

By Senator Perry

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

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

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

21 1002.411 Reading scholarship accounts.-

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

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

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

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

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

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

39 a. Instructional materials.

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

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

50 d. Fees for specialized summer education programs.

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

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

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

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

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

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

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

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

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

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

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

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

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

98 (7) ACCOUNT FUNDING AND PAYMENT.—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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