(c) The report must incorporate annual reports of other programs, including:

1. A detailed report of the performance of the Black

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Business Loan Program and a cumulative summary of quarterly report data required under s. 288.714.

~~2. The Rural Economic Development Initiative established under s. 288.0656.~~

~~3.~~ A detailed report of the performance of the Florida Development Finance Corporation and a summary of the corporation's report required under s. 288.9610.

~~3.4.~~ Information provided by Space Florida under s. 331.3051 and an analysis of the activities and accomplishments of Space Florida.

Section 2. Subsection (5) is added to section 163.3168, Florida Statutes, to read:

163.3168 Planning innovations and technical assistance.—

(5) When selecting applications for funding for technical assistance, the state land planning agency shall give preference to local governments located in a rural area of opportunity as defined in s. 288.0656. The state land planning agency shall consult with the Office of Rural Prosperity when awarding funding pursuant to this section.

Section 3. Paragraph (i) is added to subsection (4) of section 201.15, Florida Statutes, to read:

201.15 Distribution of taxes collected.—All taxes collected under this chapter are hereby pledged and shall be first made available to make payments when due on bonds issued pursuant to s. 215.618 or s. 215.619, or any other bonds authorized to be issued on a parity basis with such bonds. Such pledge and availability for the payment of these bonds shall have priority over any requirement for the payment of service charges or costs of collection and enforcement under this section. All taxes

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collected under this chapter, except taxes distributed to the Land Acquisition Trust Fund pursuant to subsections (1) and (2), are subject to the service charge imposed in s. 215.20(1). Before distribution pursuant to this section, the Department of Revenue shall deduct amounts necessary to pay the costs of the collection and enforcement of the tax levied by this chapter. The costs and service charge may not be levied against any portion of taxes pledged to debt service on bonds to the extent that the costs and service charge are required to pay any amounts relating to the bonds. All of the costs of the collection and enforcement of the tax levied by this chapter and service charge shall be available and transferred to the extent necessary to pay debt service and any other amounts payable with respect to bonds authorized before January 1, 2017, secured by revenues distributed pursuant to this section. All taxes remaining after deduction of costs shall be distributed as follows:

(4) After the required distributions to the Land Acquisition Trust Fund pursuant to subsections (1) and (2) and deduction of the service charge imposed pursuant to s. 215.20(1), the remainder shall be distributed as follows:

(i) A total of \$30 million shall be paid to the credit of the State Transportation Trust Fund, which funds are exclusively for the use of the Florida Arterial Road Modernization Program as provided in s. 339.68.

Section 4. Paragraph (c) of subsection (2) of section 202.18, Florida Statutes, is amended, and paragraph (b) of subsection (2) of that section is republished, to read:

202.18 Allocation and disposition of tax proceeds.—The

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proceeds of the communications services taxes remitted under this chapter shall be treated as follows:

(2) The proceeds of the taxes remitted under s. 202.12(1)(b) shall be allocated as follows:

(b) Fifty-five and nine-tenths percent of the remainder shall be allocated to the state and distributed pursuant to s. 212.20(6), except that the proceeds allocated pursuant to s. 212.20(6)(d)2.b. shall be prorated to the participating counties in the same proportion as that month's collection of the taxes and fees imposed pursuant to chapter 212 and paragraph (1)(b).

(c)1. After the distribution required under paragraph (b), the remainder During each calendar year, the remaining portion of the proceeds shall be transferred to the Local Government Half-cent Sales Tax Clearing Trust Fund and. ~~Seventy percent of such proceeds shall be allocated in the same proportion as the allocation of total receipts of the half-cent sales tax under s. 218.61 and the emergency distribution under s. 218.65 in the prior state fiscal year. Thirty percent of such proceeds shall be distributed pursuant to s. 218.67.~~

2. The proportion of the proceeds allocated based on the emergency distribution under s. 218.65 shall be distributed pursuant to s. 218.65.

3. In each calendar year, the proportion of the proceeds allocated based on the half-cent sales tax under s. 218.61 shall be allocated to each county in the same proportion as the county's percentage of total sales tax allocation for the prior state fiscal year and distributed pursuant to s. 218.62.

4. The department shall distribute the appropriate amount to each municipality and county each month at the same time that

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local communications services taxes are distributed pursuant to subsection (3).

Section 5. Paragraph (d) of subsection (6) of section 212.20, Florida Statutes, is amended to read:

212.20 Funds collected, disposition; additional powers of department; operational expense; refund of taxes adjudicated unconstitutionally collected.—

(6) Distribution of all proceeds under this chapter and ss. 202.18(1)(b) and (2)(b) and 203.01(1)(a)3. is as follows:

(d) The proceeds of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be distributed as follows:

1. In any fiscal year, the greater of \$500 million, minus an amount equal to 4.6 percent of the proceeds of the taxes collected pursuant to chapter 201, or 5.2 percent of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be deposited in monthly installments into the General Revenue Fund.

2. After the distribution under subparagraph 1., 8.9744 percent of the amount remitted by a sales tax dealer located within a participating county pursuant to s. 218.61 shall be transferred in two parts:

a. The total amount of \$50 million of the communications services taxes remitted pursuant to s. 202.18(1)(b) and (2)(b), in any fiscal year, shall be distributed by the department by a nonoperating transfer to the Department of Commerce in monthly installments to the Grants and Donations Trust Fund within the Department of Commerce for the Utility Relocation Reimbursement Grant Program created in s. 337.4031; and

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b. The remainder shall be transferred into the Local Government Half-cent Sales Tax Clearing Trust Fund. Beginning October 1, 2025, the amount to be transferred shall be reduced by 0.1018 percent, and the department shall distribute this amount to the Public Employees Relations Commission Trust Fund less \$5,000 each month, which shall be added to the amount calculated in subparagraph 3. and distributed accordingly.

3. After the distribution under subparagraphs 1. and 2., 0.0966 percent shall be transferred to the Local Government Half-cent Sales Tax Clearing Trust Fund and distributed pursuant to s. 218.65.

4. After the distributions under subparagraphs 1., 2., and 3., 2.0810 percent of the available proceeds shall be transferred monthly to the Revenue Sharing Trust Fund for Counties pursuant to s. 218.215.

5. After the distributions under subparagraphs 1., 2., and 3., 1.3653 percent of the available proceeds shall be transferred monthly to the Revenue Sharing Trust Fund for Municipalities pursuant to s. 218.215. If the total revenue to be distributed pursuant to this subparagraph is at least as great as the amount due from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000, no municipality shall receive less than the amount due from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000. If the total proceeds to be distributed are less than the amount received in combination from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance

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Trust Fund in state fiscal year 1999-2000, each municipality shall receive an amount proportionate to the amount it was due in state fiscal year 1999-2000.

6. After the distributions required under subparagraphs 1.-5., the greater of \$50 million or 0.1412 percent of the available proceeds shall be transferred in each fiscal year to fiscally constrained counties pursuant to s. 218.67.

7. Of the remaining proceeds:

a. In each fiscal year, the sum of \$29,915,500 shall be divided into as many equal parts as there are counties in the state, and one part shall be distributed to each county. The distribution among the several counties must begin each fiscal year on or before January 5th and continue monthly for a total of 4 months. If a local or special law required that any moneys accruing to a county in fiscal year 1999-2000 under the then-existing provisions of s. 550.135 be paid directly to the district school board, special district, or a municipal government, such payment must continue until the local or special law is amended or repealed. The state covenants with holders of bonds or other instruments of indebtedness issued by local governments, special districts, or district school boards before July 1, 2000, that it is not the intent of this subparagraph to adversely affect the rights of those holders or relieve local governments, special districts, or district school boards of the duty to meet their obligations as a result of previous pledges or assignments or trusts entered into which obligated funds received from the distribution to county governments under then-existing s. 550.135. This distribution specifically is in lieu of funds distributed under s. 550.135

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before July 1, 2000.

b. The department shall distribute \$166,667 monthly to each applicant certified as a facility for a new or retained professional sports franchise pursuant to s. 288.1162. Up to \$41,667 shall be distributed monthly by the department to each certified applicant as defined in s. 288.11621 for a facility for a spring training franchise. However, not more than \$416,670 may be distributed monthly in the aggregate to all certified applicants for facilities for spring training franchises. Distributions begin 60 days after such certification and continue for not more than 30 years, except as otherwise provided in s. 288.11621. A certified applicant identified in this sub-subparagraph may not receive more in distributions than expended by the applicant for the public purposes provided in s. 288.1162(5) or s. 288.11621(3).

c. The department shall distribute up to \$83,333 monthly to each certified applicant as defined in s. 288.11631 for a facility used by a single spring training franchise, or up to \$166,667 monthly to each certified applicant as defined in s. 288.11631 for a facility used by more than one spring training franchise. Monthly distributions begin 60 days after such certification or July 1, 2016, whichever is later, and continue for not more than 20 years to each certified applicant as defined in s. 288.11631 for a facility used by a single spring training franchise or not more than 25 years to each certified applicant as defined in s. 288.11631 for a facility used by more than one spring training franchise. A certified applicant identified in this sub-subparagraph may not receive more in distributions than expended by the applicant for the public

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purposes provided in s. 288.11631(3).

d. The department shall distribute \$15,333 monthly to the State Transportation Trust Fund.

e. Beginning July 1, 2023, in each fiscal year, the department shall distribute \$27.5 million to the Florida Agricultural Promotional Campaign Trust Fund under s. 571.26, for further distribution in accordance with s. 571.265.

~~8.7-~~ All other proceeds must remain in the General Revenue Fund.

Section 6. Paragraph (h) of subsection (1) of section 215.971, Florida Statutes, is amended to read:

215.971 Agreements funded with federal or state assistance.—

(1) An agency agreement that provides state financial assistance to a recipient or subrecipient, as those terms are defined in s. 215.97, or that provides federal financial assistance to a subrecipient, as defined by applicable United States Office of Management and Budget circulars, must include all of the following:

(h)1. If the agency agreement provides federal or state financial assistance to a county or municipality that is a rural community or rural area of opportunity as those terms are defined in s. 288.0656(2), a provision allowing the agency to provide for the payment of invoices to the county, municipality, or rural area of opportunity as that term is defined in s. 288.0656(2), for verified and eligible performance that has been completed in accordance with the terms and conditions set forth in the agreement. This provision is not intended to require reimbursement to the county, municipality, or rural area of

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871 opportunity for invoices paid, but to allow the agency to
 872 provide for the payment of invoices due. The agency shall
 873 expedite such payment requests in order to facilitate the timely
 874 payment of invoices received by the county, municipality, or
 875 rural area of opportunity. This provision is included to
 876 alleviate the financial hardships that certain rural counties
 877 and municipalities encounter when administering agreements, and
 878 must be exercised by the agency when a county or municipality
 879 demonstrates financial hardship, to the extent that federal or
 880 state law, rule, or other regulation allows such payments. This
 881 paragraph may not be construed to alter or limit any other
 882 provisions of federal or state law, rule, or other regulation.

883 2. By August 1, 2027, and each year thereafter, each state
 884 agency shall report to the Office of Rural Prosperity on the
 885 implementation of this paragraph for the preceding fiscal year.
 886 The Office of Rural Prosperity shall summarize the information
 887 received pursuant to this paragraph in its annual report as
 888 required in s. 288.013.

889 Section 7. Section 218.67, Florida Statutes, is amended to
 890 read:

891 218.67 Distribution for fiscally constrained counties.—

892 (1) Each county ~~that is entirely within a rural area of~~
 893 ~~opportunity as designated by the Governor pursuant to s.~~
 894 ~~288.0656 or each county~~ for which the value of a mill will raise
 895 no more than \$10 \$5 million in revenue, based on the taxable
 896 value certified pursuant to s. 1011.62(4)(a)1.a., from the
 897 previous July 1, is ~~shall be~~ considered a fiscally constrained
 898 county.

899 (2) Each fiscally constrained county government that

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900 participates in the local government half-cent sales tax shall
 901 be eligible to receive an additional distribution ~~from the Local~~
 902 ~~Government Half-cent Sales Tax Clearing Trust Fund,~~ as provided
 903 in s. 212.20(6)(d)6. ~~s. 202.18(2)(c)1.,~~ in addition to its
 904 regular monthly distribution provided under this part and any
 905 emergency or supplemental distribution under s. 218.65.

906 (3) The amount to be distributed to each fiscally
 907 constrained county shall be determined by the Department of
 908 Revenue at the beginning of the fiscal year, using the prior
 909 fiscal year's sales and use tax collections from the most recent
 910 fiscal year that reports 12 months of collections July 1-taxable
 911 value certified pursuant to s. 1011.62(4)(a)1.a., tax data, the
 912 population as defined in s. 218.21, and the most current
 913 calendar year per capita personal income, as initially reported
 914 by the Bureau of Economic Analysis of the United States
 915 Department of Commerce millage rate levied for the prior fiscal
 916 year. The amount distributed shall be allocated based upon the
 917 following factors:

918 (a) The contribution-to-revenue relative revenue-raising-
 919 capacity factor for each participating county must equal 100
 920 multiplied by a quotient, the numerator of which is the county's
 921 population and the denominator of which is the state sales and
 922 use tax collections attributable to the county shall be the
 923 ability of the eligible county to generate ad valorem revenues
 924 from 1 mill of taxation on a per capita basis. A county that
 925 raises no more than \$25 per capita from 1 mill shall be assigned
 926 a value of 1; a county that raises more than \$25 but no more
 927 than \$30 per capita from 1 mill shall be assigned a value of
 928 0.75; and a county that raises more than \$30 but no more than

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~~\$50 per capita from 1 mill shall be assigned a value of 0.5. No value shall be assigned to counties that raise more than \$50 per capita from 1 mill of ad valorem taxation.~~

(b) The personal-income ~~local-effort~~ factor must equal a quotient, the numerator of which is the median per capita personal income of participating counties and the denominator of which is the county's per capita personal income shall be a measure of the relative level of local effort of the eligible county as indicated by the millage rate levied for the prior fiscal year. The local-effort factor shall be the most recently adopted countywide operating millage rate for each eligible county multiplied by 0.1.

(c) Each eligible county's proportional allocation of the total amount available to be distributed to all of the eligible counties must ~~shall~~ be in the same proportion as the sum of the county's two factors is to the sum of the two factors for all eligible counties. The proportional rate computation must be carried to the fifth decimal place, and the amount to distribute to each county must be rounded to the nearest whole dollar amount. The counties that are eligible to receive an allocation under this subsection and the amount available to be distributed to such counties do ~~shall~~ not include counties participating in the phaseout period under subsection (4) or the amounts they remain eligible to receive during the phaseout.

(4) For those counties that no longer qualify under the requirements of subsection (1) after the effective date of this act, there shall be a 2-year phaseout period. Beginning on July 1 of the year following the year in which the value of a mill for that county exceeds \$10 ~~\$5~~ million in revenue, the county

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shall receive two-thirds of the amount received in the prior year, and beginning on July 1 of the second year following the year in which the value of a mill for that county exceeds \$10 ~~\$5~~ million in revenue, the county shall receive one-third of the amount received in the last year that the county qualified as a fiscally constrained county. Following the 2-year phaseout period, the county is ~~shall~~ no longer be eligible to receive any distributions under this section unless the county can be considered a fiscally constrained county as provided in subsection (1).

(5) (a) The revenues received under this section must be allocated ~~may be used~~ by a county to be used for the following purposes:

1. Fifty percent for public safety, including salary expenditures for law enforcement officers or correctional officers, as those terms are defined in s. 943.10(1) and (2), respectively, firefighters as defined in s. 633.102, and emergency medical technicians or paramedics as those terms are defined in s. 401.23.

2. Thirty percent for infrastructure needs.

3. Twenty percent for any public purpose.

(b) The revenues received under this section ~~any public purpose, except that such revenues~~ may not be used to pay debt service on bonds, notes, certificates of participation, or any other forms of indebtedness.

Section 8. Present paragraphs (d) and (e) of subsection (7) of section 288.001, Florida Statutes, are redesignated as paragraphs (e) and (f), respectively, and a new paragraph (d) is added to that subsection, to read:

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987 288.001 The Florida Small Business Development Center
 988 Network.—
 989 (7) ADDITIONAL STATE FUNDS; USES; PAY-PER-PERFORMANCE
 990 INCENTIVES; STATEWIDE SERVICE; SERVICE ENHANCEMENTS; BEST
 991 PRACTICES; ELIGIBILITY.—
 992 (d) Notwithstanding paragraphs (a), (b), and (c), the
 993 network shall use funds directly appropriated for the specific
 994 purpose of expanding service in rural communities as defined in
 995 s. 288.0656, in addition to any funds allocated by the network
 996 from other sources. The network shall use the funds to develop
 997 an activity plan focused on network consultants and resources in
 998 rural communities. In collaboration with regional economic
 999 development organizations as defined in s. 288.018, the plan
 1000 must provide for either full- or part-time consultants to be
 1001 available for at least 20 hours per week in rural areas or to be
 1002 permanently stationed in rural areas. This may include
 1003 establishing a circuit in specific rural locations to ensure the
 1004 consultants' availability on a regular basis. By using the funds
 1005 to create a regular presence in rural areas, the network will
 1006 strengthen community collaboration, raise awareness of available
 1007 resources to provide opportunities for new business development
 1008 or existing business growth, and make professional experience,
 1009 education, and business information available in these essential
 1010 communities. The network may dedicate funds to facilitate local
 1011 or regional events that focus on small business topics, provide
 1012 consulting services, and leverage partner organizations, such as
 1013 the regional economic development organizations, local workforce
 1014 development boards as described in s. 445.007, and Florida
 1015 College System institutions.

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1016 Section 9. Section 288.007, Florida Statutes, is amended to
 1017 read:
 1018 288.007 Inventory of communities seeking to recruit
 1019 businesses.—By September 30 of each year, a county or
 1020 municipality that has a population of at least 25,000 or its
 1021 local economic development organization, and each local
 1022 government within a rural area of opportunity as defined in s.
 1023 288.0656 or its regional economic development organization as
 1024 defined in s. 288.018 or other local economic development
 1025 organization, shall ~~must~~ submit to the department a brief
 1026 overview of the strengths, services, and economic development
 1027 incentives that its community offers. The local government or
 1028 its ~~local~~ economic development organization also shall ~~must~~
 1029 identify any industries that it is encouraging to locate or
 1030 relocate to its area. Unless otherwise required pursuant to this
 1031 section, a county or municipality having a population of 25,000
 1032 or less ~~fewer~~ or its ~~local~~ economic development organization
 1033 seeking to recruit businesses may submit information as required
 1034 in this section and may participate in any activity or
 1035 initiative resulting from the collection, analysis, and
 1036 reporting of the information to the department pursuant to this
 1037 section.
 1038 Section 10. Section 288.013, Florida Statutes, is created
 1039 to read:
 1040 288.013 Office of Rural Prosperity.—
 1041 (1) The Legislature finds that the unique characteristics
 1042 of the rural communities in this state are integral to making
 1043 Florida an attractive place to visit, work, and live. The
 1044 Legislature further finds that fostering a prosperous rural

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economy and vibrant rural communities serves the best interests of this state. Rural prosperity supports this state's infrastructure, housing, agricultural, and food-processing needs and advances the overall health of Florida's economy. It is essential that rural areas be able to grow and thrive, whether independently or through regional partnerships. To better serve rural communities, and in recognition of the unique challenges and opportunities they face, the Office of Rural Prosperity is established to ensure that state efforts to support rural Florida are coordinated, focused, and effective.

(2) The Office of Rural Prosperity is created within the Department of Commerce to support rural communities by helping rural stakeholders navigate available programs and resources and by representing rural interests across state government.

(3) The Governor shall appoint a director to lead the office, subject to confirmation by the Senate. The director shall report to the secretary of the department and shall serve at the pleasure of the secretary.

(4) The office shall do all of the following:

(a) Serve as the state's point of contact for rural local governments.

(b) Administer the Rural Economic Development Initiative (REDI) pursuant to s. 288.0656.

(c) Provide training and technical assistance to rural local governments on a broad range of community and economic development activities. The training and technical assistance may be offered using communications technology or in person. In addition, the office shall post a recorded training and technical assistance video to the office's website which covers

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all of the required topics. The training and technical assistance must include, at a minimum, the following topics:

1. How to access state and federal resources, including training on the online rural resource directory required under paragraph (d).

2. Best practices for comprehensive planning, economic development, and land development in rural communities.

3. Strategies to address staffing shortages and strengthen management functions in rural local governments.

4. Requirements of, and updates on recent changes to, the Community Planning Act under s. 163.3161.

5. Updates on other recent state and federal laws affecting rural local governments.

(d) Create and maintain an online rural resource directory to serve as an interactive tool for users to navigate state and federal resources, tools, and services available to rural local governments. The office shall ensure the directory is regularly updated and, to the greatest extent possible, includes current information on programs, resources, and services that address the needs of rural communities in all areas of governance. Each state agency shall routinely provide information and updates to the office to support maintenance of the directory. The directory must allow users to search by indicators, such as agency name, resource type, or topic, and include a notification feature that alerts users when new or updated resources are available. To the greatest extent possible, the directory must identify any financial match requirements associated with listed programs.

(5) (a) By October 1, 2026, the office shall establish and

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provide staff for seven regional rural community liaison centers across this state to provide specialized in-person state support to rural local governments located in rural areas of opportunity as defined in s. 288.0656. The department shall, by rule, divide the state into seven regions and assign a liaison center to each region. Each liaison center shall serve the local governments within its geographic area and shall be staffed with at least two full-time department employees. At a minimum, each liaison center has the following powers and duties:

1. Assist local governments in planning and achieving goals related to local or regional growth, economic development, and rural prosperity.

2. Facilitate access to state and federal resources, including grants, loans, and other available assistance.

3. Advise local governments on available program waivers, including financial match waivers or reductions for projects using state or federal funds through REDI under s. 288.0656.

4. Coordinate technical assistance needs with the department and other state or federal agencies.

5. Promote model ordinances, policies, and strategies related to economic development.

6. Assist local governments with regulatory and reporting compliance requirements.

(b) To the greatest extent possible, each regional rural community liaison center shall coordinate with local and regional governmental entities, regional economic development organizations as defined in s. 288.018, and other appropriate entities to establish a network that fosters community-driven solutions promoting viable and sustainable rural communities.

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(c) Each regional rural community liaison center shall regularly engage with REDI established in s. 288.0656, and at least one staff member from each liaison center shall attend the monthly REDI meeting, either in person or by means of electronic communication.

(6) By December 1, 2026, and each year thereafter, the director of the office shall submit to the Administration Commission within the Executive Office of the Governor a written report describing the office's operations and accomplishments for the preceding year. The report must include the REDI report required by s. 288.0656(8). In consultation with the Department of Agriculture and Consumer Services, the office shall also include in the annual report recommendations for policies, programs, and funding initiatives to further support the needs of rural communities in this state. The office shall also submit the annual report to the President of the Senate and the Speaker of the House of Representatives by December 1 of each year and publish it on the office's website. At the next scheduled meeting of the Administration Commission following submission of the report, the director shall, in person, present detailed information from the report required under this subsection.

(7) (a) The Office of Program Policy Analysis and Government Accountability (OPPAGA) shall evaluate the effectiveness of the office and submit a report of its findings, including any recommended policy or statutory changes, to the President of the Senate and the Speaker of the House of Representatives by December 15, 2027, and each year thereafter through 2029. Beginning in 2032, the report must be submitted every 3 years.

(b) OPPAGA shall review strategies implemented by other

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states for rural community preservation, enhancement, and revitalization and evaluate their effectiveness and potential applicability in this state. OPPAGA shall submit a report of its findings to the President of the Senate and the Speaker of the House of Representatives by December 15, 2028, and every 5 years thereafter.

Section 11. Section 288.014, Florida Statutes, is created to read:

288.014 Renaissance Grants Program.—

(1) The Legislature finds that it has historically provided programs to assist rural communities with economic development and to enhance their ability to attract businesses and that, by providing that extra component of economic viability, rural communities are able to attract new businesses and grow existing ones. However, the Legislature further finds that a subset of rural communities has decreased in population over the past decade, contributing to a decline in local business activity and economic development. The Legislature therefore determines that state assistance must evolve to support these communities in achieving the foundation necessary for economic viability. The intent of the Renaissance Grants Program is to reverse economic deterioration in such rural communities by retaining and attracting residents by giving them a reason to stay, which will stimulate natural economic growth, business opportunities, and improved quality of life.

(2) The Office of Rural Prosperity within the department shall administer the Renaissance Grants Program to provide block grants to eligible counties. By October 1, 2026, the Office of Economic and Demographic Research shall certify to the Office of

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Rural Prosperity which counties are growth-impeded. For the purposes of this section, the term "growth-impeded" means a county that, as of the most recent population estimate, has experienced a declining population over the previous 10 years. After the initial certification, the Office of Economic and Demographic Research shall annually certify whether the county remains growth-impeded, until the office certifies the county has had 3 consecutive years of population growth. Upon such certification of population growth, the county remains eligible for the program for 1 additional year to prepare for the end of block grant funding.

(3)(a) Each participating county shall enter into an agreement with the Office of Rural Prosperity to receive block grant funds. Counties have broad authority to design their specific plan to achieve population growth consistent with this section. The Office of Rural Prosperity may not determine the manner in which a county implements its plan. However, regional rural community liaison center staff shall provide assistance in developing the county's plan, upon the county's request.

(b) Each participating county shall submit an annual report to the Office of Rural Prosperity detailing program activities, intergovernmental agreements, and other information as required by the office.

(c) Each participating county shall receive \$1 million from the funds appropriated to the program, or an equal share of the funds appropriated if insufficient to provide that amount. Counties shall make all attempts to limit expenses for administrative costs, consistent with the need for prudent management and accountability in the use of public funds.

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Counties may supplement the block grant with other funding sources, including local, state, or federal grants, and may seek public or private contributions or in-kind support to advance program activities.

(4) (a) Each participating county shall hire and retain a renaissance coordinator, who may be funded from block grant proceeds. The renaissance coordinator is responsible for:

1. Ensuring that block grant funds are used as provided in this section;

2. Coordinating with other local governments, school boards, Florida College System institutions, and other partners; and

3. Reporting as necessary to the state, including information necessary pursuant to subsection (7).

(b) The Office of Rural Prosperity regional rural community liaison center staff shall, upon request, provide assistance and training to the renaissance coordinator to support successful implementation of the block grant.

(5) Each participating county shall design a plan for targeted community investments designed to achieve population growth and increase the economic vitality. The plan must include the following key features for use of the state support:

(a) Technology centers located within schools or on school premises, administered by the local school board, providing extended hours and access for students.

(b) Facilities that colocate adult day care with child care facilities. The site-sharing facilities must be managed to also encourage interaction between generations and increase the health and well-being of younger and older participants, reduce

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social isolation, and create cost and time efficiencies for working families. The regional rural community liaison center staff of the Office of Rural Prosperity shall, upon request, assist the county with bringing recommendations to the Rural Economic Development Initiative or the appropriate state agency to streamline all required state permits, licenses, regulations, or other requirements.

(c) Technology labs operated in partnership with the nearest Florida College System institution or a career center under s. 1001.44. Repurposed vacant industrial sites or existing office space must be given priority in the selection of lab locations. Each local technology lab must be staffed and open for extended hours with the capacity to provide:

1. Access to trainers and equipment necessary for earning certificates or online degrees in technology;

2. Hands-on assistance in securing remote work opportunities; and

3. Studio space equipped for remote technology-based work available for graduates and other qualifying residents.

Participating counties may determine which residents receive priority access. Collaboration with community partners, including the local workforce development board as described in s. 445.007, to provide training opportunities, in-kind support such as transportation to and from the lab, financing of equipment for in-home use, or basic maintenance of such equipment is required.

(6) In addition to hiring a renaissance coordinator, each participating county shall develop intergovernmental agreements for shared responsibilities with its municipalities, school

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board, and Florida College System institution or career center and enter into necessary contracts with providers and community partners in order to implement the plan.

(7) (a) Every 2 years, beginning in 2027, the Auditor General shall conduct an operational audit as defined in s. 11.45 of each county's grant activities.

(b) On December 15, 2027, and every year thereafter, the Office of Economic and Demographic Research shall submit a report to the President of the Senate and the Speaker of the House of Representatives summarizing renaissance block grant recipients by county. The report must provide key economic indicators that measure progress in reversing long-term trends in the county. The Office of Rural Prosperity shall, upon request, provide any data necessary to complete the report.

(8) Notwithstanding s. 216.301, funds appropriated for the purposes of this section are not subject to reversion.

(9) This section expires June 30, 2041.

Section 12. Section 288.0175, Florida Statutes, is created to read:

288.0175 Public Infrastructure Smart Technology Grant Program.—

(1) The Public Infrastructure Smart Technology Grant Program is established within the Office of Rural Prosperity within the department to fund and support public infrastructure smart technology projects in communities located in rural areas of opportunity, subject to legislative appropriation.

(2) As used in this section, the term:

(a) "Public infrastructure smart technology" means systems or applications that use connectivity, data analytics, or

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automation to improve public infrastructure by increasing efficiency, enhancing public services, and promoting sustainable development.

(b) "Rural area of opportunity" has the same meaning as in s. 288.0656.

(c) "Smart region" means a geographic area that uses technology and innovative ideas to improve the quality of life for its citizens by addressing regional challenges through collaboration among government, businesses, and communities.

(d) "Smart technology lead organization" means a not-for-profit corporation organized under s. 501(c)(3) of the Internal Revenue Code which has been in existence for at least 3 years and specializes in smart region planning.

(3) (a) The Office of Rural Prosperity shall contract with one or more smart technology lead organizations to administer the grant program for the purpose of deploying public infrastructure smart technology in rural communities. Under such contracts, the smart technology lead organization shall award grants to counties and municipalities located within a rural area of opportunity for eligible public infrastructure smart technology projects.

(b) Each contract must specify deliverables, reporting requirements, timeframes, and any other term the office deems necessary. At a minimum, the contract must require the smart technology lead organization to:

1. Collaborate with counties and municipalities in rural areas of opportunity to identify cost-effective smart technology solutions for improving public services and infrastructure.

2. Provide technical assistance to counties and

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municipalities located in rural areas of opportunity in
developing public infrastructure smart technology project plans.

3. Facilitate connections between rural communities and
other entities, including companies and regional partners to
maximize the impact of funded projects.

(4) The Office of Rural Prosperity shall include a summary
of projects funded under this section in its annual report
required by s. 288.013(6).

Section 13. Subsections (1), (2), and (4) of section
 288.018, Florida Statutes, are amended to read:

288.018 Regional Rural Development Grants Program.—

(1)(a) For the purposes of this section, the term “regional
 economic development organization” means an economic development
 organization located in or contracted to serve a rural area of
 opportunity, as defined in s. 288.0656 ~~s. 288.0656(2)(d)~~.

(b) Subject to appropriation, the Office of Rural
Prosperity ~~department~~ shall establish a grant program to provide
 funding to regional economic development organizations for the
 purpose of building the professional capacity of those
 organizations. Building the professional capacity of a regional
 economic development organization includes hiring professional
 staff to develop, deliver, and provide needed economic
 development professional services, including technical
 assistance, education and leadership development, marketing, and
 project recruitment. Grants may also be used by a regional
 economic development organization to provide technical
 assistance to local governments, local economic development
 organizations, and existing and prospective businesses.

(c) A regional economic development organization may apply

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annually to the office department for a grant. The office
~~department~~ is authorized to approve, on an annual basis, grants
 to such regional economic development organizations. The office
 may award a maximum amount of \$50,000 in a year to an
 organization ~~may receive in any year will be \$50,000~~, or
 \$250,000 ~~each to for~~ any three regional economic development
 organizations that serve an entire region of a rural area of
 opportunity designated pursuant to s. 288.0656(7) if they are
 recognized by the office department as serving such a region.

(2) In approving the participants, the office department
 shall require the following:

(a) Documentation of official commitments of support from
 each of the units of local government represented by the
 regional organization.

(b) Demonstration that the organization is in existence and
 actively involved in economic development activities serving the
 region.

(c) Demonstration of the manner in which the organization
 is or will coordinate its efforts with those of other local and
 state organizations.

(4) Except as otherwise provided in the General
Appropriations Act, the office department may expend up to
 \$750,000 each fiscal year from funds appropriated ~~to the Rural~~
~~Community Development Revolving Loan Fund~~ for the purposes
 outlined in this section.

Section 14. Section 288.019, Florida Statutes, is amended
 to read:

288.019 Rural considerations in grant review and evaluation
 processes; financial match waiver or reduction.—

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(1) Notwithstanding any other law, and to the fullest extent possible, each agency and organization the member agencies and organizations of the Rural Economic Development Initiative (REDI) as defined in s. 288.0656 ~~s. 288.0656(6)(a)~~ shall review:

(a) All grant and loan application evaluation criteria and scoring procedures to ensure the fullest access for rural communities ~~counties~~ as defined in s. 288.0656 ~~s. 288.0656(2)~~ to resources available throughout this ~~the~~ state; and

(b) The financial match requirements for projects in rural communities.

(2) ~~(1)~~ Each REDI agency and organization shall consider the impact on and ability of rural communities to meet and be competitive under such criteria, scoring, and requirements. Upon review, each REDI agency and organization shall review all evaluation and scoring procedures and develop a proposal for modifications to those procedures which minimize the financial and resource impact to a rural community, including waiver or reduction of any required financial match requirements impact of a project within a rural area.

(a) ~~(2)~~ Evaluation criteria and scoring procedures must provide for an appropriate ranking, when ranking is a component of the program, based on the proportionate impact that projects have on a rural area when compared with similar project impacts on an urban area. Additionally,

~~(3)~~ evaluation criteria and scoring procedures must recognize the disparity of available fiscal resources for an equal level of financial support from an urban county or municipality and a rural county or municipality.

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~~(a)~~ The evaluation criteria must ~~should~~ weight contribution in proportion to the amount of funding available at the local level.

(b) Match requirements must be waived or reduced for rural communities. When appropriate, an in-kind match must ~~should~~ be allowed and applied as a financial match when a rural community ~~county~~ is experiencing economic financial ~~economic~~ distress as defined in s. 288.0656 through elevated unemployment at a rate in excess of the state's average by 5 percentage points or because of the loss of its ad valorem base. Donations of land, though usually not recognized as an in-kind match, may be treated as such. As appropriate, each agency and organization that applies for or receives federal funding must request federal approval to waive or reduce the financial match requirements, if any, for projects in rural communities.

(3) ~~(4)~~ For existing programs, The proposal developed under subsection (2) modified evaluation criteria and scoring procedure must be submitted delivered to the Office of Rural Prosperity department for distribution to the REDI agencies and organizations. The REDI agencies and organizations shall review and make comments and recommendations that. Future rules, programs, evaluation criteria, and scoring processes must be brought before a REDI meeting for review, discussion, and recommendation to allow rural communities ~~counties~~ fuller access to the state's resources.

(4) Each REDI agency and organization shall ensure that related administrative rules or policies are modified, as necessary, to reflect the finalized proposal and that information about the authorized waiver or reduction is included

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in the online rural resource directory of the Office of Rural Prosperity required in s. 288.013(4)(d).

(5) The rural liaison from the related regional rural community liaison center district shall assist the rural community to make waiver or reduction requests.

Section 15. Subsection (3) is added to section 288.021, Florida Statutes, to read:

288.021 Economic development liaison.—

(3) When practicable, the staff member appointed as the economic development liaison shall also serve as the agency representative for the Rural Economic Development Initiative pursuant to s. 288.0656.

Section 16. Section 288.065, Florida Statutes, is amended to read:

288.065 Rural Community Development Revolving Loan Fund.—

(1) The Rural Community Development Revolving Loan Fund Program is established within the Office of Rural Prosperity department to facilitate the use of existing federal, state, and local financial resources by providing local governments with financial assistance to further promote the economic viability of rural communities. These funds may be used to finance initiatives directed toward maintaining or developing the economic base of rural communities, especially initiatives addressing employment opportunities for residents of these communities.

(2)(a) The program shall provide for long-term loans, loan guarantees, and loan loss reserves to units of local governments, or economic development organizations substantially underwritten by a unit of local government.

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(b) For purposes of this section, the term “unit of local government” means any of the following:

1. A county within counties with a population populations of 75,000 or less. ~~fewer, or within any~~

2. A county with a population of 125,000 or less ~~fewer~~ which is contiguous to a county with a population of 75,000 or less. ~~fewer~~

3. A municipality within a county described in subparagraph 1. or subparagraph 2.

4. A county or municipality within a rural area of opportunity designated under s. 288.0656.

For purposes of this paragraph, population is determined in accordance with the most recent official estimates pursuant to s. 186.901 and must include those residing in incorporated and unincorporated areas of a county, ~~based on the most recent official population estimate as determined under s. 186.901, including those residing in incorporated areas and those residing in unincorporated areas of the county, or to units of local government, or economic development organizations substantially underwritten by a unit of local government, within a rural area of opportunity.~~

(c)(b) Requests for loans must ~~shall~~ be made by application to the office ~~department~~. Loans must ~~shall~~ be made pursuant to agreements specifying the terms and conditions agreed to between the applicant and the office ~~department~~. The loans are ~~shall be~~ the legal obligations of the applicant.

(d)(c) All repayments of principal and interest must ~~shall~~ be returned to the loan fund and made available for loans to

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other applicants. However, in a rural area of opportunity designated under s. 288.0656 by the Governor, and upon approval by the ~~office department~~, repayments of principal and interest may be retained by the applicant if such repayments are dedicated and matched to fund regionally based economic development organizations representing the rural area of opportunity.

(3) The ~~office department~~ shall manage the fund, establishing loan practices that must include, but are not limited to, procedures for establishing loan interest rates, uses of funding, application procedures, and application review procedures. The office has department shall have final approval authority for any loan under this section.

(4) Notwithstanding ~~the provisions of~~ s. 216.301, funds appropriated for this loan fund may purpose shall not be subject to reversion.

(5) The office shall include in its annual report required under s. 288.013 detailed information about the fund, including loans made during the previous fiscal year, loans active, loans terminated or repaid, and the amount of funds not obligated as of 14 days before the date the report is due.

Section 17. Subsections (1), (2), and (3) of section 288.0655, Florida Statutes, are amended, and subsection (6) is added to that section, to read:

288.0655 Rural Infrastructure Fund.—

(1) There is created within the Office of Rural Prosperity ~~department~~ the Rural Infrastructure Fund to facilitate the planning, preparing, and financing of infrastructure projects in rural communities which will encourage job creation, capital

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investment, and the strengthening and diversification of rural economies by promoting tourism, trade, and economic development. Grants under this program may be awarded to a unit of local government within a rural area of opportunity or a rural community as those terms are defined in s. 288.0656 or to a regional economic development organization, a unit of local government, or an economic development organization substantially underwritten by a unit of local government for an infrastructure project located within an unincorporated area that has a population of 15,000 or less, has been in existence for 100 years or more, is contiguous to a rural community, and has been adversely affected by a natural disaster or presents a unique economic development opportunity of regional impact.

(2)(a) Funds appropriated by the Legislature must shall be distributed by the ~~office department~~ through grant programs that maximize the use of federal, local, and private resources, including, but not limited to, those available under the Small Cities Community Development Block Grant Program.

(b) To facilitate access of rural communities and rural areas of opportunity as defined by the Rural Economic Development Initiative to infrastructure funding programs of the Federal Government, such as those offered by the United States Department of Agriculture and the United States Department of Commerce, and state programs, including those offered by Rural Economic Development Initiative agencies, and to facilitate local government or private infrastructure funding efforts, the ~~office department~~ may award grants for up to 75 percent of the total infrastructure project cost, or up to 100 percent of the total infrastructure project cost for a project located in a

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1567 rural community as defined in s. 288.0656(2) which is also
 1568 located in a fiscally constrained county as defined in s.
 1569 218.67(1) or a rural area of opportunity as defined in s.
 1570 288.0656(2). Eligible uses of funds may include improving any
 1571 inadequate infrastructure that has resulted in regulatory action
 1572 that prohibits economic or community growth and reducing the
 1573 costs to community users of proposed infrastructure improvements
 1574 that exceed such costs in comparable communities. Eligible uses
 1575 of funds include improvements to public infrastructure for
 1576 industrial or commercial sites and upgrades to or development of
 1577 public tourism infrastructure. Authorized infrastructure may
 1578 include the following public or public-private partnership
 1579 facilities: storm water systems; telecommunications facilities;
 1580 roads or other remedies to transportation impediments; nature-
 1581 based tourism facilities; or other physical requirements
 1582 necessary to facilitate tourism, trade, and economic development
 1583 activities in the community. Authorized infrastructure may also
 1584 include publicly or privately owned self-powered nature-based
 1585 tourism facilities, publicly owned telecommunications
 1586 facilities, and additions to the distribution facilities of the
 1587 existing natural gas utility as defined in s. 366.04(3)(c), the
 1588 existing electric utility as defined in s. 366.02, or the
 1589 existing water or wastewater utility as defined in s.
 1590 367.021(12), or any other existing water or wastewater facility,
 1591 which owns a gas or electric distribution system or a water or
 1592 wastewater system in this state when:

1593 1. A contribution-in-aid of construction is required to
 1594 serve public or public-private partnership facilities under the
 1595 tariffs of any natural gas, electric, water, or wastewater

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1596 utility as defined herein; and

1597 2. Such utilities as defined herein are willing and able to
 1598 provide such service.

1599 (c) The ~~office department~~ may award grants of up to
 1600 \$300,000 for infrastructure feasibility studies, design and
 1601 engineering activities, or other infrastructure planning and
 1602 preparation or site readiness activities. Site readiness
 1603 expenses may include clearing title, surveys, permitting,
 1604 environmental studies, and regulatory compliance costs. Grants
 1605 awarded under this paragraph may be used in conjunction with
 1606 grants awarded under paragraph (b). In evaluating applications
 1607 under this paragraph, the ~~office department~~ shall consider the
 1608 extent to which the application seeks to minimize administrative
 1609 and consultant expenses.

1610 (d) The ~~office department~~ shall participate in a memorandum
 1611 of agreement with the United States Department of Agriculture
 1612 under which state funds available through the Rural
 1613 Infrastructure Fund may be advanced, in excess of the prescribed
 1614 state share, for a project that has received from the United
 1615 States Department of Agriculture a preliminary determination of
 1616 eligibility for federal financial support. State funds in excess
 1617 of the prescribed state share which are advanced pursuant to
 1618 this paragraph and the memorandum of agreement ~~must shall~~ be
 1619 reimbursed when funds are awarded under an application for
 1620 federal funding.

1621 (e) To enable local governments to access the resources
 1622 available pursuant to s. 403.973(17), the ~~office department~~ may
 1623 award grants for surveys, feasibility studies, and other
 1624 activities related to the identification and preclearance review

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of land which is suitable for preclearance review. Authorized grants under this paragraph may not exceed \$75,000 each, except in the case of a project in a rural area of opportunity, in which case the grant may not exceed \$300,000. Any funds awarded under this paragraph must be matched at a level of 50 percent with local funds, except that any funds awarded for a project in a rural area of opportunity do not require a match of local funds. ~~If an application for funding is for a catalyst site, as defined in s. 288.0656, the requirement for local match may be waived pursuant to the process in s. 288.06561.~~ In evaluating applications under this paragraph, the office department shall consider the extent to which the application seeks to minimize administrative and consultant expenses.

(3) The office department, in consultation with the Department of Transportation ~~Florida Tourism Industry Marketing Corporation~~, the Department of Environmental Protection, and the Florida Fish and Wildlife Conservation Commission, as appropriate, shall review and certify applications pursuant to s. 288.061. The review must include an evaluation of the economic benefit and long-term viability. The office has ~~department shall have~~ final approval for any grant under this section.

(6) The office shall include in its annual report required under s. 288.013 detailed information about the fund, including grants made for the year, grants active, grants terminated or complete, and the amount of funds not obligated as of 14 days before the date the report is due.

Section 18. Subsection (1), paragraphs (a), (b), and (e) of subsection (2), subsections (3) and (6), paragraphs (b) and (c)

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of subsection (7), and subsection (8) of section 288.0656, Florida Statutes, are amended to read:

288.0656 Rural Economic Development Initiative.—

(1) (a) Recognizing that rural communities and regions continue to face extraordinary challenges in their efforts to significantly improve their economies, specifically in terms of personal income, job creation, average wages, and strong tax bases, it is the intent of the Legislature to encourage and facilitate ~~the location and expansion of major~~ economic development projects ~~of significant scale~~ in such rural communities. The Legislature finds that rural communities are the essential conduits for the economy's distribution supply, manufacturing supply, and food supply.

(b) The Rural Economic Development Initiative, known as "REDI," is created within the Office of Rural Prosperity department, and all the participation of state and regional agencies listed in paragraph (6) (a) shall participate in this initiative ~~is authorized~~.

(2) As used in this section, the term:

~~(a) "Catalyst project" means a business locating or expanding in a rural area of opportunity to serve as an economic generator of regional significance for the growth of a regional target industry cluster. The project must provide capital investment on a scale significant enough to affect the entire region and result in the development of high-wage and high-skill jobs.~~

~~(b) "Catalyst site" means a parcel or parcels of land within a rural area of opportunity that has been prioritized as a geographic site for economic development through partnerships~~

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with state, regional, and local organizations. The site must be reviewed by REDI and approved by the department for the purposes of locating a catalyst project.

(c) ~~(e)~~ "Rural community" means:

1. A county with a population of 75,000 or less ~~fewer~~.
2. A county with a population of 125,000 or less ~~fewer~~ which is contiguous to a county with a population of 75,000 or less ~~fewer~~.
3. A municipality within a county described in subparagraph 1. or subparagraph 2.
4. An unincorporated federal enterprise community or an incorporated rural city with a population of 25,000 or less ~~fewer~~ and an employment base focused on traditional agricultural or resource-based industries, located in a county not defined as rural, which has at least three or more of the economic distress factors identified in paragraph (a) ~~(e)~~ and verified by the Office of Rural Prosperity ~~department~~.

For purposes of this paragraph, population must ~~shall~~ be determined in accordance with the most recent official estimate pursuant to s. 186.901.

(3) REDI shall be responsible for coordinating and focusing the efforts and resources of state and regional agencies on the problems which affect the fiscal, economic, and community viability of Florida's ~~economically distressed~~ rural communities, working with local governments, community-based organizations, and private organizations that have an interest in the growth and development of these communities to find ways to balance environmental and growth management issues with local

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needs.

(6) (a) By August 1 of each year, the head of each of the following agencies and organizations shall designate a deputy secretary or higher-level staff person from within the agency or organization to serve as the REDI representative for the agency or organization:

1. The Department of Transportation.
2. The Department of Environmental Protection.
3. The Department of Agriculture and Consumer Services.
4. The Department of State.
5. The Department of Health.
6. The Department of Children and Families.
7. The Department of Corrections.
8. The Department of Education.
9. The Department of Juvenile Justice.
10. The Fish and Wildlife Conservation Commission.
11. Each water management district.
12. CareerSource Florida, Inc.
13. VISIT Florida.
14. The Florida Regional Planning Council Association.
15. The Agency for Health Care Administration.
16. The Institute of Food and Agricultural Sciences (IFAS).

(b) An alternate for each designee must ~~shall~~ also be chosen, who must also be a deputy secretary or higher-level staff person, and the names of the designees and alternates must ~~shall~~ be reported ~~sent~~ to the director of the Office of Rural Prosperity. At least one rural liaison from each regional rural community liaison center must participate in the REDI meetings ~~Secretary of Commerce.~~

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(c) REDI shall meet at least each month but may meet more frequently if necessary. Each REDI representative, or his or her designee, shall be physically present or available by means of electronic communication for each meeting.

~~(d)(b)~~ Each REDI representative shall ~~must~~ have comprehensive knowledge of his or her agency's functions, both regulatory and service in nature, and of the state's economic goals, policies, and programs. This person shall be the primary point of contact for his or her agency with REDI on issues and projects relating to economically distressed rural communities and with regard to expediting project review, shall ensure a prompt effective response to problems arising with regard to rural issues, and shall work closely with the other REDI representatives in the identification of opportunities for preferential awards of program funds, contractual or other agreement provisions which meet the requirements of s. 215.971, and allowances and waiver of program requirements when necessary to encourage and facilitate rural growth, including, but not limited to, long-term private capital investment and job creation.

~~(e)(e)~~ The REDI representatives shall work with REDI in the review and evaluation of statutes and rules for adverse impact on rural communities and the development of alternative proposals to mitigate that impact.

~~(f)(d)~~ Each REDI representative shall be responsible for ensuring that each district office or facility of his or her agency is informed quarterly about the Rural Economic Development Initiative and for providing assistance throughout the agency in the implementation of REDI activities.

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(7)

(b) Designation as a rural area of opportunity under this subsection ~~is shall be~~ contingent upon the execution of a memorandum of agreement among the Office of Rural Prosperity ~~department~~; the governing body of the county; and the governing bodies of any municipalities to be included within a rural area of opportunity. Such agreement ~~must shall~~ specify the terms and conditions of the designation, including, but not limited to, the duties and responsibilities of the county and any participating municipalities to take actions designed to facilitate the retention and expansion of existing businesses in the area, as well as the recruitment of new businesses to the area.

~~(c) Each rural area of opportunity may designate catalyst projects, provided that each catalyst project is specifically recommended by REDI and confirmed as a catalyst project by the department. All state agencies and departments shall use all available tools and resources to the extent permissible by law to promote the creation and development of each catalyst project and the development of catalyst sites.~~

(8) REDI shall submit a report to the Office of Rural Prosperity ~~department~~ on all REDI activities for the previous fiscal year as a supplement to the office's ~~department's~~ annual report required under s. 288.013 ~~s. 20.60~~. This supplementary report must include:

(a) A status report on every project ~~all projects~~ currently being coordinated through REDI; the number of preferential awards and allowances made pursuant to this section in detail by award, allowance, or match type; ~~the dollar amount of such~~

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awards; and the names of the recipients.

(b) A description of all waivers of program requirements granted, including a list by program of each waiver that was granted. If waivers were requested but were not granted, a list of ungranted waivers, including reasons why the waivers were not granted, must be included.

(c) Detailed information as to the economic impact of the projects coordinated by REDI.

(d) Recommendations based on the review and evaluation of statutes and rules having an adverse impact on rural communities and proposals to mitigate such adverse impacts.

(e) Legislative recommendations for statutory waivers or reductions of specified economic development or other program requirements, including financial match waivers or reductions, for applicants within rural areas of opportunity.

(f) Outcomes of proposals submitted pursuant to s. 288.019.

Section 19. Section 288.06561, Florida Statutes, is repealed.

Section 20. Subsections (2), (3), and (4) of section 288.0657, Florida Statutes, are amended to read:

288.0657 Florida rural economic development strategy grants.—

(2) The Office of Rural Prosperity shall provide department ~~may accept and administer moneys appropriated to the department for providing~~ grants to assist rural communities to develop and implement strategic economic development plans. Grants may be provided to assist with costs associated with marketing a site to business and site selectors for an economic development project that is part of an economic development plan, either as

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part of funding to develop and implement a plan or related to an already adopted plan.

(3) A rural community, an economic development organization in a rural area, or a regional organization representing at least one rural community or such economic development organizations may apply for such grants. The rural liaison for the rural community shall assist those applying for such grants.

(4) The office department shall establish criteria for reviewing grant applications. These criteria must ~~shall~~ include, but are not limited to, the degree of participation and commitment by the local community and the application's consistency with local comprehensive plans or the application's proposal to ensure such consistency. Grants for marketing may include funding for advertising campaign materials and costs associated with meetings, trade missions, and professional development related to site preparation and marketing. The office department shall review each application for a grant. ~~The department may approve grants only to the extent that funds are appropriated for such grants by the Legislature.~~

Section 21. Paragraph (a) of subsection (13) of section 288.1226, Florida Statutes, is amended to read:

288.1226 Florida Tourism Industry Marketing Corporation; use of property; board of directors; duties; audit.—

(13) FOUR-YEAR MARKETING PLAN.—

(a) The corporation shall, in collaboration with the department, develop a 4-year marketing plan. At a minimum, the marketing plan must discuss the following:

1. Continuation of overall tourism growth in this state.
2. Expansion to new or under-represented tourist markets.

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1857 3. Maintenance of traditional and loyal tourist markets.
 1858 4. Coordination of efforts with county destination
 1859 marketing organizations, other local government marketing
 1860 groups, privately owned attractions and destinations, and other
 1861 private sector partners to create a seamless, four-season
 1862 advertising campaign for the state and its regions.
 1863 5. Development of innovative techniques or promotions to
 1864 build repeat visitation by targeted segments of the tourist
 1865 population.
 1866 6. Consideration of innovative sources of state funding for
 1867 tourism marketing.
 1868 7. Promotion of nature-based tourism, including, but not
 1869 limited to, promotion of the Florida Greenways and Trails System
 1870 as described under s. 260.014 and the Florida Shared-Use
 1871 Nonmotorized Trail Network as described under s. 339.81.
 1872 8. Coordination of efforts with the Office of Greenways and
 1873 Trails of the Department of Environmental Protection and the
 1874 department to promote and assist local communities, including,
 1875 but not limited to, communities designated as trail towns by the
 1876 Office of Greenways and Trails, to maximize use of nearby trails
 1877 as economic assets, including specific promotion of trail-based
 1878 tourism.
 1879 9. Promotion of heritage tourism.
 1880 10. Development of a component to address emergency
 1881 response to natural and manmade disasters from a marketing
 1882 standpoint.
 1883 11. Provision of appropriate marketing assistance resources
 1884 to small, rural, and agritourism businesses located in this
 1885 state. Such resources may include, but are not limited to,

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1886 marketing plans, marketing assistance, promotional support,
 1887 media development, technical expertise, marketing advice,
 1888 technology training, and social marketing support.
 1889 Section 22. Section 288.12266, Florida Statutes, is
 1890 repealed.
 1891 Section 23. Paragraph (f) of subsection (2) and paragraphs
 1892 (a), (b), and (c) of subsection (4) of section 288.9961, Florida
 1893 Statutes, are amended, and subsection (6) is added to that
 1894 section, to read:
 1895 288.9961 Promotion of broadband adoption; Florida Office of
 1896 Broadband.—
 1897 (2) DEFINITIONS.—As used in this section, the term:
 1898 (f) “Underserved” means a geographic area of this state in
 1899 which there is no provider of broadband Internet service that
 1900 offers a connection to the Internet with a capacity for
 1901 transmission at a consistent speed of at least 100 megabits per
 1902 second downstream and at least 20 ~~10~~ megabits per second
 1903 upstream.
 1904 (4) FLORIDA OFFICE OF BROADBAND.—The Florida Office of
 1905 Broadband is created within the Division of Community
 1906 Development in the department for the purpose of developing,
 1907 marketing, and promoting broadband Internet services in this
 1908 state. The office, in the performance of its duties, shall do
 1909 all of the following:
 1910 (a) Create a strategic plan that has goals and strategies
 1911 for increasing and improving the availability of, access to, and
 1912 use of broadband Internet service in this state. In development
 1913 of the plan, the department shall incorporate applicable federal
 1914 broadband activities, including any efforts or initiatives of

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the Federal Communications Commission, to improve broadband Internet service in this state. The plan must identify available federal funding sources for the expansion or improvement of broadband. The strategic plan must be submitted to the Governor, the President of the Senate, and the Speaker of the House of Representatives by June 30, 2022. The strategic plan must be updated biennially thereafter. The plan must include a process to review and verify public input regarding transmission speeds and availability of broadband Internet service throughout this state. The office shall consult with each regional rural community liaison center within the Office of Rural Prosperity on the development and update of the plan.

(b) Build and facilitate local technology planning teams or partnerships with members representing cross-sections of the community, which may include, but are not limited to, representatives from the following organizations and industries: libraries, K-12 education, colleges and universities, local health care providers, private businesses, community organizations, economic development organizations, local governments, tourism, parks and recreation, and agriculture. The local technology planning teams or partnerships shall work with rural communities to help the communities understand their current broadband availability, locate unserved and underserved businesses and residents, identify assets relevant to broadband deployment, build partnerships with broadband service providers, and identify opportunities to leverage assets and reduce barriers to the deployment of broadband Internet services in the community. The teams or partnerships must be proactive in rural communities as defined in s. 288.0656 ~~fiscally constrained~~

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~~counties~~ in identifying and providing assistance, in coordination with the regional rural community liaison centers within the Office of Rural Prosperity, with applying for federal grants for broadband Internet service.

(c) Provide technical and planning assistance to rural communities in coordination with the regional rural community liaison centers within the Office of Rural Prosperity.

(6) BROADBAND REPORTING.—

(a) The office shall submit to the Governor, the President of the Senate, and the Speaker of the House of Representatives a quarterly report detailing the implementation of broadband activities in rural, unserved, and underserved communities. Such information must be listed by county and include the amount of state and federal funds allocated to and expended in the county by program; the progress toward deploying broadband in the county; any technical assistance provided; the activities of the local technology planning teams and partnerships; and the fulfillment of all other duties of the office required by this part.

(b) By December 31 of each year, the office shall submit to the Governor, the President of the Senate, and the Speaker of the House of Representatives an annual report on the office's operations and accomplishments for that calendar year and the status of broadband Internet service access and use in this state. The report must also incorporate the quarterly reports on rural, unserved, and underserved communities required by paragraph (a).

Section 24. Section 290.06561, Florida Statutes, is repealed.

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Section 25. Paragraph (a) of subsection (5) of section 319.32, Florida Statutes, is amended to read:

319.32 Fees; service charges; disposition.—

(5) (a) Forty-seven dollars of each fee collected, except for fees charged on a certificate of title for a motor vehicle for hire registered under s. 320.08(6), for each applicable original certificate of title and each applicable duplicate copy of a certificate of title shall be deposited as follows: into the State Transportation Trust Fund. Deposits to the State Transportation Trust Fund pursuant to this paragraph may not exceed \$200 million in any fiscal year, and from any collections in excess of that amount during the fiscal year.

1. The first \$30 million collected shall be deposited into the Highway Safety Operating Trust Fund; ~~and~~

2. Any remaining collections shall be paid into the State Transportation Trust General Revenue Fund.

Section 26. Subsection (40) is added to section 334.044, Florida Statutes, to read:

334.044 Powers and duties of the department.—The department shall have the following general powers and duties:

(40) To provide technical assistance and support from the appropriate district of the department to counties that are not located in a metropolitan planning organization created pursuant to s. 339.175.

Section 27. Section 339.0801, Florida Statutes, is amended to read:

339.0801 Allocation of increased revenues derived from amendments to s. 319.32(5) (a) ~~by ch. 2012-128.—~~

(1) The first \$200 million of funds that result from

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increased revenues to the State Transportation Trust Fund derived from the amendments to s. 319.32(5) (a) made by s. 11, chapter 2012-128, Laws of Florida, ~~this act~~ must be used annually, first as set forth in paragraph (a) subsection (1) and then as set forth in paragraphs (b), (c), and (d) subsections (2)–(4), notwithstanding any other provision of law:

(a) 1. (1) (a) Beginning in the 2013-2014 fiscal year and annually for 30 years thereafter, \$10 million shall be for the purpose of funding any seaport project identified in the adopted work program of the Department of Transportation, to be known as the Seaport Investment Program.

2. (b) The revenues may be assigned, pledged, or set aside as a trust for the payment of principal or interest on revenue bonds, or other forms of indebtedness issued by an individual port or appropriate local government having jurisdiction thereof, or collectively by interlocal agreement among any of the ports, or used to purchase credit support to permit such borrowings. Alternatively, revenue bonds shall be issued by the Division of Bond Finance at the request of the Department of Transportation under the State Bond Act and shall be secured by such revenues as are provided in this subsection.

3. (c) Revenue bonds or other indebtedness issued hereunder are not a general obligation of the state and are secured solely by a first lien on the revenues distributed under this subsection.

4. (d) The state covenants with holders of the revenue bonds or other instruments of indebtedness issued pursuant to this subsection that it will not repeal this subsection; nor take any other action, including but not limited to amending this

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subsection, that will materially and adversely affect the rights of such holders so long as revenue bonds or other indebtedness authorized by this subsection are outstanding.

~~5.(e)~~ The proceeds of any revenue bonds or other indebtedness, after payment of costs of issuance and establishment of any required reserves, shall be invested in projects approved by the Department of Transportation and included in the department's adopted work program, by amendment if necessary. As required under s. 11(f), Art. VII of the State Constitution, the Legislature approves projects included in the department's adopted work program, including any projects added to the work program by amendment under s. 339.135(7).

~~6.(f)~~ Any revenues that are not used for the payment of bonds as authorized by this subsection may be used for purposes authorized under the Florida Seaport Transportation and Economic Development Program. This revenue source is in addition to any amounts provided for and appropriated in accordance with ss. 311.07 and 320.20(3) and (4).

~~(b)(2)~~ Beginning in the 2013-2014 fiscal year and annually thereafter, \$10 million shall be transferred to the Transportation Disadvantaged Trust Fund, to be used as specified in s. 427.0159.

~~(c)(3)~~ Beginning in the 2013-2014 fiscal year and annually thereafter, \$10 million shall be allocated to the Small County Outreach Program to be used as specified in s. 339.2818. These funds are in addition to the funds provided for the program pursuant to s. 201.15(4)(a)1.

~~(d)(4)~~ After the distributions required pursuant to paragraphs (a), (b), and (c) ~~subsections (1)-(3)~~, the remaining

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funds shall be used annually for transportation projects within this state for existing or planned strategic transportation projects which connect major markets within this state or between this state and other states, which focus on job creation, and which increase this state's viability in the national and global markets.

(2) The remaining funds that result from increased revenue to the State Transportation Trust Fund derived pursuant to s. 319.32(5)(a) must be used annually, notwithstanding any other law, beginning in the 2026-2027 fiscal year and annually thereafter, for the Small County Road Assistance Program as prescribed in s. 339.2816.

~~(3)(5)~~ Pursuant to s. 339.135(7), the department shall amend the work program to add the projects provided for in this section.

Section 28. Subsection (3) and paragraph (a) of subsection (4) of section 339.2816, Florida Statutes, are amended, and paragraph (c) of subsection (4) of that section is reenacted, to read:

339.2816 Small County Road Assistance Program.—

~~(3) Beginning with fiscal year 1999-2000 until fiscal year 2009-2010, and beginning again with fiscal year 2012-2013, up to \$25 million annually from the State Transportation Trust Fund must may be used for the purposes of funding the Small County Road Assistance Program as described in this section. In addition, beginning with the fiscal year 2026-2027, the department must use the additional revenues allocated by s. 339.0801 for the program.~~

(4)(a) Small counties shall be eligible to compete for

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funds that have been designated for the Small County Road Assistance Program for resurfacing or reconstruction projects on county roads that were part of the county road system on June 10, 1995. Capacity improvements on county roads ~~are shall~~ not be eligible for funding under the program unless a safety issue exists or the department finds it necessary to widen existing lanes as part of a resurfacing or reconstruction project.

(c) The following criteria must be used to prioritize road projects for funding under the program:

1. The primary criterion is the physical condition of the road as measured by the department.

2. As secondary criteria the department may consider:

a. Whether a road is used as an evacuation route.

b. Whether a road has high levels of agricultural travel.

c. Whether a road is considered a major arterial route.

d. Whether a road is considered a feeder road.

e. Whether a road is located in a fiscally constrained county, as defined in s. 218.67(1).

f. Other criteria related to the impact of a project on the public road system or on the state or local economy as determined by the department.

Section 29. Subsection (3) of section 339.2817, Florida Statutes, is amended, and subsection (6) is added to that section, to read:

339.2817 County Incentive Grant Program.—

(3) The department shall ~~must~~ consider, but is not limited to, the following criteria for evaluation of projects for County Incentive Grant Program assistance:

(a) The extent to which the project will encourage,

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enhance, or create economic benefits;

(b) The likelihood that assistance would enable the project to proceed at an earlier date than the project could otherwise proceed;

(c) The extent to which assistance would foster innovative public-private partnerships and attract private debt or equity investment;

(d) The extent to which the project uses new technologies, including intelligent transportation systems, which enhance the efficiency of the project;

(e) The extent to which the project enhances connectivity between rural agricultural areas and market distribution centers;

(f) The extent to which the project helps to maintain or protect the environment; and

(g) (f) The extent to which the project includes transportation benefits for improving intermodalism and safety.

(6) Beginning in the 2026-2027 fiscal year, the department shall give priority to a county located, either wholly or partially, within the Everglades Agricultural Area as defined in s. 373.4592(15) which, notwithstanding subsection (4), requests 100 percent of the project costs for an eligible project that meets the criteria established in subsection (3). Requests under this subsection are limited to \$15 million annually. This subsection expires July 1, 2032.

Section 30. Subsections (1), (2), (3), (6), (7), and (8) of section 339.2818, Florida Statutes, are amended to read:

339.2818 Small County Outreach Program.—

(1) There is created within the department ~~of~~

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~~Transportation~~ the Small County Outreach Program. The purpose of this program is to assist small county governments in repairing or rehabilitating county bridges, paving unpaved roads, addressing road-related drainage improvements, resurfacing or reconstructing county roads, or constructing capacity or safety improvements to county roads.

(2) For the purposes of this section, the term "small county" means any county that has a population of 200,000 or less as determined by the most recent official population census determination estimate pursuant to s. 186.901.

~~(3) Funds allocated under this program, pursuant to s. 4, ch. 2000-257, Laws of Florida, are in addition to any funds provided pursuant to s. 339.2816, for the Small County Road Assistance Program.~~

~~(5)(6)~~ Funds paid into the State Transportation Trust Fund pursuant to ss. 201.15, 320.072, and 339.0801 ~~s. 201.15~~ for the purposes of the Small County Outreach Program are hereby annually appropriated for expenditure to support the Small County Outreach Program.

~~(6)(7)~~ Subject to a specific appropriation in addition to funds annually appropriated for projects under this section, a municipality within a rural area of opportunity or a rural area of opportunity community designated under s. 288.0656(7)(a) may compete for the additional project funding using the criteria listed in subsection (3) ~~(4)~~ at up to 100 percent of project costs, excluding capacity improvement projects.

~~(8) Subject to a specific appropriation in addition to funds appropriated for projects under this section, a local government either wholly or partially within the Everglades~~

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~~Agricultural Area as defined in s. 373.4592(15), the Peace River Basin, or the Suwannee River Basin may compete for additional funding using the criteria listed in paragraph (4)(c) at up to 100 percent of project costs on state or county roads used primarily as farm to market connections between rural agricultural areas and market distribution centers, excluding capacity improvement projects.~~

Section 31. Section 339.68, Florida Statutes, is amended to read:

(Substantial rewording of section.

See s. 339.68, F.S., for present text.)

339.68 Florida Arterial Road Modernization Program.—

(1) The Legislature finds that increasing demands continue to be placed on rural arterial roads in this state by a fast-growing economy, continued population growth, and increased tourism. Investment in the rural arterial roads of this state is needed to maintain the safety, mobility, reliability, and resiliency of the transportation system in order to support the movement of people, goods, and commodities; to enhance economic prosperity and competitiveness; and to enrich the quality of life of the rural communities and the environment of this state.

(2) The Florida Arterial Road Modernization Program is created within the department to make capacity and safety improvements to two-lane arterial roads or connect existing arterial roads located in rural communities. For purposes of this section, the term "rural community" has the same meaning as in s. 288.0656.

(3) Beginning in the 2026-2027 fiscal year, the department shall allocate from the State Transportation Trust Fund a

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minimum of \$50 million in each fiscal year for purposes of funding the program. This funding is in addition to any other funding provided to the program by any other law.

(4) The department shall use the following criteria to prioritize projects for funding under the program:

(a) Whether the road has documented safety concerns or requires additional safety and design improvements. This may be evidenced by the number of fatalities or crashes per vehicle mile traveled.

(b) Whether the road has or is projected to have a significant amount of truck tractor traffic as determined by the department. For purposes of this paragraph, the term "truck tractor" has the same meaning as in s. 320.01(11).

(c) Whether the road is used to transport agricultural products and commodities from a farm to the market or other sale or distribution point.

(d) Whether the road is used to transport goods to or from warehouses, distribution centers, or intermodal logistics centers as defined in s. 311.101(2).

(e) Whether the road is used as an evacuation route.

(f) Whether the physical condition of the road meets department standards.

(g) Whether the road currently has, or is projected to have within the next 5 years, a level of service of D, E, or F.

(h) Any other criteria related to the impact of a project on the public road system or on the state or local economy as determined by the department.

(5) By January 3, 2028, and every 2 years thereafter, the department shall submit to the Governor, the President of the

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Senate, and the Speaker of the House of Representatives a report regarding the use and condition of arterial roads located in rural communities, which report must include all of the following:

(a) A map of roads located in rural communities which are designated as arterial roads.

(b) A needs assessment that must include, but is not limited to, consideration of infrastructure improvements to improve capacity on arterial roads in rural communities.

(c) A synopsis of the department's project prioritization process.

(d) An estimate of the local and state economic impact of improving capacity on arterial roads in rural communities.

(e) A listing of the arterial roads and the associated improvements to be included in the program and a schedule or timeline for the inclusion of such projects in the work program.

Section 32. (1) The Department of Transportation shall allocate the additional funds provided by this act to implement the Small County Road Assistance Program as created by s. 339.2816, Florida Statutes, and amend the current tentative work program for the 2026-2027 through 2032-2033 fiscal years to include additional projects. In addition, before adoption of the work program, the department shall submit a budget amendment pursuant to s. 339.135(7), Florida Statutes, requesting budget authority necessary to implement the additional projects.

(2) The department shall allocate sufficient funds to implement the Florida Arterial Road Modernization Program as created by s. 339.68, Florida Statutes, develop a plan to expend the revenues as specified in s. 339.68, Florida Statutes, and,

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before its adoption, amend the current tentative work program for the 2026-2027 through 2032-2033 fiscal years to include the program's projects. In addition, before adoption of the work program, the department shall submit a budget amendment pursuant to s. 339.135(7), Florida Statutes, requesting budget authority necessary to implement the program as specified in s. 339.68, Florida Statutes.

(3) Notwithstanding any other law, the increase in revenue to the State Transportation Trust Fund derived from the amendments to ss. 201.15 and 319.32, Florida Statutes, made by this act and deposited into the trust fund pursuant to ss. 201.15 and 339.0801, Florida Statutes, must be used by the department to fund the programs as specified in this section.

Section 33. Section 341.0525, Florida Statutes, is created to read:

341.0525 Rural transit operating block grant program; administration; eligible projects.—

(1) There is created a rural transit operating block grant program to be administered by the department. Rural transit block grant funds are available only to public transit providers not eligible to receive public transit block grants pursuant to s. 341.052.

(2) At least \$3 million must be allocated annually from the State Transportation Trust Fund for the program. At least \$20,000 must be distributed to each eligible provider if application of the following formula provides less than that amount for any such provider:

(a) One-third must be distributed according to the percentage that an eligible provider's nonurbanized county

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population in the most recent year official population estimate pursuant to s. 186.901 is of the total population of all counties served by eligible providers.

(b) One-third must be distributed according to the percentage that the total nonurbanized revenue miles provided by an eligible provider, as verified by the most recent National Transit Database report or a similar audited report submitted to the department, is of the total rural revenue miles provided by eligible providers in the state in that year.

(c) One-third must be distributed according to the percentage that the total nonurbanized passengers carried by an eligible provider, as verified by the most recent National Transit Database report or a similar audited report submitted to the department, is of the total number of passengers carried by eligible providers in the state in that year.

(3) Grant funds must be used to pay public transit operating costs. State participation in such costs may not exceed 50 percent of such costs or an amount equal to the total revenue, excluding farebox, charter, and advertising revenue and federal funds, received by the provider for operating costs, whichever amount is less.

(4) (a) An eligible provider may not use block grant funds to supplant local tax revenues made available to such provider for operations in the previous year; however, the Secretary of Transportation may waive this provision for public transit providers located in a county recovering from a state of emergency declared pursuant to part I of chapter 252.

(b) The state may not give any county more than 39 percent of the funds available for distribution under this section or

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2321 more than the amount local revenue sources provide to that
 2322 county for its transit system.

2323 (5) To remain eligible to receive funding under the
 2324 program, eligible providers must comply with s. 341.071(1) and
 2325 (2).

2326 (6)(a) Any funds distributed to an eligible provider
 2327 pursuant to subsection (2) which cannot be expended within the
 2328 limitations of the program must be returned to the department
 2329 for redistribution to other eligible providers.

2330 (b) The department may consult with an eligible provider,
 2331 before distributing funds to that provider, to determine whether
 2332 the provider can expend its total block grant within the
 2333 limitations of the program. If the department and the provider
 2334 agree that the total block grant amount cannot be expended, the
 2335 provider may agree to accept a block grant amount of less than
 2336 the total amount, in which case the funds that exceed such
 2337 lesser agreed-upon amount must be redistributed to other
 2338 eligible providers.

2339 (c) If an audit reveals that an eligible provider expended
 2340 block grant funds on unauthorized uses, the provider must repay
 2341 to the department an amount equal to the funds expended for
 2342 unauthorized uses. The department shall redistribute such
 2343 repayments to other eligible providers.

2344 Section 34. Paragraph (b) of subsection (3) of section
 2345 381.402, Florida Statutes, is amended, and paragraph (h) is
 2346 added to subsection (2) of that section, to read:

2347 381.402 Florida Reimbursement Assistance for Medical
 2348 Education Program.—

2349 (2) The following licensed or certified health care

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2350 practitioners are eligible to participate in the program:

2351 (h) Medical doctors or doctors of osteopathic medicine who
 2352 are board certified or board eligible in emergency medicine and
 2353 employed by or under contract with a rural hospital as defined
 2354 in s. 395.602(2)(b) or a rural emergency hospital as defined in
 2355 s. 395.607(1)(a) to provide medical care in the rural hospital's
 2356 or rural emergency hospital's emergency department.

2357
 2358 Primary care medical specialties for physicians include
 2359 obstetrics, gynecology, general and family practice, geriatrics,
 2360 internal medicine, pediatrics, psychiatry, and other specialties
 2361 which may be identified by the Department of Health.

2362 (3) From the funds available, the Department of Health
 2363 shall make payments as follows:

2364 (b) All payments are contingent on continued proof of:

2365 1.a. Primary care practice in a rural hospital as defined
 2366 in s. 395.602(2)(b) or an underserved area designated by the
 2367 Department of Health, provided the practitioner accepts Medicaid
 2368 reimbursement if eligible for such reimbursement; ~~or~~

2369 b. Emergency medicine practice in a rural hospital as
 2370 defined in s. 395.602(2)(b) or rural emergency hospital as
 2371 defined in s. 395.607(1)(a), provided the practitioner accepts
 2372 Medicaid reimbursement if eligible for such reimbursement; or

2373 c. For practitioners other than physicians, practice in
 2374 other settings, including, but not limited to, a nursing home
 2375 facility as defined in s. 400.021, a home health agency as
 2376 defined in s. 400.462, or an intermediate care facility for the
 2377 developmentally disabled as defined in s. 400.960. Any such
 2378 setting must be located in, or serve residents or patients in,

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an underserved area designated by the Department of Health and must provide services to Medicaid patients.

2. Providing 25 hours annually of volunteer ~~primary care~~ services within the practitioner's scope of practice in a free clinic as specified in s. 766.1115(3)(d)14. or through another volunteer program operated ~~by the state~~ pursuant to part IV of chapter 110 and approved by the department. In order to meet the requirements of this subparagraph, the volunteer hours must be verifiable in a manner determined by the department.

Section 35. Section 381.403, Florida Statutes, is created to read:

381.403 Rural Access to Primary and Preventive Care Grant Program.—The Legislature recognizes that access to primary and preventive health care is critical for the well-being of the residents of this state. The Legislature also recognizes that many rural areas of this state have significantly fewer available physicians, physician assistants, and autonomous advanced practice registered nurses who serve those areas. To increase the availability of health care in such underserved rural areas, there is created the Rural Access to Primary and Preventive Care Grant Program within the Department of Health to use grants to incentivize the creation or expansion of health care practices in those areas.

(1) As used in this section, the term:

(a) "Autonomous advanced practice registered nurse" means an advanced practice registered nurse who is registered under s. 464.0123 to engage in autonomous practice.

(b) "Majority ownership" means ownership of more than 50 percent of the interests in a private practice.

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(c) "Physician" means a physician licensed under chapter 458 or chapter 459.

(d) "Physician assistant" means a physician assistant licensed under chapter 458 or chapter 459 to perform medical services delegated by a supervising physician.

(e) "Preventive care" means routine health care services designed to prevent illness. The term includes, but is not limited to, general physical examinations provided on an annual basis, screenings for acute or chronic illnesses, and patient counseling to promote overall wellness and avoid the need for emergency services.

(f) "Primary care" means health care services focused primarily on preventive care, wellness care, and treatment for common illnesses. The term may include the health care provider serving as a patient's entry point into the overall health care system and coordinating a patient's care among specialists or acute care settings. The term does not include elective services provided solely for cosmetic purposes.

(g) "Program" means the Rural Access to Primary and Preventive Care Grant Program.

(h) "Qualifying rural area" means a rural community as defined in s. 288.0657 in this state which is also designated as a health professional shortage area by the Health Resources and Services Administration of the United States Department of Health and Human Services.

(2) The department shall award grants under the program to physicians, physician assistants, and autonomous advanced practice registered nurses who intend to open a new private practice in a qualifying rural area or who intend to open a new

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2437 location within a qualifying rural area if the current private
 2438 practice is located in a different county. To qualify for a
 2439 grant, an applicant must meet all of the following criteria:
 2440 (a) The practice must:
 2441 1. Have majority ownership by physicians, physician
 2442 assistants, or autonomous advanced practice registered nurses,
 2443 or a combination thereof.
 2444 2. Be physically located in a qualifying rural area and, at
 2445 that location, serve patients who live in that qualifying rural
 2446 area or in other nearby qualifying rural areas. The practice may
 2447 also serve patients who reside outside of the qualifying rural
 2448 area. While the practice may use telehealth to supplement the
 2449 services provided at the location, the majority of services
 2450 provided by the practice must be provided in-person at the
 2451 physical location.
 2452 3. Accept Medicaid patients.
 2453 4. Provide services solely in primary care or preventative
 2454 care, except that a physician, and any nurse licensed under
 2455 chapter 464 or any physician assistant supervised by the
 2456 physician, may provide services at the practice in primary care
 2457 or preventative care, or services that are within the
 2458 practitioner's scope of practice, based on the physician's
 2459 board-certified specialty in obstetrics, gynecology, general and
 2460 family practice, geriatrics, internal medicine, pediatrics, or
 2461 psychiatry.
 2462 (b) The owners of the practice must commit to providing the
 2463 following information to the department on an annual basis, and
 2464 upon request by the department, for the duration of the contract
 2465 entered into pursuant to subsection (6):

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2466 1. Deidentified patient encounter data.
 2467 2. A detailed report on the use of grant funds until such
 2468 funds are expended.
 2469 (3) By March 1, 2027, the department shall create an
 2470 application process for eligible physicians, physician
 2471 assistants, and autonomous advanced practice registered nurses
 2472 to apply for grants under the program. The application must
 2473 require a detailed budget of anticipated use of grant funds and
 2474 an explanation of the manner in which the new or existing
 2475 practice will meet the requirements of subsection (2). The
 2476 department shall establish a ranking system to determine which
 2477 applicants will be awarded grants if there are more applicants
 2478 for the program than can be awarded grants with available
 2479 appropriated funds.
 2480 (4) Subject to specific appropriation, the department may
 2481 award grants of up to \$250,000 to eligible applicants. Only one
 2482 grant may be awarded per practice. Grant funds awarded for
 2483 establishing a new private practice or a new practice location
 2484 may be used for any of the following expenses:
 2485 (a) Facility construction, acquisition, renovation, or
 2486 lease.
 2487 (b) Purchasing medical equipment.
 2488 (c) Purchasing or implementing information technology
 2489 equipment or services.
 2490 (d) Purchasing or implementing telehealth technology.
 2491 (e) Training on the use of medical equipment, information
 2492 technology, or telehealth technology implemented under paragraph
 2493 (b), paragraph (c), or paragraph (d), respectively.
 2494 (5) Grant funds may not be used for any of the following:

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- 2495 (a) Salaries.
- 2496 (b) Utilities.
- 2497 (c) Internet or telecommunications services other than
- 2498 those necessary for implementing telehealth technology under
- 2499 paragraph (4) (d).
- 2500 (d) Insurance.
- 2501 (e) Incidental maintenance and repairs.
- 2502 (f) Disposable medical supplies.
- 2503 (g) Medicines or vaccines.
- 2504 (h) Licensing or certification fees, including costs for
- 2505 continuing education other than training under paragraph (4) (e).
- 2506 (6) The department shall enter into a contract with each
- 2507 grant recipient which details the requirements for the
- 2508 expenditure of grant funds by that recipient. The contract must
- 2509 include, at a minimum, all of the following:
- 2510 (a) The purpose of the contract.
- 2511 (b) Specific performance standards and responsibilities for
- 2512 the recipient under the contract, including penalties for not
- 2513 meeting such performance standards and responsibilities.
- 2514 (c) A detailed project or contract budget, if applicable.
- 2515 (d) Reporting requirements for grant recipients to provide
- 2516 information to the department under paragraph (2) (b) as well as
- 2517 any additional information the department deems necessary for
- 2518 the administration of the program.
- 2519 (7) The department may adopt rules to implement the
- 2520 program.
- 2521 (8) Beginning July 1, 2027, and each year thereafter in
- 2522 which there are outstanding contracts with grant recipients
- 2523 under subsection (6), the department shall provide a report to

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- 2524 the Governor, the President of the Senate, and the Speaker of
- 2525 the House of Representatives which includes, but need not be
- 2526 limited to, all of the following:
- 2527 (a) Each grant awarded, including the proposed uses for
- 2528 each grant.
- 2529 (b) The progress on each outstanding contract.
- 2530 (c) The number of patients residing in rural areas who were
- 2531 served by grant awardees.
- 2532 (d) The number of Medicaid recipients who were served by
- 2533 grant awardees.
- 2534 (e) The number and types of services provided during
- 2535 patient encounters in locations opened under the program.
- 2536 (f) The number of health care practitioners, delineated by
- 2537 licensure type, providing services in locations opened under the
- 2538 program.
- 2539 (9) This section is repealed July 1, 2036, unless reviewed
- 2540 and saved from repeal through reenactment by the Legislature.
- 2541 Section 36. Section 381.9856, Florida Statutes, is created
- 2542 to read:
- 2543 381.9856 Stroke, Cardiac, and Obstetric Response and
- 2544 Education Grant Program.—
- 2545 (1) PROGRAM CREATION.—The Stroke, Cardiac, and Obstetric
- 2546 Response and Education (SCORE) Grant Program is created within
- 2547 the Department of Health.
- 2548 (2) PURPOSE.—The purpose of the program is to improve
- 2549 patient outcomes and the coordination of emergency medical care
- 2550 in rural communities by increasing access to high-quality
- 2551 stroke, cardiac, and obstetric care through the application of
- 2552 technology and innovative training, such as blended learning

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training programs. Blended learning training programs ensure that participants gain both the theoretical foundations of diagnosis and management as well as real-world clinical experience through scenario-based learning, ultimately enhancing decisionmaking and patient outcomes.

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

(a) "Blended learning training program" means a structured educational model that uses blended learning methodologies, including simulation-based training, virtual reality, and distance learning technologies, in conjunction with hands-on instruction, such as simulation-based practice, and in-person skills sessions to provide comprehensive education.

(b) "High-risk care provider" means a licensed health care facility or licensed ambulance service that regularly provides emergency or ongoing care to patients experiencing a stroke, heart attack, or pregnancy-related emergency.

(c) "Rural community" has the same meaning as provided in s. 288.0657.

(4) GRANT PROGRAM REQUIREMENTS.—

(a) The department shall award grants to high-risk care providers serving rural communities to accomplish at least one of the following initiatives:

1. Implement a blended learning training program for health care providers in stroke care protocols and best practices.

2. Purchase simulation equipment and technology for training.

3. Establish telehealth capabilities between prehospital providers, such as paramedics or emergency medical technicians, and in-hospital providers, such as neurologists, to expedite

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emergency stroke care, emergency cardiac care, or emergency obstetric care.

4. Develop quality improvement programs in one or more of the following specialty areas: emergency stroke care, emergency cardiac care, or emergency obstetric care.

(b) Priority must be given to proposals that:

1. Demonstrate collaboration between prehospital and in-hospital providers; or
2. Show potential for significant improvement in patient outcomes in rural communities.

(5) FUNDING LIMITS; REPORTING.—

(a) Individual grants may not exceed \$100,000 per year.

(b) Grant recipients must submit quarterly reports to the department documenting program activities, expenditures, and outcomes.

(6) ADMINISTRATION.—The department shall monitor program implementation and outcomes. The department shall also submit an annual report to the Governor, the President of the Senate, and the Speaker of the House of Representatives by December 1 of each year, detailing program implementation and outcomes.

(7) RULEMAKING.—The department may adopt rules to implement this section.

(8) IMPLEMENTATION.—This section may be implemented only to the extent specifically funded by legislative appropriation.

(9) REPEAL.—This section is repealed July 1, 2031, unless reviewed and saved from repeal through reenactment by the Legislature.

Section 37. Subsection (2) of section 395.6061, Florida Statutes, is amended to read:

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395.6061 Rural hospital capital improvement.—There is established a rural hospital capital improvement grant program.

(2)(a) Each rural hospital as defined in s. 395.602 shall receive a minimum of \$100,000 annually, subject to legislative appropriation, upon application to the Department of Health, for projects to acquire, repair, improve, or upgrade systems, facilities, or equipment. Such projects may include, but are not limited to, the following:

1. Establishing mobile care units to provide primary care services, behavioral health services, or obstetric and gynecological services in rural health professional shortage areas.

2. Establishing telehealth kiosks to provide urgent care and primary care services remotely in rural health professional shortage areas.

(b) As used in this subsection, the term:

1. "Preventive care" means routine health care services designed to prevent illness. The term includes, but is not limited to, general physical examinations provided on an annual basis, screenings for acute or chronic illnesses, and patient counseling to promote overall wellness and avoid the need for emergency services.

2. "Primary care" means health care services focused primarily on preventive care, wellness care, and treatment for common illnesses. The term may include the health care provider serving as a patient's entry point into the overall health care system and coordinating a patient's care among specialists or acute care settings. The term does not include elective services provided solely for cosmetic purposes.

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3. "Rural health professional shortage area" means a rural community as defined in s. 288.0657 which is also designated as a health professional shortage area by the Health Resources and Services Administration of the United States Department of Health and Human Services.

Section 38. Subsection (3) of section 420.9073, Florida Statutes, is amended to read:

420.9073 Local housing distributions.—

(3) Calculation of guaranteed amounts:

(a) The guaranteed amount under subsection (1) shall be calculated for each state fiscal year by multiplying \$1 million ~~\$350,000~~ by a fraction, the numerator of which is the amount of funds distributed to the Local Government Housing Trust Fund pursuant to s. 201.15(4)(c) and the denominator of which is the total amount of funds distributed to the Local Government Housing Trust Fund pursuant to s. 201.15.

(b) The guaranteed amount under subsection (2) shall be calculated for each state fiscal year by multiplying \$1 million ~~\$350,000~~ by a fraction, the numerator of which is the amount of funds distributed to the Local Government Housing Trust Fund pursuant to s. 201.15(4)(d) and the denominator of which is the total amount of funds distributed to the Local Government Housing Trust Fund pursuant to s. 201.15.

Section 39. Paragraph (n) of subsection (5) of section 420.9075, Florida Statutes, is amended, paragraph (o) is added to that subsection, and paragraph (b) of subsection (13) of that section is reenacted, to read:

420.9075 Local housing assistance plans; partnerships.—

(5) The following criteria apply to awards made to eligible

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sponsors or eligible persons for the purpose of providing eligible housing:

(n) Funds from the local housing distribution not used to meet the criteria established in paragraph (a), ~~or~~ paragraph (c), or paragraph (o) or not used for the administration of a local housing assistance plan must be used for housing production and finance activities, including, but not limited to, financing preconstruction activities or the purchase of existing units, providing rental housing, and providing home ownership training to prospective home buyers and owners of homes assisted through the local housing assistance plan.

1. Notwithstanding ~~the provisions of~~ paragraphs (a) and (c), program income as defined in s. 420.9071(26) may also be used to fund activities described in this paragraph.

2. When preconstruction due-diligence activities conducted as part of a preservation strategy show that preservation of the units is not feasible and will not result in the production of an eligible unit, such costs must ~~shall~~ be deemed a program expense rather than an administrative expense if such program expenses do not exceed 3 percent of the annual local housing distribution.

3. If both an award under the local housing assistance plan and federal low-income housing tax credits are used to assist a project and there is a conflict between the criteria prescribed in this subsection and the requirements of s. 42 of the Internal Revenue Code of 1986, as amended, the county or eligible municipality may resolve the conflict by giving precedence to the requirements of s. 42 of the Internal Revenue Code of 1986, as amended, in lieu of following the criteria prescribed in this

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subsection with the exception of paragraphs (a) and (g) of this subsection.

4. Each county and each eligible municipality may award funds as a grant for construction, rehabilitation, or repair as part of disaster recovery or emergency repairs or to remedy accessibility or health and safety deficiencies. Any other grants must be approved as part of the local housing assistance plan.

(o) Notwithstanding paragraphs (a) and (c), up to 25 percent of the funds made available in each county and eligible municipality from the local housing distribution may be used to preserve multifamily affordable rental housing funded through United States Department of Agriculture loans. These funds may be used to rehabilitate housing, extend affordability periods, or acquire or transfer properties in partnership with private organizations. This paragraph expires on June 30, 2032.

(13)

(b) If, as a result of its review of the annual report, the corporation determines that a county or eligible municipality has failed to implement a local housing incentive strategy, or, if applicable, a local housing incentive plan, it shall send a notice of termination of the local government's share of the local housing distribution by certified mail to the affected county or eligible municipality.

1. The notice must specify a date of termination of the funding if the affected county or eligible municipality does not implement the plan or strategy and provide for a local response. A county or eligible municipality shall respond to the corporation within 30 days after receipt of the notice of

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2727 termination.

2728 2. The corporation shall consider the local response that
 2729 extenuating circumstances precluded implementation and grant an
 2730 extension to the timeframe for implementation. Such an extension
 2731 shall be made in the form of an extension agreement that
 2732 provides a timeframe for implementation. The chief elected
 2733 official of a county or eligible municipality or his or her
 2734 designee shall have the authority to enter into the agreement on
 2735 behalf of the local government.

2736 3. If the county or the eligible municipality has not
 2737 implemented the incentive strategy or entered into an extension
 2738 agreement by the termination date specified in the notice, the
 2739 local housing distribution share terminates, and any uncommitted
 2740 local housing distribution funds held by the affected county or
 2741 eligible municipality in its local housing assistance trust fund
 2742 shall be transferred to the Local Government Housing Trust Fund
 2743 to the credit of the corporation to administer.

2744 4.a. If the affected local government fails to meet the
 2745 timeframes specified in the agreement, the corporation shall
 2746 terminate funds. The corporation shall send a notice of
 2747 termination of the local government's share of the local housing
 2748 distribution by certified mail to the affected local government.
 2749 The notice shall specify the termination date, and any
 2750 uncommitted funds held by the affected local government shall be
 2751 transferred to the Local Government Housing Trust Fund to the
 2752 credit of the corporation to administer.

2753 b. If the corporation terminates funds to a county, but an
 2754 eligible municipality receiving a local housing distribution
 2755 pursuant to an interlocal agreement maintains compliance with

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2756 program requirements, the corporation shall thereafter
 2757 distribute directly to the participating eligible municipality
 2758 its share calculated in the manner provided in ss. 420.9072 and
 2759 420.9073.

2760 c. Any county or eligible municipality whose local
 2761 distribution share has been terminated may subsequently elect to
 2762 receive directly its local distribution share by adopting the
 2763 ordinance, resolution, and local housing assistance plan in the
 2764 manner and according to the procedures provided in ss. 420.907-
 2765 420.9079.

2766 Section 40. Subsections (1), (2), and (5) of section
 2767 1001.451, Florida Statutes, are amended, and subsection (6) is
 2768 added to that section, to read:

2769 1001.451 Regional consortium service organizations.—In
 2770 order to provide a full range of programs to larger numbers of
 2771 students, minimize duplication of services, and encourage the
 2772 development of new programs and services:

2773 (1) School districts with 20,000 or fewer unweighted full-
 2774 time equivalent students, developmental research (laboratory)
 2775 schools established pursuant to s. 1002.32, and the Florida
 2776 School for the Deaf and the Blind may enter into cooperative
 2777 agreements to form a regional consortium service organization.
 2778 Each regional consortium service organization shall provide any,
 2779 ~~at a minimum, three~~ of the following services determined
 2780 necessary and appropriate by the board of directors:

- 2781 (a) Exceptional student education;
- 2782 (b) Safe schools support ~~teacher education centers;~~
- 2783 ~~environmental education;~~
- 2784 (c) State and federal grant procurement and coordination;

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2785 (d) Data services processing; health
 2786 (e) Insurance services;
 2787 (f) Risk management insurance;
 2788 (g) Professional learning;
 2789 (h) College, career, and workforce development;
 2790 (i) Business and operational services staff development;
 2791 (j) Purchasing; or
 2792 (k) Planning and accountability.
 2793 (2) (a) Each regional consortium service organization
 2794 composed that consists of four or more school districts is
 2795 eligible to receive, through the Department of Education,
 2796 subject to the funds provided in the General Appropriations Act,
 2797 an allocation incentive grant of \$150,000 ~~\$50,000~~ per school
 2798 district and eligible member to be used for the delivery of
 2799 services within the participating school districts. The
 2800 determination of services and use of such funds must ~~shall~~ be
 2801 established by the board of directors of the regional consortium
 2802 service organization. The funds must ~~shall~~ be distributed to
 2803 each regional consortium service organization no later than 30
 2804 days following the release of the funds to the department. Each
 2805 regional consortium service organization shall submit an annual
 2806 report to the department regarding the use of funds for
 2807 consortia services. Unexpended amounts in any fund in a
 2808 consortium's current year operating budget must be carried
 2809 forward and included as the balance forward for that fund in the
 2810 approved operating budget for the following year. Each regional
 2811 consortium service organization shall provide quarterly
 2812 financial reports to member districts.
 2813 (b) Member districts shall designate a district to serve as

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2814 a fiscal agent for contractual and reporting purposes. Such
 2815 fiscal agent district is entitled to reasonable compensation for
 2816 accounting and other services performed. The regional consortium
 2817 service organization shall retain all funds received from grants
 2818 or contracted services to cover indirect or administrative costs
 2819 associated with the provision of such services. The regional
 2820 consortium service organization board of directors shall
 2821 determine the products and services to be provided by the
 2822 consortium; however, in all contractual matters, the school
 2823 board of the fiscal agent district shall act on proposed actions
 2824 of the regional consortium service organization.
 2825 (c) The regional consortium service organization board of
 2826 directors shall recommend establishment of positions and
 2827 individuals for appointment to the fiscal agent district.
 2828 Personnel must be employed under the personnel policies of the
 2829 fiscal agent district and are deemed to be public employees of
 2830 the fiscal agent district. The regional consortium service
 2831 organization board of directors may recommend a salary schedule
 2832 and job descriptions specific to its personnel.
 2833 (d) The regional consortium service organization may
 2834 purchase or lease property and facilities essential for its
 2835 operations and is responsible for their maintenance and
 2836 associated overhead costs.
 2837 (e) If a regional consortium service organization is
 2838 dissolved, any revenue from the sale of assets must be
 2839 distributed among the member districts as determined by the
 2840 board of directors. Application for incentive grants shall be
 2841 made to the Commissioner of Education by July 30 of each year
 2842 for distribution to qualifying regional consortium service

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organizations by January 1 of the fiscal year.

(5) The board of directors of a regional consortium service organization may use various means to generate revenue in support of its activities, including, but not limited to, contracting for services to nonmember districts. The board of directors may acquire, enjoy, use, and dispose of patents, copyrights, and trademarks and any licenses and associated ~~other~~ rights or interests ~~thereunder or therein~~. Ownership of all such patents, copyrights, trademarks, licenses, and associated rights or interests ~~thereunder or therein~~ shall vest in the state, with the board of directors having full right of use and full right to retain associated ~~the~~ revenues ~~derived therefrom~~. Any funds realized from contracted services, patents, copyrights, trademarks, or licenses are ~~shall be~~ considered internal funds as provided in s. 1011.07. A fund balance must be established for maintaining or expanding services, facilities maintenance, terminal pay, and other liabilities ~~Such funds shall be used to support the organization's marketing and research and development activities in order to improve and increase services to its member districts.~~

(6) A regional consortium service organization is authorized to administer the Regional Consortia Service Organization Supplemental Services Program under s. 1001.4511.

Section 41. Section 1001.4511, Florida Statutes, is created to read:

1001.4511 Regional Consortia Service Organization Supplemental Services Program.—

(1) There is created the Regional Consortia Service Organization Supplemental Services Program to increase the

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ability of regional consortium service organizations under s. 1001.451 to provide programs and services to consortia members through cooperative agreements. Program funds may be used to supplement member needs related to transportation; district finance personnel services; property insurance, including property insurance obtained from any source; cybersecurity support; school safety; college, career, and workforce development; academic support; and behavior support within exceptional student education services.

(2) Each regional consortium service organization shall annually report to the President of the Senate and the Speaker of the House of Representatives the distribution of funds, including members awarded and services provided.

(3) Notwithstanding s. 216.301 and pursuant to s. 216.351, funds allocated for this purpose which are not disbursed by June 30 of the fiscal year in which the funds are allocated may be carried forward for up to 5 years after the effective date of the original appropriation.

Section 42. Section 1009.635, Florida Statutes, is created to read:

1009.635 Rural Incentive for Professional Educators Program.—

(1) ESTABLISHMENT.—The Rural Incentive for Professional Educators (RIPE) Program is established within the Department of Education to support the recruitment and retention of qualified instructional personnel in rural communities. The program shall provide financial assistance for the repayment of student loans for eligible participants who establish permanent residency and employment in rural areas of opportunity.

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(2) ELIGIBILITY.—An individual is eligible to participate in the RIPE Program if he or she does all of the following:

(a) Establishes permanent residency on or after July 1, 2026, in a rural area of opportunity as designated pursuant to s. 288.0656. The address on an individual's state-issued identification card or driver license is evidence of residence.

(b) Secures full-time employment as a teacher or administrator in a private school as defined in s. 1002.01, or as instructional or administrative personnel as those terms are defined in s. 1012.01(2) and (3), respectively, in the public school district located within the same rural area of opportunity as he or she resides.

(c) Holds an associate degree, bachelor's degree, postgraduate degree, or certificate from an accredited institution earned before establishing residency.

(d) Has an active student loan balance incurred for the completion of the qualifying degree or certificate.

(3) LOAN REPAYMENT.—Eligible participants may receive up to \$15,000 in total student loan repayment assistance over 5 years, disbursed in annual payments not to exceed \$3,000 per year. Payments must be made directly to the lender servicing the participant's student loan.

(4) AWARD DISTRIBUTION.—Before disbursement of an award, the department shall verify that the participant:

(a) Has maintained continuous employment with the school district in an instructional or administrative position;

(b) Has received a rating of effective or highly effective pursuant to s. 1012.34; and

(c) Has not been placed on probation, had his or her

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certificate suspended or revoked, or been placed on the disqualification list, pursuant to s. 1012.796.

(5) ADMINISTRATION.—The program shall be administered by the Office of Student Financial Assistance within the Department of Education, which shall:

(a) Develop application procedures requiring documentation, including proof of residency, verification of employment, official academic transcripts, and details of outstanding student loans; and

(b) Monitor compliance with program requirements.

(6) RULEMAKING.—The State Board of Education shall adopt rules no later than January 31, 2027, to administer this section.

Section 43. Subsection (3) of section 1013.62, Florida Statutes, is amended to read:

1013.62 Charter schools capital outlay funding.—

(3) If the school board levies the discretionary millage authorized in s. 1011.71(2), the department must ~~shall~~ use the following calculation methodology to determine the amount of revenue that a school district must distribute to each eligible charter school:

(a) Reduce the total discretionary millage revenue by the school district's annual debt service obligation incurred as of March 1, 2017, which has not been subsequently retired, and:

1. Beginning in the 2026-2027 fiscal year, for any district with an active project or an outstanding participation requirement balance, any amount of participation requirement pursuant to s. 1013.64(2)(a)8. that is being satisfied by revenues raised by the discretionary millage; or

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2959 2. For construction projects for which Special Facilities
 2960 Construction Account funding is sought beginning in the 2026-
 2961 2027 fiscal year, the value of 1 mill from the revenue generated
 2962 pursuant to s. 1013.64(2)(a)8.b.

2963 (b) Divide the school district's adjusted discretionary
 2964 millage revenue by the district's total capital outlay full-time
 2965 equivalent membership and the total number of full-time
 2966 equivalent students of each eligible charter school to determine
 2967 a capital outlay allocation per full-time equivalent student.

2968 (c) Multiply the capital outlay allocation per full-time
 2969 equivalent student by the total number of full-time equivalent
 2970 students of each eligible charter school to determine the
 2971 capital outlay allocation for each charter school.

2972 (d) If applicable, reduce the capital outlay allocation
 2973 identified in paragraph (c) by the total amount of state funds
 2974 allocated to each eligible charter school in subsection (2) to
 2975 determine the maximum calculated capital outlay allocation. The
 2976 amount of funds a school district must distribute to charter
 2977 schools shall be as follows:

2978 1. For fiscal year 2023-2024, the amount is 20 percent of
 2979 the amount calculated under this paragraph.

2980 2. For fiscal year 2024-2025, the amount is 40 percent of
 2981 the amount calculated under this paragraph.

2982 3. For fiscal year 2025-2026, the amount is 60 percent of
 2983 the amount calculated under this paragraph.

2984 4. For fiscal year 2026-2027, the amount is 80 percent of
 2985 the amount calculated under this paragraph.

2986 5. For fiscal year 2027-2028, and each fiscal year
 2987 thereafter, the amount is 100 percent of the amount calculated

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2988 under this paragraph.

2989 (e) School districts shall distribute capital outlay funds
 2990 to eligible charter schools no later than February 1 of each
 2991 year, as required by this subsection, based on the amount of
 2992 funds received by the district school board. School districts
 2993 shall distribute any remaining capital outlay funds, as required
 2994 by this subsection, upon the receipt of such funds until the
 2995 total amount calculated pursuant to this subsection is
 2996 distributed.

2997
 2998 By October 1 of each year, each school district shall certify to
 2999 the department the amount of debt service that ~~and participation~~
 3000 ~~requirement that complies with the requirement of paragraph (a)~~
 3001 ~~and~~ can be reduced from the total discretionary millage revenue.
 3002 Each school district shall also certify the amount of the
 3003 participation requirement that complies with paragraph (a) or
 3004 certify the value of 1 mill from revenue generated pursuant to
 3005 s. 1013.64(2)(a)8.b. that can be reduced from the total
 3006 discretionary millage revenue, as applicable. The Auditor
 3007 General shall verify compliance with the requirements of
 3008 paragraph (a) and s. 1011.71(2)(e) during scheduled operational
 3009 audits of school districts.

3010 Section 44. Paragraph (a) of subsection (2) of section
 3011 1013.64, Florida Statutes, is amended to read:

3012 1013.64 Funds for comprehensive educational plant needs;
 3013 construction cost maximums for school district capital
 3014 projects.—Allocations from the Public Education Capital Outlay
 3015 and Debt Service Trust Fund to the various boards for capital
 3016 outlay projects shall be determined as follows:

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(2) (a) The department shall establish, as a part of the Public Education Capital Outlay and Debt Service Trust Fund, a separate account, in an amount determined by the Legislature, to be known as the "Special Facility Construction Account." The Special Facility Construction Account shall be used to provide necessary construction funds to school districts which have urgent construction needs but which lack sufficient resources at present, and cannot reasonably anticipate sufficient resources within the period of the next 3 years, for these purposes from currently authorized sources of capital outlay revenue. A school district requesting funding from the Special Facility Construction Account shall submit one specific construction project, not to exceed one complete educational plant, to the Special Facility Construction Committee. A district may not receive funding for more than one approved project in any 3-year period ~~or while any portion of the district's participation requirement is outstanding~~. The first year of the 3-year period shall be the first year a district receives an appropriation. The department shall encourage a construction program that reduces the average size of schools in the district. The request must meet the following criteria to be considered by the committee:

1. The project must be deemed a critical need and must be recommended for funding by the Special Facility Construction Committee. Before developing construction plans for the proposed facility, the district school board must request a preapplication review by the Special Facility Construction Committee or a project review subcommittee convened by the chair of the committee to include two representatives of the

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department and two staff members from school districts not eligible to participate in the program. A school district may request a preapplication review at any time; however, if the district school board seeks inclusion in the department's next annual capital outlay legislative budget request, the preapplication review request must be made before February 1. Within 90 days after receiving the preapplication review request, the committee or subcommittee must meet in the school district to review the project proposal and existing facilities. To determine whether the proposed project is a critical need, the committee or subcommittee shall consider, at a minimum, the capacity of all existing facilities within the district as determined by the Florida Inventory of School Houses; the district's pattern of student growth; the district's existing and projected capital outlay full-time equivalent student enrollment as determined by the demographic, revenue, and education estimating conferences established in s. 216.136; the district's existing satisfactory student stations; the use of all existing district property and facilities; grade level configurations; and any other information that may affect the need for the proposed project.

2. The construction project must be recommended in the most recent survey or survey amendment cooperatively prepared by the district and the department, and approved by the department under the rules of the State Board of Education. If a district employs a consultant in the preparation of a survey or survey amendment, the consultant may not be employed by or receive compensation from a third party that designs or constructs a project recommended by the survey.

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3. The construction project must appear on the district's approved project priority list under the rules of the State Board of Education.

4. The district must have selected and had approved a site for the construction project in compliance with s. 1013.36 and the rules of the State Board of Education.

5. The district shall have developed a district school board adopted list of facilities that do not exceed the norm for net square feet occupancy requirements under the State Requirements for Educational Facilities, using all possible programmatic combinations for multiple use of space to obtain maximum daily use of all spaces within the facility under consideration.

6. Upon construction, the total cost per student station, including change orders, must not exceed the cost per student station as provided in subsection (6) unless approved by the Special Facility Construction Committee. At the discretion of the committee, costs that exceed the cost per student station for special facilities may include legal and administrative fees, the cost of site improvements or related offsite improvements, the cost of complying with public shelter and hurricane hardening requirements, cost overruns created by a disaster as defined in s. 252.34(2), costs of security enhancements approved by the school safety specialist, and unforeseeable circumstances beyond the district's control.

7. There shall be an agreement signed by the district school board stating that it will advertise for bids within 30 days of receipt of its encumbrance authorization from the department.

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8.a.(I) For construction projects for which Special Facilities Construction Account funding is sought before the 2019-2020 fiscal year, the district shall, at the time of the request and for a continuing period necessary to meet the district's participation requirement, levy the maximum millage against its nonexempt assessed property value as allowed in s. 1011.71(2) or shall raise an equivalent amount of revenue from the school capital outlay surtax authorized under s. 212.055(6).

(II) Beginning with construction projects for which Special Facilities Construction Account funding is sought in the 2019-2020 fiscal year, the district shall, for a minimum of 3 years before submitting the request and for a continuing period necessary to meet its participation requirement, levy the maximum millage against the district's nonexempt assessed property value as authorized under s. 1011.71(2) or shall raise an equivalent amount of revenue from the school capital outlay surtax authorized under s. 212.055(6).

(III) Beginning with the 2026-2027 fiscal year, any district with an a-new-or active project or an outstanding participation requirement balance, funded under the provisions of this subsection, shall be required to budget no more than the value of 1 mill per year to the project until the district's participation requirement relating to the local discretionary capital improvement millage or the equivalent amount of revenue from the school capital outlay surtax is satisfied.

b. For construction projects for which Special Facilities Construction Account funding is sought beginning in the 2026-2027 fiscal year, the district shall, for a minimum of 3 years before submitting the request and for the initial year of the

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3133 appropriation and the 2 years following the initial
 3134 appropriation, levy the maximum millage against the district's
 3135 nonexempt assessed property value as authorized under s.
 3136 1011.71(2) or shall raise an equivalent amount of revenue from
 3137 the school capital outlay surtax authorized under s. 212.055(6).
 3138 The district is not required to budget the funds toward the
 3139 project, but must use the funds as authorized pursuant to s.
 3140 1011.71 or s. 212.055(6), as applicable.

3141 9. If a contract has not been signed 90 days after the
 3142 advertising of bids, the funding for the specific project must
 3143 ~~shall~~ revert to the Special Facility New Construction Account to
 3144 be reallocated to other projects on the list. However, an
 3145 additional 90 days may be granted by the commissioner.

3146 10. The department shall certify the inability of the
 3147 district to fund the survey-recommended project over a
 3148 continuous 3-year period using projected capital outlay revenue
 3149 derived from s. 9(d), Art. XII of the State Constitution, as
 3150 amended, paragraph (3)(a) of this section, and s. 1011.71(2).

3151 11.a. For projects funded before the 2026-2027 fiscal year,
 3152 the district shall have on file with the department an adopted
 3153 resolution acknowledging its commitment to satisfy its
 3154 participation requirement, which is equivalent to all
 3155 unencumbered and future revenue acquired from s. 9(d), Art. XII
 3156 of the State Constitution, as amended, paragraph (3)(a) of this
 3157 section, and s. 1011.71(2), in the year of the initial
 3158 appropriation and for the 2 years immediately following the
 3159 initial appropriation.

3160 b. For projects funded during the 2026-2027 fiscal year,
 3161 and thereafter, the district shall have on file with the

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3162 department an adopted resolution acknowledging its commitment to
 3163 comply with the requirements of this paragraph.

3164 12. Phase I plans must be approved by the district school
 3165 board as being in compliance with the building and life safety
 3166 codes before June 1 of the year the application is made.

3167 Section 45. For the 2026-2027 fiscal year, the sum of \$1
 3168 million in recurring funds from the General Revenue Fund is
 3169 appropriated to the Florida Small Business Development Center
 3170 Network under s. 288.001, Florida Statutes, to expand services
 3171 in rural communities. The funds shall be allocated to the Office
 3172 of Rural Prosperity budget entity within the Department of
 3173 Commerce in the Special Categories-SBDCN Rural Services specific
 3174 appropriation category.

3175 Section 46. (1) For the 2026-2027 fiscal year, the sums of
 3176 \$1,827,591 in recurring funds and \$652,327 in nonrecurring funds
 3177 are appropriated from the General Revenue Fund to the Department
 3178 of Commerce.

3179 (2) The recurring general revenue funds shall be allocated
 3180 to the Office of Rural Prosperity budget entity in the following
 3181 specific appropriations categories: \$1,585,823 in Salaries and
 3182 Benefits, \$175,961 in Expenses, \$50,000 in Contracted Services,
 3183 \$10,000 in Operating Capital Outlay, and \$5,807 in Transfer to
 3184 the Department of Management Services/Statewide Human Resources
 3185 Contract.

3186 (3) The nonrecurring general revenue funds shall be
 3187 allocated to the Office of Rural Prosperity budget entity in the
 3188 following specific appropriations categories: \$92,327 in
 3189 Expenses and \$560,000 in Acquisition of Motor Vehicles.

3190 (4) The Department of Commerce is authorized to establish

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3191 17.00 full-time equivalent positions with associated salary rate
 3192 of 1,060,000 in the Office of Rural Prosperity for the purpose
 3193 of implementing this act. The following specific positions,
 3194 classifications, and pay plans are authorized: 1.00 Director of
 3195 General Operations, Class Code 9327, Pay Grade 940; 15.00
 3196 Government Analyst II, Class Code 2225, Pay Grade 026; and 1.00
 3197 Administrative Assistant II, Class Code 0712, Pay Grade 018.

3198 Section 47. For the 2026-2027 fiscal year, the recurring
 3199 sum of \$7 million from the General Revenue Fund is appropriated
 3200 to the Office of Rural Prosperity within the Department of
 3201 Commerce to implement the Renaissance Grants Program created by
 3202 s. 288.014, Florida Statutes. Funds may not be used by the state
 3203 for administrative costs.

3204 Section 48. For the 2026-2027 fiscal year, the recurring
 3205 sum of \$500,000 from the Grants and Donations Trust Fund within
 3206 the Department of Commerce is appropriated to the Office of
 3207 Rural Prosperity within the Department of Commerce to implement
 3208 the Public Infrastructure Smart Technology Grant Program created
 3209 by s. 288.0175, Florida Statutes.

3210 Section 49. For the 2026-2027 fiscal year, the sums of \$4
 3211 million in nonrecurring funds and \$1 million in recurring funds
 3212 from the General Revenue Fund are appropriated to the Office of
 3213 Rural Prosperity within the Department of Commerce to implement
 3214 the Rural Community Development Revolving Loan Fund under s.
 3215 288.065, Florida Statutes, as amended by this act.

3216 Section 50. For the 2026-2027 fiscal year, the sums of \$40
 3217 million in nonrecurring funds and \$5 million in recurring funds
 3218 from the General Revenue Fund are appropriated to the Office of
 3219 Rural Prosperity within the Department of Commerce to implement

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3220 the Rural Infrastructure Fund under s. 288.0655, Florida
 3221 Statutes, as amended by this act.

3222 Section 51. For the 2026-2027 fiscal year, the sum of
 3223 \$250,000 in recurring funds from the Grants and Donations Trust
 3224 Fund within the Department of Commerce is appropriated to the
 3225 Office of Rural Prosperity within the Department of Commerce to
 3226 implement s. 288.0657, Florida Statutes, as amended by this act.

3227 Section 52. For the 2026-2027 fiscal year, the sum of \$30
 3228 million in nonrecurring funds from the General Revenue Fund is
 3229 appropriated to the Florida Housing Finance Corporation to be
 3230 used to preserve affordable multifamily rental housing in rural
 3231 communities funded through United States Department of
 3232 Agriculture loans. The funds provided in this appropriation must
 3233 be used to issue competitive requests for applications for the
 3234 rehabilitation or acquisition of such properties to ensure
 3235 continued affordability. By October 1, 2027, the Florida Housing
 3236 Finance Corporation shall submit a report to the President of
 3237 the Senate and the Speaker of the House of Representatives on
 3238 projects funded pursuant to this section, which report must
 3239 include the number of units preserved and the financing
 3240 portfolio for each project.

3241 Section 53. For the 2026-2027 fiscal year, the sum of \$25
 3242 million in nonrecurring funds from the General Revenue Fund is
 3243 appropriated to the Department of Health for the purpose of
 3244 implementing the Rural Access to Primary and Preventive Care
 3245 Grant Program created under s. 381.403, Florida Statutes. Grant
 3246 funds shall be awarded over a 5-year period. Notwithstanding s.
 3247 216.301, Florida Statutes, and pursuant to s. 216.351, Florida
 3248 Statutes, the unexpended balance of funds appropriated pursuant

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to this section which is not disbursed by June 30 of the fiscal year in which funds are appropriated may be carried forward through the 2034-2035 fiscal year.

Section 54. For the 2026-2027 fiscal year, the sum of \$5 million in nonrecurring funds from the General Revenue Fund is appropriated to the Department of Health for the purpose of implementing the Stroke, Cardiac, and Obstetric Response and Education Grant Program under s. 381.9856, Florida Statutes. Notwithstanding s. 216.301, Florida Statutes, and pursuant to s. 216.351, Florida Statutes, the unexpended balance of funds appropriated pursuant to this section which is not disbursed by June 30 of the fiscal year in which funds are appropriated may be carried forward through the 2030-2031 fiscal year.

Section 55. For the 2026-2027 fiscal year, the sum of \$25 million in nonrecurring funds from the General Revenue Fund is appropriated to the Department of Health for the purpose of implementing the rural hospital capital improvement grant program under s. 395.6061, Florida Statutes.

Section 56. For the 2026-2027 fiscal year, the sums of \$186,729 in recurring funds from the General Revenue Fund and \$250,884 in recurring funds from the Medical Care Trust Fund are appropriated to the Agency for Health Care Administration to establish a Diagnosis-Related Grouping (DRG) reimbursement methodology for critical access hospitals, as defined in s. 408.07, Florida Statutes, for the purpose of providing inpatient reimbursement to such a hospital in amounts comparable to the reimbursement the hospital would receive for inpatient services from the federal Medicare program. The 2026-2027 fiscal year General Appropriations Act shall establish the DRG reimbursement

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methodology for critical access hospital inpatient services as directed in s. 409.905(5)(c), Florida Statutes. Health plans that participate in the Statewide Medicaid Managed Care program shall pass through the fee increase to providers in this appropriation.

Section 57. For the 2026-2027 fiscal year, the sums of \$7,487,068 in recurring funds from the General Revenue Fund and \$10,059,377 in recurring funds from the Medical Care Trust Fund are appropriated to the Agency for Health Care Administration to establish an Enhanced Ambulatory Patient Grouping (EAPG) reimbursement methodology for critical access hospitals, as defined in s. 408.07, Florida Statutes, for the purpose of providing outpatient reimbursement to such a hospital in amounts comparable to the reimbursement the hospital would receive for outpatient services from the federal Medicare program. The 2026-2027 fiscal year General Appropriations Act shall establish the EAPG reimbursement methodology for critical access hospital outpatient services as directed in s. 409.905(6)(b), Florida Statutes. Health plans that participate in the Statewide Medicaid Managed Care program shall pass through the fee increase to providers in this appropriation.

Section 58. For the 2026-2027 fiscal year, the sum of \$3.6 million in recurring funds from the General Revenue Fund is appropriated to the Department of Education to implement s. 1001.451, Florida Statutes, as amended by this act.

Section 59. For the 2026-2027 fiscal year, the sum of \$25 million in recurring funds is appropriated from the General Revenue Fund to the Department of Education to be distributed to regional consortium service organizations under s. 1001.451,

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Florida Statutes, in order to provide funds pursuant to s. 1001.4511, Florida Statutes. These funds shall be allocated as follows: \$5,555,149 to the Heartland Educational Consortium; \$11,912,923 to the North East Florida Educational Consortium; and \$7,531,928 to the Panhandle Area Educational Consortium. The funds must be distributed to each regional consortium service organization no later than 30 days following the release of the funds to the department.

Section 60. For the 2026-2027 fiscal year, the sum of \$7 million in recurring funds from the General Revenue Fund is appropriated to the Department of Education to implement the Rural Incentive for Professional Educators (RIPE) Program, s. 1009.635, Florida Statutes, as created by this act.

Section 61. Subsection (3) of section 163.3187, Florida Statutes, is amended to read:

163.3187 Process for adoption of small scale comprehensive plan amendment.—

(3) If the small scale development amendment involves a site within a rural area of opportunity as defined under s. 288.0656 ~~s. 288.0656(2)(d)~~ for the duration of such designation, the acreage limit listed in subsection (1) must ~~shall~~ be increased by 100 percent. The local government approving the small scale plan amendment shall certify to the state land planning agency that the plan amendment furthers the economic objectives set forth in the executive order issued under s. 288.0656(7), and the property subject to the plan amendment shall undergo public review to ensure that all concurrency requirements and federal, state, and local environmental permit requirements are met.

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Section 62. Section 212.205, Florida Statutes, is amended to read:

212.205 Sales tax distribution reporting.—By March 15 of each year, each person who received a distribution pursuant to s. 212.20(6)(d)7.b. and c. ~~s. 212.20(6)(d)6.b. and c.~~ in the preceding calendar year shall report to the Office of Economic and Demographic Research the following information:

(1) An itemized accounting of all expenditures of the funds distributed in the preceding calendar year, including amounts spent on debt service.

(2) A statement indicating what portion of the distributed funds have been pledged for debt service.

(3) The original principal amount and current debt service schedule of any bonds or other borrowing for which the distributed funds have been pledged for debt service.

Section 63. Section 257.191, Florida Statutes, is amended to read:

257.191 Construction grants.—The Division of Library and Information Services may accept and administer library construction moneys appropriated to it and shall allocate such appropriation to municipal, county, and regional libraries in the form of library construction grants on a matching basis. The local matching portion shall be no less than the grant amount, on a dollar-for-dollar basis, up to the maximum grant amount, unless the matching requirement is waived pursuant to s. 288.019 ~~by s. 288.06561~~. Initiation of a library construction project 12 months or less prior to the grant award under this section does ~~shall~~ not affect the eligibility of an applicant to receive a library construction grant. The division shall adopt rules for

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the administration of library construction grants. For the purposes of this section, s. 257.21 does not apply.

Section 64. Subsection (2) of section 257.193, Florida Statutes, is amended to read:

257.193 Community Libraries in Caring Program.—

(2) The purpose of the Community Libraries in Caring Program is to assist libraries in rural communities, as defined in s. 288.0656(2) and subject to the provisions of s. 288.019 ~~s. 288.0656~~, to strengthen their collections and services, improve literacy in their communities, and improve the economic viability of their communities.

Section 65. Subsection (17) of section 265.283, Florida Statutes, is amended to read:

265.283 Definitions.—The following definitions shall apply to ss. 265.281-265.703:

(17) "Underserved arts community assistance program grants" means grants used by qualified organizations under the Rural Economic Development Initiative, pursuant to s. 288.0656 and subject to s. 288.019 ~~ss. 288.0656 and 288.0656~~, for the purpose of economic and organizational development for underserved cultural organizations.

Section 66. Paragraphs (a) and (d) of subsection (3) of section 288.11621, Florida Statutes, are amended to read:

288.11621 Spring training baseball franchises.—

(3) USE OF FUNDS.—

(a) A certified applicant may use funds provided under s. 212.20(6)(d)7.b. ~~s. 212.20(6)(d)6.b.~~ only to:

1. Serve the public purpose of acquiring, constructing, reconstructing, or renovating a facility for a spring training

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franchise.

2. Pay or pledge for the payment of debt service on, or to fund debt service reserve funds, arbitrage rebate obligations, or other amounts payable with respect thereto, bonds issued for the acquisition, construction, reconstruction, or renovation of such facility, or for the reimbursement of such costs or the refinancing of bonds issued for such purposes.

3. Assist in the relocation of a spring training franchise from one unit of local government to another only if the governing board of the current host local government by a majority vote agrees to relocation.

(d)1. All certified applicants must place unexpended state funds received pursuant to s. 212.20(6)(d)7.b. ~~s. 212.20(6)(d)6.b.~~ in a trust fund or separate account for use only as authorized in this section.

2. A certified applicant may request that the Department of Revenue suspend further distributions of state funds made available under s. 212.20(6)(d)7.b. ~~s. 212.20(6)(d)6.b.~~ for 12 months after expiration of an existing agreement with a spring training franchise to provide the certified applicant with an opportunity to enter into a new agreement with a spring training franchise, at which time the distributions shall resume.

3. The expenditure of state funds distributed to an applicant certified before July 1, 2010, must begin within 48 months after the initial receipt of the state funds. In addition, the construction of, or capital improvements to, a spring training facility must be completed within 24 months after the project's commencement.

Section 67. Paragraph (c) of subsection (2) and paragraphs

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3423 (a), (c), and (d) of subsection (3) of section 288.11631,
 3424 Florida Statutes, are amended to read:
 3425 288.11631 Retention of Major League Baseball spring
 3426 training baseball franchises.—
 3427 (2) CERTIFICATION PROCESS.—
 3428 (c) Each applicant certified on or after July 1, 2013,
 3429 shall enter into an agreement with the department which:
 3430 1. Specifies the amount of the state incentive funding to
 3431 be distributed. The amount of state incentive funding per
 3432 certified applicant may not exceed \$20 million. However, if a
 3433 certified applicant's facility is used by more than one spring
 3434 training franchise, the maximum amount may not exceed \$50
 3435 million, and the Department of Revenue shall make distributions
 3436 to the applicant pursuant to s. 212.20(6)(d)7.c. ~~s.~~
 3437 ~~212.20(6)(d)6.e.~~
 3438 2. States the criteria that the certified applicant must
 3439 meet in order to remain certified. These criteria must include a
 3440 provision stating that the spring training franchise must
 3441 reimburse the state for any funds received if the franchise does
 3442 not comply with the terms of the contract. If bonds were issued
 3443 to construct or renovate a facility for a spring training
 3444 franchise, the required reimbursement must be equal to the total
 3445 amount of state distributions expected to be paid from the date
 3446 the franchise violates the agreement with the applicant through
 3447 the final maturity of the bonds.
 3448 3. States that the certified applicant is subject to
 3449 decertification if the certified applicant fails to comply with
 3450 this section or the agreement.
 3451 4. States that the department may recover state incentive

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3452 funds if the certified applicant is decertified.
 3453 5. Specifies the information that the certified applicant
 3454 must report to the department.
 3455 6. Includes any provision deemed prudent by the department.
 3456 (3) USE OF FUNDS.—
 3457 (a) A certified applicant may use funds provided under s.
 3458 212.20(6)(d)7.c. ~~s. 212.20(6)(d)6.e.~~ only to:
 3459 1. Serve the public purpose of constructing or renovating a
 3460 facility for a spring training franchise.
 3461 2. Pay or pledge for the payment of debt service on, or to
 3462 fund debt service reserve funds, arbitrage rebate obligations,
 3463 or other amounts payable with respect thereto, bonds issued for
 3464 the construction or renovation of such facility, or for the
 3465 reimbursement of such costs or the refinancing of bonds issued
 3466 for such purposes.
 3467 (c) The Department of Revenue may not distribute funds
 3468 under s. 212.20(6)(d)7.c. ~~s. 212.20(6)(d)6.e.~~ until July 1,
 3469 2016. Further, the Department of Revenue may not distribute
 3470 funds to an applicant certified on or after July 1, 2013, until
 3471 it receives notice from the department that:
 3472 1. The certified applicant has encumbered funds under
 3473 either subparagraph (a)1. or subparagraph (a)2.; and
 3474 2. If applicable, any existing agreement with a spring
 3475 training franchise for the use of a facility has expired.
 3476 (d)1. All certified applicants shall place unexpended state
 3477 funds received pursuant to s. 212.20(6)(d)7.c. ~~s.~~
 3478 ~~212.20(6)(d)6.e.~~ in a trust fund or separate account for use
 3479 only as authorized in this section.
 3480 2. A certified applicant may request that the department

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3481 notify the Department of Revenue to suspend further
 3482 distributions of state funds made available under s.
 3483 212.20(6)(d)7.c. s. 212.20(6)(d)6.e. for 12 months after
 3484 expiration of an existing agreement with a spring training
 3485 franchise to provide the certified applicant with an opportunity
 3486 to enter into a new agreement with a spring training franchise,
 3487 at which time the distributions shall resume.

3488 3. The expenditure of state funds distributed to an
 3489 applicant certified after July 1, 2013, must begin within 48
 3490 months after the initial receipt of the state funds. In
 3491 addition, the construction or renovation of a spring training
 3492 facility must be completed within 24 months after the project's
 3493 commencement.

3494 Section 68. Subsection (1) of section 443.191, Florida
 3495 Statutes, is amended to read:

3496 443.191 Unemployment Compensation Trust Fund; establishment
 3497 and control.—

3498 (1) There is established, as a separate trust fund apart
 3499 from all other public funds of this state, an Unemployment
 3500 Compensation Trust Fund, which shall be administered by the
 3501 Department of Commerce exclusively for the purposes of this
 3502 chapter. The fund must consist of:

3503 (a) All contributions and reimbursements collected under
 3504 this chapter;

3505 (b) Interest earned on any moneys in the fund;

3506 (c) Any property or securities acquired through the use of
 3507 moneys belonging to the fund;

3508 (d) All earnings of these properties or securities;

3509 (e) All money credited to this state's account in the

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3510 federal Unemployment Compensation Trust Fund under 42 U.S.C. s.
 3511 1103;

3512 (f) All money collected for penalties imposed pursuant to
 3513 s. 443.151(6)(a);

3514 (g) Advances on the amount in the federal Unemployment
 3515 Compensation Trust Fund credited to the state under 42 U.S.C. s.
 3516 1321, as requested by the Governor or the Governor's designee;
 3517 and

3518 (h) All money deposited in this account as a distribution
 3519 pursuant to s. 212.20(6)(d)7.e. s. 212.20(6)(d)6.e.

3520

3521 Except as otherwise provided in s. 443.1313(4), all moneys in
 3522 the fund must be mingled and undivided.

3523 Section 69. Section 571.26, Florida Statutes, is amended to
 3524 read:

3525 571.26 Florida Agricultural Promotional Campaign Trust
 3526 Fund.—There is hereby created the Florida Agricultural
 3527 Promotional Campaign Trust Fund within the Department of
 3528 Agriculture and Consumer Services to receive all moneys related
 3529 to the Florida Agricultural Promotional Campaign. Moneys
 3530 deposited in the trust fund shall be appropriated for the sole
 3531 purpose of implementing the Florida Agricultural Promotional
 3532 Campaign, except for money deposited in the trust fund pursuant
 3533 to s. 212.20(6)(d)7.e. s. 212.20(6)(d)6.e., which shall be held
 3534 separately and used solely for the purposes identified in s.
 3535 571.265.

3536 Section 70. Subsection (2) of section 571.265, Florida
 3537 Statutes, is amended to read:

3538 571.265 Promotion of Florida thoroughbred breeding and of

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thoroughbred racing at Florida thoroughbred tracks; distribution of funds.—

(2) Funds deposited into the Florida Agricultural Promotional Campaign Trust Fund pursuant to s. 212.20(6)(d)7.e. ~~s. 212.20(6)(d)6.e.~~ shall be used by the department to encourage the agricultural activity of breeding thoroughbred racehorses in this state and to enhance thoroughbred racing conducted at thoroughbred tracks in this state as provided in this section. If the funds made available under this section are not fully used in any one fiscal year, any unused amounts shall be carried forward in the trust fund into future fiscal years and made available for distribution as provided in this section.

Section 71. For the purpose of incorporating the amendment made by this act to section 20.60, Florida Statutes, in a reference thereto, subsection (8) of section 288.9935, Florida Statutes, is reenacted to read:

288.9935 Microfinance Guarantee Program.—

(8) The department must, in the department's report required under s. 20.60(10), include an annual report on the program. The report must, at a minimum, provide:

(a) A comprehensive description of the program, including an evaluation of its application and guarantee activities, recommendations for change, and identification of any other state programs that overlap with the program;

(b) An assessment of the current availability of and access to credit for entrepreneurs and small businesses in this state;

(c) A summary of the financial and employment results of the entrepreneurs and small businesses receiving loan guarantees, including the number of full-time equivalent jobs

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created as a result of the guaranteed loans and the amount of wages paid to employees in the newly created jobs;

(d) Industry data about the borrowers, including the six-digit North American Industry Classification System (NAICS) code;

(e) The name and location of lenders that receive loan guarantees;

(f) The number of loan guarantee applications received;

(g) The number, duration, location, and amount of guarantees made;

(h) The number and amount of guaranteed loans outstanding, if any;

(i) The number and amount of guaranteed loans with payments overdue, if any;

(j) The number and amount of guaranteed loans in default, if any;

(k) The repayment history of the guaranteed loans made; and

(l) An evaluation of the program's ability to meet the financial performance measures and objectives specified in subsection (3).

Section 72. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, paragraph (c) of subsection (5) of section 125.0104, Florida Statutes, is reenacted to read:

125.0104 Tourist development tax; procedure for levying; authorized uses; referendum; enforcement.—

(5) AUTHORIZED USES OF REVENUE.—

(c) A county located adjacent to the Gulf of America or the Atlantic Ocean, except a county that receives revenue from taxes

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levied pursuant to s. 125.0108, which meets the following criteria may use up to 10 percent of the tax revenue received pursuant to this section to reimburse expenses incurred in providing public safety services, including emergency medical services as defined in s. 401.107(3), and law enforcement services, which are needed to address impacts related to increased tourism and visitors to an area. However, if taxes collected pursuant to this section are used to reimburse emergency medical services or public safety services for tourism or special events, the governing board of a county or municipality may not use such taxes to supplant the normal operating expenses of an emergency medical services department, a fire department, a sheriff's office, or a police department. To receive reimbursement, the county must:

1.a. Generate a minimum of \$10 million in annual proceeds from any tax, or any combination of taxes, authorized to be levied pursuant to this section;

b. Have at least three municipalities; and

c. Have an estimated population of less than 275,000, according to the most recent population estimate prepared pursuant to s. 186.901, excluding the inmate population; or

2. Be a fiscally constrained county as described in s. 218.67(1).

The board of county commissioners must by majority vote approve reimbursement made pursuant to this paragraph upon receipt of a recommendation from the tourist development council.

Section 73. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a

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reference thereto, subsection (3) of section 193.624, Florida Statutes, is reenacted to read:

193.624 Assessment of renewable energy source devices.—

(3) This section applies to the installation of a renewable energy source device installed on or after January 1, 2013, to new and existing residential real property. This section applies to a renewable energy source device installed on or after January 1, 2018, to all other real property, except when installed as part of a project planned for a location in a fiscally constrained county, as defined in s. 218.67(1), and for which an application for a comprehensive plan amendment or planned unit development zoning has been filed with the county on or before December 31, 2017.

Section 74. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, subsection (2) of section 196.182, Florida Statutes, is reenacted to read:

196.182 Exemption of renewable energy source devices.—

(2) The exemption provided in this section does not apply to a renewable energy source device that is installed as part of a project planned for a location in a fiscally constrained county, as defined in s. 218.67(1), and for which an application for a comprehensive plan amendment or planned unit development zoning has been filed with the county on or before December 31, 2017.

Section 75. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, subsection (1) of section 218.12, Florida Statutes, is reenacted to read:

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3655 218.12 Appropriations to offset reductions in ad valorem
3656 tax revenue in fiscally constrained counties.—

3657 (1) Beginning in fiscal year 2008-2009, the Legislature
3658 shall appropriate moneys to offset the reductions in ad valorem
3659 tax revenue experienced by fiscally constrained counties, as
3660 defined in s. 218.67(1), which occur as a direct result of the
3661 implementation of revisions of Art. VII of the State
3662 Constitution approved in the special election held on January
3663 29, 2008. The moneys appropriated for this purpose shall be
3664 distributed in January of each fiscal year among the fiscally
3665 constrained counties based on each county's proportion of the
3666 total reduction in ad valorem tax revenue resulting from the
3667 implementation of the revision.

3668 Section 76. For the purpose of incorporating the amendment
3669 made by this act to section 218.67, Florida Statutes, in a
3670 reference thereto, subsection (1) of section 218.125, Florida
3671 Statutes, is reenacted to read:

3672 218.125 Offset for tax loss associated with certain
3673 constitutional amendments affecting fiscally constrained
3674 counties.—

3675 (1) Beginning in the 2010-2011 fiscal year, the Legislature
3676 shall appropriate moneys to offset the reductions in ad valorem
3677 tax revenue experienced by fiscally constrained counties, as
3678 defined in s. 218.67(1), which occur as a direct result of the
3679 implementation of revisions of ss. 3(f) and 4(b), Art. VII of
3680 the State Constitution which were approved in the general
3681 election held in November 2008. The moneys appropriated for this
3682 purpose shall be distributed in January of each fiscal year
3683 among the fiscally constrained counties based on each county's

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3684 proportion of the total reduction in ad valorem tax revenue
3685 resulting from the implementation of the revisions.

3686 Section 77. For the purpose of incorporating the amendment
3687 made by this act to section 218.67, Florida Statutes, in a
3688 reference thereto, subsection (1) of section 218.135, Florida
3689 Statutes, is reenacted to read:

3690 218.135 Offset for tax loss associated with reductions in
3691 value of certain citrus fruit packing and processing equipment.—

3692 (1) For the 2018-2019 fiscal year, the Legislature shall
3693 appropriate moneys to offset the reductions in ad valorem tax
3694 revenue experienced by fiscally constrained counties, as defined
3695 in s. 218.67(1), which occur as a direct result of the
3696 implementation of s. 193.4516. The moneys appropriated for this
3697 purpose shall be distributed in January 2019 among the fiscally
3698 constrained counties based on each county's proportion of the
3699 total reduction in ad valorem tax revenue resulting from the
3700 implementation of s. 193.4516.

3701 Section 78. For the purpose of incorporating the amendment
3702 made by this act to section 218.67, Florida Statutes, in a
3703 reference thereto, subsection (1) of section 218.136, Florida
3704 Statutes, is reenacted to read:

3705 218.136 Offset for ad valorem revenue loss affecting
3706 fiscally constrained counties.—

3707 (1) Beginning in fiscal year 2025-2026, the Legislature
3708 shall appropriate moneys to offset the reductions in ad valorem
3709 tax revenue experienced by fiscally constrained counties, as
3710 defined in s. 218.67(1), which occur as a direct result of the
3711 implementation of revisions of s. 6(a), Art. VII of the State
3712 Constitution approved in the November 2024 general election. The

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moneys appropriated for this purpose shall be distributed in January of each fiscal year among the fiscally constrained counties based on each county's proportion of the total reduction in ad valorem tax revenue resulting from the implementation of the revision of s. 6(a), Art. VII of the State Constitution.

Section 79. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, paragraph (cc) of subsection (2) of section 252.35, Florida Statutes, is reenacted to read:

252.35 Emergency management powers; Division of Emergency Management.—

(2) The division is responsible for carrying out the provisions of ss. 252.31-252.90. In performing its duties, the division shall:

(cc) Administer a revolving loan program for local government hazard mitigation projects.

Section 80. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, subsection (4) of section 288.102, Florida Statutes, is reenacted to read:

288.102 Supply Chain Innovation Grant Program.—

(4) A minimum of a one-to-one match of nonstate resources, including local, federal, or private funds, to the state contribution is required. An award may not be made for a project that is receiving or using state funding from another state source or statutory program, including tax credits. The one-to-one match requirement is waived for a public entity located in a fiscally constrained county as defined in s. 218.67(1).

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Section 81. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, paragraph (h) of subsection (16) of section 403.064, Florida Statutes, is reenacted to read:

403.064 Reuse of reclaimed water.—

(16) By November 1, 2021, domestic wastewater utilities that dispose of effluent, reclaimed water, or reuse water by surface water discharge shall submit to the department for review and approval a plan for eliminating nonbeneficial surface water discharge by January 1, 2032, subject to the requirements of this section. The plan must include the average gallons per day of effluent, reclaimed water, or reuse water that will no longer be discharged into surface waters and the date of such elimination, the average gallons per day of surface water discharge which will continue in accordance with the alternatives provided for in subparagraphs (a)2. and 3., and the level of treatment that the effluent, reclaimed water, or reuse water will receive before being discharged into a surface water by each alternative.

(h) This subsection does not apply to any of the following:

1. A domestic wastewater treatment facility that is located in a fiscally constrained county as described in s. 218.67(1).

2. A domestic wastewater treatment facility that is located in a municipality that is entirely within a rural area of opportunity as designated pursuant to s. 288.0656.

3. A domestic wastewater treatment facility that is located in a municipality that has less than \$10 million in total revenue, as determined by the municipality's most recent annual financial report submitted to the Department of Financial

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Services in accordance with s. 218.32.

4. A domestic wastewater treatment facility that is operated by an operator of a mobile home park as defined in s. 723.003 and has a permitted capacity of less than 300,000 gallons per day.

Section 82. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in references thereto, subsections (2) and (3) of section 589.08, Florida Statutes, are reenacted to read:

589.08 Land acquisition restrictions.—

(2) The Florida Forest Service may receive, hold the custody of, and exercise the control of any lands, and set aside into a separate, distinct and inviolable fund, any proceeds derived from the sales of the products of such lands, the use thereof in any manner, or the sale of such lands save the 25 percent of the proceeds to be paid into the State School Fund as provided by law. The Florida Forest Service may use and apply such funds for the acquisition, use, custody, management, development, or improvement of any lands vested in or subject to the control of the Florida Forest Service. After full payment has been made for the purchase of a state forest to the Federal Government or other grantor, 15 percent of the gross receipts from a state forest shall be paid to the fiscally constrained county or counties, as described in s. 218.67(1), in which it is located in proportion to the acreage located in each county for use by the county or counties for school purposes.

(3) The Florida Forest Service shall pay 15 percent of the gross receipts from the Goethe State Forest to each fiscally constrained county, as described in s. 218.67(1), in which a

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portion of the respective forest is located in proportion to the forest acreage located in such county. The funds must be equally divided between the board of county commissioners and the school board of each fiscally constrained county.

Section 83. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, paragraph (f) of subsection (1) of section 1011.62, Florida Statutes, is reenacted to read:

1011.62 Funds for operation of schools.—If the annual allocation from the Florida Education Finance Program to each district for operation of schools is not determined in the annual appropriations act or the substantive bill implementing the annual appropriations act, it shall be determined as follows:

(1) COMPUTATION OF THE BASE FLORIDA EDUCATION FINANCE PROGRAM.—The following procedure shall be followed in determining the base Florida Education Finance Program funds for each district:

(f) *Small district factor*.—An additional value per full-time equivalent student membership is provided to each school district with a full-time equivalent student membership of fewer than 20,000 full-time equivalent students which is in a fiscally constrained county as described in s. 218.67(1). The amount of the additional value shall be specified in the General Appropriations Act.

Section 84. For the purpose of incorporating the amendments made by this act to sections 218.67 and 339.2818, Florida Statutes, in references thereto, paragraph (c) of subsection (6) of section 403.0741, Florida Statutes, is reenacted to read:

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3829 403.0741 Grease waste removal and disposal.—

3830 (6) REGULATION BY LOCAL GOVERNMENTS.—

3831 (c) Fiscally constrained counties as described in s.

3832 218.67(1) and small counties as defined in s. 339.2818(2) may

3833 opt out of the requirements of this section.

3834 Section 85. For the purpose of incorporating the amendment

3835 made by this act to section 288.0656, Florida Statutes, in a

3836 reference thereto, paragraph (e) of subsection (7) of section

3837 163.3177, Florida Statutes, is reenacted to read:

3838 163.3177 Required and optional elements of comprehensive
3839 plan; studies and surveys.—

3840 (7)

3841 (e) This subsection does not confer the status of rural
3842 area of opportunity, or any of the rights or benefits derived
3843 from such status, on any land area not otherwise designated as
3844 such pursuant to s. 288.0656(7).

3845 Section 86. For the purpose of incorporating the amendment

3846 made by this act to section 288.9961, Florida Statutes, in a

3847 reference thereto, paragraph (a) of subsection (7) of section

3848 288.9962, Florida Statutes, is reenacted to read:

3849 288.9962 Broadband Opportunity Program.—

3850 (7) (a) In evaluating grant applications and awarding
3851 grants, the office must give priority to applications that:

3852 1. Offer broadband Internet service to important community
3853 institutions, including, but not limited to, libraries,
3854 educational institutions, public safety facilities, and health
3855 care facilities;

3856 2. Facilitate the use of telemedicine and electronic health
3857 records;

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3858 3. Serve economically distressed areas of this state, as
3859 measured by indices of unemployment, poverty, or population loss
3860 that are significantly greater than the statewide average;

3861 4. Provide for scalability to transmission speeds of at
3862 least 100 megabits per second download and 10 megabits per
3863 second upload;

3864 5. Include a component to actively promote the adoption of
3865 the newly available broadband Internet service in the community;

3866 6. Provide evidence of strong support for the project from
3867 citizens, government, businesses, and institutions in the
3868 community;

3869 7. Provide access to broadband Internet service to the
3870 greatest number of unserved households and businesses;

3871 8. Leverage greater amounts of funding for a project from
3872 private sources; or

3873 9. Demonstrate consistency with the strategic plan adopted
3874 under s. 288.9961.

3875 Section 87. For the purpose of incorporating the amendment
3876 made by this act to section 319.32, Florida Statutes, in a
3877 reference thereto, subsection (1) of section 215.211, Florida
3878 Statutes, is reenacted to read:

3879 215.211 Service charge; elimination or reduction for
3880 specified proceeds.—

3881 (1) Notwithstanding the provisions of s. 215.20(1) and
3882 former s. 215.20(3), the service charge provided in s. 215.20(1)
3883 and former s. 215.20(3), which is deducted from the proceeds of
3884 the taxes distributed under ss. 206.606(1), 207.026,
3885 212.0501(6), and 319.32(5), shall be eliminated beginning July
3886 1, 2000.

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3887 Section 88. For the purpose of incorporating the amendment
 3888 made by this act to section 339.68, Florida Statutes, in
 3889 references thereto, subsections (5) and (6) of section 339.66,
 3890 Florida Statutes, are reenacted to read:

3891 339.66 Upgrade of arterial highways with controlled access
 3892 facilities.—

3893 (5) Any existing applicable requirements relating to
 3894 department projects shall apply to projects undertaken by the
 3895 department pursuant to this section. The department shall take
 3896 into consideration the guidance and recommendations of any
 3897 previous studies or reports relevant to the projects authorized
 3898 by this section and ss. 339.67 and 339.68, including, but not
 3899 limited to, the task force reports prepared pursuant to chapter
 3900 2019-43, Laws of Florida.

3901 (6) Any existing applicable requirements relating to
 3902 turnpike projects apply to projects undertaken by the Turnpike
 3903 Enterprise pursuant to this section. The Turnpike Enterprise
 3904 shall take into consideration the guidance and recommendations
 3905 of any previous studies or reports relevant to the projects
 3906 authorized by this section and ss. 339.67 and 339.68, including,
 3907 but not limited to, the task force reports prepared pursuant to
 3908 chapter 2019-43, Laws of Florida, and with respect to any
 3909 extension of the Florida Turnpike from its northerly terminus in
 3910 Wildwood.

3911 Section 89. For the purpose of incorporating the amendment
 3912 made by this act to section 420.9073, Florida Statutes, in
 3913 references thereto, subsections (4) and (6) of section 420.9072,
 3914 Florida Statutes, are reenacted to read:

3915 420.9072 State Housing Initiatives Partnership Program.—The

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3916 State Housing Initiatives Partnership Program is created for the
 3917 purpose of providing funds to counties and eligible
 3918 municipalities as an incentive for the creation of local housing
 3919 partnerships, to expand production of and preserve affordable
 3920 housing, to further the housing element of the local government
 3921 comprehensive plan specific to affordable housing, and to
 3922 increase housing-related employment.

3923 (4) Moneys in the Local Government Housing Trust Fund shall
 3924 be distributed by the corporation to each approved county and
 3925 eligible municipality within the county as provided in s.
 3926 420.9073. Distributions shall be allocated to the participating
 3927 county and to each eligible municipality within the county
 3928 according to an interlocal agreement between the county
 3929 governing authority and the governing body of the eligible
 3930 municipality or, if there is no interlocal agreement, according
 3931 to population. The portion for each eligible municipality is
 3932 computed by multiplying the total moneys earmarked for a county
 3933 by a fraction, the numerator of which is the population of the
 3934 eligible municipality and the denominator of which is the total
 3935 population of the county. The remaining revenues shall be
 3936 distributed to the governing body of the county.

3937 (6) The moneys that otherwise would be distributed pursuant
 3938 to s. 420.9073 to a local government that does not meet the
 3939 program's requirements for receipts of such distributions shall
 3940 remain in the Local Government Housing Trust Fund to be
 3941 administered by the corporation.

3942 Section 90. For the purpose of incorporating the amendment
 3943 made by this act to section 420.9073, Florida Statutes, in a
 3944 reference thereto, paragraph (b) of subsection (7) of section

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420.9076, Florida Statutes, is reenacted to read:

420.9076 Adoption of affordable housing incentive strategies; committees.—

(7) The governing board of the county or the eligible municipality shall notify the corporation by certified mail of its adoption of an amendment of its local housing assistance plan to incorporate local housing incentive strategies. The notice must include a copy of the approved amended plan.

(b) If a county fails to timely adopt an amended local housing assistance plan to incorporate local housing incentive strategies but an eligible municipality receiving a local housing distribution pursuant to an interlocal agreement within the county does timely adopt an amended local housing assistance plan to incorporate local housing incentive strategies, the corporation, after issuance of a notice of termination, shall thereafter distribute directly to the participating eligible municipality its share calculated in the manner provided in s. 420.9073.

Section 91. For the purpose of incorporating the amendment made by this act to section 420.9073, Florida Statutes, in a reference thereto, subsection (2) of section 420.9079, Florida Statutes, is reenacted to read:

420.9079 Local Government Housing Trust Fund.—

(2) The corporation shall administer the fund exclusively for the purpose of implementing the programs described in ss. 420.907-420.9076 and this section. With the exception of monitoring the activities of counties and eligible municipalities to determine local compliance with program requirements, the corporation shall not receive appropriations

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from the fund for administrative or personnel costs. For the purpose of implementing the compliance monitoring provisions of s. 420.9075(9), the corporation may request a maximum of one-quarter of 1 percent of the annual appropriation per state fiscal year. When such funding is appropriated, the corporation shall deduct the amount appropriated prior to calculating the local housing distribution pursuant to ss. 420.9072 and 420.9073.

Section 92. This act shall take effect July 1, 2026.

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The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: SB 318

INTRODUCER: Senator Gaetz and others

SUBJECT: Educational Scholarship Programs

DATE: December 9, 2025

REVISED: _____

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Gray	Sadberry	AP	Pre-meeting

I. Summary:

SB 318 makes substantial changes to education choice and school funding programs to improve student tracking, ensure funding follows the student, enhance budget predictability, create consistency across scholarship programs, and incorporate recommendations made by the Auditor General.

To ensure funding stability, the bill moves the Family Empowerment Scholarship (FES) into a separate categorical within the Florida Education Finance Program (FEFP). The bill expands the use of the Educational Enrollment Stabilization Program to provide financial support for districts with changes in student enrollment and to ensure scholarships are funded for all eligible students. Additionally, scholarship payments to families will shift from quarterly to monthly, and families will be required to verify continued eligibility before each payment.

The bill standardizes processes across all scholarship programs by establishing fall and spring application windows, requiring a single application, and requiring documentation to verify enrollment status. The bill requires the Department of Education (DOE) to develop a standard withdrawal form for families leaving a public school to enroll in a scholarship program and to report on student mobility within the scholarship programs.

To address data accuracy, the bill requires additional documentation at the time of application, including residency verification and a birth certificate. The bill requires the DOE to cross-check applicants against public school enrollment records and to assign a student ID to all scholarship recipients to standardize data tracking. The DOE is required to implement a uniform reimbursement and invoicing process.

To enhance oversight, the bill requires an annual full-time equivalent (FTE) audit of scholarship programs by the Auditor General, with scholarship-funding organizations (SFOs) required to return any misallocated funds.

Finally, the bill requires the DOE, by December 1, 2026, to recommend to the Governor and Legislature ways to improve the efficient and effective implementation of the scholarship programs for implementation beginning with the 2028–2029 school year. The recommendations must, at a minimum, address program administration and cost options (including use of up to five SFOs), tax credit administration, SFO approval requirements, and a plan to ensure that background screening results for education providers screened through the Department of Children and Families are shared with the DOE.

The bill has both negative and positive indeterminate fiscal impacts relating to multiple provisions in the bill. **See Section V., Fiscal Impact Statement.**

The bill is effective July 1, 2026.

II. Present Situation:

The present situation for the relevant portions of the bill is discussed under the Effect of Proposed Changes of this bill analysis.

III. Effect of Proposed Changes:

Florida offers several scholarship programs that allow parents of an eligible student to register their child to attend a private school that may better serve the student’s particular needs, provide educational options for their student with a disability, or direct the education of their child. The three scholarship programs include:

- The Family Empowerment Scholarship (FES), which includes:
 - The Family Empowerment Scholarship for students attending a private school (FES-EO).
 - The Family Empowerment Scholarship for students with disabilities (FES-UA).¹
- The Florida Tax Credit (FTC) Scholarship Program,² for students attending a private school or for students in a personalized education program (PEP).³
- The Hope Scholarship Program (HSP).⁴

The Department of Education (DOE) and Commissioner of Education⁵ are tasked with implementation and oversight responsibilities. Florida’s scholarship programs are administered by scholarship funding organizations (SFOs) approved by the DOE.⁶

As of November 2025, a total of 560,935 students were funded in the scholarship program in the 2025-2026 school year:

- 307,993 students were funded through the FES-EO scholarship;
- 163,242 students were funded through the FES-UA scholarship;
- 7,560 students were funded through the FTC scholarship; and

¹ Section 1002.394, F.S.; *see also* Rule 6A-6.0952, F.A.C.

² Section 1002.395, F.S.; *see also* Rule 6A-6.0960, F.A.C.

³ Section 1002.395(2), F.S.

⁴ Section 1002.40, F.S.; *see also* Rule 6A-6.0951, F.A.C.

⁵ Section 1002.421, F.S.

⁶ *See* ss. 1002.394(11) and 1002.395(6) and (15), F.S.

- 84,140 students were funded through the PEP scholarship.⁷

State School Choice Scholarship Program Accountability and Oversight

Present Situation

Private School Eligibility and Obligations

Each scholarship program has unique requirements for private schools, but there are common criteria that each private school must meet in order to participate in any of the state's scholarship programs.⁸ All private schools in Florida may be sectarian or nonsectarian, must meet Florida's definition of a private school,⁹ be registered with the state, and be in compliance with all the requirements of a private school. A private school that participates in the scholarship program must also:

- Comply with 42 U.S.C. s. 2000d which prohibits excluding a person from participation in federally assisted programs on the grounds of race, color, or national origin.
- Notify the Department of Education (DOE) of its intent to participate in a scholarship program.
- Notify the DOE of any changes in the school's name, director, mailing address, or physical location within 15 days of the change.
- Provide the DOE or the scholarship funding organization (SFO) all required documentation for student registration and payment.
- Provide to the SFO the school's fee schedule.
- Annually complete and submit to the DOE a notarized scholarship compliance statement verifying compliance with background screening requirements.
- Demonstrate fiscal soundness in accordance with statutory requirements.
- Meet applicable state and local health, safety, and welfare laws, codes, and rules.
- Employ or contract with teachers that meet specified qualifications.
- Maintain a physical location in the state at which each student has regular and direct contact with teachers. Regular and direct contact with teachers may be satisfied for students enrolled in a PEP if students have regular and direct contact with teachers at the physical location at least two school days per week and the student learning plan addresses the remaining instructional time.
- Provide to parents information regarding the school's programs, services, classroom teacher qualifications, and a statement that a private school student with a disability does not have a right to all of the services that the student would receive if enrolled in a public school under the Individuals with Disabilities Education Act (IDEA).
- Provide the parent, at least on a quarterly basis, with a written report of the student's progress.
- Cooperate with a parent who wants a student to participate in Florida's statewide, standardized assessments.
- Adopt policies establishing standards of ethical conduct for educational support employees, instructional personnel, and school administrators.

⁷ Email, Florida Department of Education (Dec. 1, 2025) (on file with the Senate Committee on Appropriations).

⁸ Section 1002.421, F.S.

⁹ Section 1002.01(3), F.S.

- Not be owned or operated by a person or an entity domiciled in, owned by, or in any way controlled by a foreign country of concern or foreign principal, as identified in law.¹⁰

The DOE is required to annually verify the eligibility of private schools that meet the requirements of state law. The DOE must also provide a process for individuals to report violations of law regarding program participation, oversee compliance with health and fire safety requirements, and maintain a list of nationally norm-referenced tests identified for purposes of satisfying scholarship program assessment requirements.¹¹

The Commissioner of Education (commissioner) may deny, suspend, or revoke a private school's participation in a scholarship program if the private school does not comply with requirements in law, or is or has operated a school in a manner contrary to the health, safety, or welfare of the public.¹²

The commissioner may also permanently deny or revoke the authority of an owner, officer or director to establish or operate a private school in the state and include such individual on the disqualification list,¹³ if the commissioner decides that the owner, officer, or director is operating or has operated a school in a manner contrary to health, safety and welfare or operated a school that closed during the school year.¹⁴

Department of Education Enrollment Verification for the K-12 Scholarship Program

The DOE is required to notify all SFOs of the deadlines for submitting to the DOE the list of scholarship students deemed eligible by the SFO. The DOE is required to cross-check this list of scholarship students with the full-time equivalent membership survey data to avoid duplication and adjust payments to eligible nonprofit SFOs. When the Florida Education Finance Program (FEFP) is recalculated based on full-time equivalent student membership, the DOE must adjust the amount of state funds allocated to school districts through the FEFP based upon the results of the cross-check.¹⁵

To assist in this process, the DOE assigns a Florida Education Identifier (FLEID) to each student funded through the FEFP, including FES scholarship students.¹⁶ However, students enrolled in the FTC scholarship program are not assigned an FLEID.

Auditor General Report: Department of Education 2024-25 School Year Funding Accountability Challenges

During fiscal year (FY) 2025-2026, the Auditor General (AG) conducted an operational audit of the DOE's implementation of the state's K-12 scholarship program. The audit examined various aspects of the state's funding for the 2024-2025 school year, including accountability challenges

¹⁰ Section 1002.421(1), F.S.; *see also* Rule 6A-6.03315, F.A.C.

¹¹ Sections 1002.421(2), 1002.394(8)(a) and 1002.395(9)(e), F.S.

¹² Section 1002.421(3), F.S.

¹³ *See* s. 1001.10(4), F.S.

¹⁴ Section 1002.421(3), F.S.

¹⁵ Section 1002.394(8)(a)2. and 13., F.S.

¹⁶ Section 1008.386; *see also*, Rule 6A-1.00141, F.A.C.

faced and potential lessons learned.¹⁷ The AG's audit focused on several areas, including, but not limited to:

- Unexpected funding demand;
- Cross-checks; and
- Recoupment and withholding deficiencies¹⁸

For the unexpected funding demand, the AG noted when the Legislature passed the 2024-2025 fiscal year General Appropriations Act in March of 2024, the state projected 3.2 million unweighted and almost 3.5 million weighted FTE. However, per the Final Calculation of the FEFP, unweighted FTE and weighted FTE for the 2024-2025 school year was over 9,100 greater and nearly 45,000 greater, respectively, than projected, representing a significant unexpected draw on State education funding.¹⁹ Because the baseline funding amounts and FTE enrollment forecast were set in March with the FEFP First Calculation, while new and renewal FES program applications remained open through November 15, 2024, and April 30, 2024, respectively, the Legislature had to develop a budget using participation data that did not yet reflect full-year enrollment, which can result in FTE and funding estimates that differ substantially from actual enrollment.

For the cross-checking process, the AG noted several deficiencies and inconsistencies. Although the DOE had identified potential duplicate students enrolled in both the scholarship program and public school, the DOE relied on voluntary reporting through a survey sent to the parent or guardian of a matched student to potentially halt scholarship payments.²⁰ When a parent did not respond to the survey, the AG found that the DOE often took no action in halting scholarship payments.²¹ DOE's response to the AG report noted an update to the cross-checking process to include providing a list of potential scholarship students to with a request that district staff review the list and identify students who may be enrolled in district schools. For students who have been identified as enrolled in public school, funds are not released to the scholarship account until a student submits to the SFO a withdrawal form.²²

For the recoupment and withholding deficiencies, the AG noted the DOE was inconsistent in recouping and withholding funds from the SFOs when overpayments occurred. The DOE would either withhold or request repayment back from the SFOs but didn't document when remittances or withholds occurred and the amounts due back to the DOE.²³

Florida Tax Credit (FTC) Scholarship Application and Payment Process

For the FTC private school scholarship program, an SFO must establish a process for parents who reapply for an FTC scholarship to renew their student's scholarship. The renewal applications for the 2025-2026 school year and thereafter must provide for a renewal timeline

¹⁷ State of Florida Auditor General, *Operational Audit, Department of Education 2024-25 School Year Funding Accountability Challenges*, Report No. 2026-046, at 7 (Nov. 2025), available at https://flauditor.gov/pages/pdf_files/2026-046.pdf (last visited Dec. 4, 2025).

¹⁸ *Id.* at 9-11

¹⁹ *Id.* at 9-10.

²⁰ *Id.* at 10.

²¹ *Id.* at 10-11.

²² *Id.* at 23-24.

²³ *Id.* at 14-15.

beginning February 1 of the prior school year and ending April 30 of the prior school year. A student's renewal is contingent upon an eligible private school providing confirmation of admission and a confirmation by the parent that the scholarship is being renewed or declined by May 31. Parents of students applying for a new FTC scholarship may apply throughout the school year, and the date by which the scholarship is accepted or declined is set by the SFO.²⁴

For FTC scholarship students with a PEP scholarship, an SFO must establish a process for parents to apply for a new scholarship or renew an existing scholarship for the 2025-2026 school year. The process must require that renewals and new applications be made between February 1 and April 30 of the prior school year. The process must require that parents confirm the scholarship is being accepted, renewed, or declined, as appropriate, by May 31.²⁵

The following table displays the application deadlines for new and renewal scholarships:

Type of Application	Scholarship Program	Application Window	Parent must Accept or Decline by
NEW	FTC PEP	Feb 1-April 30	May 31
	FTC-Full-time Private	None	Date set by the SFO
RENEWAL	FTC PEP	Feb 1-April 30	May 31

Payment of the FTC scholarship by the SFO must be by funds transfer. The SFO must ensure that the parent has approved a funds transfer before any scholarship funds are deposited. If a scholarship student is attending an eligible private school full time, the initial payment must be made after the SFO's verification of admission acceptance, and subsequent payments must be made upon verification of continued enrollment and attendance at the eligible private school.²⁶

Family Empowerment Scholarship (FES) Application and Payment Process

For FES new scholarship applicants, the SFO must establish a process for, beginning with the 2025-2026 school year, parents to submit an application no earlier than February 1 of the prior school year until November 15. Applications received by the SFO after this date will be considered on a first-come-first-served basis for the following school year. The process must require that a parent confirm that the scholarship will be accepted or declined by December 15.²⁷ The SFO must verify to the DOE the student's eligibility to participate in the scholarship program at least 30 days before each payment. Upon receiving the verified list of eligible scholarship students, the DOE must release, from state funds only, funds to the SFO for deposit into the student's account in quarterly payments no later than September 1, November 1, February 1, and April 1 of each school year in which the scholarship is in force.²⁸

For FES renewal scholarship applicants, the SFO must establish a process for parents receiving a scholarship to renew their participation, beginning with the 2025-2026 school year, with a renewal timeline beginning February 1 and ending April 30 of the prior school year. Renewal must be contingent on confirmation of admission to an eligible private school, if applicable. The

²⁴ Section 1002.395(6)(d), F.S.

²⁵ Section 1002.395(7), F.S.

²⁶ Section 1002.395(11), F.S.

²⁷ Section 1002.394(11), F.S.

²⁸ Section 1002.394(12)(a), F.S.

process must require a parent to confirm by May 31 that the scholarship will be renewed or declined.²⁹ The SFO must verify the student's continued eligibility to participate in the scholarship program at least 30 days before each payment. Upon receiving the verified list of eligible scholarship students, the department must release funds, from state funds only, to the SFO for deposit into the student's account in quarterly payments no later than August 1, November 1, February 1, and April 1 of each school year in which the scholarship is in force.³⁰

The following table displays the application deadlines for new and renewal scholarships:

Type of Application	Scholarship Program	Application Window	Parent must Accept or Decline by
NEW	FES-EO and FES-UA	Feb 1 - Nov 15	December 15
RENEWAL	FES-EO and FES-UA	Feb 1-April 30	May 31

To maintain eligibility for the FES scholarship, a parent must sign an agreement with the SFO and annually submit a sworn compliance statement:

- Affirming that the student is enrolled in a program that meets regular school attendance requirements;
- Affirming that the program funds are used only for authorized purposes serving the student's educational needs; that any prepaid college plan or college savings plan funds will not be transferred; and that the parent will not receive a payment, refund, or rebate of any funds provided under this section; and
- Affirming that the parent is responsible for all eligible expenses in excess of the amount of the scholarship.³¹

Family Empowerment Scholarship and Florida Tax Credit Scholarship Funding

The FES award for students attending a private school (FES-EO) and the FES award for students with disabilities (FES-UA) are funded through the FEFP.

The FTC scholarship is funded with contributions to SFOs from taxpayers who receive a tax credit for use against their liability for corporate income tax, insurance premium tax, severance taxes on oil and gas production, self-accrued sales tax liabilities of direct pay permit holders or alcoholic beverage taxes on beer, wine, and spirits and rental or license fees.³² The tax credit is equal to 100 percent of the eligible contributions made.³³ Prior to the use of state funds for FES-EO scholarships, the SFO is required to exhaust the use of tax credit contributions to cover eligible FTC scholarships.³⁴

The FES-EO is funded through the FEFP with a scholarship awarded by the SFO.³⁵ An FES-EO scholarship award amount for a student to attend an eligible private school is calculated as 100

²⁹ Section 1002.394(10), F.S.

³⁰ Section 1002.394(12)(a), F.S.

³¹ Section 1002.394(10)(b), F.S.

³² Sections 1002.395(1) and (5) and 212.099(2), F.S.

³³ Sections 220.1875(1), 212.099(2), and 1002.395(5), F.S.

³⁴ Section 1002.394(12)(a), F.S.

³⁵ Section 1002.394(8)(a), (11)(a), (11)(b), and (12)(a), F.S.

percent of the school district's funding per student, including specified categorical funds.³⁶ The DOE must notify the SFO that scholarships may not be awarded in a school district in which the scholarship award will exceed 99 percent of the school district's share of the state FEFP funds as calculated by the DOE.³⁷

The FES-UA is funded through the FEFP with a scholarship awarded by a SFO.³⁸ The FES-UA scholarship award amount is determined based on the student's matrix level of service.³⁹ For a student who has a Level I to Level III matrix of services or a diagnosis by a physician or psychologist, a FES-UA scholarship award amount is calculated as 100 percent of the school districts funding per student in the basic exceptional student education (ESE) program, including specified categorical funds.⁴⁰ For a student who has a Level IV or Level V matrix of services a FES-UA scholarship award amount is calculated as 100 percent of the school districts' funding per student in the Level IV or Level V ESE program, including specified categorical funds.⁴¹

School District Obligations

By January 1 of each year, a school district must inform all households within the district receiving free or reduced-priced meals under the National School Lunch Act of their eligibility to apply to the DOE for an FES. The form of such notice must be provided by the DOE, and the school district must include the provided form in any normal correspondence with eligible households. Additionally, school districts, upon the request of the DOE, must coordinate with the DOE to provide to a participating private school the statewide assessments administered.⁴²

Effect of Proposed Changes

The bill shifts provisions from ss. 1002.394 and 1002.395, F.S., into s. 1002.421, F.S., and also establishes new scholarship requirements in that section. Accordingly, the bill amends s. 1002.421, F.S., to retitle the statute from "State school choice scholarship program accountability and oversight" to "State school choice scholarship programs."

³⁶ Section 1002.394(12)(a)1., F.S.; see also Step Up For Students, *Basic Scholarship Amounts for 2025-26*, available at <https://go.stepupforstudents.org/hubfs/Scholarship%20Info/FTC-FES-EO-PEP-Award-Amounts.pdf> (last visited Dec. 4, 2025). The categoricals included in this calculation are the Discretionary Millage Compression Supplement, the Educational Enrichment Allocation, and the State-Funded Discretionary Supplement. Section 1011.62(5), (7)(a), and (16), F.S.

³⁷ Section 1002.394(8)(a), F.S.

³⁸ Section 1002.394(8)(a), (11)(a), (11)(b), and (12)(a), F.S. The department must notify the SFO that scholarships may not be awarded in a school district in which the scholarship award will exceed 99 percent of the school district's share of the state FEFP funds as calculated by the department. Section 1002.394(8)(a), F.S.

³⁹ Florida Department of Education, *Matrix of Services Handbook 2017 Edition*, available at <https://www.fldoe.org/core/fileparse.php/7690/urlt/2017MatrixServices.pdf> (last visited Dec. 4, 2025).

⁴⁰ Section 1002.394(12)(b)2., F.S.; see also Step Up For Students, *Basic Scholarship Amounts for 2025-26*, available at <https://go.stepupforstudents.org/hubfs/Scholarship%20Info/FTC-FES-EO-PEP-Award-Amounts.pdf> (last visited Dec. 4, 2025). The FEFP categoricals included in this calculation are the Discretionary Millage Compression Supplement, the Educational Enrichment Allocation, the Exceptional Student Education Guaranteed Allocation, and the State-Funded Discretionary Supplement. Section 1011.62(5), (7)(a), (8), and (16), F.S.

⁴¹ Section 1002.394(12)(b)3., F.S.; see also Step Up For Students, *Basic Scholarship Amounts for 2025-26*, available at <https://go.stepupforstudents.org/hubfs/Scholarship%20Info/FTC-FES-EO-PEP-Award-Amounts.pdf> (last visited Dec. 4, 2025). The categoricals included in this calculation are the Discretionary Millage Compression Supplement, the Educational Enrichment Allocation, and the State-Funded Discretionary Supplement. Section 1011.62(5), (7)(a), and (16), F.S.

⁴² Section 1002.394(7), F.S.; see also s. 1002.395(10), F.S.

Current Provisions in Statute

The bill shifts all of the following provisions from ss. 1002.394 and 1002.395, F.S., into s. 1002.421, F.S.:

- Definitions.
- The prohibition on an SFO charging an application fee.
- How students are prioritized in the awarding of scholarships.
- The prohibition on a parent applying for multiple scholarships for an individual student at the same time.
- The requirement that an SFO may not restrict or reserve scholarships for use at a particular eligible private school or provide scholarships to a child of an owner or operator.
- The requirement that an SFO must notify each parent that participation in the scholarship program does not guarantee enrollment at an eligible private school.
- The requirement that an SFO may not further regulate, exercise control over, or require documentation beyond the requirements of the scholarship programs unless the regulation, control, or documentation is necessary for participation in the program.
- The requirement that the DOE notify an SFO of any of the SFO's identified students who were submitted for a scholarship from another SFO and from which SFO the student receives funding.
- The requirements related to SFOs maintaining separate accounts for each enrolled student and transferring maximum scholarship account balances.
- Current assessment requirements for students receiving a scholarship and the requirement that DOE maintain a list of nationally norm-referenced tests.
- Authorization for a private school to be sectarian or nonsectarian.
- Current background screening requirements for private schools and SFOs.
- DOE requirements to investigate any written complaint of a violation of scholarship program.
- DOE requirements to publish and update, as necessary, information on the website about the educational scholarship programs, including, but not limited to, student eligibility criteria, parental responsibilities, and relevant data.
- DOE requirements to coordinate with each organization to develop a process to collect input and feedback from parents, private schools, and providers before an organization may implement substantial modifications or enhancements to the reimbursement process.
- School district requirements related to administering the statewide assessment to students receive a scholarship and notification of available scholarships.

Scholarship Application Process

The bill requires an SFO to establish a single application process for both the FTC and FES programs, in a manner that creates an electronic record of the application, which must include the date the application was submitted, the date the application was approved or denied, and the date the scholarship was accepted or declined.

The bill requires an SFO to provide the parent with information on each scholarship program available which clearly outlines the eligibility requirements and authorized uses of funds for each program to enable the parent of a student to determine which program best fits the needs of each student.

To align with the Auditor General’s recommendation to reevaluate the timing of the scholarship program application windows,⁴³ the bill establishes two application approval windows each school year during which a parent of an eligible student, including renewal students,⁴⁴ may apply for an educational scholarship, except for PEP students who may only apply during the fall application window period. The windows are established as follows:

- The fall application window may not begin any earlier than February 1 of the preceding school year, and a parent initially applying for the fall term must affirmatively accept the scholarship between June 15 and July 15.
- The spring application window for the spring scholarship term must close no later than Nov. 15. A parent initially applying for the spring term must affirmatively accept the scholarship between October 15 and November 15.

A failure to accept the scholarship between the applicable approval window results in an automatic declination of the scholarship.

The bill allows students in foster care or out-of-home care, students who are eligible for the Hope Program, or a dependent child of a parent of a member of the United States Armed Forces to apply for a scholarship at any time, but clarifies that such students may only receive payments prospectively. Additionally, the Commissioner of Education may extend an application window for any eligible group of students due to extenuating circumstances that affect one or more regions of this state.

Enrollment Verification

The bill requires that the SFO must request from each student the following information:

- More than one form of proof of residency or proof that the student is the dependent of an active-duty member of the United States Armed Forces who has received permanent change of station orders to this state.
- A copy of the student's birth certificate.
- For a student that was enrolled in public school in the school year prior to participation in the scholarship program, proof that the parent submitted the standard withdrawal form to the public school at which the student was previously enrolled.
- The following documentation from the parent attesting that while the student receives scholarship payments, the student will be enrolled in and in compliance with the applicable attendance requirements:
 - A copy of the notice of a parent's intent to establish and maintain a home education program;
 - A personalized education program and a copy of the student learning plan that has been reviewed and verified by the SFO; or
 - A letter of admission or enrollment from an eligible private school for the school year in which the student is applying.
- If known, the student’s Florida student identification number if one has been assigned.

⁴³ State of Florida Auditor General, *Operational Audit, Department of Education 2024-25 School Year Funding Accountability Challenges*, Report No. 2026-046 at 17 (Nov. 2025), available at https://flauditor.gov/pages/pdf_files/2026-046.pdf (last visited Dec. 4, 2025).

⁴⁴ A “renewal student” is defined in the bill as a student who was eligible to receive and received a payment for the last installment in the school year immediately preceding the school year for which the student is applying for a scholarship.

If the student is a renewal student, the organization must:

- Require, by July 15, that each student, submit the norm-referenced assessment results.
- Receive documentation from the parent attesting that the student will continue to meet all eligibility requirements for the scholarship.
- Verify that all documents required for eligibility have been received and are on file.
- Verify that if the student lives out of state and is a dependent of an active duty member of the United States Armed Forces, receive documentation that the home of record or state of legal residence is Florida.

Cross-Check Process

The bill requires that the SFO submit to the DOE a list of verified eligible students and any information necessary for the department to conduct the following cross-check reviews by August 1, October 1, December 1, and March 1.

The bill requires the DOE to assign each student on a verified list submitted by an SFO a Florida Education Identifier (FLEID). Once a student is assigned an FLEID, the SFO must use that number for the reporting and tracking of all scholarship data.

To align with DOE's new process for cross-checking scholarship enrollment, the bill requires the DOE to send a list of the eligible students submitted by the SFO to the applicable school district. The school district must cross-check each student by FLEID number with its most recent student attendance records⁴⁵ and send the results, including any duplicates, to the DOE. For any student reported as a duplicate by a school district, the DOE must determine whether the student is prohibited from receiving a scholarship award. As part of the DOE's determination process, the DOE must require the SFO to suspend payments to the student's account and the use of funds in the student's account related to any period of time the student is ineligible.

Pre-Payment Verification

The bill requires that prior to the disbursement of each scholarship payment to families, the SFO must verify the student's continued eligibility based upon the requirements of the applicable student's scholarship program. For scholarship programs that require private school enrollment, the SFO must verify that the student is enrolled in and in attendance at an eligible participating private school. The bill clarifies that the SFO may not make any payment into a student's account upon notification that the student is enrolled in a public school until the SFO can verify the student's continued eligibility. An SFO is liable to the state for inappropriate payments and must reimburse the state for any amount of funds that were improperly awarded which cannot be recovered.

The bill also requires that prior to the receipt of each scholarship payment, a parent of the student must attest that the student is not enrolled full-time in a public school and is enrolled in and in attendance unless excused for illness or other good cause at:

- A home education program;
- A personalized education program; or
- An eligible private school.

⁴⁵ Section 1003.23, F.S., requires all school districts to maintain attendance records for each school day.

The bill authorizes a private school to provide the attestation on behalf of the parent by attesting that the student is enrolled in and in attendance at the private school. The private school and the SFO must maintain records of parental authorization, and such authorization must be renewed each school year. An improper attestation may be investigated as fraud and the private school may be liable to the state and, if found liable, must reimburse the state for funds improperly paid to the private school.

Scholarship Award Amounts and Payment Schedule

The bill requires that the calculated scholarship program award amounts must be the amounts provided in the General Appropriations Act (GAA), which are based upon the amounts by basic program and program for exceptional students under the FEFP. This amount will be adjusted annually based upon the value of the percentage change increase in per student funding at the state level for public school districts as provided in the GAA.

The calculated scholarship amount for a student determined eligible for an FES-EO and FTC scholarship will be based upon the student's current grade level and county of residence. The calculated scholarship amount for a student determined eligible for an FES-UA scholarship will be based upon the student's current grade level, exceptional student program, and county of residence.

The bill changes scholarship disbursements to families from quarterly payments to ten equal installments and requires the payments be made in accordance with the prepayment verification process. For a renewal student receiving a scholarship award and whose funds are applied to tuition at an eligible private school that has agreed to attest to the student's attendance the SFO may make the first payment no earlier than August 15 and the second payment no earlier than September 15. For all other students receiving scholarship awards, the SFO may make the first payment no earlier than September 15, with the first payment including two installments. Each subsequent payment must be made no later than October 15, November 15, December 15, January 15, February 15, March 15, April 15, and May 15 of each school year in which the scholarship is in force.

DOE Obligations

The bill requires the DOE to investigate fraudulent activity and if the commissioner has reason to believe that an SFO, a private school, or a recipient has engaged in, or is engaging in, a fraudulent act, the commissioner is required to investigate and determine whether any fraud or overpayment has occurred. During the investigation, the DOE may examine all records and make inquiry of persons who may have knowledge as to any irregularity incidental to the disbursement of state funds or other items or benefit authorizations to scholarship recipients. Based on the results of the investigation, the DOE may refer the investigation to the Department of Financial Services for criminal investigation. Any suspected criminal violation identified by the DOE must be referred to the Department of Financial Services for criminal investigation. A person who commits an act of fraud is subject to the penalties provided in s. 414.39(5), F.S.⁴⁶

⁴⁶ Section 414.39 (5), F.S., establishes penalties for fraud that vary according to the value of the fraud committed.

The bill requires the DOE to develop a standard withdrawal form for parents who are withdrawing from public school to enroll in a scholarship program. The form must include the student's FLEID number, student's full name, student's date of birth, school or program from which the student is withdrawing, and date of withdrawal. The bill also requires the DOE to annually report on the number of students withdrawing from each scholarship program and enrolling in a public school, and the number of students withdrawing from a public school and enrolling in a scholarship program, by scholarship type.

The bill requires the DOE, in consultation with the SFOs, to develop a uniform reimbursement process that the SFO must use when processing reimbursement requests, including invoices. The SFO must process a reimbursement request within 30 days of receipt of such request.

Finally, the bill creates an undesignated section of law that requires the DOE, no later than December 1, 2026, to provide recommendations to the Governor, the President of the Senate, and the Speaker of the House of Representatives to improve the efficiency and effectiveness of the implementation of the scholarship programs for implementation beginning in the 2028-2029 school year. At a minimum, the DOE must provide recommendations which include the following scholarship program components:

- The costs to contract with SFOs, not to exceed five SFOs, or to administer the scholarship program wholly or partly within the DOE, school districts, or educational consortiums including, but not limited to, costs associated with:
 - The scholarship application process.
 - The scholarship enrollment and verification.
 - The scholarship payment and reimbursement process and the scholarship account requirements
 - Communicating with parents regarding the different scholarship programs and how to apply to a scholarship program and assisting parents with additional scholarship-related questions and issues.
 - A reasonable administration fee by various program component.
- The administration of the scholarship-funding tax credits program.
- The requirements to be an approved scholarship-funding organization.
- A plan to ensure that the results from required background screening for education providers who are licensed or who are exempt from licensure through the Department of Children and Families are shared with the DOE.

School District Obligations

The bill requires a school district, upon the request of a parent, to provide the parent of a student enrolled in a school within the school district the standard withdrawal form developed by the DOE. The school district must sign a completed form within 10 days of receipt. The school district must also publish the withdrawal form on its website in a downloadable format.

The bill amends s.1003.485, F.S., to conform a cross reference changed in the bill.

Authorized Uses of FTC and FES Scholarships

Present Situation

Florida Tax Credit Scholarship Authorized Uses

Authorized uses of Florida Tax Credit (FTC) scholarship funds include:

- Tuition and fees for enrollment in an eligible private school.⁴⁷
- Instructional materials, including digital materials and Internet resources.
- Curriculum, which is a complete course of study for a particular content area or grade level, including any required supplemental materials and associated online instruction.
- Tuition and fees associated with full- or part-time enrollment in a home education instructional program, an eligible postsecondary educational institution or a program offered by such institution, an approved preapprenticeship program, a private tutoring program, a virtual program offered by a Department of Education (DOE)-approved private online provider, the Florida Virtual School (FLVS) as a private paying student, or an approved online course.
- Fees for nationally standardized, norm-referenced achievement tests, Advanced Placement (AP) examinations, industry certification examinations, assessments related to postsecondary education, or other assessments.
- Contracted services provided by a public school or school district, including classes. A student who receives services under a contract is not considered enrolled in a public school for scholarship eligibility purposes but rather attending a public school on a part-time basis.
- Tuition and fees for part-time tutoring services or fees for services by a choice navigator.⁴⁸

Family Empowerment Scholarships – Authorized Uses

Authorized uses of the Florida Empowerment Scholarship for students attending a private school (FES-EO) in an education savings account include:

- Tuition and fees at an eligible private school.
- Instructional materials, including digital materials and Internet resources.
- Curriculum, which is a complete course of study for a particular content area or grade level, including any required supplemental materials and associated online instruction.
- Tuition and fees associated with full-time or part-time enrollment in an eligible postsecondary educational institution or a program offered by the postsecondary educational institution, an approved preapprenticeship program, a private tutoring program, a virtual program offered by a department-approved private online provider, the FLVS as a private paying student, or an approved online course.
- Fees for nationally standardized, norm-referenced achievement tests, AP examinations, industry certification examinations, assessments related to postsecondary education, or other assessments.
- Contracted services provided by a public school or school district, including classes. A student who receives services under a contract is not considered enrolled in a public school for scholarship eligibility purposes but rather attending a public school on a part-time basis.

⁴⁷ Students enrolled in the PEP program may only use funds to enroll in a private school that meets regular and direct contact with teachers, if students have regular and direct contact with teachers at the physical location at least two school days per week and the student learning plan addresses the remaining instructional time.

⁴⁸ Section 1002.395(6)(d), F.S.

- Tuition and fees for part-time tutoring services or fees for services by a choice navigator.⁴⁹

A Family Empowerment Scholarship for students with disabilities (FES-UA) for an eligible student with a disability may be used to cover the following expenses:

- Instructional materials, including digital devices, digital periphery devices, and assistive technology devices and training on the use of and maintenance agreements for these devices.
- Curriculum, including any required supplemental materials and associated online instruction.
- Specialized services by approved providers or by a hospital in this state, which may include, but are not limited to, applied behavior analysis services, services provided by speech-language pathologists, occupational therapy services, services provided by physical therapists, or services provided by listening and spoken language specialists.
- Tuition or fees associated with full-time or part-time enrollment in a home education program; an eligible private school; an eligible postsecondary educational institution or a program offered by the postsecondary educational institution; an approved preapprenticeship program; a private tutoring program authorized; a virtual program offered by an approved private online provider; the FLVS as a private paying student; or an approved online course.
- Fees for nationally standardized, norm-referenced achievement tests, AP examinations, industry certification examinations, assessments related to postsecondary education, or other assessments.
- Contributions to the Stanley G. Tate Florida Prepaid College Program or the Florida College Savings Program for the benefit of the eligible student.
- Contracted services provided by a public school or school district, including classes.⁵⁰
- Tuition and fees for part-time tutoring services or fees for services provided by a choice navigator.
- Fees for specialized summer education programs or specialized after-school education programs.
- Transition services provided by job coaches.
- Fees for a home education student's annual evaluation of educational progress by a state-certified teacher.
- Tuition and fees for a voluntary prekindergarten (VPK) program or school readiness program offered by an eligible provider.
- Fees for services provided at a center that is a member of the Professional Association of Therapeutic Horsemanship International.
- Fees for services provided by a therapist who is certified by the Certification Board for Music Therapists or credentialed by the Art Therapy Credentials Board, Inc.⁵¹

Career and Technical Student Organizations

Career and technical student organizations (CTE student organizations) are a key component of Florida's plan under Perkins V to strengthen the employability skills of students.⁵² A CTE

⁴⁹ Section 1002.394(4)(a), F.S.

⁵⁰ While contracted services are considered part-time enrollment, a student who receives services under such a contract is not considered enrolled in a public school for scholarship eligibility purposes.

⁵¹ Section 1002.394(4)(b), F.S.

⁵² Florida Department of Education, *Perkins V: Florida's State Plan for the Strengthening Career and Technical Education For the 21st Century Act (Perkins V)* at 28, available at <https://www.fldoe.org/core/fileparse.php/18815/urlt/FloridaStatePlanPerkinsV.pdf> (last visited Dec. 4, 2025).

student organization is an organization for students enrolled in a CTE program that engages in CTE activities as an integral part of the instructional program.⁵³ These organizations are aligned with a respective career cluster and provide a unique program of career and leadership development, motivation, and recognition for middle, secondary and post-secondary students.⁵⁴

There are ten registered CTE student organizations in Florida.⁵⁵ State CTE student organizations may also be associated with nationally recognized CTE student organizations.

Effect of Proposed Changes

This bill amends ss. 1002.394 and 1002.395, F.S., to align the authorized use of funds between Florida Tax Credit (FTC) scholarship and Family Empowerment Scholarships. Specifically, the bill authorizes that FTC and FES-EO scholarship funds may be used to purchase digital devices, similar to the current authorized use of funds for FES-UA, and authorizes the use of scholarship funds to purchase membership dues and activity fees for participation in Career and Technical Student Organizations. The bill expands the requirements for tutors who are providing services under the FTC and FES scholarships, by authorizing that a tutor can be an approved provider if he or she has a bachelor's degree or a graduate degree in a related subject area.

The bill also provides that tuition and fees associated with full-time or part-time home education program may be used if the home education program meets all of the following requirements:

- Provides educational courses or activities.
- Has a publicly available description of courses and activities.
- Has a tuition and fee schedule.
- Makes the tuition and fees payable to a registered business entity.

The bill amends s. 1002.421, F.S., to require that a home education program provider that provides services through an SFO's online platform for direct purchase and receives tuition and fees from the FES or FTC scholarship must undergo a background screening similar to private school owners and operators. The bill aligns the FES-UA scholarship with private school regular and direct contact requirements for PEP students by authorizing FES-UA scholarship recipients to meet the requirements of regular and direct contact requirements as long as the student meets with the teachers at a physical location at least two days per week. The bill requires SFOs to develop a process, for implementation beginning in the 2026-2027 school year, that provides the commitment of scholarship funds on behalf of the student for tuition and fees that a parent must pay at the Florida Virtual School as a private-pay student before scholarship account funds may be used for additional authorized uses.

⁵³ 20 U.S.C. s. 2302(5).

⁵⁴ Florida Department of Education, *Career and Technical Education Student Organization (CTSO) Request Form*, available at <https://www.fldoe.org/academics/career-adult-edu/perkins/> (last visited Dec. 4, 2025).

⁵⁵ Florida Department of Education, *Career and Technical Student Organizations*, available at <https://www.fldoe.org/core/fileparse.php/7515/urlt/CareerTechStudentOrg.pdf> (last visited Dec. 4, 2025).

Eligibility for K-12 Scholarships

Present Situation

Eligibility for the Florida Empowerment Scholarship for students attending a private school (FES-EO) and the Florida Tax Credit (FTC) Scholarship program

A student is eligible for a scholarship to attend a private school if the student is a resident of this state, or the dependent child of an active duty member of the United States Armed Forces who has received permanent change of station orders to this state, and is eligible to enroll in kindergarten through grade 12 in a public school in this state or received a scholarship under the Hope Scholarship Program in the 2023–2024 school year.⁵⁶

For both the FES-EO and FTC Scholarship, a scholarship remains in force until the:

- Scholarship-funding organization (SFO) determines that the student is not eligible for program renewal.
- Commissioner of Education suspends or revokes the student's program participation or use of funds.
- Student's parent has forfeited participation in the program for failure to comply with statutorily required parental and student responsibilities.
- Student enrolls in a public school; however, if a student enters a Department of Juvenile Justice (DJJ) detention center for a period of no more than 21 days, the student is not considered to have returned to a public school on a full-time basis for that purpose.
- Student graduates from high school or attains 21 years of age, whichever occurs first.

For both FES-EO and FTC, a scholarship account must be closed and any remaining funds must be reverted to the state after:

- Denial or revocation of program eligibility by the Commissioner of Education for fraud or abuse, including, but not limited to, the student or student's parent accepting any payment, refund, or rebate, in any manner, from a provider of services received.
- Two consecutive fiscal years in which the account has been inactive.
- The student remains unenrolled in an eligible private school for 30 days while receiving a scholarship that requires full-time enrollment.⁵⁷

Family Empowerment Scholarship for students with disabilities (FES-UA) Eligibility

A student is eligible for an FES-UA scholarship if the student:

- Is a resident of Florida or the dependent child of an active duty member of the United States Armed Forces who has received permanent change of station orders to this state or, at the time of renewal, whose home of record or state of legal residence is Florida.
- Is three or four years of age during the year in which the student applies for program participation or is eligible to enroll in kindergarten through grade 12 in a public school in this state.
- Has a disability as provided for in law.

⁵⁶ Sections 1002.394(3)(a) and 1002.395 (3)(a), F.S.

⁵⁷ Sections 1002.394(5) and 1002.395(11)(f), F.S.

- Is the subject of an IEP written in accordance with rules of the State Board of Education (SBE) or with the applicable rules of another state or has received a diagnosis of a disability from a licensed physician, a licensed psychologist, or a physician with a specified out-of-state license.⁵⁸

An FES-UA scholarship remains in force until the:

- Parent does not renew program eligibility;
- SFO determines that the student is not eligible for program renewal;
- Commissioner suspends or revokes program participation or use of funds;
- Student's parent has forfeited participation in the program for failure to comply with statutorily required parental and student responsibilities;
- Student enrolls in a public school; or
- Student graduates from high school or attains 22 years of age, whichever occurs first.

An FES-UA scholarship account must be closed and any remaining funds must be reverted to the state after:

- Denial or revocation of program eligibility by the commissioner for fraud or abuse, including, but not limited to, the student or student's parent accepting any payment, refund, or rebate, in any manner, from a provider of any services received pursuant to subsection (4);
- Any period of three consecutive years after high school completion or graduation during which the student has not been enrolled in an eligible postsecondary educational institution or a program offered by the institution; or
- Two consecutive fiscal years in which an account has been inactive.⁵⁹

Effect of Proposed Changes

This bill amends ss. 1002.394 and 1002.395, F.S., to require that the FES-EO and FTC scholarships must be closed and the remaining funds reverted back to the state if the account has been inactive for one fiscal year, instead of the current two years, and if a student is determined ineligible because of the following requirements:

- The SFO determines that the student is not eligible for program renewal;
- The commissioner suspends or revokes program participation or use of funds;
- The student's parent has forfeited participation in the program for failure to comply with statutorily required parental and student responsibilities;
- The student enrolls in a public school, except for a student who enters a Department of Juvenile Justice (DJJ) detention center for no more than 21 days; or
- The student graduates from high school or attains 21 years of age, whichever occurs first.

The bill deletes the requirement that funds revert back to the state after two years of inactivity for students who are receiving an FES-UA. This provision allows more flexibility for a parent whose child is receiving an FES-UA scholarship.

The bill requires the SFO to notify the parent prior to closing an FES scholarship account regarding the reason why the account will be closed and that the balance of the funds will revert

⁵⁸ Section 1002.394(3)(b), F.S.

⁵⁹ Section 1002.394(5)(b), F.S.

back to the state. Additionally, the bill requires that, for FES-UA scholarships, the SFO must notify the parent, upon the student reaching the age of 16, that there is a balance in the student's account, the amount of the balance, and information regarding how the funds may be used. The bill also requires the SFO to report to the DOE the total number of scholarship accounts that were closed and the amount of funds by account that reverted to the state.

K-12 Funding

Present Situation

Florida Education Finance Program

The Florida Education Finance Program (FEFP) is the primary mechanism for funding the operating costs of Florida school districts. The FEFP establishes the state policy on equalized funding to guarantee to each student in the Florida public education system the availability of programs and services appropriate to his or her educational needs that are substantially equal to those available to any similar student notwithstanding geographic differences and varying local economic factors. To equalize educational opportunities, the FEFP formula recognizes:

- Varying local property tax bases;
- Varying education program costs;
- Varying costs of living; and
- Varying costs for equivalent educational programs due to sparsity and dispersion of the student population.⁶⁰

Allocation of State Funds for Each School District Operation

Under current law, if the forecasted number of full-time equivalent student membership exceeds the appropriation, the Department of Education (DOE) prorates the available funds by deducting from the districts' calculated funding in proportion to each district's relative share of state and local FEFP dollars.

If a district was over- or under-allocated funds in a prior year due to arithmetical errors, judicially required assessment roll changes, full-time equivalent (FTE) student membership errors, or audit findings adjustments may be made subject to conditions.

The 2024-2025 FEFP Final Calculation included a proration to available funds, reducing the calculated FEFP by \$250,149,259.⁶¹ Under current law, only school district FEFP funding is prorated, FES scholarship awards are not impacted. The proration amount was offset by \$97,295,165 because of funding provided through the Educational Enrollment Stabilization program.⁶²

⁶⁰ Florida Department of Education, *Funding for Florida School Districts 2024-25*, available at <https://www.fldoe.org/file/7507/Fefpdist.pdf> (last visited Dec. 4, 2025).

⁶¹ Florida Department of Education, *2024-2025 FEFP final Calculation at 1* available at <https://www.fldoe.org/file/7507/2425FEFPFinal.pdf> (last visited Dec. 4, 2025).

⁶² *Id.*

Educational Enrollment Stabilization Program

The educational enrollment stabilization program was created to provide supplemental state funds as needed to maintain the stability of the operations of public schools in each school district and to protect districts, including charter schools, from financial instability as a result of changes in full-time equivalent (FTE) student enrollment throughout the school year. The Legislature is required to annually appropriate funds in the General Appropriations Act (GAA) to the DOE for this program in an amount necessary to maintain a projected minimum balance of \$250 million at the beginning of the fiscal year.

The DOE is required to use funds as appropriated to ensure that based on each recalculation of the Florida Education Finance Program (FEFP) a school district's funds per unweighted full-time equivalent student are not less than the greater of either the school district's funds per unweighted FTE student as appropriated in the GAA or the school district's funds per unweighted FTE student as recalculated based upon the receipt of the certified taxable value for school purposes.⁶³ The 2024-2025 FEFP Final Calculation included \$97,295,165 through the Educational Enrollment Stabilization program.⁶⁴

Declining Enrollment Supplement

Until it was repealed in 2021,⁶⁵ the FEFP included a categorical called the "Decline in Full-Time Equivalent Students Allocation" to assist districts that had an enrollment decline in unweighted FTE students from the current year compared to the prior year. The calculation provided districts with their base funding amount for twenty-five percent of the enrollment decline. In 2019-2020, the last year the categorical was funded, 21 of the 74 districts had enrollments that were less than the prior year and received a declining enrollment allocation.⁶⁶

Through the passage of HB 1 in 2023, school choice in Florida has expanded considerably, with the participation in the Family Empowerment Scholarship (FES) program growing from 155,182 students in 2022-2023⁶⁷ to an estimated 362,173 for 2024-2025.⁶⁸ In addition to enrolling in a public school, families have the option to enroll their children in a private school or home-school program and receive a scholarship.

For the 2024-2025 Third Calculation of the FEFP, 49 of 75 districts had a decline in public enrollment from the prior year. Additionally, 58 of the 75 districts had a total decline in public FTE student membership of 32,412.80 from the district's forecasted enrollment for the current year.

⁶³ Section 1011.62(19), F.S.

⁶⁴ *Id.*

⁶⁵ Chapter 2021-44 s. 3, Laws of Fla.

⁶⁶ Florida Department of Education, *Florida Education Finance Program 2019-2020 Final Calculation*, available at <https://www.fldoe.org/core/fileparse.php/7507/urlt/1920FEFPFinalcalc.pdf> (last visited Dec. 4, 2025).

⁶⁷ Office of Economic and Demographic Research, *Education Estimating Conference for PreK-12 Enrollment*, available at <https://edr.state.fl.us/Content/conferences/publicschools/archives/240221publicschools.pdf> (last visited Dec. 4, 2025).

⁶⁸ Office of Economic and Demographic Research, *Supplemental Conference Materials EDR Estimating Conference*, available at https://edr.state.fl.us/Content/conferences/publicschools/prek-12_scholarshipsummary.pdf (last visited Dec. 4, 2025).

State Funded Discretionary Supplement

The state-funded discretionary supplement, created by the Legislature in 2023,⁶⁹ provides equivalent funding for nonvoted discretionary millage⁷⁰ to support students receiving a Family Empowerment Scholarship (FES), ensuring those students receive funding comparable to district school students. Although the supplement is included in each school district's total FEFP amount, it is funded entirely by the state and is not distributed to the districts.⁷¹ Beginning in the 2024–2025 fiscal year and each thereafter, the supplement is calculated by multiplying the maximum allowable nonvoted discretionary millage for operations by 96 percent of the taxable value of school district property for the district where the student is reported for the FEFP, dividing that result by the district's total unweighted FTE membership, and then multiplying by the total FTE membership of FES students; the prior year's base amount is adjusted based on changes in the number of eligible FES students so funding reflects enrollment changes. The supplement is recalculated during the fiscal year as required, and if the recalculated amount exceeds the appropriation in the General Appropriations Act, the funding is prorated to remain within the available state budget.⁷²

Administrative Fee

Scholarship-funding organizations may use an amount not to exceed 3 percent of the total amount of all scholarships and stipends they fund for reasonable and necessary administrative expenses related to the management and distribution of scholarships.⁷³ For scholarships funded under the FES program, an organization may use up to 2.5 percent of the total amount of all FES scholarships for administrative expenses (up to 3 percent if the organization meets the statutory expenditure conditions).⁷⁴ Up to one-third of the funds authorized for administrative expenses under this paragraph may be used for expenses related to recruiting contributions from taxpayers.

Audit of Student Enrollment:

The Auditor General is required to periodically examine the records of school districts, and other agencies as appropriate, to determine compliance with law and State Board of Education rules relating to the classification, assignment, and verification of FTE student enrollment and student transportation reported under the FEFP.⁷⁵ If it is determined that the approved criteria and procedures for the placement of students and the conduct of programs have not been followed by the district, appropriate adjustments in the FTE student count for that district must be made, and any excess funds must be deducted from subsequent allocations of state funds to that district.⁷⁶

⁶⁹ Chapter 2023-245, Laws of Fla.

⁷⁰ Section 1011.71(1) and (3), F.S.

⁷¹ Section 1011.62(16), F.S.

⁷² Florida Department of Education, *Funding for Florida School Districts 2024-25*, at 22, available at <https://www.fldoe.org/file/7507/Fefpdist.pdf> (last visited Dec. 4, 2025).

⁷³ Section 1002.395(6)(l)1., F.S.

⁷⁴ Section 1002.394(11)(c), F.S.

⁷⁵ Section 1010.305(1), F.S.

⁷⁶ Section 1010.305(2), F.S.

*Effect of Proposed Changes*Educational Scholarship Programs Categorical fund

The bill creates s. 1011.687, F.S., to establish a categorical fund for implementing the FES Program, which aligns with the Auditor General's recommendation of establishing the FES scholarship program outside of the FEFP. The FES categorical fund would move funding of the FES scholarships out of the school district FEFP calculation and fund the FES scholarships separately.

The bill requires the funds in the categorical fund to be used to award FES scholarships and the funds be disbursed from the fund based on the FTE scholarship student forecasted or reported as participating in the program. The bill provides that an FTE for a student participating in the scholarship program consists of a student who receives all ten scholarship installments. A student who received less than all ten installments will generate a fraction of FTE proportional to the number of payments received.

The bill requires that the DOE release the funds to eligible SFOs on a quarterly basis. The bill establishes the following release schedule:

- The first quarter release payment must be based upon the amount of FTE membership forecasted as provided in the GAA.
- The second, third, and fourth quarter payment releases shall be based upon the amount of full-time equivalent student membership reported and cross-checked by the DOE.

The bill also authorizes DOE to have access to the SFOs' data and records as necessary to conduct a reconciliation of releases and overpayments to the SFO.

The bill amends s. 1011.61, F.S., to include the categorical fund for implementing the FES Program as part of the FEFP.

The bill amends s. 1011.62, F.S., to repeal the State-Funded Discretionary Supplement from the FEFP calculation because the funding for FES scholarships will be provided through the categorical fund for implementing the FES Program.

Educational Enrollment Stabilization Program

The bill creates s. 1011.689, F.S., to shifting the Educational Enrollment Stabilization Program (Stabilization Fund) from s. 1011.62(18), F.S., into a new statute to modify how the funds within the Stabilization Fund may be used. The bill maintains the requirement that the Stabilization Fund provide supplemental state funds to address changes in FTE student enrollment throughout the school year in both the FEFP and state scholarship programs.

The bill expands the use of the Stabilization Fund to assist school districts in maintaining financial stability. The bill authorizes the DOE to distribute funds to school districts if the state funds appropriated are insufficient to pay the state requirement in full. The bill also authorizes the DOE to provide supplemental funds to school districts as needed. Additionally, the bill provides supplemental payments to districts experiencing a decline in unweighted FTE students between the Legislative FEFP calculation in the GAA and the third FEFP recalculation within

the same year. These payments are determined by multiplying a percentage of the decline by the Base Student Allocation and either the Comparable Wage Factor or Small District Factor, with fiscally constrained districts receiving a higher percentage than non-fiscally constrained districts. However, these supplemental funds may not be included in a district's total FEFP funds for future calculations.

The Stabilization Fund also ensures that there is sufficient funding to provide awards to all scholarship recipients. If FTE enrollment in state scholarship programs exceeds the amount appropriated in the GAA, the DOE may provide additional funding for scholarships from the Stabilization Fund. Similarly, if available funds in the FTC scholarship are insufficient to cover all eligible PEP students, the DOE may allocate additional funds to support these scholarships, up to the authorized limit.

The bill maintains the current requirement that the Legislature annually appropriate funds to ensure a minimum balance of \$250 million in the Stabilization Fund at the start of each fiscal year and that any unexpended funds may be carried forward for up to 10 years after the effective date of the original appropriation.

The bill amends s. 1011.62, F.S., to remove the Educational Enrollment Stabilization from within the FEFP calculation.

The bill amends s. 1002.45, F.S., to repeal a cross-reference to the Education Enrollment Stabilization Fund.

Audit of Student Enrollment:

The bill amends s. 1010.305, F.S., to require the Auditor General to annually examine the records of SFOs to determine compliance with laws and rules relating to the classification, assignment, and verification of FTE student enrollment. The bill also provides that if it is determined that the approved criteria and procedures for the placement of students and the conduct of programs have not been followed by the SFO, any excess funds must be deducted from subsequent allocations of state funds to the SFO.

The bill amends s. 11.45, F.S., to update a cross-reference for the determination of the eligible nonprofit scholarship organization's compliance under the Florida Tax Credit Scholarship.

Scholarship Funding Organization Administrative Fee

The bill amends s. 1002.395, F.S. to reduce the SFO administrative fee from up to 3 percent to up to 2 percent. The bill also amends s. 1002.394, F.S. to reduce the administrative fee that can be used to administer the FES scholarship program from 2.5 percent to 1.5 percent. The reduction in the administrative fee could free up approximately \$50 million that could be used to fund the FES scholarships as FTC scholarships, reducing the amount of funds required to be appropriated in the FEFP.

The Hope Scholarship Program

Present Situation

In 2018, the Legislature created the Hope Scholarship Program to provide the parent of a public school student subjected to a specified incident⁷⁷ at school the opportunity to transfer the child to another public school or to request a scholarship for the child to enroll in and attend an eligible private school.⁷⁸ A parent may also choose to enroll their child in a public school located outside the district in which the student resides and request a transportation stipend.⁷⁹

Effect of Proposed Changes

The bill amends s. 1002.40, F.S., to rename the Hope Scholarship Program, the Hope Program.

The bill also amends s. 1002.421, F.S., to authorize a student who is eligible for the Hope Program to apply for a scholarship at any time, but clarifies that such student may only receive payments prospectively.

The bill is effective July 1, 2026.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

⁷⁷ Section 1002.40(3), F.S. A specified incident includes: battery; harassment; hazing; bullying; kidnapping; physical attack; robbery; sexual offenses, harassment, assault, or battery; threat or intimidation; or fighting at school.

⁷⁸ Section 1002.40(1), F.S.

⁷⁹ Section 1002.31(7), F.S.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

The bill requires additional types of providers to obtain background screenings. The cost of these screenings may result in a negative indeterminate fiscal impact on the providers who were not previously required to have a background screening.

C. Government Sector Impact:

The bill has both negative and positive indeterminate fiscal impacts as follows.

The bill requires Scholarship Funding Organizations (SFO) to process payments on a monthly rather than a quarterly basis. If this frequency increases the number of transaction fees assessed by the SFO, it may result in an indeterminate fiscal impact on the SFO.

The bill requires the Auditor General to annually complete full-time enrollment (FTE) audits for scholarships and SFOs. These audits may result in a negative indeterminate fiscal impact on state expenditures due to an increased workload for the Auditor General.

The bill allows PEP students, up to the statutory enrollment cap, who are unable to be funded under the Florida Tax Credit (FTC) contributions to be funded out of state funds from the Education Enrollment Stabilization Program. This may result in an indeterminate fiscal impact on state revenues and expenditures.

The bill provides supplemental payments to school districts that experience a decline in unweighted FTE students between the Legislative FEFP calculation in the GAA and the third FEFP recalculation within the same year. The estimated cost of these payments is approximately \$20 million.

The bill provides a couple of positive indeterminate impacts on state revenues and expenditures. Specifically, the bill modifies timeframes for when a scholarship account is considered inactive and when the remaining funds should be returned to the state. These changes should increase the frequency by which the state would recover funds from unused scholarship funds.

The bill creates a positive impact to state revenues and expenditures by reducing the administrative fee for SFOs from 3 percent to 2 percent. The April 2025 estimating conference forecasted a total of 570,325 scholarships for the 2026-2027 school year. Moving from a 3 percent administrative fee to a 2 percent administrative fee would free up approximately \$50 million that could be used to fund Family Empowerment Scholarships as Florida Tax Credit Scholarships, reducing the amount of funds required to be appropriated in the FEFP.

	2026-2027 FTE	Average Award (2024-25)	Total Funds	3% Admin Fee	2% Admin Fee	Difference
FTC-Private	5,866	7,947	46,617,102	1,398,513	932,342	(466,171)
FTC-PEP	88,644	7,947	704,453,868	21,133,616	14,089,077.36	(7,044,539)
FES-EO	317,648	7,947	2,524,348,656	75,730,460	50,486,973.12	(25,243,487)
FES-UA	158,167	10,828	1,712,632,276	51,378,968	34,252,645.52	(17,126,323)
TOTAL	570,325		4,988,051,902	149,641,557	99,761,038	(49,880,519)

NOTE: The average awards for FES-EO and FES-UA are based on the 2024-2025 FEFP Final Calculation. For the above calculation, the FTC average awards are modeled to be the same as the FES-EO awards.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 11.45, 212.099, 402.22, 1002.394, 1002.395, 1002.40, 1002.421, 1002.45, 1003.485, 1003.4935 1008.25, 1010.20, 1010.305, 1011.61, and 1011.62,

This bill creates the following sections of the Florida Statutes: 1011.687 and 1011.689.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.



348712

LEGISLATIVE ACTION

Senate

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House

The Committee on Appropriations (Gaetz) recommended the following:

Senate Amendment

Delete lines 637 - 638
and insert:
provide scholarships to a child of an owner or operator as
defined in subparagraph (1)(n)1. Additionally, the organization
must notify each parent



899626

LEGISLATIVE ACTION

Senate

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House

The Committee on Appropriations (Gaetz) recommended the following:

Senate Amendment

Delete lines 669 - 670

and insert:

2. A copy of the student's birth certificate or other documentation as specified in s. 1003.21(4), the name on which must be identical to the name provided on the student's application.



174286

LEGISLATIVE ACTION

Senate

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House

The Committee on Appropriations (Gaetz) recommended the following:

Senate Amendment (with title amendment)

Delete lines 688 - 689

and insert:

c. Documentation of admission or enrollment from a private school for the school year in which the student

Delete line 800

and insert:

3. A private school.



174286

11 ===== T I T L E A M E N D M E N T =====

12 And the title is amended as follows:

13 Delete line 59

14 and insert:

15 enrollment at a private school; providing

16 Delete lines 142 - 143

17 and insert:

18 required to be provided to the department by a private

19 school; deleting obsolete language;



884508

LEGISLATIVE ACTION

Senate

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House

The Committee on Appropriations (Gaetz) recommended the following:

Senate Amendment

Delete line 960
and insert:
funds revert to the state or organization, as applicable.

Delete line 3824
and insert:
any remaining funds shall revert to the state or organization,
as applicable, after:



442232

LEGISLATIVE ACTION

Senate

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House

The Committee on Appropriations (Gaetz) recommended the following:

Senate Amendment (with title amendment)

Delete lines 4198 - 4234
and insert:

Section 18. (1) The Legislature finds that the educational scholarship programs created pursuant to chapter 1002, Florida Statutes, provide unprecedented school choice in this state and are central to parent empowerment.

(a) The Legislature further finds that to protect universal school choice within this state, it is critical to remain good



442232

11 stewards of taxpayer funds, including eligible contributions
12 made to scholarship programs. This state is implementing the
13 nation's largest school choice program, and it must be
14 safeguarded.

15 (b) To improve the efficiency, accountability, and
16 transparency of the scholarship programs, a single entity that
17 can be held directly accountable to the state must be
18 responsible for the implementation of the programs.

19 (c) Therefore, the Legislature determines that it is in the
20 best interest of this state for the Department of Education to
21 implement the scholarship programs.

22 (2) The Department of Education must provide a report
23 outlining its recommendations for the implementation of the
24 educational scholarship programs, with such implementation set
25 to begin in the 2028-2029 school year.

26 (3) The department's recommendations must address each of
27 the following program components:

28 (a) The application process.

29 (b) The enrollment and verification process.

30 (c) Student account management and requirements.

31 (d) The payment or reimbursement process.

32 (e) Communication with parents regarding the different
33 scholarship programs and how to apply to a scholarship program.

34 (f) Assistance for parents with scholarship-related
35 questions and issues.

36 (g) Administration of the contributions received pursuant
37 to s. 1002.395(5), Florida Statutes.

38 (4) The department may, for any or all of the program
39 components, recommend itself or any other state agency or public



442232

entity, such as school districts or educational consortiums, for implementation of the component. Any contract to implement a component must be awarded pursuant to chapter 287, Florida Statutes, through a competitive procurement process. At a minimum, the department must include an outline of the requirements for each program component which includes all of the following information, as applicable:

(a) An estimate of recurring and nonrecurring costs, including an estimate of any administrative costs the department deems reasonable and necessary, and for what purposes the administrative funds may be used.

(b) A description, justification, and detailed cost breakdown of any additional resources that the department requires to fully implement the program component.

(c) The business, functional, and technical requirements for the program component.

(d) A list of roles and responsibilities for the program component which delineates the functionality that will be provided by the department or other entity, as applicable.

(e) A proposed implementation timeline that identifies major milestones, dependencies, and the estimated completion dates for the program component.

(f) A framework establishing a communication structure and accountability measures which will ensure coordinated, efficient, and transparent interaction among each project component.

(g) An outcome-based contracting framework that will be used to measure each contract's success against specific, objective performance metrics and desired outcomes. This



442232

framework may incorporate a system of rewards for exceeding performance goals, and penalties for failing to meet them.

(5) If the department recommends administration of any project component by a scholarship-funding organization, the department must include recommendations for eligibility requirements of the scholarship-funding organizations and any other changes to the application process or other procedural requirements it recommends.

(6) The department shall also include in its report a plan to ensure that the results from required background screening for education providers who are licensed or who are exempt from licensure through the Department of Children and Families are shared with the Department of Education.

(7) The department must submit the report to the Governor, the President of the Senate, and the Speaker of the House of Representatives no later than December 1, 2026, and must include any statutory changes that may be necessary to implement the department's recommendations.

(8) This section expires July 1, 2027.

===== T I T L E A M E N D M E N T =====

And the title is amended as follows:

Delete lines 232 - 236

and insert:

cross-references; providing legislative findings;
requiring the Department of Education to provide a
specified report regarding recommendations for
implementing the educational scholarship programs;
providing requirements for the recommendations;



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authorizing the department to make recommendations to
specified entities; requiring certain contracts to be
awarded through a competitive procurement process;
requiring the department to include an outline of
requirements for each program component; providing
requirements for the outline; requiring the department
to include recommendations for eligibility
requirements of scholarship-funding organizations
under specified circumstances; requiring the
department to include a specified plan in its report;
requiring the department to provide, by a specified
date, the report to the Governor and the Legislature;
providing for expiration;

By Senator Gaetz

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1 A bill to be entitled
 2 An act relating to educational scholarship programs;
 3 creating s. 1011.687, F.S.; creating a categorical
 4 fund for implementing the Family Empowerment
 5 Scholarship Program; providing requirements for the
 6 use and disbursement of funds; defining the term
 7 "full-time equivalent student"; requiring the
 8 Department of Education to release funds if certain
 9 criteria are met; providing requirements for the
 10 release of each payment; providing requirements for
 11 excess funds; providing that the department has access
 12 to certain records; creating s. 1011.689, F.S.;
 13 creating the educational enrollment stabilization
 14 program to provide supplemental state funds to address
 15 changes in full-time equivalent student enrollment;
 16 requiring the department to use funds to ensure that a
 17 school district's funds are not lower than a specified
 18 calculation; providing for the calculation of the
 19 supplemental payment; requiring the department to
 20 ensure funding is available for certain scholarship
 21 programs; requiring the department to appropriate
 22 funds from the General Appropriations Act to keep the
 23 educational enrollment stabilization program at a
 24 minimum balance; amending s. 1002.40, F.S.; renaming
 25 the Hope Scholarship Program as the Hope Program;
 26 amending s. 1002.421, F.S.; defining terms; requiring
 27 an eligible nonprofit scholarship-funding organization
 28 to provide a parent with certain information on
 29 scholarship programs; requiring an eligible nonprofit

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30 scholarship-funding organization to create a single
 31 application for all educational scholarship programs;
 32 providing requirements for such application;
 33 prohibiting an eligible nonprofit scholarship-funding
 34 organization from charging a fee for the application;
 35 requiring an eligible nonprofit scholarship-funding
 36 organization to establish two application approval
 37 windows; providing an exception; providing deadlines
 38 for such application approval windows; requiring an
 39 eligible nonprofit scholarship-funding organization to
 40 review applications and award scholarships in a
 41 specified order of priority; requiring an eligible
 42 nonprofit scholarship-funding organization to award
 43 scholarships to newly eligible students on a first-
 44 come, first-served basis; requiring a parent to notify
 45 the eligible nonprofit scholarship-funding
 46 organization within a specified timeframe if a
 47 scholarship offer is accepted or declined within a
 48 specified timeframe; specifying fund distribution for
 49 the scholarship terms; prohibiting a parent from
 50 applying for multiple scholarships for an individual
 51 student at the same time; authorizing specified
 52 students to apply for a scholarship at any time but
 53 only receive payments prospectively; prohibiting an
 54 eligible nonprofit scholarship-funding organization
 55 from restricting or reserving scholarships for use at
 56 a particular school; requiring such organization to
 57 notify each parent of a scholarship applicant that
 58 participation in the program does not guarantee

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59 enrollment at an eligible private school; providing
 60 that a parent who submitted an application by a
 61 specified date need not submit a new application;
 62 authorizing a parent to withdraw their application and
 63 reapply; prohibiting an eligible nonprofit
 64 scholarship-funding organization from requiring
 65 documentation beyond the requirements of the
 66 scholarship program; requiring an eligible nonprofit
 67 scholarship-funding organization to verify a student's
 68 eligibility upon receipt of an application; requiring
 69 an eligible nonprofit scholarship-funding organization
 70 to send a list of verified eligible students to the
 71 department by specified dates; requiring the
 72 department to assign each verified eligible student a
 73 Florida student identification number; requiring the
 74 department to use such number for tracking and
 75 reporting scholarship data; requiring the department
 76 to cross-check each list of verified eligible students
 77 with certain other lists; requiring the department to
 78 send the cross-checked list to the eligible nonprofit
 79 scholarship-funding organization; requiring the
 80 department to require the organization to suspend
 81 payments for a period of time the student is found to
 82 be ineligible; requiring the department to notify an
 83 eligible nonprofit scholarship-funding organization of
 84 specified information; requiring the department to
 85 provide certain lists of students to certain parties;
 86 requiring an eligible nonprofit scholarship-funding
 87 organization to verify a student's continued

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88 eligibility before disbursing each payment; providing
 89 criteria for verifying continued eligibility;
 90 requiring parents of students receiving scholarship
 91 payments to verify specified information; providing
 92 criteria for verifying continued eligibility;
 93 requiring parents of students receiving scholarship
 94 payments to verify specified information; providing
 95 that the scholarship program award amounts are the
 96 amounts provided in the General Appropriations Act;
 97 providing parameters for the calculation of the
 98 scholarship amounts for certain students; requiring an
 99 eligible nonprofit scholarship-funding organization to
 100 establish and maintain a scholarship account for each
 101 student; providing requirements for such accounts;
 102 providing that accrued interest is in addition to and
 103 not part of a student's account; providing that
 104 program funds include awarded funds and accrued
 105 interest and are available only for authorized
 106 expenditures; requiring eligible nonprofit
 107 scholarship-funding organizations to make payments by
 108 funds transfer; providing requirements for such funds
 109 transfer; prohibiting a student's scholarship award
 110 from being reduced to cover certain fees; requiring
 111 that commodities or services related to the funds
 112 transfer system be procured by a specified method;
 113 providing an exception; prohibiting an eligible
 114 nonprofit scholarship-funding organization from
 115 transferring funds to an account that has a balance in
 116 excess of a specified amount; specifying certain

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117 qualifications for educational expenditures; providing
 118 that a parent who fails to comply with said
 119 qualifications forfeits the scholarship; authorizing
 120 certain students in a scholarship program to take
 121 specified tests and certain assessments; providing an
 122 exception; requiring a participating private school to
 123 administer or provide for students to take specified
 124 tests and assessments; requiring a participating
 125 private school to submit a certain written request to
 126 the department by a specified date; requiring a school
 127 district to administer tests and assessments at a
 128 participating private school; requiring an owner or
 129 operator or individual providing services to undergo a
 130 background screening; providing requirements for the
 131 submission of fingerprints; requiring the Department
 132 of Law Enforcement to retain such fingerprints in a
 133 specified manner; providing screening requirements for
 134 specified individuals; prohibiting such owner or
 135 operator from transferring ownership or management
 136 authority to a relative; defining the term "relative";
 137 requiring an eligible nonprofit scholarship-funding
 138 organization to report the annual audit of background
 139 screening results to the Department of Education;
 140 providing that a participating private school may be
 141 sectarian or nonsectarian; revising information
 142 required to be provided to the department by an
 143 eligible private school; deleting obsolete language;
 144 providing construction; requiring the department to
 145 publish and update information on its website relating

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146 to scholarship programs; requiring the department to
 147 investigate complaints; requiring the department to
 148 maintain and annually publish a list of tests that
 149 satisfy a specified requirement; requiring the
 150 department to develop a standard withdrawal form for
 151 parents withdrawing a student from public school;
 152 providing requirements for such form; requiring the
 153 department to produce a specified annual report;
 154 authorizing the department to suspend or revoke
 155 program participation or the use of program funds for
 156 specified entities; requiring the department to
 157 develop a uniform reimbursement process; requiring an
 158 organization, by a specified date, to approve, deny,
 159 or request more information relating to a
 160 reimbursement request; requiring the department to
 161 annually report to the state its accountability
 162 actions; deleting the definition of the term "owner or
 163 operator"; requiring a school district, by a specified
 164 date, to inform certain households of eligibility to
 165 apply for a scholarship program; requiring the school
 166 district to coordinate with the department to provide
 167 a participating private school with statewide
 168 assessments; requiring a school district to publish
 169 information about a scholarship program on its
 170 website; requiring a school district to provide a
 171 parent with the withdrawal form upon request; deleting
 172 obsolete language; amending s. 1002.394, F.S.;
 173 deleting obsolete language; providing a title for a
 174 scholarship granted to a student who meets specified

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175 eligibility requirements; providing that authorized
 176 uses of program funds include digital devices;
 177 providing that authorized uses of program funds
 178 include membership dues and activity fees for Career
 179 and Technical Student Organizations; providing that
 180 tuition and fees that meet certain requirements are
 181 eligible for program funds; revising conditions under
 182 which a student is no longer eligible for scholarship
 183 funding; requiring an eligible nonprofit scholarship-
 184 funding organization to notify a parent before closing
 185 a student's account; requiring an eligible nonprofit
 186 scholarship-funding organization to report certain
 187 information to the Department of Education regarding
 188 scholarship accounts closed under certain
 189 circumstances; requiring an eligible nonprofit
 190 scholarship-funding organization to notify a parent
 191 if, upon a student reaching a specified age, a balance
 192 exists in the student's account, the amount of the
 193 balance, and how the funds may be used; requiring an
 194 organization to annually report to the department the
 195 number of scholarship accounts closed under specified
 196 circumstances; requiring an organization to notify the
 197 department when a student withdraws from a scholarship
 198 program; deleting a provision allowing a public school
 199 student to receive a scholarship for transportation;
 200 revising the time frame for a school district to
 201 notify a parent of certain information; revising the
 202 percentage of funds that can be used for certain
 203 purposes; deleting obsolete language; amending s.

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204 1002.395, F.S.; deleting obsolete language; deleting
 205 provisions related to scholarship priority; deleting a
 206 provision allowing a public school student to receive
 207 a scholarship for transportation; revising a provision
 208 requiring eligible nonprofit scholarship-funding
 209 organizations to verify that scholarship funds are
 210 used for specified purposes; requiring an eligible
 211 nonprofit scholarship-funding organization to report
 212 to the department the total number of scholarship
 213 accounts closed due to certain reasons; amending s.
 214 1003.485, F.S.; conforming a cross-reference; amending
 215 s. 1008.25, F.S.; making a conforming change; amending
 216 s. 1010.305, F.S.; requiring the Auditor General to
 217 annually, rather than periodically, examine the
 218 records of eligible nonprofit scholarship-funding
 219 organizations; providing for appropriate adjustments
 220 to be made and excess funds to be deducted if criteria
 221 and procedures have not been followed by an eligible
 222 nonprofit scholarship-funding organization; amending
 223 s. 1011.61, F.S.; conforming a cross-reference;
 224 amending s. 1011.62, F.S.; deleting a requirement with
 225 respect to full-time equivalent student survey data;
 226 deleting obsolete language relating to the state-
 227 funded discretionary supplement; amending s. 11.45,
 228 F.S.; conforming a cross-reference; requiring the
 229 Auditor General to annually conduct an audit of
 230 specified records; amending ss. 212.099, 402.22,
 231 1002.45, 1003.4935, and 1010.20, F.S.; conforming
 232 cross-references; requiring the Department of

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233 Education to provide, by a specified date,
 234 recommendations to the Legislature regarding the
 235 efficiency and effectiveness of scholarship programs;
 236 providing requirements for the recommendations;
 237 providing an effective date.

238
 239 Be It Enacted by the Legislature of the State of Florida:

240
 241 Section 1. Section 1011.687, Florida Statutes, is created
 242 to read:

243 1011.687 Educational scholarship programs; categorical
 244 fund.—

245 (1) There is created a categorical fund for implementing
 246 the Family Empowerment Scholarship Program pursuant to s.
 247 1002.394. These funds shall be in the amount provided in the
 248 General Appropriations Act and any additional funds transferred
 249 from the educational enrollment stabilization program pursuant
 250 to s. 1011.689.

251 (2) Educational scholarship funding categorical funds shall
 252 be used to award scholarships as required in s. 1002.394 and in
 253 accordance with s. 1002.421. Funds shall be disbursed from this
 254 fund based on the full-time equivalent scholarship students
 255 forecasted or reported as participating in the program.

256 (3) A "full-time equivalent student" for a student
 257 participating in a scholarship program under s. 1002.394 or s.
 258 1002.395 means a student who receives all 10 scholarship
 259 payments that are distributed on a monthly basis. A student who
 260 receives fewer than 10 payments shall generate a fraction of
 261 full-time equivalent student membership proportional to the

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262 number of payments received.

263 (4) For the purposes of calculating a scholarship award
 264 amount, a full-time equivalent student shall be based upon the
 265 student's county of residence and equal to the calculation
 266 provided under s. 1002.421(5)(a).

267 (5) Contingent upon verification that the organization is
 268 in compliance with this section and ss. 1002.421, 1002.394, and
 269 1002.395, the department shall release funds from the
 270 categorical fund on a quarterly basis to the organization. The
 271 funds shall be held by the organization for deposit into the
 272 students' accounts in accordance with the payment schedules and
 273 may not include any funding for scholarship awards for any time
 274 preceding a student's verified eligibility for or acceptance of
 275 a scholarship.

276 (a) The first quarter release payment to the organization
 277 shall be based upon the amount of full-time equivalent students
 278 forecasted as provided in the General Appropriations Act and in
 279 an amount sufficient to make scholarship payments through the
 280 third payment installment. The first quarter release payment
 281 must be released no later than July 30.

282 (b) The second quarter release payment to the organization
 283 shall be based upon the amount of full-time equivalent students
 284 cross-checked by the department pursuant to s. 1002.421(3) and
 285 in an amount sufficient to make scholarship payments through the
 286 fifth payment installment. The second quarter release payment
 287 must be released no later than November 1.

288 (c) The third quarter release payment to the organization
 289 shall be based upon the amount of full-time equivalent students
 290 cross-checked by the department pursuant to s. 1002.421(3) and

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291 in an amount sufficient to make scholarship payments through the
 292 eighth payment installment. The third quarter release payment
 293 must be released no later than January 1.

294 (d) The fourth quarter release payment to the organization
 295 shall be based upon the amount of full-time equivalent students
 296 cross-checked by the department pursuant to s. 1002.421(3) and
 297 in an amount sufficient to make scholarship payments through the
 298 tenth payment installment. The fourth quarter release payment
 299 must be released no later than April 1.

300 (6) If the funds released to the organization are in excess
 301 of the funds certified to the department by the organization as
 302 the amount distributed for student scholarships in accordance
 303 with scholarship program requirements, the organization must
 304 send back to the department any overpayment within 30 days of
 305 certification to the department. The department may not adjust
 306 the amount of any overpayment in the second, third, or fourth
 307 quarter payment release and must account for each payment back
 308 from the organization separately.

309 (7) The department shall have access to the organization's
 310 data and records as necessary to conduct a reconciliation of
 311 releases and overpayments to the organization.

312 Section 2. Section 1011.689, Florida Statutes, is created
 313 to read:

314 1011.689 Educational enrollment stabilization program.—The
 315 educational enrollment stabilization program is created to
 316 provide supplemental state funds as needed to address changes in
 317 full-time equivalent student enrollment throughout the school
 318 year in both the Florida Education Finance Program and the
 319 educational scholarship programs created pursuant to chapter

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320 1002.

321 (1) SCHOOL DISTRICT STABILIZATION.—To maintain the
 322 stability of the operations of public schools, including charter
 323 schools, in each school district, the department:

324 (a) May use funds in either of the following ways:

325 1. To distribute to school districts if the state funds
 326 appropriated for the current operation of school districts in
 327 the Florida Education Finance Program are not sufficient to pay
 328 the state requirement in full pursuant to s. 1011.62(15).

329 2. To provide supplemental payments to school districts as
 330 needed. Any supplemental funds provided pursuant to this
 331 subparagraph may not be added to the district's total Florida
 332 Education Finance Program funds for any future calculation.

333 (b) Shall use funds as appropriated to provide a
 334 supplemental payment to school districts that have a decline in
 335 unweighted full-time equivalent students between the legislative
 336 calculation provided in the General Appropriations Act and the
 337 third calculation of the Florida Education Finance Program
 338 within the same year. The supplemental payment shall be computed
 339 by multiplying a percentage of the decline in the unweighted
 340 full-time equivalent students as determined by the Legislature
 341 by the base student allocation and by the comparable wage factor
 342 or the small district factor. The percentage used for districts
 343 that are fiscally constrained must be greater than the
 344 percentage used for non-fiscally constrained districts. The
 345 supplemental funds may not be added to the district's total
 346 Florida Education Finance Program funds for any future
 347 calculations.

348 (2) FAMILY EMPOWERMENT SCHOLARSHIP PROGRAM.—To maintain

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349 scholarship award amounts, the department may use funds as
 350 appropriated to ensure that funding is available if the number
 351 of full-time equivalent students enrolled in the scholarship
 352 program is greater than the amount appropriated in the General
 353 Appropriations Act in the educational scholarship categorical
 354 fund established under s. 1011.687.

355 (3) FLORIDA TAX CREDIT SCHOLARSHIP PROGRAM.—If available
 356 funds in the Florida Tax Credit Scholarship Program are
 357 insufficient to cover eligible applicants who are personalized
 358 education program students, the department may use funds to
 359 award scholarships to such eligible applicants up to the number
 360 authorized in s. 1002.395.

361 (4) RELEASE OF FUNDS.—As part of the recalculation pursuant
 362 to s. 1011.65, the department may request the release of funds
 363 from the educational enrollment stabilization program subject to
 364 the notice, review, and objection procedures set forth in s.
 365 216.177.

366 (5) MINIMUM BALANCE.—The Legislature shall annually
 367 appropriate funds in the General Appropriations Act to the
 368 department for the educational enrollment stabilization program
 369 in an amount necessary to maintain a projected minimum balance
 370 of \$250 million at the beginning of the upcoming fiscal year.
 371 Notwithstanding s. 216.301 and pursuant to s. 216.351, the
 372 unexpended balance of funds appropriated pursuant to this
 373 subsection which is not disbursed by June 30 of the fiscal year
 374 in which the funds are appropriated may be carried forward for
 375 up to 10 years after the effective date of the original
 376 appropriation.

377 Section 3. Section 1002.40, Florida Statutes, is amended to

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378 read:

379 1002.40 The Hope ~~Scholarship~~ Program.—

380 (1) PURPOSE.—The Hope ~~Scholarship~~ Program is established to
 381 provide the parent of a public school student who was subjected
 382 to an incident listed in subsection (3) an opportunity to
 383 transfer the student to another public school or to request a
 384 scholarship for the student to enroll in and attend an eligible
 385 private school.

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

387 (a) "Parent" means a resident of this state who is a
 388 parent, as defined in s. 1000.21, and whose student reported an
 389 incident in accordance with subsection (4).

390 (b) "Program" means the Hope ~~Scholarship~~ Program.

391 (c) "School" means any educational program or activity
 392 conducted by a public K-12 educational institution, any school-
 393 related or school-sponsored program or activity, and riding on a
 394 school bus, as defined in s. 1006.25(1), including waiting at a
 395 school bus stop.

396 (3) PROGRAM ELIGIBILITY.—A student enrolled in a Florida
 397 public school in kindergarten through grade 12 is eligible for
 398 the educational options described in subsection (4) if the
 399 student reported an incident in accordance with that subsection.
 400 For purposes of this section, the term "incident" means battery;
 401 harassment; hazing; bullying; kidnapping; physical attack;
 402 robbery; sexual offenses, harassment, assault, or battery;
 403 threat or intimidation; or fighting at school, as defined by the
 404 department in accordance with s. 1006.09(6).

405 (4) SCHOOL DISTRICT OBLIGATIONS; PARENTAL OPTIONS.—Upon
 406 receipt of a report of an incident, the school principal, or his

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or her designee, shall provide a copy of the report to the parent and investigate the incident to determine if the incident must be reported as required by s. 1006.09(6). Within 24 hours after receipt of the report, the principal or his or her designee shall provide a copy of the report to the parent of the alleged offender and to the superintendent. Upon conclusion of the investigation or within 15 days after the incident was reported, whichever occurs first, the school district shall notify the parent of the program, offer the parent an opportunity to enroll his or her student in another public school that has capacity, and notify the parent of their eligibility to apply for a scholarship to attend an eligible private school under ss. 1002.394 and 1002.395.

(5) RULES.—The State Board of Education shall adopt rules to administer this section.

Section 4. Section 1002.421, Florida Statutes, is amended to read:

1002.421 State school choice scholarship programs ~~program accountability and oversight.~~—

(1) DEFINITIONS.—As used in this section, s. 1002.394, and s. 1002.395, the term:

(a) “Approved provider” means a provider approved by the Agency for Persons with Disabilities, a health care practitioner as defined in s. 456.001, or a provider approved by the department pursuant to s. 1002.66.

(b) “Choice navigator” means an individual who meets the requirements of s. 1002.395(6)(d)8. and who provides consultations, at a mutually agreed upon location, on the selection of, application for, and enrollment in educational

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options addressing the academic needs of a student; curriculum selection; and advice on career and postsecondary education opportunities. However, this section does not authorize a choice navigator to oversee or exercise control over the curricula or academic programs of a personalized education program.

(c) “Curriculum” means a complete course of study for a particular content area or grade level, including any required supplemental materials and associated online instruction.

(d) “Disability” means, for a 3- or 4-year-old child or for a student in kindergarten to grade 12, autism spectrum disorder as defined in the Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition, published by the American Psychiatric Association; cerebral palsy as defined in s. 393.063; Down syndrome as defined in s. 393.063; an intellectual disability as defined in s. 393.063; a speech impairment; a language impairment; an orthopedic impairment; any other health impairment; an emotional or a behavioral disability; a specific learning disability, including, but not limited to, dyslexia, dyscalculia, or developmental aphasia; Phelan-McDermid syndrome as defined in s. 393.063; Prader-Willi syndrome as defined in s. 393.063; spina bifida as defined in s. 393.063; being a high-risk child as defined in s. 393.063(23)(a); muscular dystrophy; Williams syndrome; rare diseases that affect patient populations of fewer than 200,000 individuals in the United States, as defined by the National Organization for Rare Disorders; anaphylaxis; a hearing impairment, including deafness; a visual impairment, including blindness; a traumatic brain injury; being hospital-bound or homebound; or identification as dual sensory impaired, as defined by rules of the State Board of Education

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465 and evidenced by reports from local school districts. The term
 466 "hospital-bound or homebound" includes a student who has a
 467 medically diagnosed physical or psychiatric condition or
 468 illness, as defined by the state board in rule, and who is
 469 confined to the home or hospital for more than 6 months.
 470 (e) "Eligible nonprofit scholarship-funding organization"
 471 or "organization" means a state university or an independent
 472 college or university that is eligible to participate in the
 473 William L. Boyd, IV, Effective Access to Student Education Grant
 474 Program; is located and chartered in this state; is not for
 475 profit; is accredited by the Commission on Colleges of the
 476 Southern Association of Colleges and Schools; or is a charitable
 477 organization that:
 478 1. Is exempt from federal income tax pursuant to s.
 479 501(c)(3) of the Internal Revenue Code;
 480 2. Is a Florida entity formed under chapter 605, chapter
 481 607, or chapter 617 and whose principal office is located in
 482 this state; and
 483 3. Complies with s. 1002.395(6) and (13).
 484 (f) "Eligible postsecondary educational institution" means
 485 a Florida College System institution; a state university; a
 486 school district technical center; a school district adult
 487 general education center; an independent college or university
 488 that is eligible to participate in the William L. Boyd, IV,
 489 Effective Access to Student Education Grant Program under s.
 490 1009.89; or an accredited independent postsecondary educational
 491 institution as defined in s. 1005.02 which is licensed to
 492 operate in this state under part III of chapter 1005 or is
 493 approved to participate in a reciprocity agreement as defined in

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494 s. 1000.35(2).
 495 (g) "Eligible private school" means a private school as
 496 defined in s. 1002.01 which is located in Florida and which
 497 offers an education to students in any grades K-12 and meets the
 498 requirements in this section.
 499 (h) "Fraud" means an intentional deception, omission, or
 500 misrepresentation made by a person with knowledge that the
 501 deception, omission, or misrepresentation may result in an
 502 unauthorized benefit to that person or another person, or any
 503 aiding and abetting of the commission of such an act.
 504 (i) "Household income" has the same meaning as the term
 505 "income" as defined in the Income Eligibility Guidelines for
 506 free and reduced price meals under the National School Lunch
 507 Program in 7 C.F.R. part 210 as published in the Federal
 508 Register by the United States Department of Agriculture.
 509 (j) "IEP" means an individual education plan, regardless of
 510 whether the plan has been reviewed or revised within the last 12
 511 months.
 512 (k) "Inactive" means that no eligible expenditures have
 513 been made from an account.
 514 (l) "Job coach" means an individual employed to help people
 515 with disabilities learn, accommodate to, and perform their work
 516 duties.
 517 (m) "Law enforcement officer" has the same meaning as
 518 provided in s. 943.10(1).
 519 (n) "Owner or operator" includes:
 520 1. An owner, a president, an officer, or a director of an
 521 eligible nonprofit scholarship-funding organization or a person
 522 with equivalent decisionmaking authority over an eligible

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nonprofit scholarship-funding organization; or

2. An owner, an operator, a superintendent, or a principal of an eligible private school or a person with equivalent decisionmaking authority over an eligible private school.

(o) "Parent" means a resident of this state who is a parent as defined in s. 1000.21.

(p) "Personalized education program" has the same meaning as in s. 1002.01.

(q) "Personalized education student" means a student whose parent applies to an eligible nonprofit scholarship-funding organization for participation in a personalized education program.

(r) "Renewal student" means a student who was eligible to receive and received a payment for the last installment in the school year immediately preceding the school year for which the student is applying for a scholarship pursuant to this chapter.

(s) "Student learning plan" means a customized learning plan developed by a parent at least annually to guide instruction for his or her student and to identify the goods and services needed to address the academic needs of his or her student.

(2) SCHOLARSHIP APPLICATION PROCESS.—

(a) An eligible nonprofit scholarship-funding organization must provide the parent with information on each scholarship program established pursuant to this chapter which clearly outlines the eligibility requirements and authorized uses of funds for each program to enable the parent of a student to determine which program best fits the needs of each student. Specifically, for a student applying based on eligibility

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pursuant to s. 1002.394(3)(b) or s. 1002.395, except for students eligible pursuant to a personalized education program, a participating private school must discuss the school's academic programs and policies, specialized services, code of conduct, and attendance policies before enrollment with the parent to determine which programs and services may meet the student's individual needs. Each parent of a student with an individualized education plan, education plan, English language learner plan, or 504 plan must be informed specifically of what modifications, accommodations, and therapies included in the student's plan will be honored by the participating private school.

(b) The organization must create a single application for all educational scholarship programs established pursuant to this chapter in a manner that creates an electronic record of the application, which must include the date the application was submitted, the date the application was approved or denied, and the date the scholarship was accepted or declined. The organization may not charge a fee for the application.

(c) For the 2026-2027 school year and each school year thereafter, the organization must establish two application approval windows each school year during which a parent of an eligible student, including renewal students, may apply for and accept an educational scholarship program pursuant to this chapter, except for personalized education students, who may only apply during the fall application approval window.

1. The application approval window for the fall scholarship term must close no later than July 15. The fall scholarship term covers the period between August 15 and December 31 of each

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581 year. The fall application window may not begin any earlier than
 582 February 1 of the preceding school year. A parent initially
 583 applying for the fall term must affirmatively accept the
 584 scholarship between June 15 and July 15.

585 2. The application approval window for the spring
 586 scholarship term must close no later than November 15. The
 587 spring scholarship term covers the period between January 1 and
 588 May 31 of each year. A parent initially applying for the spring
 589 term must affirmatively accept the scholarship between October
 590 15 and November 15.

591 3. A failure to accept the scholarship between the
 592 applicable approval window results in an automatic declination
 593 of the scholarship.

594 4. A parent of a student who is provided funds during the
 595 fall scholarship term does not need to reapply for the spring
 596 scholarship term.

597 (d) An organization must review applications and award
 598 scholarships using the following priorities:

599 1. An application for a student who is eligible pursuant to
 600 s. 1002.394(3) (a) or s. 1002.395 and:

601 a. Whose household income level does not exceed 185 percent
 602 of the federal poverty level or who is in foster care or out-of-
 603 home care; and then

604 b. Whose household income level exceeds 185 percent of the
 605 federal poverty level but does not exceed 400 percent of the
 606 federal poverty level.

607 2. An application for a student who is eligible and
 608 received a scholarship during the previous school year.

609 3. An application for a student who was affected by the

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610 disapproval of an organization's participation by the department
 611 pursuant to s. 1002.395 during the previous school year.

613 The organization must provide scholarships to newly eligible
 614 students on a first-come, first-served basis unless the student
 615 is seeking priority pursuant to this paragraph.

616 (e) A parent of a student who applies for and receives
 617 scholarship funds initially for the spring scholarship term may
 618 only receive 5 of the 10 payment installments for the school
 619 year.

620 (f) A parent may not apply for multiple scholarships under
 621 s. 1002.394 or s. 1002.395 for an individual student at the same
 622 time. However, the organization may switch a student between
 623 scholarships under s. 1002.394 or s. 1002.395 upon notification
 624 and approval by the department.

625 (g) Notwithstanding the application deadlines, a student in
 626 foster care or out-of-home care or who is a dependent child of a
 627 member of the United States Armed Forces or who reported an
 628 incident pursuant to s. 1002.40 may apply for a scholarship at
 629 any time. Additionally, the Commissioner of Education may extend
 630 an application window for any eligible group of students due to
 631 extenuating circumstances that affect one or more regions of
 632 this state. However, any student receiving a scholarship who
 633 applies outside the application deadlines may only receive
 634 payments prospectively.

635 (h) An organization may not restrict or reserve
 636 scholarships for use at a particular eligible private school or
 637 provide scholarships to a child of an owner or operator of such
 638 school. Additionally, the organization must notify each parent

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of a scholarship applicant that participation in the scholarship program does not guarantee enrollment at an eligible private school.

(i) For the 2026-2027 school year, a parent who applies for a scholarship by April 30, 2026, does not need to submit a new application pursuant to the requirements of this section but must, by the time the organization is required to send its verified list to the department, provide the documentation required for eligibility. However, a parent may withdraw his or her application and reapply pursuant to the requirements of this section. This paragraph expires January 1, 2027.

An eligible nonprofit scholarship-funding organization may not further regulate, exercise control over, or require documentation beyond the requirements of the scholarship programs unless the regulation, control, or documentation is necessary for participation in the program.

(3) ENROLLMENT VERIFICATION.—Upon receipt of an application, the eligible nonprofit scholarship-funding organization must verify each student's eligibility. Each student, including renewal students, must apply for a scholarship each school year. An organization may not grant multiyear scholarships in one approval process.

(a) To verify eligibility, the organization must request all of the following information for each student, to be included in the student's file:

1. More than one form of proof of residency or proof that the student is the dependent of an active duty member of the United States Armed Forces who has received permanent change of

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station orders to this state.

2. A copy of the student's birth certificate, the name on which must match the name provided on the student's application.

3. For a student who was enrolled in a public school prior to participation in the scholarship program as determined by the department, proof that the parent submitted the standard withdrawal form to the public school where the student was previously enrolled or, if the withdrawal occurred prior to the creation of the standard withdrawal form, another form of proof of withdrawal from the public school.

4. One of the following forms of documentation from the parent attesting that while the student receives scholarship payments, the student will be enrolled in and in compliance with the applicable attendance requirements under ss. 1003.01(16) and 1003.21(1):

a. A copy of the notice of a parent's intent to establish and maintain a home education program pursuant to s. 1002.41;

b. A personalized education program and a copy of the student learning plan that has been reviewed and verified by the organization pursuant to s. 1002.395(7)(c); or

c. Documentation of admission or enrollment from an eligible private school for the school year in which the student is applying.

5. If known, the student's Florida student identification number if one has been assigned.

(b) In addition, if the student:

1. Is a renewal student, the organization must:

a. Request for each student the assessment results necessary to verify compliance with subsection (7). The deadline

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for a parent to submit the results is July 15.

b. Receive documentation from the parent attesting that the student will continue to meet all eligibility requirements for the scholarship.

c. Verify that all documents required for eligibility have been received and are on file.

d. If the student lives out of state and is a dependent of an active duty member of the United States Armed Forces, receive documentation that the home of record or state of legal residence is Florida.

2. Is seeking priority eligibility based upon household income, the parent of the student must authorize the organization to access information needed for income eligibility determination and verification held by other state or federal agencies, including the Department of Revenue, the Department of Children and Families, the Department of Education, the Department of Commerce, and the Agency for Health Care Administration.

(c) An organization must send to the department a list of eligible students and any information necessary for the department to conduct the following cross-check reviews by:

1. August 1 for the fall scholarship term.
2. October 1 for the fall scholarship mid-term.
3. December 1 for the spring scholarship term.
4. March 1 for the spring scholarship mid-term.

For the spring scholarship term, the organization must submit students initially applying for the scholarship during the spring term, as well as all students who received a scholarship

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payment within the fall term. Additionally, the organization must update each list with any eligible student who applies outside of the application deadlines pursuant to paragraph (2) (g).

(d) The department must verify each student's Florida student identification number or, if a student has not been assigned a Florida student identification number, assign each eligible student a Florida student identification number. Once a student is assigned a Florida student identification number, the organization must use that number for the reporting and tracking of all scholarship data.

(e) The department must cross-check each list of eligible students submitted by the organization with the most recent student attendance records maintained by the school districts pursuant to s. 1003.23 to resolve student reporting duplication.

1. As part of each cross-check process, the department must send a list of the eligible students submitted by the organization to the applicable school district. The school district must cross-check each student by identification number with its most recent student attendance records and send the results, including any duplicates, to the department. Pursuant to s. 1002.44, a student receiving a scholarship under this chapter who attends a public school on a part-time basis through contracted services provided by the public school or school district may not be reported by the school district for funding purposes under the Florida Education Finance Program, and, therefore, such students are not considered duplicates.

2. For any student reported as a duplicate by a school district, the department must determine whether the student is

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prohibited from receiving a scholarship award pursuant to s. 1002.394(6) or s. 1002.395(4). As part of the department's determination process, the department must require the organization to suspend payments to the student's account and the use of funds in the student's account related to any period of time the student is ineligible.

3. The department, after making its determination, shall notify the district if there is any student reported by the district as a duplicate whom the district should not report for funding in the student membership survey pursuant to s. 1011.62. For the students the district does report, the district shall receive the full funding generated in accordance with the Florida Education Finance Program, regardless of whether the student received a scholarship payment, subject to the audit required under s. 1010.305.

(f) The department, after the list of eligible students has been cross-checked and each student has been assigned a Florida student identification number, shall send the list of verified eligible students to the organization, which may then fund students only based upon the department's list of verified eligible students. The department must notify an organization of any of the organization's identified students who were submitted for a scholarship from another organization and which organization the student shall receive funding from.

(g) After each cross-check, the department must provide the list of verified eligible students submitted to the organization and any information on duplicate students requested to the chair of the Senate Appropriations Committee, the chair of the House Budget Committee, and the Office of Policy and Budget within the

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Executive Office of the Governor.

(4) PREPAYMENT VERIFICATION.—Prior to the disbursement of each scholarship payment, the organization must verify the student's continued eligibility based upon the requirements of the applicable student's scholarship program.

(a) For scholarship programs that require private school enrollment, the organization must verify that the student is enrolled in and in attendance at a participating eligible private school.

(b) Prior to the receipt of each scholarship payment, a parent of the student must attest that the student is not enrolled full-time in a public school and is enrolled in and in attendance at, unless excused for illness or other good cause one of the following:

1. A home education program;
2. A personalized education program; or
3. An eligible private school.

(c) The parent of a student whose scholarship funds are required under paragraph (6)(b) to be committed for tuition and fees at a participating private school may authorize the private school to provide the attestation required under paragraph (b) on behalf of the parent by attesting that the student is enrolled in and in attendance at the private school. The private school and the organization must maintain records of the parental authorization, and such authorization must be renewed each school year. An improper attestation may be investigated as fraud pursuant to subparagraph (10)(a)6., and the private school may be liable to the state for payments made in violation of this subsection and, if found liable, must reimburse the state

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for funds improperly paid to the private school.

(d) The organization may not make any payment into a student's account prior to a parent's acceptance of a scholarship award, upon notification that the student is enrolled in a public school unless the organization can verify the student's eligibility, or for any period of time prior to a student's eligibility is verified by the department. An organization is liable to the state for payments made in violation of this subsection and must reimburse the state for funds that were improperly awarded which cannot be recovered.

(5) SCHOLARSHIP AWARD AMOUNTS AND PAYMENT SCHEDULE.—

(a) Beginning in the 2026-2027 school year, the calculated scholarship program award amounts shall be the amounts provided in the General Appropriations Act which are based upon the amounts by basic program and program for exceptional students under the Florida Education Finance Program. These amounts shall be adjusted annually based upon the value of the percentage change increase in per student funding at the state level for public school districts as provided in the General Appropriations Act.

1. The calculated scholarship amount for a student determined eligible pursuant to s. 1002.394(3)(a) or s. 1002.395 shall be based upon the student's current grade level and county of residence.

2. The calculated scholarship amount for a student determined eligible pursuant to s. 1002.394(3)(b) must be based upon the student's current grade level, exceptional student program, and county of residence.

a. The calculated scholarship amount for a student who

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received a Gardiner Scholarship pursuant to former s. 1002.385 in the 2020-2021 school year shall be the greater of the amount calculated pursuant to this subsection or the amount the student received for the 2020-2021 school year.

b. The calculated scholarship amount for a student who received a John M. McKay Scholarship pursuant to former s. 1002.39 in the 2020-2021 school year shall be the greater of the amount calculated pursuant to this subsection or the amount the student received for the 2020-2021 school year.

(b) Beginning with the 2026-2027 school year, the scholarship award shall be divided into 10 equal installments and made in accordance with the prepayment verification process.

1. For a renewal student receiving a scholarship award pursuant to s. 1002.394(3)(a) or s. 1002.395, and whose funds are applied to tuition at an eligible private school that has agreed to attest to the student's attendance pursuant to paragraph (4)(c), the organization may make the first payment no earlier than August 15 and the second payment no earlier than September 15.

2. For all other students receiving scholarship awards, the organization may make the first payment no earlier than September 15. The first payment pursuant to this subparagraph is for two installments.

3. Each subsequent payment must be made no later than October 15, November 15, December 15, January 15, February 15, March 15, April 15, and May 15 of each school year in which the scholarship is in force.

(6) SCHOLARSHIP ACCOUNTS.—The organization must establish and maintain a separate scholarship account for each student

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871 enrolled in a scholarship program. For each account, the
 872 organization must maintain a record of accrued interest which is
 873 retained in the student's account. Accrued interest in the
 874 student's account is in addition to, and not part of, the
 875 awarded funds. Program funds include both the awarded funds and
 876 accrued interest and are available only for authorized program
 877 expenditures.

878 (a) Payment of the scholarship by the organization shall be
 879 by funds transfer, including, but not limited to, debit cards,
 880 electronic payment cards, or any means of payment the department
 881 deems commercially viable or cost-effective. A student's
 882 scholarship award may not be reduced to cover debit card or
 883 electronic payment fees. Commodities or services related to the
 884 development of such transfer system must be procured by
 885 competitive solicitation unless purchased from a state term
 886 contract pursuant to s. 287.056.

887 (b) For students eligible pursuant to s. 1002.394(3) (a) or
 888 s. 1002.395, except for those students enrolled in a
 889 personalized education program:

890 1. The organization must commit scholarship funds on behalf
 891 of the student for tuition and fees that the parent must pay at
 892 a participating private school before scholarship account funds
 893 may be used for additional authorized uses under s.
 894 1002.394(4) (a) or s. 1002.395(4) (d). A parent is responsible for
 895 all eligible expenses in excess of the scholarship amount. An
 896 organization shall ensure that the parent has approved a funds
 897 transfer before any scholarship funds are deposited. The parent
 898 may not designate any entity or individual associated with a
 899 participating private school as the parent's attorney in fact to

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900 approve a funds transfer.

901 2. After funds have been committed pursuant to subparagraph
 902 1., funds may be used as authorized in s. 1002.394(4) (a) and as
 903 authorized in the organization's purchasing handbook by paying
 904 for the authorized use directly and then submitting a
 905 reimbursement request to the organization. An organization may
 906 require the use of an online platform for direct purchases of
 907 products if such use does not limit a parent's choice of
 908 curriculum or academic programs. If a parent purchases a product
 909 identical to one offered by an organization's online platform
 910 for a lower price, the organization must reimburse the parent
 911 the cost of the product.

912 3. The initial payment shall be made after the
 913 organization's verification of admission acceptance, and
 914 subsequent payments shall be made upon verification of continued
 915 enrollment and attendance at a participating private school.
 916 Payments for tuition and fees for full-time enrollment shall be
 917 made within 7 business days after approval by the parent and the
 918 private school.

919 4. If a student unenrolls from a participating private
 920 school within 10 business days after enrolling in the private
 921 school, the private school must return a proportional share of
 922 the student's scholarship payment to the organization.

923 5. An organization may not transfer any funds to an account
 924 of a student which has a balance in excess of \$24,000.

925 (c) For students eligible pursuant to s. 1002.394(3) (b):

926 1. The organization must verify qualifying educational
 927 expenditures pursuant to the requirements of s. 1002.394(4) (b).
 928 The organization must verify any expenditures made pursuant to

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s. 1002.394(4)(b)1. and 2. before the distribution of funds.
 Review of expenditures made for services specified in s.
 1002.394(4)(b)3.-16. may be completed after the purchase is
 made.

2. The organization must develop a process, for
 implementation beginning in the 2026-2027 school year, that
 provides the commitment of scholarship funds on behalf of the
 student for tuition and fees that a parent must pay at the
 Florida Virtual School as a private-pay student before
 scholarship account funds may be used for additional authorized
 uses under s. 1002.394(4)(b) or s. 1002.395(6)(d).

3. An organization may not transfer any funds to an account
 of a student which has a balance in excess of \$50,000.

(d) A parent of a student attending a public school on a
 part-time basis through contracted services provided by a public
 school or school district pursuant to s. 1002.44 must notify the
 public school or school district in writing at the time of
 application or at any subsequent time if the student is
 receiving a scholarship. For such contracted services, the
 public school may require the parent to pay for the contracted
 services as authorized in ss. 1002.395(4)(a)6.,
 1002.395(4)(b)8., and 1002.395(6)(d)4.f.

(e) A parent of a 3- or 4-year-old child receiving a
 scholarship pursuant to s. 1002.394(3)(b) and receiving services
 at a public school or school district must notify the public
 school or school district in writing at the time of application
 or at any subsequent time if the student is receiving a
 scholarship.

(f) The parent of a student who fails to comply with this

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subsection forfeits the scholarship. An organization must notify
 the parent when a scholarship account is closed and when program
 funds revert to the state.

(7) TESTING REQUIREMENTS.—A student participating in a
 scholarship program in grades 3 through 10 may take the
 nationally norm-referenced tests that are identified by the
 department or take the statewide assessments pursuant to s.
 1008.22. Students with disabilities for whom standardized
 testing is not appropriate and who are granted an extraordinary
 exemption from the administration of the assessment pursuant to
 s. 1008.212 are exempt from this requirement.

(a) A participating private school must annually administer
 or make provision for students participating in the program in
 grades 3 through 10 to take one of the nationally norm-
 referenced tests or cooperate with a student whose parent
 chooses to participate in the statewide assessments pursuant to
 s. 1008.22. A parent must require his or her student
 participating in the program to take the norm-referenced tests
 offered by the participating private school. The parent may also
 choose to have the student participate in the statewide
 assessments pursuant to s. 1008.22.

(b)1. If the participating private school chooses to offer
 and administer the statewide assessments pursuant to s. 1008.22
 to all students who attend the private school in grades 3
 through 10, it must submit a request in writing to the
 department by March 1 of each year in order to administer the
 statewide assessments in the subsequent school year. In turn,
 upon the request of the department, a school district shall
 coordinate with the department to provide to a participating

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987 private school the statewide assessments and any related
 988 materials for administering the assessments.
 989 2. A school district is responsible for administering tests
 990 at a participating private school, including:
 991 a. Providing training for private school staff on test
 992 security and assessment administration procedures;
 993 b. Distributing testing materials to a private school;
 994 c. Retrieving testing materials from a private school;
 995 d. Providing the required format for a private school to
 996 submit information to the district for test administration and
 997 enrollment purposes; and
 998 e. Providing any required assistance, monitoring, or
 999 investigation related to administering tests and assessments at
 1000 a private school.
 1001 3. A participating private school shall report a student's
 1002 scores to his or her parent. By August 15 of each year, a
 1003 participating private school must report the scores of all
 1004 participating students to a state university as described in s.
 1005 1002.395(9)(b)3.
 1006 4. If a parent requests that the student participating in
 1007 the program take statewide assessments pursuant to s. 1008.22
 1008 and the participating private school has not chosen to offer and
 1009 administer the statewide assessments, the district in which the
 1010 participating private school is located must provide locations
 1011 and times for the student to take the assessments. The parent is
 1012 responsible for transporting the student to the assessment site
 1013 designated by the school district.
 1014 5. For students determined eligible pursuant to s.
 1015 1002.395(7)(b), an organization must receive eligible student

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1016 test scores, and beginning with the 2027-2028 school year, by
 1017 August 15, annually report test scores for such students to a
 1018 state university pursuant to s. 1002.395(9)(b)3.
 1019 (8) BACKGROUND SCREENING REQUIREMENTS.—
 1020 (a) Each owner or operator or an individual providing
 1021 services under s. 1002.394(4)(b)4. or s. 1002.395(6)(d)4.
 1022 through an organization's online platform for direct purchase
 1023 pursuant to subparagraph (6)(b)2., prior to employment or
 1024 engagement to provide services, must undergo a background
 1025 screening and meet the screening standards in s. 1012.315. All
 1026 fingerprints submitted to the Department of Law Enforcement as
 1027 required by this section must be retained in the Care Provider
 1028 Background Screening Clearinghouse as provided in s. 435.12. The
 1029 cost of the background screening may be borne by the owner or
 1030 operator or service provider.
 1031 1. Employees, contracted personnel, owners, and operators
 1032 must be rescreened as required by s. 435.12.
 1033 2. Employees, contracted personnel, owners, and operators
 1034 who apply for employment are governed by the laws and rules in
 1035 effect at the time of the application for employment, provided
 1036 that the person is continually employed by the same school or
 1037 provider. An owner or operator who fails the level 2 background
 1038 screening is not eligible to participate in a scholarship
 1039 program under this chapter.
 1040 3. Service providers who have been screened under licensure
 1041 requirements in chapter 402, or who are exempt from licensure,
 1042 are not required to be rescreened under this section. The
 1043 Department of Education and the Department of Children and
 1044 Families must implement a process to electronically share

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background screening results for such service providers.

4. In addition to the offenses listed in s. 435.04, a person required to undergo background screening pursuant to this section or authorizing statutes may not have an arrest awaiting final disposition for, must not have been found guilty of, or entered a plea of nolo contendere to, regardless of adjudication, and must not have been adjudicated delinquent for, and the record must not have been sealed or expunged for, any of the following offenses or any similar offense of another jurisdiction:

a. Any authorizing statutes, if the offense was a felony.

b. This chapter, if the offense was a felony.

c. Section 409.920, relating to Medicaid provider fraud.

d. Section 409.9201, relating to Medicaid fraud.

e. Section 741.28, relating to domestic violence.

f. Section 817.034, relating to fraudulent acts through mail, wire, radio, electromagnetic, photoelectronic, or photooptical systems.

g. Section 817.234, relating to false and fraudulent insurance claims.

h. Section 817.505, relating to patient brokering.

i. Section 817.568, relating to criminal use of personal identification information.

j. Section 817.60, relating to obtaining a credit card through fraudulent means.

k. Section 817.61, relating to fraudulent use of credit cards, if the offense was a felony.

l. Section 831.01, relating to forgery.

m. Section 831.02, relating to uttering forged instruments.

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n. Section 831.07, relating to forging bank bills, checks, drafts, or promissory notes.

o. Section 831.09, relating to uttering forged bank bills, checks, drafts, or promissory notes.

p. Section 831.30, relating to fraud in obtaining medicinal drugs.

q. Section 831.31, relating to the sale, manufacture, delivery, or possession with the intent to sell, manufacture, or deliver any counterfeit controlled substance, if the offense was a felony.

5. At least 30 calendar days before a transfer of ownership of a private school, the owner or operator shall notify the parent of each scholarship student.

6. The owner or operator of a private school that has been deemed ineligible to participate in a scholarship program pursuant to this chapter may not transfer ownership or management authority of the school to a relative in order to participate in a scholarship program as the same school or a new school. For purposes of this subparagraph, the term "relative" means father, mother, son, daughter, grandfather, grandmother, brother, sister, uncle, aunt, cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister.

(b) An organization must report the annual audit of background screening results required under this subsection to the department.

(9) PRIVATE SCHOOL ELIGIBILITY AND OBLIGATIONS.—A private

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school participating in an educational scholarship program established pursuant to this chapter may be sectarian or nonsectarian and must be a private school as defined in s. 1002.01 in this state, be registered, and be in compliance with all requirements of this section in addition to private school requirements outlined in s. 1002.42, specific requirements identified within respective scholarship program laws, and other provisions of Florida law that apply to private schools. Additionally, a private school participating in an educational scholarship program pursuant to this chapter, and must:

- (a) Comply with the antidiscrimination provisions of 42 U.S.C. s. 2000d.
- (b) Notify the department of its intent to participate in a scholarship program.
- (c) Notify the department of any change in the school's name, school director, mailing address, or physical location within 15 days after the change.
- (d) Provide to the department or ~~scholarship-funding~~ organization all documentation required for a student's participation or required by the organization to process a scholarship payment, including the private school's and student's individual fee schedule, and attendance verification as required by the department or ~~scholarship-funding~~ organization, prior to scholarship payment. Such information must be provided by the deadlines established by the organization and in accordance with the requirements of this section and ss. 1002.394 and 1002.395. A student is not eligible to receive a scholarship payment if the private school fails to meet the deadlines.

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(e) Annually complete and submit to the department a notarized scholarship compliance statement certifying that all school employees and contracted personnel with direct student contact have undergone background screening and have met the screening standards as provided in s. 1012.315.

(f) Demonstrate fiscal soundness and accountability by:

- 1. Being in operation for at least 3 school years or obtaining a surety bond or letter of credit for the amount equal to the scholarship funds for any quarter and filing the surety bond or letter of credit with the department.
- 2. Requiring the parent of each scholarship student to personally restrictively endorse the scholarship warrant to the school or to approve a funds transfer before any funds are deposited for a student. The school may not act as attorney in fact for the parent of a scholarship student under the authority of a power of attorney executed by such parent, or under any other authority, to endorse a scholarship warrant or approve a funds transfer on behalf of such parent.

(g) Meet applicable state and local health, safety, and welfare laws, codes, and rules, including:

- 1. Firesafety.
- 2. Building safety.

(h) Employ or contract with teachers who hold baccalaureate or higher degrees, have at least 3 years of teaching experience in public or private schools, or have special skills, knowledge, or expertise that qualifies them to provide instruction in subjects taught.

(i) Maintain a physical location in the state at which each student has regular and direct contact with teachers. Regular

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1161 and direct contact with teachers may be satisfied for students
 1162 enrolled pursuant to s. 1002.394(4)(b) or in a personalized
 1163 education program if students have regular and direct contact
 1164 with teachers at the physical location at least 2 school days
 1165 per week and the student learning plan addresses the remaining
 1166 instructional time.

1167 (j) Publish on the school's website, or provide in a
 1168 written format, information for parents regarding the school,
 1169 including, but not limited to, programs, services, the
 1170 qualifications of classroom teachers, and a statement that a
 1171 parentally placed private school student with a disability does
 1172 not have an individual right to receive some or all of the
 1173 special education and related services that the student would
 1174 receive if enrolled in a public school under the Individuals
 1175 with Disabilities Education Act (IDEA), as amended.

1176 (k) At a minimum, provide the parent of each scholarship
 1177 student with a written explanation of the student's progress on
 1178 a quarterly basis.

1179 (l) Cooperate with a student whose parent chooses to
 1180 participate in the statewide assessments pursuant to s. 1008.22.

1181 (m) Require each employee and contracted personnel with
 1182 direct student contact, upon employment or engagement to provide
 1183 services, to undergo background screening under s. 1012.315 and
 1184 deny employment to or terminate an employee if he or she fails
 1185 to meet the screening standards under s. 1012.315. For purposes
 1186 of this paragraph:

1187 1. An "employee or contracted personnel with direct student
 1188 contact" means any employee or contracted personnel who has
 1189 unsupervised access to a scholarship student for whom the

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1190 private school is responsible.

1191 2. The costs of fingerprinting and the background check
 1192 shall not be borne by the state.

1193 3. Continued employment of an employee or contracted
 1194 personnel after notification that he or she has failed the
 1195 background screening under this paragraph shall cause a private
 1196 school to be ineligible for participation in a scholarship
 1197 program.

1198 4. An employee or contracted personnel holding a valid
 1199 Florida teaching certificate who has been fingerprinted pursuant
 1200 to s. 1012.32 is not required to comply with the provisions of
 1201 this paragraph.

1202 5. All fingerprints submitted to the Department of Law
 1203 Enforcement as required by this section must be retained in the
 1204 Care Provider Background Screening Clearinghouse as provided in
 1205 s. 435.12.

1206 ~~6. Employees, contracted personnel, owners, and operators~~
 1207 ~~must be rescreened as required by s. 435.12.~~

1208 ~~7. Persons who apply for employment are governed by the~~
 1209 ~~laws and rules in effect at the time of application for~~
 1210 ~~employment, provided that the person is continually employed by~~
 1211 ~~the same school.~~

1212 (n) Adopt policies establishing standards of ethical
 1213 conduct for educational support employees, instructional
 1214 personnel, and school administrators. The policies must require
 1215 all educational support employees, instructional personnel, and
 1216 school administrators, as defined in s. 1012.01, to complete
 1217 training on the standards; establish the duty of educational
 1218 support employees, instructional personnel, and school

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administrators to report, and procedures for reporting, alleged misconduct by other educational support employees, instructional personnel, and school administrators which affects the health, safety, or welfare of a student; and include an explanation of the liability protections provided under ss. 39.203 and 768.095. A private school, or any of its employees, may not enter into a confidentiality agreement regarding terminated or dismissed educational support employees, instructional personnel, or school administrators, or employees, personnel, or administrators who resign in lieu of termination, based in whole or in part on misconduct that affects the health, safety, or welfare of a student, and may not provide the employees, personnel, or administrators with employment references or discuss the employees', personnel's, or administrators' performance with prospective employers in another educational setting, without disclosing the employees', personnel's, or administrators' misconduct. Any part of an agreement or contract that has the purpose or effect of concealing misconduct by educational support employees, instructional personnel, or school administrators which affects the health, safety, or welfare of a student is void, is contrary to public policy, and may not be enforced.

(o) Before employing a person in any position that requires direct contact with students, conduct employment history checks of previous employers, screen the person through use of the screening tools described in s. 1001.10(5), and document the findings. If unable to contact a previous employer, the private school must document efforts to contact the employer. The private school may not employ a person whose educator

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certificate is revoked, who is barred from reapplying for an educator certificate, or who is on the disqualification list maintained by the department pursuant to s. 1001.10(4)(b).
~~(p) Require each owner or operator of the private school, prior to employment or engagement to provide services, to undergo background screening as provided in s. 1012.315. For purposes of this paragraph, the term "owner or operator" means an owner, an operator, a superintendent, or a principal of, or a person with equivalent decisionmaking authority over, a private school participating in a scholarship program established pursuant to this chapter. The fingerprints for the background screening must be electronically submitted to the Department of Law Enforcement and may be taken by an authorized law enforcement agency or a private company who is trained to take fingerprints. However, the complete set of fingerprints of an owner or operator may not be taken by the owner or operator. The cost of the background screening may be borne by the owner or operator.~~

~~1. In addition to the offenses listed in s. 435.04, a person required to undergo background screening pursuant to this part or authorizing statutes may not have an arrest awaiting final disposition for, must not have been found guilty of, or entered a plea of nolo contendere to, regardless of adjudication, and must not have been adjudicated delinquent for, and the record must not have been sealed or expunged for, any of the following offenses or any similar offense of another jurisdiction:~~

~~a. Any authorizing statutes, if the offense was a felony.~~

~~b. This chapter, if the offense was a felony.~~

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1277 e. ~~Section 409.920, relating to Medicaid provider fraud.~~
 1278 d. ~~Section 409.9201, relating to Medicaid fraud.~~
 1279 e. ~~Section 741.28, relating to domestic violence.~~
 1280 f. ~~Section 817.034, relating to fraudulent acts through~~
 1281 ~~mail, wire, radio, electromagnetic, photoelectronic, or~~
 1282 ~~photooptical systems.~~
 1283 g. ~~Section 817.234, relating to false and fraudulent~~
 1284 ~~insurance claims.~~
 1285 h. ~~Section 817.505, relating to patient brokering.~~
 1286 i. ~~Section 817.568, relating to criminal use of personal~~
 1287 ~~identification information.~~
 1288 j. ~~Section 817.60, relating to obtaining a credit card~~
 1289 ~~through fraudulent means.~~
 1290 k. ~~Section 817.61, relating to fraudulent use of credit~~
 1291 ~~cards, if the offense was a felony.~~
 1292 l. ~~Section 831.01, relating to forgery.~~
 1293 m. ~~Section 831.02, relating to uttering forged instruments.~~
 1294 n. ~~Section 831.07, relating to forging bank bills, checks,~~
 1295 ~~drafts, or promissory notes.~~
 1296 o. ~~Section 831.09, relating to uttering forged bank bills,~~
 1297 ~~checks, drafts, or promissory notes.~~
 1298 p. ~~Section 831.30, relating to fraud in obtaining medicinal~~
 1299 ~~drugs.~~
 1300 q. ~~Section 831.31, relating to the sale, manufacture,~~
 1301 ~~delivery, or possession with the intent to sell, manufacture, or~~
 1302 ~~deliver any counterfeit controlled substance, if the offense was~~
 1303 ~~a felony.~~
 1304 2. ~~At least 30 calendar days before a transfer of ownership~~
 1305 ~~of a private school, the owner or operator shall notify the~~

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1306 ~~parent of each scholarship student.~~
 1307 3. ~~The owner or operator of a private school that has been~~
 1308 ~~deemed ineligible to participate in a scholarship program~~
 1309 ~~pursuant to this chapter may not transfer ownership or~~
 1310 ~~management authority of the school to a relative in order to~~
 1311 ~~participate in a scholarship program as the same school or a new~~
 1312 ~~school. For purposes of this subparagraph, the term "relative"~~
 1313 ~~means father, mother, son, daughter, grandfather, grandmother,~~
 1314 ~~brother, sister, uncle, aunt, cousin, nephew, niece, husband,~~
 1315 ~~wife, father-in-law, mother-in-law, son-in-law, daughter-in-law,~~
 1316 ~~brother-in-law, sister-in-law, stepfather, stepmother, stepson,~~
 1317 ~~stepdaughter, stepbrother, stepsister, half brother, or half~~
 1318 ~~sister.~~
 1319 (p)(q) Provide a report from an independent certified
 1320 public accountant who performs the agreed-upon procedures
 1321 developed pursuant to s. 1002.395(6)(1) ~~s. 1002.395(6)(q)~~ if the
 1322 private school receives more than \$250,000 in funds from
 1323 scholarships awarded under this chapter in a state fiscal year.
 1324 A private school subject to this subsection must annually submit
 1325 the report by September 15 to the scholarship-funding
 1326 organization that awarded the majority of the school's
 1327 scholarship funds. The agreed-upon procedures must be conducted
 1328 in accordance with attestation standards established by the
 1329 American Institute of Certified Public Accountants.
 1330 (q)(r) Prohibit education support employees, instructional
 1331 personnel, and school administrators from employment in any
 1332 position that requires direct contact with students if the
 1333 personnel or administrators are ineligible for such employment
 1334 pursuant to this section or s. 1012.315, or have been terminated

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or have resigned in lieu of termination for sexual misconduct with a student. If the prohibited conduct occurs subsequent to employment, the private school must report the person and the disqualifying circumstances to the department for inclusion on the disqualification list maintained pursuant to s. 1001.10(4)(b).

~~(r)(s)~~ Not be owned or operated by a person or an entity domiciled in, owned by, or in any way controlled by a foreign country of concern or foreign principal as defined in s. 288.860. A violation of this paragraph constitutes an imminent threat to the health, safety, and welfare of the school's students and to the public, sufficient to justify immediate suspension of payment of scholarship funds under paragraph (11)(e) paragraph (3)(e), as well as denial, suspension, or revocation of a school's participation in a scholarship program under paragraph (11)(b) paragraph (3)(b).

(s) The inclusion of eligible private schools within options available to Florida public school students does not expand the regulatory authority of the state, its officers, or any school district to impose any additional regulation of private schools beyond that reasonably necessary to enforce requirements expressly set forth in this section.

The department shall suspend the payment of funds to a private school that knowingly fails to comply with this subsection or subsection (8), and shall prohibit the school from enrolling new scholarship students, for 1 fiscal year and until the school complies. If a private school fails to meet the requirements of this subsection or subsection (8) or has consecutive years of

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material exceptions listed in the report required under paragraph ~~(p)~~ ~~(q)~~, the commissioner may determine that the private school is ineligible to participate in a scholarship program.

~~(10)(2)~~ DEPARTMENT OF EDUCATION OBLIGATIONS.—

(a) The Department of Education shall:

1. Annually verify the eligibility of private schools that meet the requirements of this section, specific requirements identified within respective scholarship program laws, and other provisions of state law that apply to private schools.

2. Establish a toll-free hotline that provides parents and private schools with information on participation in the scholarship programs.

3. Publish and update, as necessary, information on the department website about the educational scholarship programs established under this chapter, including, but not limited to, student eligibility criteria, parental responsibilities, and relevant data. The information must include a list of approved providers as required by s. 1002.66, eligible postsecondary educational institutions, eligible private schools, and eligible organizations and may identify or provide links to lists of other approved providers.

4. Establish a process by which individuals may notify the department of any violation by a parent, private school, or school district of state laws relating to program participation. If the department has reasonable cause to believe that a violation of this section or any rule adopted by the State Board of Education has occurred, it shall conduct an inquiry or make a referral to the appropriate agency for an investigation. A

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1393 department inquiry is not subject to the requirements of chapter
1394 120.

1395 5. Investigate any written complaint of a violation of this
1396 section by a parent, a student, a participating private school,
1397 a public school, a school district, an organization, a provider,
1398 or another appropriate party in accordance with the process
1399 established under s. 1002.421.

1400 6. Investigate fraudulent activity on behalf of
1401 organizations, participating eligible private schools, or
1402 scholarship recipients to determine possible fraud or
1403 overpayment. If, by the department's own inquiries or as a
1404 result of a complaint, the commissioner has reason to believe
1405 that an organization, a private school, or a recipient has
1406 engaged in, or is engaging in, a fraudulent act, he or she shall
1407 investigate and determine whether any fraud or overpayment has
1408 occurred. During the investigation, the department may examine
1409 all records and make inquiry of all persons who may have
1410 knowledge as to any irregularity incidental to the disbursement
1411 of state funds or other items or benefit authorizations to
1412 scholarship recipients. Based on the results of the
1413 investigation, the department may, in its discretion, refer the
1414 investigation to the Department of Financial Services for
1415 criminal investigation. Any suspected criminal violation
1416 identified by the department must be referred to the Department
1417 of Financial Services for criminal investigation. A person who
1418 commits an act of fraud is subject to the penalties provided in
1419 s. 414.39(5).

1420 7.4- Require an annual, notarized, sworn compliance
1421 statement from participating private schools certifying

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1422 compliance with state laws, and retain such records.

1423 8.5- Coordinate with the entities conducting the health
1424 inspection for a private school to obtain copies of the
1425 inspection reports.

1426 9.6- Conduct site visits to private schools entering a
1427 scholarship program for the first time. Beginning with the 2019-
1428 2020 school year, a private school is not eligible to receive
1429 scholarship payments until a satisfactory site visit has been
1430 conducted and the school is in compliance with all other
1431 requirements of this section.

1432 10.7- Coordinate with the State Fire Marshal to obtain
1433 access to fire inspection reports for private schools. The
1434 authority conducting the fire safety inspection shall certify to
1435 the State Fire Marshal that the annual inspection has been
1436 completed and that the school is in full compliance. The
1437 certification shall be made electronically or by such other
1438 means as directed by the State Fire Marshal.

1439 11.8- Upon the request of a participating private school
1440 authorized to administer statewide assessments, provide at no
1441 cost to the school the statewide assessments administered under
1442 s. 1008.22 and any related materials for administering the
1443 assessments. Students at a private school may be assessed using
1444 the statewide assessments if the addition of those students and
1445 the school does not cause the state to exceed its contractual
1446 caps for the number of students tested and the number of testing
1447 sites. The state shall provide the same materials and support to
1448 a private school that it provides to a public school. A private
1449 school that chooses to administer statewide assessments under s.
1450 1008.22 shall follow the requirements set forth in ss. 1008.22

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and 1008.24, rules adopted by the State Board of Education to implement those sections, and district-level testing policies established by the district school board.

12. Maintain and annually publish a list of nationally norm-referenced tests identified for purposes of satisfying the testing requirements in subsection (7). The tests must meet industry standards of quality in accordance with state board rule.

13. Develop a standard withdrawal form for parents who are withdrawing their students from public school to enroll in a scholarship program under this chapter. The form must include the student's Florida student identification number, full name, date of birth, school or program from which the student is withdrawing, and date of withdrawal.

14. Annually report on the number of students withdrawing from each scholarship program and enrolling in a public school, and the number of students withdrawing from a public school and enrolling in a scholarship program, by scholarship type.

(b) The department may conduct site visits to any private school participating in a scholarship program pursuant to this chapter that has received a complaint about a violation of state law or state board rule pursuant to subparagraph (a)3. or has received a notice of noncompliance or a notice of proposed action within the previous 2 years.

(c) At the direction of the Commissioner of Education, the department may:

1. Suspend or revoke program participation or use of program funds by the student or participation or eligibility of an organization, eligible postsecondary educational institution,

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approved provider, or other party for a violation of this section.

2. Determine the length of, and conditions for lifting, a suspension or revocation specified in this paragraph.

3. Recover unexpended program funds or withhold payment of an equal amount of program funds to recover program funds that were not authorized for use.

In determining whether to suspend or revoke participation or lift a suspension or revocation in accordance with this paragraph, the department may consider factors that include, but are not limited to, acts or omissions that led to a previous suspension or revocation of participation in a state or federal program or an education scholarship program; failure to reimburse the organization for funds improperly received or retained; failure to reimburse government funds improperly received or retained; imposition of a prior criminal sanction related to the person or entity or its officers or employees; imposition of a civil fine or administrative fine, license revocation or suspension, or program eligibility suspension, termination, or revocation related to a person's or entity's management or operation; or other types of criminal proceedings in which the person or entity or its officers or employees were found guilty of, regardless of adjudication, or entered a plea of nolo contendere or guilty to, any offense involving fraud, deceit, dishonesty, or moral turpitude.

(d) The department, in consultation with the organization, shall develop a uniform reimbursement process that organizations must use, beginning with the 2026-2027 school year, when

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processing reimbursement requests, including invoices, pursuant to s. 1002.394(11)(b) or s. 1002.395(6)(p). An organization must approve, deny, or request more information relating to a reimbursement request within 30 days after receipt of such request. The department shall coordinate with each organization to develop a process to collect input and feedback from parents, private schools, and providers before an organization may implement substantial modifications or enhancements to the reimbursement process.

(e) Annually, by December 15, the department shall report to the Governor, the President of the Senate, and the Speaker of the House of Representatives its actions in implementing accountability in the scholarship programs under this section, both Florida Empowerment Scholarships and Florida Tax Credit Scholarships, any substantiated allegations or violations of law or rule by an eligible private school or organization under this section, and the corrective action taken.

(11)(3)- COMMISSIONER OF EDUCATION AUTHORITY AND OBLIGATIONS.—The Commissioner of Education:

(a) Shall deny, suspend, or revoke a private school's participation in a scholarship program if it is determined that the private school has failed to comply with this section or exhibits a previous pattern of failure to comply. However, if the noncompliance is correctable within a reasonable amount of time, not to exceed 45 days, and if the health, safety, or welfare of the students is not threatened, the commissioner may issue a notice of noncompliance which provides the private school with a timeframe within which to provide evidence of compliance before taking action to suspend or revoke the private

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school's participation in the scholarship program.

(b) May deny, suspend, or revoke a private school's participation in a scholarship program if the commissioner determines that an owner or operator of the private school is operating or has operated an educational institution in this state or in another state or jurisdiction in a manner contrary to the health, safety, or welfare of the public or if the owner or operator has exhibited a previous pattern of failure to comply with this section or specific requirements identified within respective scholarship program laws. ~~For purposes of this subsection, the term "owner or operator" has the same meaning as provided in paragraph (1)(p).~~

(c) May permanently deny or revoke the authority of an owner, officer, or director to establish or operate a private school in the state and include such individual on the disqualification list maintained by the department pursuant to s. 1001.10(4)(b) if the commissioner decides that the owner, officer, or director:

1. Is operating or has operated an educational institution in the state or another state or jurisdiction in a manner contrary to the health, safety, or welfare of the public; or
2. Has operated an educational institution that closed during the school year. An individual may be removed from the disqualification list if the individual reimburses the department or eligible nonprofit scholarship-funding organization the amount of scholarship funds received by the educational institution during the school year in which it closed.

(d)1. In making such a determination, may consider factors

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that include, but are not limited to, acts or omissions by an owner or operator which led to a previous denial, suspension, or revocation of participation in a state or federal education scholarship program; an owner's or operator's failure to reimburse the department or scholarship-funding organization for scholarship funds improperly received or retained by a school; the imposition of a prior criminal sanction related to an owner's or operator's management or operation of an educational institution; the imposition of a civil fine or administrative fine, license revocation or suspension, or program eligibility suspension, termination, or revocation related to an owner's or operator's management or operation of an educational institution; or other types of criminal proceedings in which an owner or operator was found guilty of, regardless of adjudication, or entered a plea of nolo contendere or guilty to, any offense involving fraud, deceit, dishonesty, or moral turpitude.

2. The commissioner's determination is subject to the following:

a. If the commissioner intends to deny, suspend, or revoke a private school's participation in the scholarship program, the department shall notify the private school of such proposed action in writing by certified mail and regular mail to the private school's address of record with the department. The notification shall include the reasons for the proposed action and notice of the timelines and procedures set forth in this paragraph.

b. The private school that is adversely affected by the proposed action shall have 15 days after receipt of the notice

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of proposed action to file with the department's agency clerk a request for a proceeding pursuant to ss. 120.569 and 120.57. If the private school is entitled to a hearing under s. 120.57(1), the department shall forward the request to the Division of Administrative Hearings.

c. Upon receipt of a request referred pursuant to this subparagraph, the director of the Division of Administrative Hearings shall expedite the hearing and assign an administrative law judge who shall commence a hearing within 30 days after the receipt of the formal written request by the division and enter a recommended order within 30 days after the hearing or within 30 days after receipt of the hearing transcript, whichever is later. Each party shall be allowed 10 days in which to submit written exceptions to the recommended order. A final order shall be entered by the agency within 30 days after the entry of a recommended order. The provisions of this sub-subparagraph may be waived upon stipulation by all parties.

(e) May immediately suspend payment of scholarship funds if it is determined that there is probable cause to believe that there is:

1. An imminent threat to the health, safety, or welfare of the students;

2. A previous pattern of failure to comply with this section; ~~or~~

3. Fraudulent activity on the part of the private school;

4. Fraudulent activity or failure to comply with this section on the part of an organization; or

5. Fraudulent activity or failure to comply with this section on the part of a scholarship recipient.

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Notwithstanding s. 1002.22, in incidents of alleged fraudulent activity pursuant to this section, the department's Office of Inspector General is authorized to release personally identifiable records or reports of students to the following persons or organizations:

a. A court of competent jurisdiction in compliance with an order of that court or the attorney of record in accordance with a lawfully issued subpoena, consistent with the Family Educational Rights and Privacy Act, 20 U.S.C. s. 1232g.

b. A person or entity authorized by a court of competent jurisdiction in compliance with an order of that court or the attorney of record pursuant to a lawfully issued subpoena, consistent with the Family Educational Rights and Privacy Act, 20 U.S.C. s. 1232g.

c. Any person, entity, or authority issuing a subpoena for law enforcement purposes when the court or other issuing agency has ordered that the existence or the contents of the subpoena or the information furnished in response to the subpoena not be disclosed, consistent with the Family Educational Rights and Privacy Act, 20 U.S.C. s. 1232g, and 34 C.F.R. s. 99.31.

The commissioner's order suspending payment pursuant to this paragraph may be appealed pursuant to the same procedures and timelines as the notice of proposed action set forth in subparagraph (d)2.

(12) SCHOOL DISTRICT OBLIGATIONS.-

(a) By January 1 of each year, a school district shall inform all households within the district receiving free or

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reduced-priced meals under the National School Lunch Act of their eligibility to apply for a scholarship program established under this chapter. The form of such notice shall be provided by the department, and the school district shall include the provided form in any normal correspondence with eligible households. If an organization requests a special communication to be issued to households within the district receiving free or reduced-price meals under the National School Lunch Act, the organization shall reimburse the district for the cost of postage. Such notice is limited to once a year.

(b) Upon the request of the department, a school district shall coordinate with the department to provide to a participating private school the statewide assessments administered under s. 1008.22 and any related materials for administering the assessments. For a student participating in a scholarship program established under this chapter whose parent requests that the student take the statewide assessments under s. 1008.22, the district in which the student attends a participating private school shall provide locations and times to take all statewide assessments. A school district is responsible for implementing test administrations at a participating private school, including:

1. Providing training for private school staff on test security and assessment administration procedures;

2. Distributing testing materials to a private school;

3. Retrieving testing materials from a private school;

4. Providing the required format for a private school to submit information to the district for test administration and enrollment purposes; and

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5. Providing any required assistance, monitoring, or investigation at a private school.

(c) Each school district must publish information about a scholarship program established under this chapter on the district's website homepage. At a minimum, the published information must include a website link to the scholarship programs published on the department's website as well as a telephone number and e-mail address that students and parents may use to contact relevant personnel in the school district to obtain information about the scholarship.

(d) A school district, upon the request of a parent, must provide the parent of a student enrolled in a school in the school district the standard withdrawal form developed by the department. The school district must sign a completed form within 10 days after receipt. The school district must also publish the withdrawal form on its website in a downloadable format no later than 10 days after adoption by the department.

~~(4) The inclusion of eligible private schools within options available to Florida public school students does not expand the regulatory authority of the state, its officers, or any school district to impose any additional regulation of private schools beyond those reasonably necessary to enforce requirements expressly set forth in this section.~~

~~(13)(5)~~ RULEMAKING.—The State Board of Education shall adopt rules pursuant to ss. 120.536(1) and 120.54 to administer this section, including rules to establish a deadline for private school applications for participation and timelines for the department to conduct site visits.

Section 5. Subsections (2) through (12) of section

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1002.394, Florida Statutes, are amended to read:

1002.394 The Family Empowerment Scholarship Program.—

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

(a) ~~"Approved provider" means a provider approved by the Agency for Persons with Disabilities, a health care practitioner as defined in s. 456.001, or a provider approved by the department pursuant to s. 1002.66.~~

~~(b) "Choice navigator" has the same meaning as in s. 1002.395(2).~~

~~(c) "Curriculum" means a complete course of study for a particular content area or grade level, including any required supplemental materials and associated online instruction.~~

~~(d) "Department" means the Department of Education.~~

~~(e) "Disability" means, for a 3- or 4-year-old child or for a student in kindergarten to grade 12, autism spectrum disorder, as defined in the Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition, published by the American Psychiatric Association; cerebral palsy, as defined in s. 393.063; Down syndrome, as defined in s. 393.063; an intellectual disability, as defined in s. 393.063; a speech impairment; a language impairment; an orthopedic impairment; any other health impairment; an emotional or a behavioral disability; a specific learning disability, including, but not limited to, dyslexia, dyscalculia, or developmental aphasia; Phelan-McDermid syndrome, as defined in s. 393.063; Prader-Willi syndrome, as defined in s. 393.063; spina bifida, as defined in s. 393.063; being a high-risk child, as defined in s. 393.063(23)(a); muscular dystrophy; Williams syndrome; rare diseases which affect patient populations of fewer than 200,000 individuals in the United~~

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1741 States, as defined by the National Organization for Rare
 1742 Disorders; anaphylaxis; a hearing impairment, including
 1743 deafness; a visual impairment, including blindness; traumatic
 1744 brain injury; hospital or homebound; or identification as dual
 1745 sensory impaired, as defined by rules of the State Board of
 1746 Education and evidenced by reports from local school districts.
 1747 The term "hospital or homebound" includes a student who has a
 1748 medically diagnosed physical or psychiatric condition or
 1749 illness, as defined by the state board in rule, and who is
 1750 confined to the home or hospital for more than 6 months.
 1751 (f) "Eligible nonprofit scholarship funding organization"
 1752 or "organization" has the same meaning as in s. 1002.395(2).
 1753 (g) "Eligible postsecondary educational institution" means
 1754 a Florida College System institution; a state university; a
 1755 school district technical center; a school district adult
 1756 general education center; an independent college or university
 1757 that is eligible to participate in the William L. Boyd, IV,
 1758 Effective Access to Student Education Grant Program under s.
 1759 1009.89; or an accredited independent postsecondary educational
 1760 institution, as defined in s. 1005.02, which is licensed to
 1761 operate in this state under part III of chapter 1005 or is
 1762 approved to participate in a reciprocity agreement as defined in
 1763 s. 1000.35(2).
 1764 (h) "Eligible private school" has the same meaning as in s.
 1765 1002.395(2).
 1766 (i) "IEP" means an individual education plan, regardless of
 1767 whether the plan has been reviewed or revised within the last 12
 1768 months.
 1769 (j) "Inactive" means that no eligible expenditures have

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1770 been made from an account funded pursuant to paragraph (12) (b).
 1771 (k) "Job coach" means an individual employed to help people
 1772 with disabilities learn, accommodate to, and perform their work
 1773 duties.
 1774 (l) "Law enforcement officer" has the same meaning as
 1775 provided in s. 943.10(1).
 1776 (m) "Parent" means a resident of this state who is a
 1777 parent, as defined in s. 1000.21.
 1778 (b)(n) "Program" means the Family Empowerment Scholarship
 1779 Program.
 1780 (3) SCHOLARSHIP ELIGIBILITY.—
 1781 (a)1. A parent of a student may apply pursuant to s.
 1782 1002.421 for and receive from the state a scholarship for the
 1783 purposes specified in paragraph (4) (a) if the student:
 1784 1.a. Is a resident of this state or the dependent child of
 1785 an active duty member of the United States Armed Forces who has
 1786 received permanent change of station orders to this state; and
 1787 2.b. Is eligible to enroll in kindergarten through grade 12
 1788 in a public school in this state or received a scholarship under
 1789 the former Hope Scholarship Program in the 2023-2024 school
 1790 year.
 1791 2. ~~Priority must be given in the following order:~~
 1792 a. ~~A student whose household income level does not exceed~~
 1793 ~~185 percent of the federal poverty level or who is in foster~~
 1794 ~~care or out-of-home care.~~
 1795 b. ~~A student whose household income level exceeds 185~~
 1796 ~~percent of the federal poverty level, but does not exceed 400~~
 1797 ~~percent of the federal poverty level.~~
 1798 (b) A parent of a student with a disability may apply

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1799 pursuant to s. 1002.421 for and receive from the state a
1800 scholarship, which shall be referred to as the McKay-Gardiner
1801 Scholarship, for the purposes specified in paragraph (4)(b) if
1802 the student:

1803 1. Is a resident of this state or the dependent child of an
1804 active duty member of the United States Armed Forces who has
1805 received permanent change of station orders to this state or, at
1806 the time of renewal, whose home of record or state of legal
1807 residence is Florida;

1808 2. Is 3 or 4 years of age during the year in which the
1809 student applies for program participation or is eligible to
1810 enroll in kindergarten through grade 12 in a public school in
1811 this state;

1812 3. Has a disability ~~as defined in subsection (2);~~ and

1813 4. Is the subject of an IEP written in accordance with
1814 rules of the State Board of Education or with the applicable
1815 rules of another state or has received a diagnosis of a
1816 disability from a physician who is licensed under chapter 458 or
1817 chapter 459, a psychologist who is licensed under chapter 490,
1818 or a physician who holds an active license issued by another
1819 state or territory of the United States, the District of
1820 Columbia, or the Commonwealth of Puerto Rico.

1821 (4) AUTHORIZED USES OF PROGRAM FUNDS.—

1822 (a) Program funds awarded to a student determined eligible
1823 pursuant to paragraph (3)(a) may be used for:

1824 1. Tuition and fees at an eligible private school.

1825 2. Instructional materials, including digital materials,
1826 digital devices, and Internet resources.

1827 3. Curriculum ~~as defined in subsection (2).~~

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1828 4. Tuition and fees associated with full-time or part-time
1829 enrollment in an eligible postsecondary educational institution
1830 or a program offered by the postsecondary educational
1831 institution, unless the program is subject to s. 1009.25 or
1832 reimbursed pursuant to s. 1009.30; an approved preapprenticeship
1833 program as defined in s. 446.021(5) which is not subject to s.
1834 1009.25 and complies with all applicable requirements of the
1835 department pursuant to chapter 1005; a private tutoring program
1836 authorized under s. 1002.43; a virtual program offered by a
1837 department-approved private online provider that meets the
1838 provider qualifications specified in s. 1002.45(2)(a); the
1839 Florida Virtual School as a private paying student; or an
1840 approved online course offered pursuant to s. 1003.499 or s.
1841 1004.0961.

1842 5. Fees for nationally standardized, norm-referenced
1843 achievement tests, Advanced Placement Examinations, industry
1844 certification examinations, assessments related to postsecondary
1845 education, or other assessments.

1846 6. Contracted services provided by a public school or
1847 school district, including classes. A student who receives
1848 contracted services under this subparagraph is not considered
1849 enrolled in a public school for eligibility purposes as
1850 specified in subsection (6) but rather attending a public school
1851 on a part-time basis as authorized under s. 1002.44.

1852 7. Tuition and fees for part-time tutoring services or fees
1853 for services provided by a choice navigator. Such services must
1854 be provided by a person who holds a valid Florida educator's
1855 certificate pursuant to s. 1012.56, a person who holds an
1856 adjunct teaching certificate pursuant to s. 1012.57, a person

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who has a bachelor's degree or a graduate degree in the subject area or related subject area in which instruction is given, a person who has demonstrated a mastery of subject area knowledge pursuant to s. 1012.56(5), or a person certified by a nationally or internationally recognized research-based training program as approved by the department. As used in this subparagraph, the term "part-time tutoring services" does not qualify as regular school attendance as defined in s. 1003.01(16)(e).

8. Membership dues and related activity fees for participation in career and technical student organizations.

(b) Program funds awarded to a student with a disability determined eligible pursuant to paragraph (3)(b) may be used for the following purposes:

1. Instructional materials, including digital devices, digital periphery devices, and assistive technology devices that allow a student to access instruction or instructional content and training on the use of and maintenance agreements for these devices.

2. Curriculum ~~as defined in subsection (2).~~

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

a. Applied behavior analysis services as provided in ss. 627.6686 and 641.31098.

b. Services provided by speech-language pathologists as defined in s. 468.1125(8).

c. Occupational therapy as defined in s. 468.203.

d. Services provided by physical therapists as defined in s. 486.021(8).

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e. Services provided by listening and spoken language specialists and an appropriate acoustical environment for a child who has a hearing impairment, including deafness, and who has received an implant or assistive hearing device.

4. Tuition and fees associated with full-time or part-time enrollment in a home education program that meets all of the following requirements:

a. Provides educational courses or activities.

b. Has a publicly available description of courses and activities.

c. Has a tuition and fee schedule.

d. Makes the tuition and fees payable to a registered business entity.

5. Tuition and fees associated with full-time or part-time enrollment in an eligible private school; an eligible postsecondary educational institution or a program offered by the postsecondary educational institution, unless the program is subject to s. 1009.25 or reimbursed pursuant to s. 1009.30; an approved preapprenticeship program as defined in s. 446.021(5) which is not subject to s. 1009.25 and complies with all applicable requirements of the department pursuant to chapter 1005; a private tutoring program authorized under s. 1002.43; a virtual program offered by a department-approved private online provider that meets the provider qualifications specified in s. 1002.45(2)(a); the Florida Virtual School as a private paying student; or an approved online course offered pursuant to s. 1003.499 or s. 1004.0961.

~~6.5.~~ Fees for nationally standardized, norm-referenced achievement tests, Advanced Placement Examinations, industry

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1915 certification examinations, assessments related to postsecondary
1916 education, or other assessments.

1917 ~~7.6-~~ Contributions to the Stanley G. Tate Florida Prepaid
1918 College Program pursuant to s. 1009.98 or the Florida College
1919 Savings Program pursuant to s. 1009.981 for the benefit of the
1920 eligible student.

1921 ~~8.7-~~ Contracted services provided by a public school or
1922 school district, including classes. A student who receives
1923 services under a contract under this paragraph is not considered
1924 enrolled in a public school for eligibility purposes as
1925 specified in subsection (6) but rather attending a public school
1926 on a part-time basis as authorized under s. 1002.44.

1927 ~~9.8-~~ Tuition and fees for part-time tutoring services or
1928 fees for services provided by a choice navigator. Such services
1929 must be provided by a person who holds a valid Florida
1930 educator's certificate pursuant to s. 1012.56, a person who
1931 holds an adjunct teaching certificate pursuant to s. 1012.57, a
1932 person who has a bachelor's degree or a graduate degree in the
1933 subject area or related subject area in which instruction is
1934 given, a person who has demonstrated a mastery of subject area
1935 knowledge pursuant to s. 1012.56(5), or a person certified by a
1936 nationally or internationally recognized research-based training
1937 program as approved by the department. As used in this
1938 subparagraph, the term "part-time tutoring services" does not
1939 qualify as regular school attendance as defined in s.
1940 1003.01(16)(e).

1941 ~~10.9-~~ Fees for specialized summer education programs.

1942 ~~11.10-~~ Fees for specialized after-school education
1943 programs.

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1944 ~~12.11-~~ Transition services provided by job coaches.

1945 Transition services are a coordinated set of activities which
1946 are focused on improving the academic and functional achievement
1947 of a student with a disability to facilitate the student's
1948 movement from school to postschool activities and are based on
1949 the student's needs.

1950 ~~13.12-~~ Fees for an annual evaluation of educational
1951 progress by a state-certified teacher under s. 1002.41(1)(f), if
1952 this option is chosen for a home education student.

1953 ~~14.13-~~ Tuition and fees associated with programs offered by
1954 Voluntary Prekindergarten Education Program providers approved
1955 pursuant to s. 1002.55, school readiness providers approved
1956 pursuant to s. 1002.88, and prekindergarten programs offered by
1957 an eligible private school.

1958 ~~15.14-~~ Fees for services provided at a center that is a
1959 member of the Professional Association of Therapeutic
1960 Horsemanship International.

1961 ~~16.15-~~ Fees for services provided by a therapist who is
1962 certified by the Certification Board for Music Therapists or
1963 credentialed by the Art Therapy Credentials Board, Inc.

1964 17. Membership dues and related activity fees for
1965 participation in career and technical student organizations.

1966 (5) TERM OF SCHOLARSHIP.—For purposes of continuity of
1967 educational choice:

1968 (a)1. A scholarship funded to an eligible student pursuant
1969 to paragraph (3)(a) shall remain in force until:

1970 a. The organization determines that the student is not
1971 eligible for program renewal;

1972 b. The Commissioner of Education suspends or revokes

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1973 program participation or use of funds;

1974 c. The student's parent has forfeited participation in the

1975 program for failure to comply with the scholarship program

1976 requirements subsection (10);

1977 d. The student, who uses the scholarship for tuition and

1978 fees pursuant to subparagraph (4)(a)1., enrolls in a public

1979 school. However, if a student enters a Department of Juvenile

1980 Justice detention center for a period of no more than 21 days,

1981 the student is not considered to have returned to a public

1982 school on a full-time basis for that purpose; or

1983 e. The student graduates from high school or attains 21

1984 years of age, whichever occurs first.

1985 2.~~a~~. The student's scholarship account must be closed and

1986 any remaining funds shall revert to the state after:

1987 a.~~(I)~~ Denial or revocation of program eligibility by the

1988 commissioner for fraud or abuse, including, but not limited to,

1989 the student or student's parent accepting any payment, refund,

1990 or rebate, in any manner, from a provider of any services

1991 received pursuant to paragraph (4)(a);

1992 b.~~(II)~~ One fiscal year ~~Two consecutive fiscal years~~ in

1993 which an account has been inactive; ~~or~~

1994 c.~~(III)~~ A student remains unenrolled in an eligible private

1995 school for 30 days while receiving a scholarship that requires

1996 full-time enrollment; or

1997 d. A student's scholarship no longer remains in force due

1998 to any of the reasons provided in subparagraph 1.

1999 3. An organization must notify the parent prior to closing

2000 a student's account regarding the reason the account will be

2001 closed and that the balance of funds will revert upon closure.

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2002 4. An organization must annually report to the department

2003 the total number of scholarship accounts that were closed

2004 pursuant to subparagraph 2. and the amount of funds, by account,

2005 which

2006 ~~b. Reimbursements for program expenditures may continue~~

2007 ~~until the account balance is expended or remaining funds have~~

2008 ~~reverted to the state.~~

2009 (b)1. A scholarship funded to an eligible student pursuant

2010 to paragraph (3)(b) shall remain in force until:

2011 a. The parent does not renew program eligibility;

2012 b. The organization determines that the student is not

2013 eligible for program renewal;

2014 c. The Commissioner of Education suspends or revokes

2015 program participation or use of funds;

2016 d. The student's parent has forfeited participation in the

2017 program for failure to comply with the scholarship requirements

2018 subsection (10);

2019 e. The student enrolls full time in a public school; or

2020 f. The student graduates from high school or attains 22

2021 years of age, whichever occurs first.

2022 2. Reimbursements for program expenditures may continue

2023 until the account balance is expended or the account is closed.

2024 3. A student's scholarship account must be closed and any

2025 remaining funds, including, but not limited to, contributions

2026 made to the Stanley G. Tate Florida Prepaid College Program or

2027 earnings from or contributions made to the Florida College

2028 Savings Program using program funds pursuant to subparagraph

2029 (4)(b)7. ~~(4)(b)6~~, shall revert to the state after:

2030 a. Denial or revocation of program eligibility by the

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commissioner for fraud or abuse, including, but not limited to, the student or student's parent accepting any payment, refund, or rebate, in any manner, from a provider of any services received pursuant to subsection (4); or

b. Any period of 3 consecutive years after high school completion or graduation during which the student has not been enrolled in an eligible postsecondary educational institution or a program offered by the institution; ~~or~~

~~c. Two consecutive fiscal years in which an account has been inactive.~~

4. An organization must notify the parent prior to closing a student's account regarding the reason the account will be closed and that the balance of funds will revert upon closure.

5. Upon a student reaching the age of 16, the organization must notify the parent if there is a balance in the student's account and provide the amount of the balance and information regarding how the funds may be used.

6. An organization must annually report to the department the total number of scholarship accounts that were closed pursuant to subparagraph 3. and the amount of funds by account that reverted to the state.

(c) Upon reasonable notice to the organization and the school district, the student's parent may remove the student from the participating private school and place the student in a public school in accordance with this section. Upon receipt of notification from the parent, the organization must notify the department of the student's withdrawal from the scholarship program and may not provide payments into the student's account.

A violation of this paragraph by the organization results in

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liability on behalf of the organization pursuant to s. 1002.421(4)(d).

(d) Upon reasonable notice to the organization, the student's parent may move the student from one participating private school to another participating private school.

(6) SCHOLARSHIP PROHIBITIONS.—A student is not eligible for a Family Empowerment Scholarship while he or she is:

(a) Enrolled full time in a public school, including, but not limited to, the Florida School for the Deaf and the Blind, the College-Preparatory Boarding Academy, the Florida Virtual School, the Florida Scholars Academy, a developmental research school authorized under s. 1002.32, or a charter school authorized under this chapter. For purposes of this paragraph, a 3- or 4-year-old child who receives services funded through the Florida Education Finance Program is considered to be a student enrolled in a public school;

(b) Enrolled in a school operating for the purpose of providing educational services to youth in a Department of Juvenile Justice commitment program;

(c) Receiving any other educational scholarship pursuant to this chapter. ~~However, an eligible public school student receiving a scholarship under s. 1002.411 may receive a stipend for transportation pursuant to s. 1002.31(7);~~

(d) Not having regular and direct contact with his or her private school teachers pursuant to s. 1002.421(9)(i) ~~or 1002.421(1)(i)~~, unless he or she is eligible pursuant to paragraph (3)(b) ~~and enrolled in the participating private school's transition to work program pursuant to subsection (16) or a home education program pursuant to s. 1002.41;~~

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2089 (e) Participating in a private tutoring program pursuant to
 2090 s. 1002.43 unless he or she is determined eligible pursuant to
 2091 paragraph (3)(b); or

2092 (f) Participating in virtual instruction pursuant to s.
 2093 1002.455 that receives state funding pursuant to the student's
 2094 participation.

2095 (7) SCHOOL DISTRICT OBLIGATIONS.—

2096 (a) ~~By January 1 of each year, a school district shall~~
 2097 ~~inform all households within the district receiving free or~~
 2098 ~~reduced-priced meals under the National School Lunch Act of~~
 2099 ~~their eligibility to apply to the department for a Family~~
 2100 ~~Empowerment Scholarship. The form of such notice shall be~~
 2101 ~~provided by the department, and the school district shall~~
 2102 ~~include the provided form in any normal correspondence with~~
 2103 ~~eligible households. Such notice is limited to once a year.~~

2104 ~~(b)~~1. The parent of a student with a disability who does
 2105 not have an IEP in accordance with subparagraph (3)(b)4. or who
 2106 seeks a reevaluation of an existing IEP may request an IEP
 2107 meeting and evaluation from the school district in order to
 2108 obtain or revise a matrix of services. The school district shall
 2109 notify a parent who has made a request for an IEP that the
 2110 district is required to complete the IEP and matrix of services
 2111 within 60 ~~30~~ days after receiving notice of the parent's
 2112 request. The school district shall conduct a meeting and develop
 2113 an IEP and a matrix of services within 60 ~~30~~ days after receipt
 2114 of the parent's request in accordance with State Board of
 2115 Education rules. The district must accept the diagnosis and
 2116 consider the service plan of the licensed professional providing
 2117 the diagnosis pursuant to subparagraph (3)(b)4. The school

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2118 district must complete a matrix that assigns the student to one
 2119 of the levels of service as they existed before the 2000-2001
 2120 school year. For a nonpublic school student without an IEP, the
 2121 school district is authorized to use evaluation reports and
 2122 plans of care developed by the licensed professionals under
 2123 subparagraph (4)(b)3. to complete the matrix of services.

2124 2.a. The school district must provide the student's parent
 2125 and the department with the student's matrix level within 10
 2126 calendar days after its completion.

2127 b. ~~The department shall notify the parent and the~~
 2128 ~~organization of the amount of the funds awarded within 10 days~~
 2129 ~~after receiving the school district's notification of the~~
 2130 ~~student's matrix level.~~

2131 e. A school district may change a matrix of services only
 2132 if the change is a result of an IEP reevaluation or to correct a
 2133 technical, typographical, or calculation error.

2134 (b)1.(e)1. Within 10 days after an IEP meeting is held, a
 2135 school district shall notify the parent of a student of all
 2136 options available pursuant to this section and offer that
 2137 student's parent an opportunity to enroll the student in another
 2138 public school in the school district.

2139 2. The parent is not required to accept the offer of
 2140 enrolling the student in another public school in lieu of
 2141 requesting a scholarship. However, if the parent chooses the
 2142 public school option, the student may continue attending the
 2143 public school chosen by the parent until the student graduates
 2144 from high school.

2145 3. The parent may choose another public school in the
 2146 school district, and the school district shall provide

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transportation to the public school selected by the parent.

4. The parent may choose, as an alternative, to enroll the student in and transport the student to a public school in an adjacent school district that has available space and has a program with the services agreed to in the student's IEP already in place, and that school district shall accept the student and report the student for purposes of the school district's funding pursuant to the Florida Education Finance Program.

~~(d) Upon the request of the department, a school district shall coordinate with the department to provide to a participating private school the statewide assessments administered under s. 1008.22 and any related materials for administering the assessments. For a student who participates in the Family Empowerment Scholarship Program whose parent requests that the student take the statewide assessments under s. 1008.22, the district in which the student attends a participating private school shall provide locations and times to take all statewide assessments. A school district is responsible for implementing test administrations at a participating private school, including the:~~

~~1. Provision of training for private school staff on test security and assessment administration procedures;~~

~~2. Distribution of testing materials to a private school;~~

~~3. Retrieval of testing materials from a private school;~~

~~4. Provision of the required format for a private school to submit information to the district for test administration and enrollment purposes; and~~

~~5. Provision of any required assistance, monitoring, or investigation at a private school.~~

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~~(e) Each school district must publish information about the Family Empowerment Scholarship Program on the district's website homepage. At a minimum, the published information must include a website link to the Family Empowerment Scholarship Program published on the Department of Education website as well as a telephone number and e-mail that students and parents may use to contact relevant personnel in the school district to obtain information about the scholarship.~~

(8) DEPARTMENT OF EDUCATION OBLIGATIONS.—

(a) The department shall:

~~1. Publish and update, as necessary, information on the department website about the Family Empowerment Scholarship Program, including, but not limited to, student eligibility criteria, parental responsibilities, and relevant data.~~

~~2. Report, as part of the determination of full-time equivalent membership pursuant to s. 1011.62(1)(a), all scholarship students funded through the Florida Education Finance Program, and cross-check the list of scholarship students submitted by the eligible nonprofit scholarship-funding organization with the full-time equivalent student membership survey data to avoid duplication.~~

~~3. Maintain and annually publish a list of nationally norm-referenced tests identified for purposes of satisfying the testing requirement in subparagraph (9)(c)1. The tests must meet industry standards of quality in accordance with state board rule.~~

~~4. Notify eligible nonprofit scholarship-funding organizations of the deadlines for submitting the verified list of eligible scholarship students.~~

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(a)5- Deny or terminate program participation upon a parent's failure to comply with the scholarship program requirements subsection (10).

~~6. Notify the parent and the organization when a scholarship account is closed and program funds revert to the state.~~

~~7. Notify an eligible nonprofit scholarship funding organization of any of the organization's or other organization's identified students who are receiving scholarships under this chapter.~~

(b)8- Maintain on its website a list of approved providers as required by s. 1002.66, eligible postsecondary educational institutions, eligible private schools, and eligible organizations and may identify or provide links to lists of other approved providers.

~~9. Require each organization to verify eligible expenditures before the distribution of funds for any expenditures made pursuant to subparagraphs (4)(b)1. and 2. Review of expenditures made for services specified in subparagraphs (4)(b)3.-15. may be completed after the purchase is made.~~

(c)10- Investigate any written complaint of a violation of this section by a parent, a student, a participating private school, a public school, a school district, an organization, a provider, or another appropriate party in accordance with the process established under s. 1002.421.

(d)11- Require quarterly reports by an organization, which must include, at a minimum, the number of students participating in the program; the demographics of program participants; the

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disability category of program participants; the matrix level of services, if known; the program award amount per student; the total expenditures for the purposes specified in paragraph (4)(b); the types of providers of services to students; the number of scholarship applications received, the number of applications processed within 30 days after receipt, and the number of incomplete applications received; data related to reimbursement submissions, including the average number of days for a reimbursement to be reviewed and the average number of days for a reimbursement to be approved; any parent input and feedback collected regarding the program; and any other information deemed necessary by the department.

~~12. Notify eligible nonprofit scholarship funding organizations that scholarships may not be awarded in a school district in which the award will exceed 99 percent of the school district's share of state funding through the Florida Education Finance Program as calculated by the department.~~

~~13. Adjust payments to eligible nonprofit scholarship funding organizations and, when the Florida Education Finance Program is recalcuated, adjust the amount of state funds allocated to school districts through the Florida Education Finance Program based upon the results of the cross-check completed pursuant to subparagraph 2.~~

~~(b) At the direction of the Commissioner of Education, the department may:~~

~~1. Suspend or revoke program participation or use of program funds by the student or participation or eligibility of an organization, eligible postsecondary educational institution, approved provider, or other party for a violation of this~~

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2263 ~~section.~~

2264 ~~2. Determine the length of, and conditions for lifting, a~~
 2265 ~~suspension or revocation specified in this paragraph.~~

2266 ~~3. Recover unexpended program funds or withhold payment of~~
 2267 ~~an equal amount of program funds to recover program funds that~~
 2268 ~~were not authorized for use.~~

2269
 2270 ~~In determining whether to suspend or revoke participation or~~
 2271 ~~lift a suspension or revocation in accordance with this~~
 2272 ~~paragraph, the department may consider factors that include, but~~
 2273 ~~are not limited to, acts or omissions that led to a previous~~
 2274 ~~suspension or revocation of participation in a state or federal~~
 2275 ~~program or an education scholarship program; failure to~~
 2276 ~~reimburse the organization for funds improperly received or~~
 2277 ~~retained; failure to reimburse government funds improperly~~
 2278 ~~received or retained; imposition of a prior criminal sanction~~
 2279 ~~related to the person or entity or its officers or employees;~~
 2280 ~~imposition of a civil fine or administrative fine, license~~
 2281 ~~revocation or suspension, or program eligibility suspension,~~
 2282 ~~termination, or revocation related to a person's or entity's~~
 2283 ~~management or operation; or other types of criminal proceedings~~
 2284 ~~in which the person or entity or its officers or employees were~~
 2285 ~~found guilty of, regardless of adjudication, or entered a plea~~
 2286 ~~of nolo contendere or guilty to, any offense involving fraud,~~
 2287 ~~deceit, dishonesty, or moral turpitude.~~

2288 (e)(e) The department shall Notify each school district of
 2289 the full-time equivalent student consensus estimate of students
 2290 participating in the program developed pursuant to s.
 2291 216.136(4)(a).

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2292 (f)(d) ~~The department may~~ Provide guidance to a
 2293 participating private school that submits a transition-to-work
 2294 program plan pursuant to subsection (15) ~~(16)~~.

2295 (g) Develop guidance for students eligible pursuant to
 2296 paragraph (3)(b) which details the available transition
 2297 services, including postsecondary education, employment, and
 2298 independent living, for which scholarship funds may be used.

2299 ~~(9) PRIVATE SCHOOL ELIGIBILITY AND OBLIGATIONS. To be~~
 2300 ~~eligible to participate in the Family Empowerment Scholarship~~
 2301 ~~Program, a private school may be sectarian or nonsectarian and~~
 2302 ~~must:~~

2303 ~~(a) Comply with all requirements for private schools~~
 2304 ~~participating in state school choice scholarship programs~~
 2305 ~~pursuant to s. 1002.421.~~

2306 ~~(b) Provide to the organization all documentation required~~
 2307 ~~for a student's participation, including confirmation of the~~
 2308 ~~student's admission to the private school, the private school's~~
 2309 ~~and student's fee schedules, and any other information required~~
 2310 ~~by the organization to process scholarship payment under~~
 2311 ~~subparagraph (12)(a)3. Such information must be provided by the~~
 2312 ~~deadlines established by the organization and in accordance with~~
 2313 ~~the requirements of this section. A student is not eligible to~~
 2314 ~~receive a quarterly scholarship payment if the private school~~
 2315 ~~fails to meet the deadline.~~

2316 ~~(c)1. Annually administer or make provision for students~~
 2317 ~~participating in the program in grades 3 through 10 to take one~~
 2318 ~~of the nationally norm referenced tests that are identified by~~
 2319 ~~the department pursuant to paragraph (8)(a) or to take the~~
 2320 ~~statewide assessments pursuant to s. 1008.22. Students with~~

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2321 ~~disabilities for whom the physician or psychologist who issued~~
 2322 ~~the diagnosis or the IEP team determines that standardized~~
 2323 ~~testing is not appropriate are exempt from this requirement. A~~
 2324 ~~participating private school shall report a student's scores to~~
 2325 ~~his or her parent. By August 15 of each year, a participating~~
 2326 ~~private school must report the scores of all participating~~
 2327 ~~students to a state university as described in s.~~
 2328 ~~1002.395(9) (f).~~

2329 2. Administer the statewide assessments pursuant to s.
 2330 1008.22 if the private school chooses to offer the statewide
 2331 assessments. A participating private school may choose to offer
 2332 and administer the statewide assessments to all students who
 2333 attend the private school in grades 3 through 10 and must submit
 2334 a request in writing to the department by March 1 of each year
 2335 in order to administer the statewide assessments in the
 2336 subsequent school year.

2337 ~~(d) For a student determined eligible pursuant to paragraph~~
 2338 ~~(3) (b), discuss the school's academic programs and policies,~~
 2339 ~~specialized services, code of conduct, and attendance policies~~
 2340 ~~before enrollment with the parent to determine which programs~~
 2341 ~~and services may meet the student's individual needs.~~

2342 ~~If a private school fails to meet the requirements of this~~
 2343 ~~subsection or s. 1002.421, the commissioner may determine that~~
 2344 ~~the private school is ineligible to participate in the~~
 2345 ~~scholarship program.~~

2346 (9) (10) PARENT AND STUDENT RESPONSIBILITIES FOR PROGRAM
 2347 PARTICIPATION.-

2348 (a) A parent who applies for a scholarship under paragraph

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2350 (3) (a) whose student will be enrolled full time in an eligible
 2351 private school must:

2352 1. Select an eligible private school and apply for the
 2353 admission of his or her student.

2354 2. ~~Request the scholarship by the date established by the~~
 2355 ~~organization in a manner that creates a written or electronic~~
 2356 ~~record of the request and the date of receipt of the request.~~

2357 3.a. Beginning with new applications for the 2025-2026
 2358 school year and thereafter, notify the organization by December
 2359 15 that the scholarship is being accepted or declined.

2360 b. Beginning with renewal applications for the 2025-2026
 2361 school year and thereafter, notify the organization by May 31
 2362 that the scholarship is being renewed or declined.

2363 4. Inform the applicable school district when the parent
 2364 withdraws his or her student from a public school to attend an
 2365 eligible private school using the standard withdrawal form
 2366 developed by the department pursuant to s. 1002.421.

2367 3.5. Require his or her student participating in the
 2368 program to remain in attendance at the eligible private school
 2369 throughout the school year unless excused by the school for
 2370 illness or other good cause.

2371 4.6. Meet with the eligible private school's principal or
 2372 the principal's designee to review the school's academic
 2373 programs and policies, specialized services, code of student
 2374 conduct, and attendance policies before enrollment.

2375 7. Require his or her student participating in the program
 2376 to take the norm-referenced assessment offered by the eligible
 2377 private school. The parent may also choose to have the student
 2378 participate in the statewide assessments pursuant to paragraph

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~~(7)(d). If the parent requests that the student participating in the program take all statewide assessments required pursuant to s. 1008.22, the parent is responsible for transporting the student to the assessment site designated by the school district.~~

~~8. Approve each payment before the scholarship funds may be deposited by funds transfer pursuant to subparagraph (12)(a)3. The parent may not designate any entity or individual associated with the participating private school as the parent's attorney in fact to approve a funds transfer. A participant who fails to comply with this paragraph forfeits the scholarship.~~

~~9. Agree to have the organization commit scholarship funds on behalf of his or her student for tuition and fees for which the parent is responsible for payment at the eligible private school before using scholarship account funds for additional authorized uses under paragraph (4)(a). A parent is responsible for all eligible expenses in excess of the amount of the scholarship.~~

~~10. Comply with the scholarship application and renewal processes and requirements established by the organization.~~

~~(b) A parent who applies for a scholarship under paragraph (3)(b) is exercising his or her parental option to determine the appropriate placement or the services that best meet the needs of his or her child and must:~~

~~1. Apply to an eligible nonprofit scholarship funding organization to participate in the program by a date set by the organization. The request must be communicated directly to the organization in a manner that creates a written or electronic record of the request and the date of receipt of the request.~~

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~~2.a. Beginning with new applications for the 2025-2026 school year and thereafter, notify the organization by December 15 that the scholarship is being accepted or declined.~~

~~b. Beginning with renewal applications for the 2025-2026 school year and thereafter, notify the organization by May 31 that the scholarship is being renewed or declined.~~

~~3. sign an agreement with the organization and annually submit a sworn compliance statement to the organization to satisfy or maintain program eligibility, including eligibility to receive and spend program payments by:~~

~~1.a. Affirming that the student is enrolled in a program that meets regular school attendance requirements as provided in s. 1003.01(16)(b), (c), or (d).~~

~~2.b. Affirming that the program funds are used only for authorized purposes serving the student's educational needs, as described in paragraph (4)(b); that any prepaid college plan or college savings plan funds contributed pursuant to subparagraph (4)(b)7. ~~subparagraph (4)(b)6.~~ will not be transferred to another beneficiary while the plan contains funds contributed pursuant to this section; and that they will not receive a payment, refund, or rebate of any funds provided under this section.~~

~~3.e. Affirming that the parent is responsible for all eligible expenses in excess of the amount of the scholarship and for the education of his or her student by, as applicable:~~

~~a.(I) Requiring the student to take an assessment in accordance with s. 1002.421(7) paragraph (9)(c);~~

~~b.(II) Providing an annual evaluation in accordance with s. 1002.41(1)(f); or~~

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~~C.(III)~~ Requiring the child to take any preassessments and postassessments selected by the provider if the child is 4 years of age and is enrolled in a program provided by an eligible Voluntary Prekindergarten Education Program provider. A student with disabilities for whom the physician or psychologist who issued the diagnosis or the IEP team determines that a preassessment and postassessment is not appropriate is exempt from this requirement. A participating provider shall report a student's scores to the parent.

~~4.d.~~ Affirming that the student remains in good standing with the provider or school if those options are selected by the parent.

~~5.e.~~ Enrolling his or her child in a program from a Voluntary Prekindergarten Education Program provider authorized under s. 1002.55, a school readiness provider authorized under s. 1002.88, a prekindergarten program offered by an eligible private school, or an eligible private school if selected by the parent.

~~6.f.~~ Comply with the scholarship application and renewal processes and requirements established by the organization. A student whose participation in the program is not renewed may continue to spend scholarship funds that are in his or her account from prior years unless the account must be closed pursuant to subparagraph (5)(b)3. Notwithstanding any changes to the student's IEP, a student who was previously eligible for participation in the program shall remain eligible to apply for renewal. However, for a high-risk child to continue to participate in the program in the school year after he or she reaches 6 years of age, the child's application for renewal of

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program participation must contain documentation that the child has a disability ~~defined in paragraph (2)(c)~~ other than high-risk status.

~~7.g.~~ Procuring the services necessary to educate the student.

a. If such services include enrollment in an eligible private school, the parent must meet with the private school's principal or the principal's designee to review the school's academic programs and policies, specialized services, code of student conduct, and attendance policies before his or her student is enrolled. ~~The parent must also approve each payment to the eligible private school before the scholarship funds may be deposited by funds transfer pursuant to subparagraph (12)(a)3. The parent may not designate any entity or individual associated with the eligible private school as the parent's attorney in fact to approve a funds transfer.~~ When the student receives a scholarship, the district school board is not obligated to provide the student with a free appropriate public education. For purposes of s. 1003.57 and the Individuals with Disabilities in Education Act, a participating student has only those rights that apply to all other unilaterally parentally placed students, except that, when requested by the parent, school district personnel must develop an IEP or matrix level of services.

b. If such services include enrollment in Florida Virtual School as a private paying student, the parent must agree to have the organization commit scholarship funds on behalf of his or her student for tuition and fees for which the parent is responsible for payment to the Florida Virtual School before

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using scholarship account funds for additional uses under paragraph (4) (b).

~~(c) A parent may not apply for multiple scholarships under this section and s. 1002.395 for an individual student at the same time.~~

~~(d)~~ A participant who fails to comply with this subsection forfeits the scholarship.

~~(10)(11)~~ OBLIGATIONS OF ELIGIBLE SCHOLARSHIP-FUNDING ORGANIZATIONS.—

~~(a)~~ An eligible nonprofit scholarship-funding organization awarding scholarships to eligible students pursuant to this section paragraph (3) (a) shall:

~~1. Establish a process for parents who are in compliance with paragraph (10) (a) to renew their students' scholarships. Renewal applications for the 2025-2026 school year and thereafter must provide for a renewal timeline beginning February 1 of the prior school year and ending April 30 of the prior school year. A student's renewal is contingent upon an eligible private school providing confirmation of student admission pursuant to subsection (9). The process must require that parents confirm that the scholarship is being renewed or declined by May 31.~~

~~2. Establish a process that allows a parent to apply for a new scholarship. The process may begin no earlier than February 1 of the prior school year and must authorize submission of applications until November 15. The process must be in a manner that creates a written or electronic record of the application request and the date of receipt of the application request. Applications received after the deadline may be considered for~~

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~~scholarship award in the subsequent fiscal year. The process must require that parents confirm that the scholarship is being accepted or declined by December 15.~~

~~(a) 3.~~ Verify the household income level of students seeking priority eligibility and submit the verified list of students to the department.

~~4. Award scholarships in priority order pursuant to paragraph (3) (a).~~

~~5. Establish and maintain separate scholarship accounts for each eligible student. For each account, the organization must maintain a record of accrued interest that is retained in the student's account and available only for authorized program expenditures.~~

~~6. Permit eligible students to use program funds for the purposes specified in paragraph (4) (a), as authorized in the organization's purchasing handbook, by paying for the authorized use directly, then submitting a reimbursement request to the eligible nonprofit scholarship-funding organization. However, an eligible nonprofit scholarship-funding organization may require the use of an online platform for direct purchases of products so long as such use does not limit a parent's choice of curriculum or academic programs. If a parent purchases a product identical to one offered by an organization's online platform for a lower price, the organization must reimburse the parent the cost of the product.~~

~~7. In a timely manner, submit the verified list of students and any information requested by the department relating to the scholarship under this section.~~

~~8. Notify the department about any violation of this~~

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2553 ~~section.~~

2554 ~~9. Document each student's eligibility for a fiscal year~~
 2555 ~~before granting a scholarship for that fiscal year. A student is~~
 2556 ~~ineligible for a scholarship if the student's account has been~~
 2557 ~~inactive for 2 consecutive fiscal years.~~

2558 ~~10. Notify each parent that participation in the~~
 2559 ~~scholarship program does not guarantee enrollment.~~

2560 ~~11. Commit scholarship funds on behalf of the student for~~
 2561 ~~tuition and fees for which the parent is responsible for payment~~
 2562 ~~at the participating private school before using scholarship~~
 2563 ~~account funds for additional authorized uses under paragraph~~
 2564 ~~(4)(a).~~

2565 ~~(b) For students An eligible nonprofit scholarship-funding~~
 2566 ~~organization awarding scholarships to eligible students pursuant~~
 2567 ~~to paragraph (3)(b) shall:~~

2568 ~~1. Establish a process for parents who are in compliance~~
 2569 ~~with paragraph (10)(b) to renew their students' scholarships.~~
 2570 ~~Renewal applications for the 2025-2026 school year and~~
 2571 ~~thereafter must provide for a renewal timeline beginning~~
 2572 ~~February 1 of the prior school year and ending April 30 of the~~
 2573 ~~prior school year. A student's renewal is contingent upon an~~
 2574 ~~eligible private school providing confirmation of student~~
 2575 ~~admission pursuant to subsection (9), if applicable. The process~~
 2576 ~~must require that parents confirm that the scholarship is being~~
 2577 ~~renewed or declined by May 31.~~

2578 ~~2. Establish a process that allows a parent to apply for a~~
 2579 ~~new scholarship. The process may begin no earlier than February~~
 2580 ~~1 of the prior school year and must authorize the submission of~~
 2581 ~~applications until November 15. The process must be in a manner~~

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2582 ~~that creates a written or electronic record of the application~~
 2583 ~~request and the date of receipt of the application request.~~
 2584 ~~Applications received after the deadline may be considered for~~
 2585 ~~scholarship award in the subsequent fiscal year. The process~~
 2586 ~~must require that parents confirm that the scholarship is being~~
 2587 ~~accepted or declined by December 15.~~

2588 ~~3. Review applications and award scholarships using the~~
 2589 ~~following priorities:~~

2590 ~~a. Renewing students from the previous school year.~~

2591 ~~b. An eligible student who meets the criteria for an~~
 2592 ~~initial award pursuant to paragraph (3)(b) on a first-come,~~
 2593 ~~first-served basis.~~

2594 ~~4. Establish and maintain separate accounts for each~~
 2595 ~~eligible student. For each account, the organization must~~
 2596 ~~maintain a record of accrued interest that is retained in the~~
 2597 ~~student's account and available only for authorized program~~
 2598 ~~expenditures.~~

2599 ~~5. Verify qualifying educational expenditures pursuant to~~
 2600 ~~the requirements of paragraph (4)(b).~~

2601 ~~6. Return any remaining program funds to the department~~
 2602 ~~pursuant to paragraph (6)(b).~~

2603 ~~7. Notify the parent about the availability of, and the~~
 2604 ~~requirements associated with requesting, an initial IEP or IEP~~
 2605 ~~reevaluation every 3 years for each student participating in the~~
 2606 ~~program.~~

2607 ~~2.8. Notify the parent of available state and local~~
 2608 ~~services, including, but not limited to, services under chapter~~
 2609 ~~413.~~

2610 ~~9. In a timely manner, submit to the department the~~

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~~verified list of eligible scholarship students and any information requested by the department relating to the scholarship under this section.~~

~~(c)10.~~ Notify the department of any violation of this section.

~~11. Document each scholarship student's eligibility for a fiscal year before granting a scholarship for that fiscal year pursuant to paragraph (3)(b). A student is ineligible for a scholarship if the student's account has been inactive for 2 consecutive fiscal years.~~

~~(d)(e)~~ An eligible nonprofit scholarship-funding organization may, from eligible contributions received pursuant to s. 1002.395(6)(1)1., Use an amount, from eligible contributions received pursuant to s. 1002.395(6)(1)1., not to exceed 1.5 ~~2.5~~ percent of the total amount of all verified eligible scholarships funded under this section for administrative expenses associated with performing functions under this section. An organization that, for the prior fiscal year, has complied with the expenditure requirements of s. 1002.395(6)(i)3. ~~s. 1002.395(6)(i)3.~~ may use an amount not to exceed 2 ~~3~~ percent. Such administrative expense amount is considered within the 2-percent ~~3-percent~~ limit on the total amount an organization may use to administer scholarships under this chapter.

~~(d)~~ An eligible nonprofit scholarship-funding organization shall establish a process to collect input and feedback from parents, private schools, and providers before implementing substantial modifications or enhancements to the reimbursement process.

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~~(11)(12)~~ SCHOLARSHIP FUNDING AND PAYMENT.—

~~(a)1.~~ The calculated scholarship amount for a participating student determined eligible pursuant to paragraph (3)(a) shall ~~be based upon the grade level and school district in which the student was assigned as 100 percent of the funds per unweighted full-time equivalent in the Florida Education Finance Program for a student in the basic program established pursuant to s. 1011.62(1)(c)1., plus a per-full-time equivalent share of funds for the categorical programs established in s. 1011.62(5), (7)(a), and (16), as funded in the General Appropriations Act.~~

~~2.a.~~ For renewing scholarship students, the organization must verify the student's continued eligibility to participate in the scholarship program at least 30 days before each payment. Upon receiving the verified list of eligible scholarship students, the department shall release, from state funds only, the amount calculated pursuant to subparagraph 1. to the organization for deposit into the student's account in quarterly payments no later than August 1, November 1, February 1, and April 1 of each school year in which the scholarship is in force.

~~b.~~ For new scholarship students, the organization must verify the student's eligibility to participate in the scholarship program at least 30 days before each payment. Upon receiving the verified list of eligible scholarship students, the department shall release, from state funds only, the amount calculated pursuant to subparagraph 1. to the organization for deposit into the student's account in quarterly payments no later than September 1, November 1, February 1, and April 1 of each school year in which the scholarship is in force. For a

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~~student exiting a Department of Juvenile Justice commitment program who chooses to participate in the scholarship program, the amount calculated pursuant to subparagraph 1. must be transferred from the school district in which the student last attended a public school before commitment to the Department of Juvenile Justice.~~

~~e. The department is authorized to release the state funds contingent upon verification that the organization will comply with s. 1002.395(6)(1) based upon the organization's submitted verified list of eligible scholarship students pursuant to s. 1002.395.~~

~~3. The initial payment shall be made after the organization's verification of admission acceptance, and subsequent payments shall be made upon verification of continued enrollment and attendance at the participating private school. Payments for tuition and fees for full-time enrollment shall be made within 7 business days after approval by the parent pursuant to paragraph (10)(a) and the private school pursuant to paragraph (9)(b). Payment must be by funds transfer or any other means of payment that the department deems to be commercially viable or cost-effective. An organization shall ensure that the parent has approved a funds transfer before any scholarship funds are deposited.~~

~~4. An organization may not transfer any funds to an account of a student determined eligible pursuant to paragraph (3)(a) which has a balance in excess of \$24,000.~~

~~(b)1-~~ For the 2024-2025 school year, the maximum number of scholarships funded under paragraph (3)(b) shall be 72,615. Beginning in the 2025-2026 school year, the maximum number of

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scholarships funded under paragraph (3)(b) shall annually increase by 5 percent of the state's total exceptional student education full-time equivalent student membership, not including gifted students. The maximum number of scholarships funded shall increase by 1 percent of the state's total exceptional student education full-time equivalent student membership, not including gifted students, in the school year following any school year in which the number of scholarships funded exceeds 95 percent of the number of available scholarships for that school year. An eligible student who meets any of the following requirements shall be excluded from the maximum number of students if the student:

(a)a- Received specialized instructional services under the Voluntary Prekindergarten Education Program pursuant to s. 1002.66 during the previous school year and the student has a current IEP developed by the district school board in accordance with rules of the State Board of Education;

(b)b- Is a dependent child of a law enforcement officer or a member of the United States Armed Forces, a foster child, or an adopted child; or

(c)c- Spent the prior school year in attendance at a Florida public school or the Florida School for the Deaf and the Blind. For purposes of this paragraph ~~subparagraph~~, the term "prior school year in attendance" means that the student was enrolled and reported by:

1.(1) A school district for funding during either the preceding October or February full-time equivalent student membership surveys in kindergarten through grade 12, which includes time spent in a Department of Juvenile Justice

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commitment program if funded under the Florida Education Finance Program;

~~2.(II)~~ The Florida School for the Deaf and the Blind during the preceding October or February full-time equivalent student membership surveys in kindergarten through grade 12;

~~3.(III)~~ A school district for funding during the preceding October or February full-time equivalent student membership surveys, was at least 4 years of age when enrolled and reported, and was eligible for services under s. 1003.21(1)(e); or

4.(IV) Received a John M. McKay Scholarship for Students with Disabilities in the 2021-2022 school year.

~~2.—For a student who has a Level I to Level III matrix of services or a diagnosis by a physician or psychologist, the calculated scholarship amount for a student participating in the program must be based upon the grade level and school district in which the student would have been enrolled as the total funds per unweighted full-time equivalent in the Florida Education Finance Program for a student in the basic exceptional student education program pursuant to s. 1011.62(1)(c) and (d), plus a per full-time equivalent share of funds for the categorical programs established in s. 1011.62(5), (7)(a), (8), and (16), as funded in the General Appropriations Act. For the categorical program established in s. 1011.62(8), the funds must be allocated based on the school district's average exceptional student education guaranteed allocation funds per exceptional student education full-time equivalent student.~~

~~3.—For a student with a Level IV or Level V matrix of services, the calculated scholarship amount must be based upon the school district to which the student would have been~~

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~~assigned as the total funds per full-time equivalent for the Level IV or Level V exceptional student education program pursuant to s. 1011.62(1)(c)2.a. or b., plus a per full-time equivalent share of funds for the categorical programs established in s. 1011.62(5), (7)(a), and (16), as funded in the General Appropriations Act.~~

~~4.—For a student who received a Gardiner Scholarship pursuant to former s. 1002.385 in the 2020-2021 school year, the amount shall be the greater of the amount calculated pursuant to subparagraph 2. or the amount the student received for the 2020-2021 school year.~~

~~5.—For a student who received a John M. McKay Scholarship pursuant to former s. 1002.39 in the 2020-2021 school year, the amount shall be the greater of the amount calculated pursuant to subparagraph 2. or the amount the student received for the 2020-2021 school year.~~

~~6.—The organization must verify the student's eligibility to participate in the scholarship program at least 30 days before each payment.~~

~~7.a.—For renewing scholarship students, upon receiving the verified list of eligible scholarship students, the department shall release, from state funds only, the amount calculated pursuant to subparagraph 1. to the organization for deposit into the student's account in quarterly payments no later than August 1, November 1, February 1, and April 1 of each school year in which the scholarship is in force.~~

~~b.—For new scholarship students, upon receiving the verified list of eligible scholarship students, the department shall release, from state funds only, the amount calculated~~

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~~pursuant to subparagraph 1. to the organization for deposit into the student's account in quarterly payments no later than September 1, November 1, February 1, and April 1 of each school year in which the scholarship is in force.~~

~~8. If a scholarship student is attending an eligible private school full time, the initial payment shall be made after the organization's verification of admission acceptance, and subsequent payments shall be made upon verification of continued enrollment and attendance at the eligible private school. Payments for tuition and fees for full-time enrollment shall be made within 7 business days after approval by the parent pursuant to paragraph (10) (b) and the private school pursuant to paragraph (9) (b).~~

~~9. Accrued interest in the student's account is in addition to, and not part of, the awarded funds. Program funds include both the awarded funds and accrued interest.~~

~~10. The organization 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 which the department deems to be commercially viable or cost-effective. A student's scholarship award may not be reduced for debit card or electronic payment fees. Commodities or services related to the development of such a system must be procured by competitive solicitation unless they are purchased from a state term contract pursuant to s. 287.056.~~

~~11. An organization may not transfer any funds to an account of a student determined to be eligible pursuant to paragraph (3) (b) which has a balance in excess of \$50,000.~~

~~12. Moneys received pursuant to this section do not~~

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~~constitute taxable income to the qualified student or the parent of the qualified student.~~

~~(c) An organization may not submit a new scholarship student for funding after February 1.~~

~~(d) Within 30 days after the release of state funds pursuant to paragraphs (a) and (b), the eligible scholarship-funding organization shall certify to the department the amount of funds distributed for student scholarships. If the amount of funds released by the department is more than the amount distributed by the organization, the department is authorized to adjust the amount of the overpayment in the subsequent quarterly payment release.~~

Section 6. Subsections (2), (3), (4), and (6) through (11) and paragraph (e) of subsection (15) of section 1002.395, Florida Statutes, are amended to read:

1002.395 Florida Tax Credit Scholarship Program.—

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

(a) "Annual tax credit amount" means, for any state fiscal year, the sum of the amount of tax credits approved under paragraph (5) (b), including tax credits to be taken under s. 220.1875 or s. 624.51055, which are approved for a taxpayer whose taxable year begins on or after January 1 of the calendar year preceding the start of the applicable state fiscal year.

(b) "Choice navigator" means an individual who meets the requirements of sub-subparagraph (6) (d) 4.g. and who provides consultations, at a mutually agreed upon location, on the selection of, application for, and enrollment in educational options addressing the academic needs of a student; curriculum selection; and advice on career and postsecondary education

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~~opportunities. However, nothing in this section authorizes a choice navigator to oversee or exercise control over the curricula or academic programs of a personalized education program.~~

~~(c)~~ "Department" means the Department of Revenue.

~~(c)~~~~(d)~~ "Direct certification list" means the certified list of children who qualify for the food assistance program, the Temporary Assistance to Needy Families Program, or the Food Distribution Program on Indian Reservations provided to the Department of Education by the Department of Children and Families.

~~(d)~~~~(e)~~ "Division" means the Division of Alcoholic Beverages and Tobacco of the Department of Business and Professional Regulation.

~~(e)~~~~(f)~~ "Eligible contribution" means a monetary contribution from a taxpayer, subject to the restrictions provided in this section, to an eligible nonprofit scholarship-funding organization pursuant to this section and ss. 212.099, 212.1831, and 212.1832. The taxpayer making the contribution may not designate a specific child as the beneficiary of the contribution.

~~(f)~~~~(g)~~ "Eligible nonprofit scholarship-funding organization" means a state university; or an independent college or university that is eligible to participate in the William L. Boyd, IV, Effective Access to Student Education Grant Program, located and chartered in this state, is not for profit, and is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools; or is a charitable organization that:

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1. Is exempt from federal income tax pursuant to s. 501(c)(3) of the Internal Revenue Code;

2. Is a Florida entity formed under chapter 605, chapter 607, or chapter 617 and whose principal office is located in the state; and

3. Complies with subsections (6) and (13) ~~(15)~~.

~~(h)~~ "Eligible postsecondary educational institution" means a Florida College System institution; a state university; a school district technical center; a school district adult general education center; an independent college or university eligible to participate in the William L. Boyd, IV, Effective Access to Student Education Grant Program under s. 1009.89; or an accredited independent postsecondary educational institution, as defined in s. 1005.02, which is licensed to operate in this state under part III of chapter 1005 or is approved to participate in a reciprocity agreement as defined in s. 1000.35(2).

~~(i)~~ "Eligible private school" means a private school, as defined in s. 1002.01, located in Florida which offers an education to students in any grades K-12 and that meets the requirements in subsection (8).

~~(j)~~ "Household income" has the same meaning as the term "income" as defined in the Income Eligibility Guidelines for free and reduced price meals under the National School Lunch Program in 7 C.F.R. part 210 as published in the Federal Register by the United States Department of Agriculture.

~~(k)~~ "Owner or operator" includes:

1. An owner, president, officer, or director of an eligible nonprofit scholarship-funding organization or a person with

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2901 ~~equivalent decisionmaking authority over an eligible nonprofit~~
 2902 ~~scholarship funding organization.~~

2903 ~~2. An owner, operator, superintendent, or principal of an~~
 2904 ~~eligible private school or a person with equivalent~~
 2905 ~~decisionmaking authority over an eligible private school.~~

2906 ~~(l) "Personalized education program" has the same meaning~~
 2907 ~~as in s. 1002.01.~~

2908 ~~(m) "Personalized education student" means a student whose~~
 2909 ~~parent applies to an eligible nonprofit scholarship funding~~
 2910 ~~organization for participation in a personalized education~~
 2911 ~~program.~~

2912 ~~(n) "Student learning plan" means a customized learning~~
 2913 ~~plan developed by a parent, at least annually, to guide~~
 2914 ~~instruction for his or her student and to identify the goods and~~
 2915 ~~services needed to address the academic needs of his or her~~
 2916 ~~student.~~

2917 ~~(g)(e)~~ "Tax credit cap amount" means the maximum annual tax
 2918 credit amount that the department may approve for a state fiscal
 2919 year.

2920 ~~(h)(p)~~ "Unweighted FTE funding amount" means the statewide
 2921 average total funds per unweighted full-time equivalent funding
 2922 amount that is incorporated by reference in the General
 2923 Appropriations Act, or any subsequent special appropriations
 2924 act, for the applicable state fiscal year.

2925 (3) PROGRAM; INITIAL SCHOLARSHIP ELIGIBILITY.—
 2926 ~~(a)~~ The Florida Tax Credit Scholarship Program is
 2927 established.

2928 ~~(b)1.~~ A student is eligible for a Florida tax credit
 2929 scholarship under this section if the student:

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2930 (a)a- Is a resident of this state or the dependent child of
 2931 an active duty member of the United States Armed Forces who has
 2932 received permanent change of station orders to this state or, at
 2933 the time of renewal, whose home of record or state of legal
 2934 residence is Florida; and

2935 (b)b- Is eligible to enroll in kindergarten through grade
 2936 12 in a public school in this state or received a scholarship
 2937 under the former Hope Scholarship Program in the 2023-2024
 2938 school year.

2939 ~~2. Priority must be given in the following order:~~

2940 ~~a. A student whose household income level does not exceed~~
 2941 ~~185 percent of the federal poverty level or who is in foster~~
 2942 ~~care or out-of-home care.~~

2943 ~~b. A student whose household income level exceeds 185~~
 2944 ~~percent of the federal poverty level, but does not exceed 400~~
 2945 ~~percent of the federal poverty level.~~

2946 (4) SCHOLARSHIP PROHIBITIONS.—A student is not eligible for
 2947 a scholarship while he or she is:

2948 (a) Enrolled full time in a public school, including, but
 2949 not limited to, the Florida School for the Deaf and the Blind,
 2950 the College-Preparatory Boarding Academy, the Florida Virtual
 2951 School, the Florida Scholars Academy, a developmental research
 2952 school authorized under s. 1002.32, or a charter school
 2953 authorized under this chapter. For purposes of this paragraph, a
 2954 3- or 4-year-old child who receives services funded through the
 2955 Florida Education Finance Program is considered a student
 2956 enrolled full time in a public school;

2957 (b) Enrolled in a school operating for the purpose of
 2958 providing educational services to youth in a Department of

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Juvenile Justice commitment program;

(c) Receiving any other educational scholarship pursuant to this chapter. ~~However, an eligible public school student receiving a scholarship under s. 1002.411 may receive a stipend for transportation pursuant to s. 1002.31(7);~~

(d) Not having regular and direct contact with his or her private school teachers pursuant to s. 1002.421(9)(i) ~~s. 1002.421(1)(i)~~ unless he or she is enrolled in a personalized education program;

(e) Participating in a home education program as defined in s. 1002.01(1);

(f) Participating in a private tutoring program pursuant to s. 1002.43 unless he or she is enrolled in a personalized education program; or

(g) Participating in virtual instruction pursuant to s. 1002.455 that receives state funding pursuant to the student's participation.

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

(a) Must comply with the antidiscrimination provisions of 42 U.S.C. s. 2000d.

~~(b) Must comply with the following background check requirements:~~

~~1. All owners and operators as defined in subparagraph (2)(k)1. are, before employment or engagement to provide services, subject to level 2 background screening as provided under chapter 435. The fingerprints for the background screening must be electronically submitted to the Department of Law~~

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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~~Enforcement and can be taken by an authorized law enforcement agency or by an employee of the eligible nonprofit scholarship-funding organization or a private company who is trained to take fingerprints. However, the complete set of fingerprints of an owner or operator may not be taken by the owner or operator. The results of the state and national criminal history check shall be provided to the Department of Education for screening under chapter 435. The cost of the background screening may be borne by the eligible nonprofit scholarship-funding organization or the owner or operator.~~

~~2. Every 5 years following employment or engagement to provide services or association with an eligible nonprofit scholarship-funding organization, each owner or operator must meet level 2 screening standards as described in s. 435.04, at which time the nonprofit scholarship-funding organization shall request the Department of Law Enforcement to forward the fingerprints to the Federal Bureau of Investigation for level 2 screening. If the fingerprints of an owner or operator are not retained by the Department of Law Enforcement under subparagraph 3., the owner or operator must electronically file a complete set of fingerprints with the Department of Law Enforcement. Upon submission of fingerprints for this purpose, the eligible nonprofit scholarship-funding organization shall request that the Department of Law Enforcement forward the fingerprints to the Federal Bureau of Investigation for level 2 screening, and the fingerprints shall be retained by the Department of Law Enforcement under subparagraph 3.~~

~~3. Fingerprints submitted to the Department of Law Enforcement as required by this paragraph must be retained by~~

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the Department of Law Enforcement in a manner approved by rule and entered in the statewide automated biometric identification system authorized by s. 943.05(2)(b). The fingerprints must thereafter be available for all purposes and uses authorized for arrest fingerprints entered in the statewide automated biometric identification system pursuant to s. 943.051.

4. The Department of Law Enforcement shall search all arrest fingerprints received under s. 943.051 against the fingerprints retained in the statewide automated biometric identification system under subparagraph 3. Any arrest record that is identified with an owner's or operator's fingerprints must be reported to the Department of Education. The Department of Education shall participate in this search process by paying an annual fee to the Department of Law Enforcement and by informing the Department of Law Enforcement of any change in the employment, engagement, or association status of the owners or operators whose fingerprints are retained under subparagraph 3. The Department of Law Enforcement shall adopt a rule setting the amount of the annual fee to be imposed upon the Department of Education for performing these services and establishing the procedures for the retention of owner and operator fingerprints and the dissemination of search results. The fee may be borne by the owner or operator of the nonprofit scholarship-funding organization.

5. A nonprofit scholarship-funding organization whose owner or operator fails the level 2 background screening is not eligible to provide scholarships under this section.

6. A nonprofit scholarship-funding organization whose owner or operator in the last 7 years has filed for personal

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bankruptcy or corporate bankruptcy in a corporation of which he or she owned more than 20 percent shall not be eligible to provide scholarships under this section.

7. In addition to the offenses listed in s. 435.04, a person required to undergo background screening pursuant to this part or authorizing statutes must not have an arrest awaiting final disposition for, must not have been found guilty of, or entered a plea of nolo contendere to, regardless of adjudication, and must not have been adjudicated delinquent, and the record must not have been sealed or expunged for, any of the following offenses or any similar offense of another jurisdiction:

a. Any authorizing statutes, if the offense was a felony.

b. This chapter, if the offense was a felony.

c. Section 409.920, relating to Medicaid provider fraud.

d. Section 409.9201, relating to Medicaid fraud.

e. Section 741.28, relating to domestic violence.

f. Section 817.034, relating to fraudulent acts through mail, wire, radio, electromagnetic, photoelectronic, or photooptical systems.

g. Section 817.234, relating to false and fraudulent insurance claims.

h. Section 817.505, relating to patient brokering.

i. Section 817.568, relating to criminal use of personal identification information.

j. Section 817.60, relating to obtaining a credit card through fraudulent means.

k. Section 817.61, relating to fraudulent use of credit cards, if the offense was a felony.

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3075 ~~1. Section 831.01, relating to forgery.~~
 3076 ~~m. Section 831.02, relating to uttering forged instruments.~~
 3077 ~~n. Section 831.07, relating to forging bank bills, checks,~~
 3078 ~~drafts, or promissory notes.~~
 3079 ~~o. Section 831.09, relating to uttering forged bank bills,~~
 3080 ~~checks, drafts, or promissory notes.~~
 3081 ~~p. Section 831.30, relating to fraud in obtaining medicinal~~
 3082 ~~drugs.~~
 3083 ~~q. Section 831.31, relating to the sale, manufacture,~~
 3084 ~~delivery, or possession with the intent to sell, manufacture, or~~
 3085 ~~deliver any counterfeit controlled substance, if the offense was~~
 3086 ~~a felony.~~
 3087 ~~(b)(e) Must not have an owner or operator, as defined in~~
 3088 ~~subparagraph (2)(k)1., who owns or operates an eligible private~~
 3089 ~~school that is participating in the scholarship program.~~
 3090 ~~(c)(d)1. For the 2023-2024 school year, may fund no more~~
 3091 ~~than 20,000 scholarships for students who are enrolled pursuant~~
 3092 ~~to subsection (7) paragraph (7)(b). The number of scholarships~~
 3093 ~~funded for such students may increase by 40,000 in each~~
 3094 ~~subsequent school year. This paragraph subparagraph is repealed~~
 3095 ~~July 1, 2027.~~
 3096 ~~2. Shall establish a process for parents who are in~~
 3097 ~~compliance with paragraph (7)(a) to renew their students'~~
 3098 ~~scholarships. Renewal applications for the 2025-2026 school year~~
 3099 ~~and thereafter must provide for a renewal timeline beginning~~
 3100 ~~February 1 of the prior school year and ending April 30 of the~~
 3101 ~~prior school year. A student's renewal is contingent upon an~~
 3102 ~~eligible private school providing confirmation of admission~~
 3103 ~~pursuant to subsection (8). The process must require that~~

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3104 ~~parents confirm that the scholarship is being renewed or~~
 3105 ~~declined by May 31.~~
 3106 ~~3. Shall establish a process that allows a parent to apply~~
 3107 ~~for a new scholarship. The process must be in a manner that~~
 3108 ~~creates a written or electronic record of the application~~
 3109 ~~request and the date of receipt of the application request. The~~
 3110 ~~process must require that parents confirm that the scholarship~~
 3111 ~~is being accepted or declined by a date set by the organization.~~
 3112 ~~4. Must establish and maintain separate scholarship~~
 3113 ~~accounts from eligible contributions for each eligible student.~~
 3114 ~~For each account, the organization must maintain a record of~~
 3115 ~~accrued interest retained in the student's account. The~~
 3116 ~~organization~~
 3117 ~~(d) Must verify that scholarship funds are used for:~~
 3118 ~~1.a. Tuition and fees for full-time or part-time enrollment~~
 3119 ~~in an eligible private school.~~
 3120 ~~2.b. Instructional materials, including digital materials,~~
 3121 ~~digital devices, and Internet resources.~~
 3122 ~~3.e. Curriculum as defined in s. 1002.394(2).~~
 3123 ~~4.d. Tuition and fees associated with full-time or part-~~
 3124 ~~time enrollment in a home education instructional program that~~
 3125 ~~meets all of the following requirements:~~
 3126 ~~a. Provides educational courses or activities.~~
 3127 ~~b. Has a publicly available description of courses and~~
 3128 ~~activities.~~
 3129 ~~c. Has a tuition and fee schedule.~~
 3130 ~~d. Makes the tuition and fees payable to a registered~~
 3131 ~~business entity.~~
 3132 ~~5. Tuition and fees associated with full-time or part-time~~

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~~enrollment in~~ an eligible postsecondary educational institution or a program offered by the postsecondary educational institution, unless the program is subject to s. 1009.25 or reimbursed pursuant to s. 1009.30; an approved preapprenticeship program as defined in s. 446.021(5) which is not subject to s. 1009.25 and complies with all applicable requirements of the Department of Education pursuant to chapter 1005; a private tutoring program authorized under s. 1002.43; a virtual program offered by a department-approved private online provider that meets the provider qualifications specified in s. 1002.45(2)(a); the Florida Virtual School as a private paying student; or an approved online course offered pursuant to s. 1003.499 or s. 1004.0961.

~~6.e.~~ Fees for nationally standardized, norm-referenced achievement tests, Advanced Placement Examinations, industry certification examinations, assessments related to postsecondary education, or other assessments.

~~7.f.~~ Contracted services provided by a public school or school district, including classes. A student who receives contracted services under this subparagraph ~~sub-subparagraph~~ is not considered enrolled in a public school for eligibility purposes as specified in subsection (9) ~~(11)~~ but rather attending a public school on a part-time basis as authorized under s. 1002.44.

~~8.g.~~ Tuition and fees for part-time tutoring services or fees for services provided by a choice navigator. Such services must be provided by a person who holds a valid Florida educator's certificate pursuant to s. 1012.56, a person who holds an adjunct teaching certificate pursuant to s. 1012.57, a

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person who has a bachelor's degree or a graduate degree in the subject area or related subject area in which instruction is given, a person who has demonstrated a mastery of subject area knowledge pursuant to s. 1012.56(5), or a person certified by a nationally or internationally recognized research-based training program as approved by the Department of Education. As used in this paragraph, the term "part-time tutoring services" does not qualify as regular school attendance as defined in s. 1003.01(16)(e).

9. Membership dues and related activity fees for participation in Career and Technical Student Organizations.

(e) For students determined eligible pursuant to subsection (7) paragraph (7)(b), must:

~~1. Establish a process for parents who are in compliance with subparagraph (7)(b)1. to apply for a new scholarship. New scholarship applications for the 2025-2026 school year and thereafter must provide for an application timeline beginning February 1 of the prior school year and ending April 30 of the prior school year. The process must require that parents confirm that the scholarship is being accepted or declined by May 31.~~

~~2. Establish a process for parents who are in compliance with paragraph (7)(b) to renew their students' scholarships. Renewal scholarship applications for the 2025-2026 school year and thereafter must provide for a renewal timeline beginning February 1 of the prior school year and ending April 30 of the prior school year. The process must require that parents confirm that the scholarship is being renewed or declined by May 31.~~

1.3. Maintain a signed agreement from the parent which constitutes compliance with the attendance requirements under

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ss. 1003.01(16) and 1003.21(1).

2.4- Receive eligible student test scores and, beginning with the 2027-2028 school year, by August 15, annually report test scores for students pursuant to subsection (7) paragraph (7)(b) to a state university pursuant to paragraph (8)(d) (9)(f).

3.5- Provide parents with information, guidance, and support to create and annually update a student learning plan for their student. The organization must maintain the plan and allow parents to electronically submit, access, and revise the plan continuously.

4.6- Upon submission by the parent of an annual student learning plan, fund a scholarship for a student determined eligible.

(f) ~~Must give first priority to eligible renewal students who received a scholarship from an eligible nonprofit scholarship-funding organization during the previous school year. The eligible nonprofit scholarship-funding organization must~~ fully apply and exhaust all funds available under this section for renewal scholarship awards before awarding any initial scholarships.

~~(g) Must provide a new scholarship to an eligible student on a first-come, first-served basis unless the student is seeking priority eligibility pursuant to subsection (3).~~

(g)(h) Must refer any student eligible for a scholarship pursuant to this section who did not receive a renewal or initial scholarship based solely on the lack of available funds under this section to another eligible nonprofit scholarship-funding organization that may have funds available.

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~~(i) May not restrict or reserve scholarships for use at a particular eligible private school or provide scholarships to a child of an owner or operator as defined in subparagraph (2)(k)1.~~

~~(j) Must allow a student in foster care or out of home care or a dependent child of a parent who is a member of the United States Armed Forces to apply for a scholarship at any time.~~

(h)(k) Must allow an eligible student to attend any eligible private school and must allow a parent to transfer a scholarship during a school year to any other eligible private school of the parent's choice.

(i)1.(l)1. May use eligible contributions received pursuant to this section and ss. 212.099, 212.1831, and 212.1832 during the state fiscal year in which such contributions are collected for administrative expenses if the organization has operated as an eligible nonprofit scholarship-funding organization for at least the preceding 3 fiscal years and did not have any findings of material weakness or material noncompliance in its most recent audit under paragraph (k) ~~(e)~~ or is in good standing in each state in which it administers a scholarship program and the audited financial statements for the preceding 3 fiscal years are free of material misstatements and going concern issues. Administrative expenses from eligible contributions may not exceed 2 ~~3~~ percent of the total amount of all scholarships and stipends funded by an eligible scholarship-funding organization under this chapter. Such administrative expenses must be reasonable and necessary for the organization's management and distribution of scholarships funded under this chapter. Administrative expenses may include developing or contracting

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with rideshare programs or facilitating carpool strategies for recipients of a transportation stipend under s. 1002.31(7). No funds authorized under this subparagraph shall be used for lobbying or political activity or expenses related to lobbying or political activity. Up to one-third of the funds authorized for administrative expenses under this subparagraph may be used for expenses related to the recruitment of contributions from taxpayers. ~~An eligible nonprofit scholarship-funding organization may not charge an application fee.~~

2. Must expend for annual or partial-year scholarships 100 percent of any eligible contributions from the prior fiscal year.

3. Must expend for annual or partial-year scholarships an amount equal to or greater than 75 percent of all net eligible contributions, ~~as defined in subsection (2)~~, remaining after administrative expenses during the state fiscal year in which such eligible contributions are collected. No more than 25 percent of such net eligible contributions may be carried forward to the following state fiscal year. All amounts carried forward, for audit purposes, must be specifically identified for particular students, by student name and the name of the school to which the student is admitted, subject to the requirements of ss. 1002.22 and 1002.221 and 20 U.S.C. s. 1232g, and the applicable rules and regulations issued pursuant thereto. Any amounts carried forward shall be expended for annual or partial-year scholarships in the following state fiscal year. Eligible contributions remaining on June 30 of each year that are in excess of the 25 percent that may be carried forward shall be used to provide scholarships to eligible students or transferred

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to other eligible nonprofit scholarship-funding organizations to provide scholarships for eligible students. All transferred funds must be deposited by each eligible nonprofit scholarship-funding organization receiving such funds into its scholarship account. All transferred amounts received by any eligible nonprofit scholarship-funding organization must be separately disclosed in the annual financial audit required under paragraph (k) ~~(e)~~.

~~4. Must, before granting a scholarship for an academic year, document each scholarship student's eligibility for that academic year. A scholarship-funding organization may not grant multiyear scholarships in one approval process.~~

~~(m) Must maintain separate accounts for scholarship funds and operating funds.~~

(j) ~~(n)~~ With the prior approval of the Department of Education, may transfer funds to another eligible nonprofit scholarship-funding organization if additional funds are required to meet scholarship demand at the receiving nonprofit scholarship-funding organization. A transfer is limited to the greater of \$500,000 or 20 percent of the total contributions received by the nonprofit scholarship-funding organization making the transfer. All transferred funds must be deposited by the receiving nonprofit scholarship-funding organization into its scholarship accounts. All transferred amounts received by any nonprofit scholarship-funding organization must be separately disclosed in the annual financial and compliance audit required in this section.

(k) ~~(e)~~ Must provide to the Auditor General and the Department of Education access to its accounts and records and a

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report on the results of an annual financial audit of its accounts and records conducted by an independent certified public accountant in accordance with auditing standards generally accepted in the United States, government auditing standards, and rules promulgated by the Auditor General. The audit report must include a report on financial statements presented in accordance with generally accepted accounting principles. Audit reports must be provided to the Auditor General and the Department of Education within 180 days after completion of the eligible nonprofit scholarship-funding organization's fiscal year. The Auditor General shall review all audit reports submitted pursuant to this paragraph. The Auditor General shall request any significant items that were omitted in violation of a rule adopted by the Auditor General. The items must be provided within 45 days after the date of the request. If the scholarship-funding organization does not comply with the Auditor General's request, the Auditor General shall notify the Legislative Auditing Committee.

~~(p) Must prepare and submit quarterly reports to the Department of Education pursuant to paragraph (9)(i). In addition, an eligible nonprofit scholarship-funding organization must submit in a timely manner the verified list of eligible scholarship students and any information requested by the Department of Education relating to the scholarship program.~~

(1)1.a.(q)1-a. Must participate in the joint development of agreed-upon procedures during the 2009-2010 state fiscal year. The agreed-upon procedures must uniformly apply to all private schools and must determine, at a minimum, whether the private school has been verified as eligible by the Department of

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Education under s. 1002.421; has an adequate accounting system, system of financial controls, and process for deposit and classification of scholarship funds; and has properly expended scholarship funds for education-related expenses. During the development of the procedures, the participating scholarship-funding organizations shall specify guidelines governing the materiality of exceptions that may be found during the accountant's performance of the procedures. The procedures and guidelines shall be provided to private schools and the Commissioner of Education by March 15, 2011.

b. Must participate in a joint review of the agreed-upon procedures and guidelines developed under sub-subparagraph a., by February of each biennium, if the scholarship-funding organization provided more than \$250,000 in scholarship funds under this chapter during the state fiscal year preceding the biennial review. If the procedures and guidelines are revised, the revisions must be provided to private schools and the Commissioner of Education by March 15 of the year in which the revisions were completed. The revised agreed-upon procedures and guidelines shall take effect the subsequent school year.

c. Must monitor the compliance of a participating private school with s. 1002.421(9)(p) ~~s. 1002.421(1)(q)~~ if the scholarship-funding organization provided the majority of the scholarship funding to the school. For each participating private school subject to s. 1002.421(9)(p) ~~s. 1002.421(1)(q)~~, the appropriate scholarship-funding organization shall annually notify the Commissioner of Education by October 30 of:

(I) A private school's failure to submit a report required under s. 1002.421(9)(p) ~~s. 1002.421(1)(q)~~; or

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(II) Any material exceptions set forth in the report required under s. 1002.421(9) (p) ~~s. 1002.421(1) (q)~~.

2. Must seek input from the accrediting associations that are members of the Florida Association of Academic Nonpublic Schools and the Department of Education when jointly developing the agreed-upon procedures and guidelines under sub-subparagraph 1.a. and conducting a review of those procedures and guidelines under sub-subparagraph 1.b.

~~(m) (s)~~ Must maintain the surety bond or letter of credit required by subsection (13) ~~(15)~~. The amount of the surety bond or letter of credit may be adjusted quarterly to equal the actual amount of undisbursed funds based upon submission by the organization of a statement from a certified public accountant verifying the amount of undisbursed funds. The requirements of this paragraph are waived if the cost of acquiring a surety bond or letter of credit exceeds the average 10-year cost of acquiring a surety bond or letter of credit by 200 percent. The requirements of this paragraph are waived for a state university; or an independent college or university which is eligible to participate in the William L. Boyd, IV, Effective Access to Student Education Grant Program, located and chartered in this state, is not for profit, and is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools.

~~(n) (s)~~ Must provide to the Auditor General any information or documentation requested in connection with an operational audit of a scholarship-funding organization conducted pursuant to s. 11.45.

(o) 1. (t) 1. Must develop a purchasing handbook that includes

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policies for authorized uses of scholarship funds under paragraph (d) and s. 1002.394(4) (a). The handbook must include, at a minimum, a routinely updated list of prohibited items and services, and items or services that require preauthorization or additional documentation. Annually, by August 1, 2024, and by each July 1 thereafter, the purchasing handbook must be provided to the Commissioner of Education and published on the eligible nonprofit scholarship-funding organization's website. Any revisions must be provided to the commissioner and published on the organization's website within 30 days after such revisions.

2. The organization shall assist the Florida Center for Students with Unique Abilities established under s. 1004.6495 with the development of purchasing guidelines, which must include a routinely updated list of prohibited items and services, and items or services for which preauthorization or additional documentation is required, for authorized uses of scholarship funds under s. 1002.394(4) (b) and publish the guidelines on the organization's website. Any approval or denial of items and services must be consistent with the purchasing guidelines developed by the center.

3. If the organization fails to submit the purchasing handbook required by subparagraph 1., the Department of Education may assess a financial penalty, not to exceed \$10,000, as prescribed by State Board of Education rule. This subparagraph expires July 1, 2026.

~~(p) (u)~~ May permit eligible students to use program funds for the purposes specified in paragraph (d), as authorized in the organization's purchasing handbook, by paying for the authorized use directly, then submitting a reimbursement request

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to the eligible nonprofit scholarship-funding organization. However, an eligible nonprofit scholarship-funding organization may require the use of an online platform for direct purchases of products so long as such use does not limit a parent's choice of curriculum or academic programs. If a parent purchases a product identical to one offered by an organization's online platform for a lower price, the organization shall reimburse the parent the cost of the product.

~~(v) Must notify each parent that participation in the scholarship program does not guarantee enrollment.~~

~~(w) Shall commit scholarship funds on behalf of the student for tuition and fees for which the parent is responsible for payment at the participating private school before using scholarship account funds for additional authorized uses under paragraph (d).~~

~~(q)(x) Beginning September 30, 2023, Must submit to the department quarterly reports that provide the estimated and actual amounts of the net eligible contributions, as defined in subsection (2), and all funds carried forward from the prior state fiscal year.~~

~~(r)(y) Must establish a process to collect input and feedback from parents, private schools, and providers before implementing substantial modifications or enhancements to the reimbursement process.~~

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

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with s. 213.053.

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

~~(a) A parent who applies for a scholarship whose student will be enrolled full time in an eligible private school must:~~

~~1. Select an eligible private school and apply for the admission of his or her child.~~

~~2. Request the scholarship by the date established by the organization in a manner that creates a written or electronic record of the request and the date of receipt of the request.~~

~~3.a. Beginning with new applications for the 2025-2026 school year and thereafter, notify the organization by a date set by the organization that the scholarship is being accepted or declined.~~

~~b. Beginning with renewal applications for the 2025-2026 school year and thereafter, notify the organization by May 31 that the scholarship is being renewed or declined.~~

~~4. Inform the applicable school district when the parent withdraws his or her student from a public school to attend an eligible private school.~~

~~5. Require his or her student participating in the program to remain in attendance at the eligible private school throughout the school year unless excused by the school for illness or other good cause and comply with the private school's published policies.~~

~~6. Meet with the eligible private school's principal or the principal's designee to review the school's academic programs and policies, specialized services, code of student conduct, and attendance policies before enrollment.~~

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3481 ~~7. Require his or her student participating in the program~~
 3482 ~~to take the norm-referenced assessment offered by the~~
 3483 ~~participating private school. The parent may also choose to have~~
 3484 ~~the student participate in the statewide assessments pursuant to~~
 3485 ~~s. 1008.22. If the parent requests that the student~~
 3486 ~~participating in the program take statewide assessments pursuant~~
 3487 ~~to s. 1008.22 and the participating private school has not~~
 3488 ~~chosen to offer and administer the statewide assessments, the~~
 3489 ~~parent is responsible for transporting the student to the~~
 3490 ~~assessment site designated by the school district.~~

3491 ~~8. Approve each payment before the scholarship funds may be~~
 3492 ~~deposited by funds transfer. The parent may not designate any~~
 3493 ~~entity or individual associated with the participating private~~
 3494 ~~school as the parent's attorney in fact to approve a funds~~
 3495 ~~transfer. A participant who fails to comply with this paragraph~~
 3496 ~~forfeits the scholarship.~~

3497 ~~9. Authorize the nonprofit scholarship funding organization~~
 3498 ~~to access information needed for income eligibility~~
 3499 ~~determination and verification held by other state or federal~~
 3500 ~~agencies, including the Department of Revenue, the Department of~~
 3501 ~~Children and Families, the Department of Education, the~~
 3502 ~~Department of Commerce, and the Agency for Health Care~~
 3503 ~~Administration, for students seeking priority eligibility.~~

3504 ~~10. Agree to have the organization commit scholarship funds~~
 3505 ~~on behalf of his or her student for tuition and fees for which~~
 3506 ~~the parent is responsible for payment at the participating~~
 3507 ~~private school before using scholarship account funds for~~
 3508 ~~additional authorized uses under paragraph (6)(d). A parent is~~
 3509 ~~responsible for all eligible expenses in excess of the amount of~~

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3510 ~~the scholarship.~~

3511 ~~11. Comply with the scholarship application and renewal~~
 3512 ~~processes and requirements established by the organization.~~

3513 ~~(b)~~ A parent whose student is participating in the
 3514 personalized education program and will not be enrolled full
 3515 time in a public or private school must:

3516 ~~1. Apply to an eligible nonprofit scholarship funding~~
 3517 ~~organization to participate in the program as a personalized~~
 3518 ~~education student by a date set by the organization. The request~~
 3519 ~~must be communicated directly to the organization in a manner~~
 3520 ~~that creates a written or electronic record of the request and~~
 3521 ~~the date of receipt of the request. Beginning with new and~~
 3522 ~~renewal applications for the 2025-2026 school year and~~
 3523 ~~thereafter, a parent must notify the organization by May 31 that~~
 3524 ~~the scholarship is being accepted, renewed, or declined.~~

3525 ~~2.~~ sign an agreement with the organization and annually
 3526 submit a sworn compliance statement to the organization to
 3527 satisfy or maintain program eligibility, including eligibility
 3528 to receive and spend program payments, by:

3529 ~~(a)a-~~ Affirming that the program funds are used only for
 3530 authorized purposes serving the student's educational needs, as
 3531 described in paragraph (6)(d), and that they will not receive a
 3532 payment, refund, or rebate of any funds provided under this
 3533 section.

3534 ~~(b)~~ If the student is enrolled in Florida Virtual School as
 3535 a private paying student, agreeing to have the organization
 3536 commit scholarship funds on behalf of his or her student for
 3537 tuition and fees for which the parent is responsible for payment
 3538 to the Florida Virtual School before using scholarship account

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funds for additional uses under paragraph (6)(d).

~~(c) b-~~ Affirming that the parent is responsible for all eligible expenses in excess of the amount of the scholarship and for the education of his or her student.

(d) e- Submitting a student learning plan to the organization and revising the plan at least annually before program renewal.

(e) d- Requiring his or her student to take a nationally norm-referenced test identified by the Department of Education, or a statewide assessment under s. 1008.22, and provide assessment results to the organization before the student's program renewal.

~~e. Complying with the scholarship application and renewal processes and requirements established by the organization. A student whose participation in the program is not renewed may continue to spend scholarship funds that are in his or her account from prior years unless the account must be closed pursuant to s. 1002.394(5)(a)2.~~

(f) f- Procuring the services necessary to educate the student. When the student receives a scholarship, the district school board is not obligated to provide the student with a free appropriate public education.

For purposes of this ~~subsection~~ paragraph, full-time enrollment does not include enrollment at a private school that addresses regular and direct contact with teachers through the student learning plan in accordance with s. 1002.421(9)(i) ~~s. 1002.421(i)(i)~~.

~~(e) A parent may not apply for multiple scholarships under~~

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~~this section and s. 1002.394 for an individual student at the same time.~~

~~An eligible nonprofit scholarship funding organization may not further regulate, exercise control over, or require documentation beyond the requirements of this subsection unless the regulation, control, or documentation is necessary for participation in the program.~~

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

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

~~(b) Provide to the organization all documentation required for a student's participation, including confirmation of the student's admission to the private school, the private school's and student's fee schedules, and any other information required by the organization to process scholarship payment pursuant to paragraph (11)(c). Such information must be provided by the deadlines established by the organization and in accordance with the requirements of this section. A student is not eligible to receive a quarterly scholarship payment if the private school fails to meet the deadline.~~

~~(c) 1. Annually administer or make provision for students participating in the scholarship program in grades 3 through 10 to take one of the nationally norm-referenced tests identified by the department or the statewide assessments pursuant to s. 1008.22. Students with disabilities for whom standardized testing is not appropriate are exempt from this requirement. A~~

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~~participating private school must report a student's scores to the parent. A participating private school must annually report by August 15 the scores of all participating students to a state university described in paragraph (9)(f).~~

~~2. Administer the statewide assessments pursuant to s. 1008.22 if a participating private school chooses to offer the statewide assessments. A participating private school may choose to offer and administer the statewide assessments to all students who attend the participating private school in grades 3 through 10 and must submit a request in writing to the Department of Education by March 1 of each year in order to administer the statewide assessments in the subsequent school year.~~

~~If a participating private school fails to meet the requirements of this subsection or s. 1002.421, the commissioner may determine that the participating private school is ineligible to participate in the scholarship program.~~

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

(a) Annually submit to the department and division, by March 15, a list of eligible nonprofit scholarship-funding organizations that meet the requirements of paragraph (2)(f) ~~(2)(g)~~.

(b) Annually verify the eligibility of nonprofit scholarship-funding organizations that meet the requirements of paragraph (2)(f) ~~(2)(g)~~.

(c) Annually verify the eligibility of expenditures as provided in paragraph (6)(d) or paragraph (6)(i) using the audit

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required by paragraph (6)(k) ~~(6)(e)~~.

(d) ~~Notify eligible nonprofit scholarship-funding organizations of the deadlines for submitting the verified list of eligible scholarship students; cross-check the verified list with the public school enrollment lists to avoid duplication; and, when the Florida Education Finance Program is recalculated, adjust the amount of state funds allocated to school districts through the Florida Education Finance Program based upon the results of the cross-check.~~

~~(e) Maintain and annually publish a list of nationally norm-referenced tests identified for purposes of satisfying the testing requirement in subparagraph (8)(c)1. The tests must meet industry standards of quality in accordance with State Board of Education rule.~~

~~(f)~~ Issue a project grant award to a state university, to which participating private schools and eligible nonprofit scholarship-funding organizations must report the scores of participating students on the nationally norm-referenced tests or the statewide assessments administered in grades 3 through 10. The project term is 2 years, and the amount of the project is up to \$250,000 per year. The project grant award must be reissued in 2-year intervals in accordance with this paragraph.

1. The state university must annually report to the Department of Education on the student performance of participating students and, beginning with the 2027-2028 school year, on the performance of personalized education students:

a. On a statewide basis. The report shall also include, to the extent possible, a comparison of scholarship students' performance to the statewide student performance of public

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school students with socioeconomic backgrounds similar to those of students participating in the scholarship program. To minimize costs and reduce time required for the state university's analysis and evaluation, the Department of Education shall coordinate with the state university to provide data to the state university in order to conduct analyses of matched students from public school assessment data and calculate control group student performance using an agreed-upon methodology with the state university; and

b. On an individual school basis for students enrolled full time in a private school. The annual report must include student performance for each participating private school in which enrolled students in the private school participated in a scholarship program under this section ~~or s. 1002.394(12)(a)~~ in the prior school year. The report shall be according to each participating private school, and for participating students, in which there are at least 30 participating students who have scores for tests administered. If the state university determines that the 30-participating-student cell size may be reduced without disclosing personally identifiable information, as described in 34 C.F.R. s. 99.12, of a participating student, the state university may reduce the participating-student cell size, but the cell size must not be reduced to less than 10 participating students. The department shall provide each participating private school's prior school year's student enrollment information to the state university no later than June 15 of each year, or as requested by the state university.

2. The sharing and reporting of student performance data under this paragraph must be in accordance with requirements of

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ss. 1002.22 and 1002.221 and 20 U.S.C. s. 1232g, the Family Educational Rights and Privacy Act, and the applicable rules and regulations issued pursuant thereto, and shall be for the sole purpose of creating the annual report required by subparagraph 1. All parties must preserve the confidentiality of such information as required by law. The annual report must not disaggregate data to a level that will identify individual participating schools, except as required under sub-subparagraph 1.b., or disclose the academic level of individual students.

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

~~(g) Notify an eligible nonprofit scholarship funding organization of any of the organization's identified students who are receiving educational scholarships pursuant to this chapter.~~

~~(h) Notify an eligible nonprofit scholarship funding organization of any of the organization's identified students who are receiving tax credit scholarships from other eligible nonprofit scholarship funding organizations.~~

~~(i) Require quarterly reports by an eligible nonprofit scholarship funding organization regarding the number of students participating in the program; the private schools at which the students are enrolled; the number of scholarship applications received; the number of applications processed within 30 days after receipt; and the number of incomplete applications received; data related to reimbursement submissions, including the average number of days for a reimbursement to be reviewed and the average number of days for a reimbursement to be approved; any parent input and feedback~~

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collected regarding the program, and any other information deemed necessary by the Department of Education.

~~(e)(j)~~ Provide a process to match the direct certification list with the scholarship application data submitted by any nonprofit scholarship-funding organization eligible to receive the 3 percent ~~3-percent~~ administrative allowance under paragraph (6)(i) ~~(6)(l)~~.

~~(f)(k)~~ Notify each school district of the full-time equivalent student consensus estimate of scholarship students developed pursuant to s. 216.136(4)(a).

~~(10) SCHOOL DISTRICT OBLIGATIONS; PARENTAL OPTIONS.—~~

~~(a) Upon the request of any eligible nonprofit scholarship-funding organization, a school district shall inform all households within the district receiving free or reduced-priced meals under the National School Lunch Act of their eligibility to apply for a tax credit scholarship. The form of such notice shall be provided by the eligible nonprofit scholarship-funding organization, and the district shall include the provided form, if requested by the organization, in any normal correspondence with eligible households. If an eligible nonprofit scholarship-funding organization requests a special communication to be issued to households within the district receiving free or reduced-price meals under the National School Lunch Act, the organization shall reimburse the district for the cost of postage. Such notice is limited to once a year.~~

~~(b) Upon the request of the Department of Education, a school district shall coordinate with the department to provide to a participating private school the statewide assessments administered under s. 1008.22 and any related materials for~~

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administering the assessments. A school district is responsible for implementing test administrations at a participating private school, including the:

~~1. Provision of training for participating private school staff on test security and assessment administration procedures;~~

~~2. Distribution of testing materials to a participating private school;~~

~~3. Retrieval of testing materials from a participating private school;~~

~~4. Provision of the required format for a participating private school to submit information to the district for test administration and enrollment purposes; and~~

~~5. Provision of any required assistance, monitoring, or investigation at a participating private school.~~

(9)(11) SCHOLARSHIP AMOUNT AND PAYMENT.—

(a) The scholarship amount provided to any student for any single school year by an eligible nonprofit scholarship-funding organization from eligible contributions shall be for total costs authorized under paragraph (6)(c) ~~(6)(d)~~, not to exceed annual limits, ~~which shall be determined as follows:~~

~~1. For a student who received a scholarship in the 2018-2019 school year, who remains eligible, and who is enrolled in an eligible private school, the amount shall be the greater amount calculated pursuant to subparagraph 2. or a percentage of the unweighted FTE funding amount for the 2018-2019 state fiscal year and thereafter as follows:~~

~~a. Eighty-eight percent for a student enrolled in kindergarten through grade 5.~~

~~b. Ninety-two percent for a student enrolled in grade 6~~

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3771 through grade 8.

3772 e. ~~Ninety-six percent for a student enrolled in grade 9~~
 3773 ~~through grade 12.~~

3774 ~~2. For students initially eligible in the 2019-2020 school~~
 3775 ~~year or thereafter, the calculated amount for a student to~~
 3776 ~~attend an eligible private school shall be calculated in~~
 3777 ~~accordance with s. 1002.394(12)(a).~~

3778 ~~(b) Payment of the scholarship by the eligible nonprofit~~
 3779 ~~scholarship funding organization shall be by funds transfer,~~
 3780 ~~including, but not limited to, debit cards, electronic payment~~
 3781 ~~cards, or any other means of payment that the department deems~~
 3782 ~~to be commercially viable or cost effective. An eligible~~
 3783 ~~nonprofit scholarship funding organization shall ensure that the~~
 3784 ~~parent has approved a funds transfer before any scholarship~~
 3785 ~~funds are deposited.~~

3786 ~~(c) If a scholarship student is attending an eligible~~
 3787 ~~private school full time, the initial payment shall be made~~
 3788 ~~after the organization's verification of admission acceptance,~~
 3789 ~~and subsequent payments shall be made upon verification of~~
 3790 ~~continued enrollment and attendance at the eligible private~~
 3791 ~~school. Payments shall be made within 7 business days after~~
 3792 ~~approval by the parent pursuant to paragraph (7)(a) and the~~
 3793 ~~private school pursuant to paragraph (8)(b).~~

3794 ~~(d) Payment of the scholarship shall be made by the~~
 3795 ~~eligible nonprofit scholarship funding organization no less~~
 3796 ~~frequently than on a quarterly basis.~~

3797 ~~(e) An eligible nonprofit scholarship funding organization~~
 3798 ~~may not transfer any funds to an account of a student determined~~
 3799 ~~eligible under this section which has a balance in excess of~~

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3800 ~~\$24,000.~~

3801 (b)(f) A scholarship awarded to an eligible student shall
 3802 remain in force until:

3803 1. The organization determines that the student is not
 3804 eligible for program renewal;

3805 2. The Commissioner of Education suspends or revokes
 3806 program participation or use of funds;

3807 3. The student's parent has forfeited participation in the
 3808 program for failure to comply with subsection (7);

3809 4. The student who uses the scholarship for full-time
 3810 tuition and fees at an eligible private school pursuant to
 3811 paragraph (7)(a) enrolls full time in a public school. However,
 3812 if a student enters a Department of Juvenile Justice detention
 3813 center for a period of no more than 21 days, the student is not
 3814 considered to have returned to a public school on a full-time
 3815 basis for that purpose; or

3816 5. The student graduates from high school, completes a home
 3817 education program as defined in the student's personalized
 3818 education plan, or attains 21 years of age, whichever occurs
 3819 first.

3820 ~~(g) Reimbursements for program expenditures may continue~~
 3821 ~~until the account balance is expended or remaining funds have~~
 3822 ~~reverted to the state.~~

3823 (c)(h) A student's scholarship account must be closed and
 3824 any remaining funds shall revert to the state after:

3825 1. Denial or revocation of program eligibility by the
 3826 commissioner for fraud or abuse, including, but not limited to,
 3827 the student or student's parent accepting any payment, refund,
 3828 or rebate, in any manner, from a provider of any services

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received pursuant to paragraph (6) (d);

2. One fiscal year ~~Two consecutive fiscal years~~ in which an account has been inactive; ~~or~~

3. The student remains unenrolled in an eligible private school for 30 days while receiving a scholarship that requires full-time enrollment; or

4. A student's scholarship no longer remains in force due to any of the reasons provided in paragraph (b).

An organization must report to the Department of Education the total number of scholarship accounts that were closed pursuant to this paragraph and the amount of funds by account that reverted to the organization.

(d) ~~(i)~~ Moneys received pursuant to this section do not constitute taxable income to the qualified student or the parent of the qualified student.

(13) ~~(15)~~ NONPROFIT SCHOLARSHIP-FUNDING ORGANIZATIONS; APPLICATION.—In order to participate in the scholarship program created under this section, a charitable organization that seeks to be a nonprofit scholarship-funding organization must submit an application for initial approval or renewal to the Office of Independent Education and Parental Choice. Charitable organizations may apply at any time to participate in the program.

(e) If the State Board of Education disapproves the renewal of a nonprofit scholarship-funding organization, the organization must notify the affected eligible students and parents of the decision within 15 days after disapproval. An eligible student affected by the disapproval of an

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organization's participation remains eligible under this section until the end of the school year in which the organization was disapproved. The student must apply and be accepted by another eligible nonprofit scholarship-funding organization for the upcoming school year. The student shall be given priority in accordance with s. 1002.421(2)(d)3. ~~paragraph (6)(g).~~

Section 7. Paragraph (1) of subsection (4) of section 1003.485, Florida Statutes, is amended to read:

1003.485 The New Worlds Reading Initiative.—

(4) ADMINISTRATOR RESPONSIBILITIES.—The administrator shall:

(1) Expend eligible contributions received only for the purchase and delivery of books and to implement the requirements of this section, as well as for administrative expenses not to exceed 2 percent of total eligible contributions.

Notwithstanding s. 1002.395(6)(i)3. ~~s. 1002.395(6)(i)3.~~, the administrator may carry forward up to 25 percent of eligible contributions made before January 1 of each state fiscal year and 100 percent of eligible contributions made on or after January 1 of each state fiscal year to the following state fiscal year for purposes authorized by this subsection. Any eligible contributions in excess of the allowable carry forward not used to provide additional books throughout the year to eligible students shall revert to the state treasury.

Section 8. Paragraph (d) of subsection (5) of section 1008.25, Florida Statutes, is amended to read:

1008.25 Public school student progression; student support; coordinated screening and progress monitoring; reporting requirements.—

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3887 (5) READING DEFICIENCY AND PARENTAL NOTIFICATION.—

3888 (d) The parent of any student who exhibits a substantial
3889 deficiency in reading, as described in paragraph (a), must be
3890 immediately notified in writing of the following:

3891 1. That his or her child has been identified as having a
3892 substantial deficiency in reading, including a description and
3893 explanation, in terms understandable to the parent, of the exact
3894 nature of the student's difficulty in learning and lack of
3895 achievement in reading.

3896 2. A description of the current services that are provided
3897 to the child.

3898 3. A description of the proposed intensive interventions
3899 and supports that will be provided to the child that are
3900 designed to remediate the identified area of reading deficiency.

3901 4. The student progression requirements under paragraph
3902 (2)(h) and that if the child's reading deficiency is not
3903 remediated by the end of grade 3, the child must be retained
3904 unless he or she is exempt from mandatory retention for good
3905 cause.

3906 5. Strategies, including multisensory strategies and
3907 programming, through a read-at-home plan the parent can use in
3908 helping his or her child succeed in reading. The read-at-home
3909 plan must provide access to the resources identified in
3910 paragraph (e).

3911 6. That the statewide, standardized English Language Arts
3912 assessment is not the sole determiner of promotion and that
3913 additional evaluations, portfolio reviews, and assessments are
3914 available to the child to assist parents and the school district
3915 in knowing when a child is reading at or above grade level and

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3916 ready for grade promotion.

3917 7. The district's specific criteria and policies for a
3918 portfolio as provided in subparagraph (7)(b)4. and the evidence
3919 required for a student to demonstrate mastery of Florida's
3920 academic standards for English Language Arts. A school must
3921 immediately begin collecting evidence for a portfolio when a
3922 student in grade 3 is identified as being at risk of retention
3923 or upon the request of the parent, whichever occurs first.

3924 8. The district's specific criteria and policies for
3925 midyear promotion. Midyear promotion means promotion of a
3926 retained student at any time during the year of retention once
3927 the student has demonstrated ability to read at grade level.

3928 9. Information about the student's eligibility for the New
3929 Worlds Reading Initiative under s. 1003.485 and the New Worlds
3930 Scholarship Accounts under s. 1002.411 and information on parent
3931 training modules and other reading engagement resources
3932 available through the initiative.

3933
3934 After initial notification, the school shall apprise the parent
3935 at least monthly of the student's progress in response to the
3936 intensive interventions and supports. Such communications must
3937 be in writing and must explain any additional interventions or
3938 supports that will be implemented to accelerate the student's
3939 progress if the interventions and supports already being
3940 implemented have not resulted in improvement. Upon the request
3941 of the parent, the teacher or school administrator shall meet to
3942 discuss the student's progress. The parent may request more
3943 frequent notification of the student's progress, more frequent
3944 interventions or supports, and earlier implementation of the

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3945 additional interventions or supports described in the initial
 3946 notification.

3947 Section 9. Section 1010.305, Florida Statutes, is amended
 3948 to read:

3949 1010.305 Audit of student enrollment.—

3950 (1) The Auditor General shall annually ~~periodically~~ examine
 3951 the records of school districts, eligible nonprofit scholarship-
 3952 funding organizations as defined in s. 1002.421, and other
 3953 agencies as appropriate, to determine compliance with law and
 3954 State Board of Education rules relating to the classification,
 3955 assignment, and verification of full-time equivalent student
 3956 enrollment and student transportation reported under the Florida
 3957 Education Finance Program.

3958 (2) If it is determined that the approved criteria and
 3959 procedures for the placement of students and the conduct of
 3960 programs have not been followed by the district or eligible
 3961 nonprofit scholarship-funding organization, appropriate
 3962 adjustments in the full-time equivalent student count for that
 3963 district or eligible nonprofit scholarship-funding organization
 3964 must be made, and any excess funds must be deducted from
 3965 subsequent allocations of state funds to that district or
 3966 eligible nonprofit scholarship-funding organization. As provided
 3967 for by rule, if errors in a specific program of a district or
 3968 eligible nonprofit scholarship-funding organization recur in
 3969 consecutive years due to lack of corrective action by the
 3970 district or eligible nonprofit scholarship-funding organization,
 3971 adjustments may be made based upon statistical estimates of
 3972 error projected to the overall district or scholarship program.

3973 Section 10. Subsection (4) of section 1011.61, Florida

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3974 Statutes, is amended to read:

3975 1011.61 Definitions.—Notwithstanding the provisions of s.
 3976 1000.21, the following terms are defined as follows for the
 3977 purposes of the Florida Education Finance Program:

3978 (4) The "Florida Education Finance Program" includes all
 3979 programs and costs as provided in ss. 1003.03, 1011.62, 1011.68,
 3980 ~~and 1011.685, 1011.687, and 1011.689, as applicable.~~

3981 Section 11. Paragraph (a) of subsection (1), paragraph (a)
 3982 of subsection (15), and subsections (16) and (19) of section
 3983 1011.62, Florida Statutes, are amended to read:

3984 1011.62 Funds for operation of schools.—If the annual
 3985 allocation from the Florida Education Finance Program to each
 3986 district for operation of schools is not determined in the
 3987 annual appropriations act or the substantive bill implementing
 3988 the annual appropriations act, it shall be determined as
 3989 follows:

3990 (1) COMPUTATION OF THE BASE FLORIDA EDUCATION FINANCE
 3991 PROGRAM.—The following procedure shall be followed in
 3992 determining the base Florida Education Finance Program funds for
 3993 each district:

3994 (a) *Determination of full-time equivalent membership.—*
 3995 ~~±~~ During the fiscal year, including scheduled
 3996 intersessions of a year-round school program during the fiscal
 3997 year, each district shall complete full-time equivalent surveys
 3998 by aggregating the full-time equivalent student membership of
 3999 each program by school. The department shall establish the
 4000 number and interval of membership calculations. The district's
 4001 full-time equivalent membership shall be computed and currently
 4002 maintained in accordance with regulations of the commissioner.

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~~2. All final reported full-time equivalent survey data must include the unduplicated count of both school district full-time equivalent students and full-time equivalent Family Empowerment Scholarship students.~~

(15) TOTAL ALLOCATION OF STATE FUNDS TO EACH DISTRICT.—The total annual state allocation to each district for current operation for the Florida Education Finance Program shall be distributed to districts pursuant to s. 1011.66 and based on the results of the full-time equivalent membership surveys established in paragraph (1)(a).

(a) When the Florida Education Finance Program allocation is recalculated, if the gross state Florida Education Finance Program funds are not sufficient to pay the state requirement in full, the department shall prorate the available state funds to each district in the following manner:

1. To calculate the gross state and local Florida Education Finance Program funding, add the base Florida Education Finance Program and the categorical funds, except for the categorical funding provided in ~~subsection (16)~~ and s. 1011.685.

2. To calculate the gross state Florida Education Finance Program funding, subtract the required local effort in subsection (4) from the gross and local Florida Education Finance Program funding.

3. To determine the amount that must be prorated among all school districts, subtract the gross state Florida Education Finance Program and any prior year adjustments pursuant to paragraph (b) from the corresponding amount of state funds appropriated in the General Appropriations Act.

4. Each school district's amount of the proration is

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calculated based on its proportionate share of the gross state and local Florida Education Finance Program funding.

~~(16) STATE-FUNDED DISCRETIONARY SUPPLEMENT.—~~

~~(a) The state-funded discretionary supplement is created to fund the nonvoted discretionary millage for operations pursuant to s. 1011.71(1) and (3) for students awarded a Family Empowerment Scholarship in accordance with s. 1002.394. To calculate the state-funded discretionary supplement for inclusion in the amount of the scholarship funding:~~

~~1. For fiscal year 2023-2024, multiply the maximum allowable nonvoted discretionary millage for operations pursuant to s. 1011.71(1) and (3) by the value of 96 percent of the current year's taxable value for school purposes for the school district where the student is reported for purposes of the Florida Education Finance Program as appropriated in the General Appropriations Act; divide the result by the school district's total unweighted full-time equivalent membership as appropriated in the General Appropriations Act; and multiply the result by the total unweighted full-time equivalent membership associated with the number of Family Empowerment Scholarship students included in the school district's total unweighted full-time equivalent membership. A base amount as specified in the General Appropriations Act shall be added to this amount for purposes of calculating the total amount of the supplement.~~

~~2. Beginning in fiscal year 2024-2025 and thereafter, multiply the maximum allowable nonvoted discretionary millage for operations pursuant to s. 1011.71(1) and (3) by the value of 96 percent of the current year's taxable value for school purposes for the school district where the student is reported~~

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for purposes of the Florida Education Finance Program as appropriated in the General Appropriations Act; divide the result by the school district's total unweighted full-time equivalent membership as appropriated in the General Appropriations Act; and multiply the result by the total unweighted full-time equivalent membership associated with the number of Family Empowerment Scholarship students. The prior year's base amount shall be adjusted based on changes in the eligible number of unweighted full-time equivalent membership associated with the number of Family Empowerment Scholarship students.

(b) The state funded discretionary supplement shall be recalculated during the fiscal year based on actual full-time equivalent student membership.

(19) EDUCATIONAL ENROLLMENT STABILIZATION PROGRAM.—

(a) The educational enrollment stabilization program is created to provide supplemental state funds as needed to maintain the stability of the operations of public schools in each school district and to protect districts, including charter schools, from financial instability as a result of changes in full-time equivalent student enrollment throughout the school year.

(b) The Legislature shall annually appropriate funds in the General Appropriations Act to the Department of Education for this program in an amount necessary to maintain a projected minimum balance of \$250 million at the beginning of the upcoming fiscal year. The Department of Education shall use funds as appropriated to ensure that based on each recalculation of the Florida Education Finance Program pursuant to paragraph (1)(a),

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a school district's funds per unweighted full-time equivalent student are not less than the greater of either the school district's funds per unweighted full-time equivalent student as appropriated in the General Appropriations Act or the school district's funds per unweighted full-time equivalent student as recalculated based upon the receipt of the certified taxable value for school purposes pursuant to s. 1011.62(4).

(c) Notwithstanding s. 216.301 and pursuant to s. 216.351, the unexpended balance of funds appropriated pursuant to this subsection which is not disbursed by June 30 of the fiscal year in which the funds are appropriated may be carried forward for up to 10 years after the effective date of the original appropriation.

Section 12. Paragraph (1) of subsection (2) of section 11.45, Florida Statutes, is amended, and paragraph (c) is added to that subsection, to read:

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

(2) DUTIES.—The Auditor General shall:

(1) At least once every 3 years, conduct operational audits of the accounts and records of eligible nonprofit scholarship-funding organizations receiving eligible contributions under s. 1002.395, including any contracts for services with related entities, to determine compliance with the provisions of that section. Such audits shall include, but not be limited to, a determination of the eligible nonprofit scholarship-funding organization's compliance with s. 1002.395(6)(i), including whether the organization's expenditures are reasonable and necessary ~~s. 1002.395(6)(i)~~. The Auditor General shall provide its report on the results of the audits to the Governor, the

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President of the Senate, the Speaker of the House of Representatives, the Chief Financial Officer, and the Legislative Auditing Committee, within 30 days of completion of the audit.

(o) Beginning July 1, 2027, annually conduct an audit of records of eligible scholarship-funding organizations regarding the background screening results in s. 1002.421(8)(a).

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

Section 13. Paragraph (c) of subsection (7) of section 212.099, Florida Statutes, is amended to read:

212.099 Credit for contributions to eligible nonprofit scholarship-funding organizations.—

(7)

(c) The organization may, subject to the limitations of s. 1002.395(6)(i)1. ~~s. 1002.395(6)(1)1.~~, use eligible contributions received during the state fiscal year in which such contributions are collected for administrative expenses.

Section 14. Subsection (6) of section 402.22, Florida Statutes, is amended to read:

402.22 Education program for students who reside in residential care facilities operated by the Department of Children and Families or the Agency for Persons with Disabilities.—

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(6) Notwithstanding the provisions of s. 1001.42(4)(m), the educational program at the Marianna Sunland Center in Jackson County shall be operated by the Department of Education, either directly or through grants or contractual agreements with other public educational agencies. The annual state allocation to any such agency shall be computed pursuant to s. 1011.62(1), (2), and (17) ~~(18)~~ and allocated in the amount that would have been provided the local school district in which the residential facility is located.

Section 15. Paragraph (b) of subsection (6) of section 1002.45, Florida Statutes, is amended to read:

1002.45 Virtual instruction programs.—

(6) VIRTUAL INSTRUCTION PROGRAM AND VIRTUAL CHARTER SCHOOL FUNDING.—

(b) Students enrolled in a virtual instruction program shall be funded in the Florida Education Finance Program as provided in the General Appropriations Act. The calculation to determine the amount of funds for each student through the Florida Education Finance Program shall include the sum of the basic amount for current operations established in s. 1011.62(1)(n) and all categorical programs except for the categorical programs established in ss. 1011.62(7) and ~~(12)~~, ~~and (16)~~, 1011.68, ~~and~~ 1011.685, and 1011.687. Students residing outside of the school district reporting the full-time equivalent virtual student shall be funded from state funds only.

Section 16. Subsection (3) of section 1003.4935, Florida Statutes, is amended to read:

1003.4935 Middle grades career and professional academy

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courses and career-themed courses.—

(3) CAPE industry certifications offered in the middle grades that are included on the CAPE Industry Certification Funding List, if earned by students, are eligible for additional funding pursuant to s. 1011.62(16) ~~s. 1011.62(17)~~.

Section 17. Paragraph (a) of subsection (2) and paragraph (b) of subsection (3) of section 1010.20, Florida Statutes, are amended to read:

1010.20 Cost accounting and reporting for school districts.—

(2) COST REPORTING.—

(a) Each district shall report on a district-aggregate basis expenditures for inservice training pursuant to s. 1011.62(3) and for categorical programs as provided in s. 1011.62(18).

(3) PROGRAM EXPENDITURE REQUIREMENTS.—

(b) Funds for inservice training established in s. 1011.62(3) and for categorical programs established in s. 1011.62(17) ~~s. 1011.62(18)~~ shall be expended for the costs of the identified programs as provided by law and in accordance with the rules of the State Board of Education.

Section 18. (1) No later than December 1, 2026, the Department of Education shall provide recommendations to the Governor, the President of the Senate, and the Speaker of the House of Representatives to improve the efficiency and effectiveness of the implementation of the scholarship programs created pursuant to chapter 1002, Florida Statutes, for implementation beginning in the 2028-2029 school year.

(2) At a minimum, the Department of Education must include

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recommendations which include the following scholarship program components:

(a) The costs to contract with scholarship-funding organizations, not to exceed five scholarship-funding organizations, or to administer the scholarship program wholly or partly within the Department of Education, school districts, or educational consortiums including, but not limited to, costs associated with:

1. The scholarship application process pursuant to s. 1002.421(2), Florida Statutes.

2. The scholarship enrollment and verification process pursuant to s. 1002.421(3), Florida Statutes.

3. The scholarship payment and reimbursement process and the scholarship account requirements pursuant to s. 1002.421(5) and (6), Florida Statutes.

4. Communicating with parents regarding the different scholarship programs and how to apply to a scholarship program and assisting parents with additional scholarship-related questions and issues.

5. A reasonable administration fee by various program component.

(b) The administration of the scholarship-funding tax credits program pursuant s. 1002.395(5).

(c) The requirements to be an approved scholarship-funding organization.

(d) A plan to ensure that the results from required background screening for education providers who are licensed or who are exempt from licensure through the Department of Children and Families are shared with the Department of Education.

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Section 19. This act shall take effect July 1, 2026.