

1 A bill to be entitled
2 An act relating to school choice; amending s. 11.45,
3 F.S.; revising the frequency of specified audits
4 conducted by the Auditor General; amending s.
5 1002.385, F.S.; authorizing certain students who turn
6 3 years of age after a certain date to receive a
7 Gardiner Scholarship under certain circumstances;
8 revising student ineligibility criteria for
9 participation in the program; revising the conditions
10 necessary for program funds to revert to the state;
11 authorizing certain students to continue using
12 scholarship funds from prior years; requiring certain
13 student's accounts to be closed if his or her parent
14 fails to procure specified services; providing that
15 certain students are ineligible for a scholarship;
16 deleting a provision allowing certain students to
17 become eligible for a scholarship; amending s.
18 1002.394, F.S.; revising student priority criteria for
19 an award under the Family Empowerment Scholarship
20 Program; requiring requests for such scholarship to be
21 provided directly to an eligible nonprofit
22 scholarship-funding organization; deleting a
23 notification requirement; requiring the maximum
24 household income level to be increased under certain
25 circumstances; revising student ineligibility criteria

26 and school district obligations for such scholarship;
27 requiring the Department of Education to maintain a
28 specified list and notify such organizations of a
29 specified deadline; requiring participating private
30 schools to annually report certain scores to a state
31 university; revising such organization's obligations;
32 requiring, rather than authorizing, an annual
33 specified increase in the maximum number of students
34 participating in such program; amending s. 1002.395,
35 F.S.; revising student eligibility criteria for
36 initial and renewal awards under the Florida Tax
37 Credit Scholarship Program; requiring that certain
38 students be given priority for such program;
39 authorizing eligible nonprofit scholarship-funding
40 organizations to use certain income for specified
41 purposes; amending s. 1002.40, F.S.; revising the
42 criteria for a public school to have a specified
43 entity evaluate its bullying prevention education
44 program, climate, and code of student conduct under
45 the Hope Scholarship Program; providing an effective
46 date.

47
48 Be It Enacted by the Legislature of the State of Florida:

49
50 Section 1. Paragraph (1) of subsection (2) of section

51 11.45, Florida Statutes, is amended to read:

52 11.45 Definitions; duties; authorities; reports; rules.—

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

54 (1) At least every 3 years, ~~Annually~~ conduct operational
55 audits of the accounts and records of eligible nonprofit
56 scholarship-funding organizations receiving eligible
57 contributions under s. 1002.395, including any contracts for
58 services with related entities, to determine compliance with the
59 provisions of that section. Such audits shall include, but not
60 be limited to, a determination of the eligible nonprofit
61 scholarship-funding organization's compliance with s.
62 1002.395(6)(j). The Auditor General shall provide its report on
63 the results of the audits to the Governor, the President of the
64 Senate, the Speaker of the House of Representatives, the Chief
65 Financial Officer, and the Legislative Auditing Committee,
66 within 30 days of completion of the audit.

67
68 The Auditor General shall perform his or her duties
69 independently but under the general policies established by the
70 Legislative Auditing Committee. This subsection does not limit
71 the Auditor General's discretionary authority to conduct other
72 audits or engagements of governmental entities as authorized in
73 subsection (3).

74 Section 2. Paragraph (a) of subsection (3), paragraphs
75 (c), (d), and (e) of subsection (4), paragraph (b) of subsection

76 (6), paragraphs (e) and (f) of subsection (11), and paragraph
77 (j) of subsection (12) of section 1002.385, Florida Statutes,
78 are amended to read:

79 1002.385 The Gardiner Scholarship.—

80 (3) PROGRAM ELIGIBILITY.—A parent of a student with a
81 disability may request and receive from the state a Gardiner
82 Scholarship for the purposes specified in subsection (5) if:

83 (a) The student:

- 84 1. Is a resident of this state;
- 85 2. Is 3 or 4 years of age on or before September 1 of the
86 year in which the student applies for program participation, or
87 is eligible to enroll in kindergarten through grade 12 in a
88 public school in this state;
- 89 3. Has a disability as defined in paragraph (2) (d); and
- 90 4. Is the subject of an IEP written in accordance with
91 rules of the State Board of Education or with the applicable
92 rules of another state or has received a diagnosis of a
93 disability from a physician who is licensed under chapter 458 or
94 chapter 459, a psychologist who is licensed under chapter 490,
95 or a physician who holds an active license issued by another
96 state or territory of the United States, the District of
97 Columbia, or the Commonwealth of Puerto Rico.

98
99 A student with a disability who meets the requirements of this
100 paragraph, but who turns 3 years of age after September 1, may

101 be determined to be eligible for a Gardiner Scholarship on or
102 after his or her third birthday and may be awarded a scholarship
103 if program funds are available.

104 (4) PROGRAM PROHIBITIONS.—A student is not eligible for
105 the program if he or she is:

106 (c) Receiving an ~~a scholarship pursuant to the Florida Tax~~
107 ~~Credit Scholarship Program under s. 1002.395 or the John M.~~
108 ~~McKay Scholarships for Students with Disabilities Program under~~
109 ~~s. 1002.39.~~

110 ~~(d) Receiving any other educational scholarship pursuant~~
111 ~~to this chapter.~~

112 ~~(e) Enrolled in the Florida School for the Deaf and the~~
113 ~~Blind.~~

114 (6) TERM OF THE PROGRAM.—For purposes of continuity of
115 educational choice and program integrity:

116 (b)1. A student's scholarship account must be closed and
117 any remaining funds, including, but not limited to,
118 contributions made to the Stanley G. Tate Florida Prepaid
119 College Program or earnings from or contributions made to the
120 Florida College Savings Program using program funds pursuant to
121 paragraph (5) (f), shall revert to the state after:

122 a. Denial or revocation of program eligibility by the
123 commissioner for fraud or abuse, including, but not limited to,
124 the student or student's parent accepting any payment, refund,
125 or rebate, in any manner, from a provider of any services

126 received pursuant to subsection (5);

127 b. Any period of 3 consecutive years after high school
128 completion or graduation during which the student has not been
129 enrolled in an eligible postsecondary educational institution or
130 a program offered by the institution; or

131 c. Two ~~Three~~ consecutive fiscal years in which an account
132 has been inactive.

133 2. The commissioner must notify the parent and the
134 organization when a Gardiner Scholarship account is closed and
135 program funds revert to the state.

136 (11) PARENT AND STUDENT RESPONSIBILITIES FOR PROGRAM
137 PARTICIPATION.—A parent who applies for program participation
138 under this section is exercising his or her parental option to
139 determine the appropriate placement or the services that best
140 meet the needs of his or her child. The scholarship award for a
141 student is based on a matrix that assigns the student to support
142 Level III services. If a parent receives an IEP and a matrix of
143 services from the school district pursuant to subsection (7),
144 the amount of the payment shall be adjusted as needed, when the
145 school district completes the matrix.

146 (e) The parent must annually renew participation in the
147 program in order for a student to be eligible to receive
148 funding. A student whose participation in the program is not
149 renewed may continue to spend scholarship funds that are in his
150 or her account from prior years unless the account must be

151 closed pursuant to paragraph (6) (b). Notwithstanding any changes
152 to the student's IEP, a student who was previously eligible for
153 participation in the program shall remain eligible to apply for
154 renewal. However, for a high-risk child to continue to
155 participate in the program in the school year after he or she
156 reaches 6 years of age, the child's application for renewal of
157 program participation must contain documentation that the child
158 has a disability defined in paragraph (2) (d) other than high-
159 risk status.

160 (f) The parent is responsible for procuring the services
161 necessary to educate the student. If a parent does not procure
162 the necessary educational services for the student and the
163 student's account has been inactive for 2 consecutive fiscal
164 years, the student is ineligible and the student's account must
165 be closed pursuant to paragraph (6) (b) ~~for additional~~
166 ~~scholarship payments until the scholarship funding organization~~
167 ~~verifies that expenditures from the account have occurred~~. When
168 the student receives a Gardiner Scholarship, the district school
169 board is not obligated to provide the student with a free
170 appropriate public education. For purposes of s. 1003.57 and the
171 Individuals with Disabilities in Education Act, a participating
172 student has only those rights that apply to all other
173 unilaterally parentally placed students, except that, when
174 requested by the parent, school district personnel must develop
175 an individual education plan or matrix level of services.

176
177 A parent who fails to comply with this subsection forfeits the
178 Gardiner Scholarship.

179 (12) OBLIGATIONS OF SCHOLARSHIP-FUNDING ORGANIZATIONS.—An
180 organization may establish Gardiner Scholarships for eligible
181 students by:

182 (j) Documenting each scholarship student's eligibility for
183 a fiscal year before granting a scholarship for that fiscal year
184 pursuant to paragraph (3) (b). A student is ineligible for a
185 scholarship if the student's account has been inactive for 2
186 consecutive fiscal years and the student's account must be
187 closed pursuant to paragraph (6) (b). ~~However, once an eligible~~
188 ~~expenditure is made pursuant to paragraph (11) (f), the student~~
189 ~~is eligible for a scholarship based on available funds.~~

190 Section 3. Subsection (3), paragraph (f) of subsection
191 (5), paragraph (a) of subsection (6), paragraph (c) of
192 subsection (8), paragraph (a) of subsection (10), and paragraph
193 (a) of subsection (11) of section 1002.394, Florida Statutes,
194 are amended, and paragraphs (c) and (d) are added to subsection
195 (7) of that section, to read:

196 1002.394 The Family Empowerment Scholarship Program.—

197 (3) INITIAL SCHOLARSHIP ELIGIBILITY.—A student is eligible
198 for a Family Empowerment Scholarship under this section if the
199 student meets the following criteria:

200 (a)1. The student is on the direct certification list

201 pursuant to s. 1002.395(2)(c) or the student's household income
202 level does not exceed 300 percent of the federal poverty level;
203 or

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

207
208 Eligible students who received a Family Empowerment Scholarship
209 during the previous school year ~~Priority~~ shall be given first
210 priority. New applicants ~~to students~~ whose household income
211 levels do not exceed 185 percent of the federal poverty level,
212 ~~or~~ who are in foster care or out-of-home care, or who are a
213 dependent child of a member of the United States Armed Forces
214 shall be given priority among new applicants. A student who
215 initially receives a scholarship based on eligibility under
216 subparagraph 2. remains eligible to participate until the
217 student graduates from high school or attains the age of 21
218 years, whichever occurs first, regardless of the student's
219 household income level. A sibling of a student who is
220 participating in the scholarship program under this subsection
221 is eligible for a scholarship if the student resides in the same
222 household as the sibling.

223 (b) The student is eligible to enroll in kindergarten
224 through second grade, or has spent the prior school year in
225 attendance at a Florida public school, or received a scholarship

226 | pursuant to s. 1002.395 during the previous school year and,
227 | before initial receipt of such scholarship, spent the prior
228 | school year in attendance at a Florida public school. For
229 | purposes of this paragraph, prior school year in attendance
230 | means that the student was enrolled and reported by a school
231 | district for funding during the preceding October and February
232 | Florida Education Finance Program surveys in kindergarten
233 | through grade 12, which includes time spent in a Department of
234 | Juvenile Justice commitment program if funded under the Florida
235 | Education Finance Program. However, a dependent child of a
236 | member of the United States Armed Forces who transfers to a
237 | school in this state from out of state or from a foreign country
238 | due to a parent's permanent change of station orders or a foster
239 | child is exempt from the prior public school attendance
240 | requirement under this paragraph~~7~~ but must meet the other
241 | eligibility requirements specified under this section to
242 | participate in the program.

243 | (c) The parent has obtained acceptance for admission of
244 | the student to a private school that is eligible for the program
245 | under subsection (8), and the parent has requested a scholarship
246 | from an eligible nonprofit scholarship-funding organization ~~the~~
247 | ~~Department of Education~~ at least 60 days before the date of the
248 | first scholarship payment. The request must be communicated
249 | directly to an eligible nonprofit scholarship-funding
250 | organization ~~the department~~ in a manner that creates a written

251 or electronic record of the request and the date of receipt of
252 the request. ~~The department must notify the school district of~~
253 ~~the parent's intent upon receipt of the parent's request.~~

254 (d) The maximum household income level shall be increased
255 by 25 percent in the fiscal year following any fiscal year in
256 which more than 5 percent of the available scholarships
257 authorized under subsection (11) have not been awarded.

258 (5) SCHOLARSHIP PROHIBITIONS.—A student is not eligible
259 for a Family Empowerment Scholarship while he or she is:

260 (f) Participating in a virtual school, correspondence
261 school, or distance learning program that receives state funding
262 pursuant to the student's participation, unless the
263 participation is limited to no more than two courses per school
264 year.

265 (6) SCHOOL DISTRICT OBLIGATIONS.—

266 (a) By February ~~July 15, 2019,~~ and by ~~April~~ 1 of each year
267 ~~thereafter~~, a school district shall inform all households within
268 the district receiving free or reduced-priced meals under the
269 National School Lunch Act of their eligibility to apply to an
270 eligible nonprofit scholarship-funding organization ~~the~~
271 ~~department~~ for a Family Empowerment Scholarship. The form of
272 such notice shall be provided by the department, and the school
273 district shall include the provided form in any normal
274 correspondence with eligible households. Such notice is limited
275 to once a year.

276 (7) DEPARTMENT OF EDUCATION OBLIGATIONS.—The department
 277 shall:

278 (c) Maintain a list of nationally norm-referenced tests
 279 identified for purposes of satisfying the testing requirement in
 280 subparagraph (8)(c)1. The tests must meet industry standards of
 281 quality in accordance with state board rule.

282 (d) Notify eligible nonprofit scholarship-funding
 283 organizations of the deadline for submitting the verified list
 284 of students determined to be eligible for a scholarship.

285 (8) PRIVATE SCHOOL ELIGIBILITY AND OBLIGATIONS.—To be
 286 eligible to participate in the Family Empowerment Scholarship
 287 Program, a private school may be sectarian or nonsectarian and
 288 must:

289 (c)1. Annually administer or make provision for students
 290 participating in the program in grades 3 through 10 to take one
 291 of the nationally norm-referenced tests identified by the
 292 department or to take the statewide assessments pursuant to s.
 293 1008.22. Students with disabilities for whom standardized
 294 testing is not appropriate are exempt from this requirement. A
 295 participating private school shall report a student's scores to
 296 his or her parent. By August 15 of each year, a participating
 297 private school must report the scores of all participating
 298 students to a state university as described in s.
 299 1002.395(9)(f).

300 2. Administer the statewide assessments pursuant to s.

301 1008.22 if the private school chooses to offer the statewide
 302 assessments. A participating private school may choose to offer
 303 and administer the statewide assessments to all students who
 304 attend the private school in grades 3 through 10 and must submit
 305 a request in writing to the department by March 1 of each year
 306 in order to administer the statewide assessments in the
 307 subsequent school year.

308
 309 If a private school fails to meet the requirements of this
 310 subsection or s. 1002.421, the commissioner may determine that
 311 the private school is ineligible to participate in the
 312 scholarship program.

313 (10) OBLIGATIONS OF ELIGIBLE NONPROFIT SCHOLARSHIP-FUNDING
 314 ORGANIZATIONS.—An eligible nonprofit scholarship-funding
 315 organization:

316 (a) Shall verify the household income level of students
 317 pursuant to subparagraph (3) (a)1. and submit to the department
 318 the verified list of students and related documentation to
 319 enable the department to determine student eligibility pursuant
 320 to paragraph (7) (b). The department must notify the school
 321 district of the parent's intent to participate in the
 322 scholarship program upon receipt of the verified list.

323 (11) SCHOLARSHIP FUNDING AND PAYMENT.—

324 (a) The scholarship is established for up to 18,000
 325 students annually on a first-come, first-served basis beginning

326 ~~in with~~ the 2019-2020 school year. Beginning in the 2020-2021
327 school year, the maximum number of students participating in the
328 scholarship program under this section shall ~~may~~ annually
329 increase by 1.0 ~~0.25~~ percent of the state's total public school
330 student enrollment.

331 Section 4. Subsections (3) and (6) of section 1002.395,
332 Florida Statutes, are amended to read:

333 1002.395 Florida Tax Credit Scholarship Program.—

334 (3) PROGRAM; INITIAL SCHOLARSHIP ELIGIBILITY.—

335 (a) The Florida Tax Credit Scholarship Program is
336 established.

337 (b) A student is eligible for a Florida tax credit
338 scholarship under this section if the student meets one or more
339 of the following criteria:

340 1. The student is on the direct certification list or the
341 student's household income level does not exceed 260 ~~185~~ percent
342 of the federal poverty level; or

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

346 ~~3. The student's household income level is greater than~~
347 ~~185 percent of the federal poverty level but does not exceed 260~~
348 ~~percent of the federal poverty level.~~

349
350 For purposes of continuity of educational choice, a student who

351 ~~initially~~ receives a scholarship under this section ~~based on~~
352 ~~eligibility under subparagraph (b)2.~~ remains eligible to
353 participate until the student enrolls in a Florida public
354 school, graduates from high school, or attains the age of 21
355 years, whichever occurs first. However, if a student enters a
356 Department of Juvenile Justice detention center for a period of
357 no more than 21 days, the student is not considered to have
358 returned to a Florida public school, ~~regardless of the student's~~
359 ~~household income level.~~ A student who initially received a
360 scholarship based on income eligibility before the 2019-2020
361 school year remains eligible to participate until he or she
362 graduates from high school, attains the age of 21 years, or the
363 student's household income level exceeds 260 percent of the
364 federal poverty level, whichever occurs first. A sibling of a
365 student who is participating in the scholarship program under
366 this subsection is eligible for a scholarship if the student
367 resides in the same household as the sibling.

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

371 (a) Must comply with the antidiscrimination provisions of
372 42 U.S.C. s. 2000d.

373 (b) Must comply with the following background check
374 requirements:

375 1. All owners and operators as defined in subparagraph

376 (2) (i) 1. are, before employment or engagement to provide
377 services, subject to level 2 background screening as provided
378 under chapter 435. The fingerprints for the background screening
379 must be electronically submitted to the Department of Law
380 Enforcement and can be taken by an authorized law enforcement
381 agency or by an employee of the eligible nonprofit scholarship-
382 funding organization or a private company who is trained to take
383 fingerprints. However, the complete set of fingerprints of an
384 owner or operator may not be taken by the owner or operator. The
385 results of the state and national criminal history check shall
386 be provided to the Department of Education for screening under
387 chapter 435. The cost of the background screening may be borne
388 by the eligible nonprofit scholarship-funding organization or
389 the owner or operator.

390 2. Every 5 years following employment or engagement to
391 provide services or association with an eligible nonprofit
392 scholarship-funding organization, each owner or operator must
393 meet level 2 screening standards as described in s. 435.04, at
394 which time the nonprofit scholarship-funding organization shall
395 request the Department of Law Enforcement to forward the
396 fingerprints to the Federal Bureau of Investigation for level 2
397 screening. If the fingerprints of an owner or operator are not
398 retained by the Department of Law Enforcement under subparagraph
399 3., the owner or operator must electronically file a complete
400 set of fingerprints with the Department of Law Enforcement. Upon

401 submission of fingerprints for this purpose, the eligible
402 nonprofit scholarship-funding organization shall request that
403 the Department of Law Enforcement forward the fingerprints to
404 the Federal Bureau of Investigation for level 2 screening, and
405 the fingerprints shall be retained by the Department of Law
406 Enforcement under subparagraph 3.

407 3. Fingerprints submitted to the Department of Law
408 Enforcement as required by this paragraph must be retained by
409 the Department of Law Enforcement in a manner approved by rule
410 and entered in the statewide automated biometric identification
411 system authorized by s. 943.05(2)(b). The fingerprints must
412 thereafter be available for all purposes and uses authorized for
413 arrest fingerprints entered in the statewide automated biometric
414 identification system pursuant to s. 943.051.

415 4. The Department of Law Enforcement shall search all
416 arrest fingerprints received under s. 943.051 against the
417 fingerprints retained in the statewide automated biometric
418 identification system under subparagraph 3. Any arrest record
419 that is identified with an owner's or operator's fingerprints
420 must be reported to the Department of Education. The Department
421 of Education shall participate in this search process by paying
422 an annual fee to the Department of Law Enforcement and by
423 informing the Department of Law Enforcement of any change in the
424 employment, engagement, or association status of the owners or
425 operators whose fingerprints are retained under subparagraph 3.

426 The Department of Law Enforcement shall adopt a rule setting the
427 amount of the annual fee to be imposed upon the Department of
428 Education for performing these services and establishing the
429 procedures for the retention of owner and operator fingerprints
430 and the dissemination of search results. The fee may be borne by
431 the owner or operator of the nonprofit scholarship-funding
432 organization.

433 5. A nonprofit scholarship-funding organization whose
434 owner or operator fails the level 2 background screening is not
435 eligible to provide scholarships under this section.

436 6. A nonprofit scholarship-funding organization whose
437 owner or operator in the last 7 years has filed for personal
438 bankruptcy or corporate bankruptcy in a corporation of which he
439 or she owned more than 20 percent shall not be eligible to
440 provide scholarships under this section.

441 7. In addition to the offenses listed in s. 435.04, a
442 person required to undergo background screening pursuant to this
443 part or authorizing statutes must not have an arrest awaiting
444 final disposition for, must not have been found guilty of, or
445 entered a plea of nolo contendere to, regardless of
446 adjudication, and must not have been adjudicated delinquent, and
447 the record must not have been sealed or expunged for, any of the
448 following offenses or any similar offense of another
449 jurisdiction:

450 a. Any authorizing statutes, if the offense was a felony.

- 451 b. This chapter, if the offense was a felony.
- 452 c. Section 409.920, relating to Medicaid provider fraud.
- 453 d. Section 409.9201, relating to Medicaid fraud.
- 454 e. Section 741.28, relating to domestic violence.
- 455 f. Section 817.034, relating to fraudulent acts through
- 456 mail, wire, radio, electromagnetic, photoelectronic, or
- 457 photooptical systems.
- 458 g. Section 817.234, relating to false and fraudulent
- 459 insurance claims.
- 460 h. Section 817.505, relating to patient brokering.
- 461 i. Section 817.568, relating to criminal use of personal
- 462 identification information.
- 463 j. Section 817.60, relating to obtaining a credit card
- 464 through fraudulent means.
- 465 k. Section 817.61, relating to fraudulent use of credit
- 466 cards, if the offense was a felony.
- 467 l. Section 831.01, relating to forgery.
- 468 m. Section 831.02, relating to uttering forged
- 469 instruments.
- 470 n. Section 831.07, relating to forging bank bills, checks,
- 471 drafts, or promissory notes.
- 472 o. Section 831.09, relating to uttering forged bank bills,
- 473 checks, drafts, or promissory notes.
- 474 p. Section 831.30, relating to fraud in obtaining
- 475 medicinal drugs.

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476 q. Section 831.31, relating to the sale, manufacture,
477 delivery, or possession with the intent to sell, manufacture, or
478 deliver any counterfeit controlled substance, if the offense was
479 a felony.

480 (c) Must not have an owner or operator who owns or
481 operates an eligible private school that is participating in the
482 scholarship program.

483 (d) Must provide scholarships, from eligible
484 contributions, to eligible students for the cost of:

- 485 1. Tuition and fees for an eligible private school; or
486 2. Transportation to a Florida public school in which a
487 student is enrolled and that is different from the school to
488 which the student was assigned or to a lab school as defined in
489 s. 1002.32.

490 (e) Must give first priority to eligible students who
491 received a scholarship from an eligible nonprofit scholarship-
492 funding organization or from the State of Florida during the
493 previous school year. ~~Beginning in the 2016-2017 school year, an~~
494 ~~eligible nonprofit scholarship-funding organization shall give~~
495 ~~priority to~~ New applicants whose household income levels do not
496 exceed 185 percent of the federal poverty level or who are in
497 foster care or out-of-home care shall be given priority among
498 new applicants.

499 (f) Must provide a scholarship to an eligible student on a
500 first-come, first-served basis unless the student qualifies for

501 priority pursuant to paragraph (e).

502 (g) May not restrict or reserve scholarships for use at a
503 particular private school or provide scholarships to a child of
504 an owner or operator.

505 (h) Must allow a student in foster care or out-of-home
506 care or a dependent child of a parent who is a member of the
507 United States Armed Forces to apply for a scholarship at any
508 time.

509 (i) Must allow an eligible student to attend any eligible
510 private school and must allow a parent to transfer a scholarship
511 during a school year to any other eligible private school of the
512 parent's choice.

513 (j)1. May use eligible contributions received pursuant to
514 this section and ss. 212.099, 212.1832, and 1002.40 during the
515 state fiscal year in which such contributions are collected and
516 the income earned from such contributions for administrative
517 expenses if the organization has operated as an eligible
518 nonprofit scholarship-funding organization for at least the
519 preceding 3 fiscal years and did not have any findings of
520 material weakness or material noncompliance in its most recent
521 audit under paragraph (m). Administrative expenses from eligible
522 contributions may not exceed 3 percent of the total amount of
523 all scholarships awarded by an eligible nonprofit scholarship-
524 funding organization under this chapter. Such administrative
525 expenses must be reasonable and necessary for the organization's

526 management and distribution of scholarships awarded under this
527 chapter. ~~No~~ Funds authorized under this subparagraph may not
528 ~~shall~~ be used for lobbying or political activity or expenses
529 related to lobbying or political activity. Up to one-third of
530 the funds authorized for administrative expenses under this
531 subparagraph may be used for expenses related to the recruitment
532 of contributions from taxpayers. An eligible nonprofit
533 scholarship-funding organization may not charge an application
534 fee.

535 2. Must expend for annual or partial-year scholarships an
536 amount equal to or greater than 75 percent of the net eligible
537 contributions remaining after administrative expenses during the
538 state fiscal year in which such contributions are collected. No
539 more than 25 percent of such net eligible contributions may be
540 carried forward to the following state fiscal year. All amounts
541 carried forward, for audit purposes, must be specifically
542 identified for particular students, by student name and the name
543 of the school to which the student is admitted, subject to the
544 requirements of ss. 1002.22 and 1002.221 and 20 U.S.C. s. 1232g,
545 and the applicable rules and regulations issued pursuant
546 thereto. Any amounts carried forward shall be expended for
547 annual or partial-year scholarships in the following state
548 fiscal year. No later than September 30 of each year, net
549 eligible contributions remaining on June 30 of each year that
550 are in excess of the 25 percent that may be carried forward

551 shall be used to provide scholarships to eligible students or
552 transferred to other eligible nonprofit scholarship-funding
553 organizations to provide scholarships for eligible students. All
554 transferred funds must be deposited by each eligible nonprofit
555 scholarship-funding organization receiving such funds into its
556 scholarship account. All transferred amounts received by any
557 eligible nonprofit scholarship-funding organization must be
558 separately disclosed in the annual financial audit required
559 under paragraph (m).

560 3. Must, before granting a scholarship for an academic
561 year, document each scholarship student's eligibility for that
562 academic year. A scholarship-funding organization may not grant
563 multiyear scholarships in one approval process.

564
565 ~~Information and documentation provided to the Department of~~
566 ~~Education and the Auditor General relating to the identity of a~~
567 ~~taxpayer that provides an eligible contribution under this~~
568 ~~section shall remain confidential at all times in accordance~~
569 ~~with s. 213.053.~~

570 (k) Must maintain separate accounts for scholarship funds
571 and operating funds.

572 (l) With the prior approval of the Department of
573 Education, may transfer funds to another eligible nonprofit
574 scholarship-funding organization if additional funds are
575 required to meet scholarship demand at the receiving nonprofit

576 scholarship-funding organization. A transfer is limited to the
577 greater of \$500,000 or 20 percent of the total contributions
578 received by the nonprofit scholarship-funding organization
579 making the transfer. All transferred funds must be deposited by
580 the receiving nonprofit scholarship-funding organization into
581 its scholarship accounts. All transferred amounts received by
582 any nonprofit scholarship-funding organization must be
583 separately disclosed in the annual financial and compliance
584 audit required in this section.

585 (m) Must provide to the Auditor General and the Department
586 of Education a report on the results of an annual financial
587 audit of its accounts and records conducted by an independent
588 certified public accountant in accordance with auditing
589 standards generally accepted in the United States, government
590 auditing standards, and rules promulgated by the Auditor
591 General. The audit report must include a report on financial
592 statements presented in accordance with generally accepted
593 accounting principles. Audit reports must be provided to the
594 Auditor General and the Department of Education within 180 days
595 after completion of the eligible nonprofit scholarship-funding
596 organization's fiscal year. The Auditor General shall review all
597 audit reports submitted pursuant to this paragraph. The Auditor
598 General shall request any significant items that were omitted in
599 violation of a rule adopted by the Auditor General. The items
600 must be provided within 45 days after the date of the request.

601 If the scholarship-funding organization does not comply with the
602 Auditor General's request, the Auditor General shall notify the
603 Legislative Auditing Committee.

604 (n) Must prepare and submit quarterly reports to the
605 Department of Education pursuant to paragraph (9)(i). In
606 addition, an eligible nonprofit scholarship-funding organization
607 must submit in a timely manner any information requested by the
608 Department of Education relating to the scholarship program.

609 (o)1.a. Must participate in the joint development of
610 agreed-upon procedures during the 2009-2010 state fiscal year.
611 The agreed-upon procedures must uniformly apply to all private
612 schools and must determine, at a minimum, whether the private
613 school has been verified as eligible by the Department of
614 Education under s. 1002.421; has an adequate accounting system,
615 system of financial controls, and process for deposit and
616 classification of scholarship funds; and has properly expended
617 scholarship funds for education-related expenses. During the
618 development of the procedures, the participating scholarship-
619 funding organizations shall specify guidelines governing the
620 materiality of exceptions that may be found during the
621 accountant's performance of the procedures. The procedures and
622 guidelines shall be provided to private schools and the
623 Commissioner of Education by March 15, 2011.

624 b. Must participate in a joint review of the agreed-upon
625 procedures and guidelines developed under sub-subparagraph a.,

626 by February of each biennium, if the scholarship-funding
627 organization provided more than \$250,000 in scholarship funds to
628 an eligible private school under this chapter during the state
629 fiscal year preceding the biennial review. If the procedures and
630 guidelines are revised, the revisions must be provided to
631 private schools and the Commissioner of Education by March 15 of
632 the year in which the revisions were completed. The revised
633 agreed-upon procedures shall take effect the subsequent school
634 year. For the 2018-2019 school year only, the joint review of
635 the agreed-upon procedures must be completed and the revisions
636 submitted to the commissioner no later than September 15, 2018.
637 The revised procedures are applicable to the 2018-2019 school
638 year.

639 c. Must monitor the compliance of a private school with s.
640 1002.421(1)(q) if the scholarship-funding organization provided
641 the majority of the scholarship funding to the school. For each
642 private school subject to s. 1002.421(1)(q), the appropriate
643 scholarship-funding organization shall annually notify the
644 Commissioner of Education by October 30 of:

645 (I) A private school's failure to submit a report required
646 under s. 1002.421(1)(q); or

647 (II) Any material exceptions set forth in the report
648 required under s. 1002.421(1)(q).

649 2. Must seek input from the accrediting associations that
650 are members of the Florida Association of Academic Nonpublic

651 Schools and the Department of Education when jointly developing
652 the agreed-upon procedures and guidelines under sub-subparagraph
653 1.a. and conducting a review of those procedures and guidelines
654 under sub-subparagraph 1.b.

655 (p) Must maintain the surety bond or letter of credit
656 required by subsection (15). The amount of the surety bond or
657 letter of credit may be adjusted quarterly to equal the actual
658 amount of undisbursed funds based upon submission by the
659 organization of a statement from a certified public accountant
660 verifying the amount of undisbursed funds. The requirements of
661 this paragraph are waived if the cost of acquiring a surety bond
662 or letter of credit exceeds the average 10-year cost of
663 acquiring a surety bond or letter of credit by 200 percent. The
664 requirements of this paragraph are waived for a state
665 university; or an independent college or university which is
666 eligible to participate in the William L. Boyd, IV, Effective
667 Access to Student Education Grant Program, located and chartered
668 in this state, is not for profit, and is accredited by the
669 Commission on Colleges of the Southern Association of Colleges
670 and Schools.

671 (q) Must provide to the Auditor General any information or
672 documentation requested in connection with an operational audit
673 of a scholarship funding organization conducted pursuant to s.
674 11.45.

675

676 Information and documentation provided to the Department of
677 Education and the Auditor General relating to the identity of a
678 taxpayer that provides an eligible contribution under this
679 section shall remain confidential at all times in accordance
680 with s. 213.053.

681 Section 5. Paragraph (d) of subsection (8) of section
682 1002.40, Florida Statutes, is amended to read:

683 1002.40 The Hope Scholarship Program.—

684 (8) DEPARTMENT OF EDUCATION OBLIGATIONS.—The department
685 shall:

686 (d) Contract with an independent entity to provide an
687 annual evaluation of the program by:

688 1. Reviewing the school bullying prevention education
689 program, climate, and code of student conduct of each public
690 school from which 10 or more students transferred to another
691 public school or private school using the Hope scholarship in a
692 single academic year to determine areas in the school or school
693 district procedures involving reporting, investigating, and
694 communicating a parent's and student's rights that are in need
695 of improvement. At a minimum, the review must include:

696 a. An assessment of the investigation time and quality of
697 the response of the school and the school district.

698 b. An assessment of the effectiveness of communication
699 procedures with the students involved in an incident, the
700 students' parents, and the school and school district personnel.

701 c. An analysis of school incident and discipline data.

702 d. The challenges and obstacles relating to implementing
703 recommendations from the review.

704 2. Reviewing the school bullying prevention education
705 program, climate, and code of student conduct of each public
706 school to which a student transferred if the student was from a
707 school identified in subparagraph 1. in order to identify best
708 practices and make recommendations to a public school at which
709 the incidents occurred.

710 3. Reviewing the performance of participating students
711 enrolled in a private school in which at least 51 percent of the
712 total enrolled students in the prior school year participated in
713 the program and in which there are at least 10 participating
714 students who have scores for tests administered.

715 4. Surveying the parents of participating students to
716 determine academic, safety, and school climate satisfaction and
717 to identify any challenges to or obstacles in addressing the
718 incident or relating to the use of the scholarship.

719 Section 6. This act shall take effect July 1, 2020.