A bill to be entitled
An act relating to educational options; amending s. 1002.395, F.S.; revising student eligibility criteria for the Florida Tax Credit Scholarship Program; requiring the Department of Education to provide a letter of denial to participate in the program to a specified entity within a certain period; requiring the department to provide a letter of acceptance or denial of specified actions related to a tax credit to a specified entity and include that entity on certain letters and correspondence; authorizing a child of a parent who is a member of the United States Armed Forces to apply for a scholarship at any time; requiring a parent to approve each payment made by funds transfer; prohibiting a parent from designating certain entities or individuals to approve a funds transfer; requiring certain private schools to submit a report by a specified date; providing that consecutive years of certain material exceptions constitutes program ineligibility for certain private schools; revising the annual limits of a scholarship awarded to certain students; authorizing payment of the scholarship to be made by funds transfer; specifying approved means of funds transfer; requiring a parent to approve a funds transfer before funds are
Be It Enacted by the Legislature of the State of Florida:

Section 1. Paragraph (f) of subsection (5) of section 1002.395, Florida Statutes, is redesignated as paragraph (g), subsection (3), paragraph (b) of subsection (5), paragraph (h) of subsection (6), paragraph (f) of subsection (7), subsection (8), and paragraphs (a) and (b) of subsection (12) are amended, and a new paragraph (f) is added to subsection (5) of that section, to read:

1002.395 Florida Tax Credit Scholarship Program.—
(3) PROGRAM; SCHOLARSHIP ELIGIBILITY.—
(a) The Florida Tax Credit Scholarship Program is established.
(b) For the 2014-2015 and 2015-2016 school years, contingent upon available funds, a student is eligible for a Florida tax credit scholarship under this section if the student meets one or more of the following criteria:
1. The student qualifies for free or reduced-price school lunches under the National School Lunch Act or is on the direct certification list.
2. The student is currently placed, or during the previous state fiscal year was placed, in foster care or in out-of-home care as defined in s. 39.01; or

3. The student continues in the scholarship program as long as the student's household income level does not exceed 230 percent of the federal poverty level.

(b)(c) For the 2016-2017 school year and thereafter, contingent upon available funds, a Florida tax credit scholarship under this section if the student meets one or more of the following criteria:

1. The student is on the direct certification list or the student's household income level does not exceed 185 percent of the federal poverty level; or

2. The student is currently placed, or during the previous state fiscal year was placed, in foster care or in out-of-home care as defined in s. 39.01.

3. The student's household income level is greater than 185 percent of the federal poverty level but does not exceed 260 percent of the federal poverty level.

A student who initially receives a scholarship based on eligibility under subparagraph (b)2. or subparagraph (c)2. remains eligible to participate until the student graduates from high school or attains the age of 21 years, whichever occurs first, regardless of the student's household income level. A
sibling of a student who is participating in the scholarship program under this subsection is eligible for a scholarship if the student resides in the same household as the sibling.

(5) SCHOLARSHIP FUNDING TAX CREDITS; LIMITATIONS.—

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

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

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

(f) Within 10 days after approving or denying an application for a carryforward tax credit under paragraph (c), the conveyance, transfer, or assignment of a tax credit under paragraph (d), or the rescindment of a tax credit under paragraph (e), the department shall provide a copy of its approval or denial letter to the eligible nonprofit scholarship-
funding organization specified by the taxpayer. The department shall also include the eligible nonprofit scholarship-funding organization specified by the taxpayer on all letters or correspondence of acknowledgment for tax credits under s. 212.1831.

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

(h) 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.

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 with s. 213.053.

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

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

(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 eligible nonprofit scholarship-funding organization, upon request, all documentation required for the student's participation, including the private school's and student's fee schedules.

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

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

2. Annually administering or making 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 of Education 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 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 the Learning System Institute described in paragraph (9)(j).

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

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

   b. A participating private school 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.

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

(e) Provide a report from an independent certified public accountant who performs the agreed-upon procedures developed under paragraph (6)(o) and produce a report of the results if the private school receives
more than $250,000 in funds from scholarships awarded under this section in the 2010-2011 state fiscal year or a state fiscal year thereafter. A private school subject to this paragraph must submit the report by August 15, 2017 September 15, 2011, and annually thereafter to the scholarship-funding organization that awarded the majority of the school's scholarship funds. The agreed-upon procedures must be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants.

If the inability of a private school is unable to meet the requirements of this subsection or has consecutive years of material exceptions listed in the report required under paragraph (e), the commissioner may determine that shall constitute a basis for the ineligibility of the private school is ineligible to participate in the scholarship program as determined by the Department of Education.

(12) SCHOLARSHIP AMOUNT AND PAYMENT.—

(a) Except as provided in subparagraph 2., the scholarship amount of a scholarship 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)(d), not to exceed annual limits, which shall be determined as follows:

1.a. The base amount For a scholarship awarded to a
student enrolled in an eligible private school, the limit shall be determined as a percentage by multiplying the unweighted FTE funding amount in that state fiscal year by the percentage used to determine the limit in the prior state fiscal year. However, in each state fiscal year that the tax credit cap amount increases pursuant to paragraph (5)(a), the prior year percentage shall be increased by 4 percentage points and the increased percentage shall be used to determine the limit for that state fiscal year. If the percentage so calculated reaches 80 percent in a state fiscal year, no further increase in the percentage is allowed and the limit shall be 80 percent of the unweighted FTE funding amount for that state fiscal year and thereafter. Beginning in the 2016-2017 state fiscal year, the amount of a scholarship awarded to a student enrolled in an eligible private school shall be equal to 82 percent of the unweighted FTE funding amount for that state fiscal year and thereafter as follows:

(I) Eighty-eight percent for a student enrolled in
kindergarten through grade 5.

(II) Ninety-two percent for a student enrolled in grade 6 through grade 8.

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

b. The For a scholarship amount awarded to a student
enrolled in a Florida public school that is located outside the

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district in which the student resides or in a lab school as defined in s. 1002.32, is limited to $750 the limit shall be $500.

2. The annual limit for a scholarship under sub-subparagraph 1.a. shall be reduced by:
   a. Twenty-five percent if the student's household income level is equal to or greater than 200 percent, but less than 215 percent, of the federal poverty level.
   b. Fifty percent if the student's household income level is equal to or greater than 215 percent, but equal to or less than 230 percent, of the federal poverty level.

2.3. For the 2016-2017 state fiscal year and thereafter, The annual limit for a scholarship under sub-subparagraph 1.a. shall be reduced by:
   a. Twelve percent if the student's household income level is greater than or equal to 200 percent, but less than 215 percent, of the federal poverty level.
   b. Twenty-six percent if the student's household income level is greater than or equal to 215 percent, but less than 230 percent, of the federal poverty level.
   c. Forty percent if the student's household income level is greater than or equal to 230 percent, but less than 245 percent, of the federal poverty level.
   d. Fifty percent if the student's household income level is greater than or equal to 245 percent, but less than or equal
to 260 percent, of the federal poverty level.

(b) Payment of the scholarship by the eligible nonprofit
scholarship-funding organization shall be by individual warrant
made payable to the student's parent or by funds transfer,
including, but not limited to, debit cards, electronic payment
cards, or any other means of payment that the department deems
to be commercially viable or cost-effective. If the payment is
made by warrant parent chooses that his or her child attend an
eligible private school, the warrant must be delivered by the
eligible nonprofit scholarship-funding organization to the
private school of the parent's choice, and the parent shall
restrictively endorse the warrant to the private school. An
eligible nonprofit scholarship-funding organization shall ensure
that the parent to whom the warrant is made restrictively
endorsed the warrant to the private school for deposit into the
account of the private school or that the parent has approved a
funds transfer before any scholarship funds are deposited.

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

1012.98 School Community Professional Development Act.—
(6) An organization of private schools, a or consortium of
charter schools which has no fewer than 10 member schools in
this state, or an eligible nonprofit scholarship-funding
organization as defined in s. 1002.395, which publishes and
files with the Department of Education copies of its standards,
and the member schools of which comply with the provisions of part II of chapter 1003, relating to compulsory school attendance, may also develop a professional development system that includes a master plan for inservice activities. The system and inservice plan must be submitted to the commissioner for approval pursuant to state board rules.

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