



27 nonprofit scholarship-funding organizations to  
 28 maintain a surety bond or letter of credit and to  
 29 adjust the bond or letter of credit quarterly based  
 30 upon a statement from a certified public accountant;  
 31 providing an exception; requiring parental  
 32 authorization for access to income eligibility  
 33 information; revising limitations on annual  
 34 scholarship amounts; providing for reductions in  
 35 scholarship amounts based on household income;  
 36 providing initial and renewal application requirements  
 37 and an approval process for nonprofit scholarship-  
 38 funding organizations; requiring the State Board of  
 39 Education to adopt rules; creating s. 1002.411, F.S.;  
 40 establishing the Florida Personal Learning Scholarship  
 41 Account Program; providing definitions; providing  
 42 student eligibility criteria for receipt of a Florida  
 43 Personal Learning Scholarship Account; providing  
 44 parent and student responsibilities for program  
 45 participation; specifying allowable expenditures of  
 46 account funds; requiring an annual evaluation of each  
 47 participating student's educational progress and  
 48 school district review of the evaluation; specifying  
 49 that parents are responsible for procuring educational  
 50 services for a participating student; specifying that  
 51 school districts are not obligated to provide a free  
 52 appropriate public education for participating

53 students; prohibiting participating students from  
54 having multiple accounts or participating in school  
55 choice scholarship programs; authorizing a nonprofit  
56 scholarship-funding organization to establish accounts  
57 for eligible students; specifying duties of nonprofit  
58 scholarship-funding organizations for administration  
59 and funding of accounts, annual audits, and quarterly  
60 reporting; specifying Department of Education duties  
61 regarding approved service providers, oversight of  
62 nonprofit scholarship-funding organizations,  
63 investigation and adjudication of complaints, and  
64 reporting by nonprofit scholarship-funding  
65 organizations; specifying school district duties  
66 regarding initial evaluations and individual  
67 educational plan development and review; providing a  
68 calculation for funding accounts; requiring school  
69 districts to report participating students to the  
70 Department of Education for funding; requiring  
71 quarterly transfer of funds by the department to  
72 nonprofit scholarship-funding organizations; providing  
73 for the carryforward of funds remaining in an account  
74 at the end of a fiscal year; specifying the conditions  
75 under which an account is terminated and providing for  
76 the reversion of funds; exempting the state from  
77 liability regarding the award or use of accounts;  
78 requiring rulemaking; amending s. 1003.01, F.S.;

79 | revising the definition of the term "regular school  
 80 | attendance" to add participation in the Florida  
 81 | Personal Learning Scholarship Account Program;  
 82 | amending s. 11.45, F.S.; authorizing the Auditor  
 83 | General to conduct audits of the accounts and records  
 84 | of nonprofit scholarship-funding organizations  
 85 | participating in the Florida Personal Learning  
 86 | Scholarship Account Program; repealing s. 1003.438,  
 87 | F.S., relating to special high school graduation  
 88 | requirements for certain exceptional students;  
 89 | amending s. 120.81, F.S.; correcting cross-references;  
 90 | providing an effective date.

91 |  
 92 | Be It Enacted by the Legislature of the State of Florida:  
 93 |

94 | Section 1. Paragraph (cc) is added to subsection (8) of  
 95 | section 213.053, Florida Statutes, to read:

96 | 213.053 Confidentiality and information sharing.—

97 | (8) Notwithstanding any other provision of this section,  
 98 | the department may provide:

99 | (cc) For purposes of notification that a tax credit has  
 100 | been reserved, a copy of a letter of approval issued by the  
 101 | department to a taxpayer or dealer for an allocation of a tax  
 102 | credit to an eligible nonprofit scholarship-funding organization  
 103 | selected by the taxpayer or dealer in an application for a tax  
 104 | credit authorized under s. 1002.395.

105  
 106 Disclosure of information under this subsection shall be  
 107 pursuant to a written agreement between the executive director  
 108 and the agency. Such agencies, governmental or nongovernmental,  
 109 shall be bound by the same requirements of confidentiality as  
 110 the Department of Revenue. Breach of confidentiality is a  
 111 misdemeanor of the first degree, punishable as provided by s.  
 112 775.082 or s. 775.083.

113 Section 2. Paragraph (f) of subsection (2), subsection  
 114 (3), subsection (5), subsection (6), paragraph (e) of subsection  
 115 (8), paragraphs (d) and (o) of subsection (9), and paragraph (a)  
 116 of subsection (12) of section 1002.395, Florida Statutes, are  
 117 amended, paragraphs (h) through (j) of subsection (2) are  
 118 redesignated as paragraphs (i) through (k), respectively, and a  
 119 new paragraph (h) is added to that subsection, paragraph (g) is  
 120 added to subsection (7), and subsection (16) is added to that  
 121 section, to read:

122 1002.395 Florida Tax Credit Scholarship Program.—

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

124 (f) "Eligible nonprofit scholarship-funding organization"  
 125 means a charitable organization that:

126 1. Is exempt from federal income tax pursuant to s.  
 127 501(c)(3) of the Internal Revenue Code;

128 2. Is a Florida entity formed under chapter 607, chapter  
 129 608, or chapter 617 and whose principal office is located in the  
 130 state; and

131 3. Complies with subsections ~~the provisions of subsection~~  
 132 (6) and (16).

133 (h) "Household income" has the same meaning as the term  
 134 "income" is defined in the Income Eligibility Guidelines for  
 135 free and reduced price meals under the National School Lunch  
 136 Program in 7 C.F.R. part 210 as published in the Federal  
 137 Register by the United States Department of Agriculture.

138 (3) PROGRAM; SCHOLARSHIP ELIGIBILITY.—

139 (a) The Florida Tax Credit Scholarship Program is  
 140 established.

141 (b) For the 2014-2015 and 2015-2016 school years,  
 142 contingent upon available funds, a student is eligible for a  
 143 Florida tax credit scholarship under this section if the student  
 144 meets one or more of the following criteria:

145 1. The student qualifies for free or reduced-price school  
 146 lunches under the National School Lunch Act or is on the direct  
 147 certification list; ~~and:~~

148 ~~a. Was counted as a full-time equivalent student during~~  
 149 ~~the previous state fiscal year for purposes of state per-student~~  
 150 ~~funding;~~

151 ~~b. Received a scholarship from an eligible nonprofit~~  
 152 ~~scholarship funding organization or from the State of Florida~~  
 153 ~~during the previous school year; or~~

154 ~~e. Is eligible to enter kindergarten through fifth grade.~~

155 2. The student is currently placed, or during the previous  
 156 state fiscal year was placed, in foster care or in out-of-home

157 care as defined in s. 39.01; ~~or-~~

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

161 ~~4. The student, who is a first-time tax credit scholarship~~  
 162 ~~recipient, is a sibling of a student who is continuing in the~~  
 163 ~~scholarship program and who resides in the same household as the~~  
 164 ~~student if the sibling meets one or more of the criteria~~  
 165 ~~specified in subparagraphs 1. and 2. and as long as the~~  
 166 ~~student's and sibling's household income level does not exceed~~  
 167 ~~230 percent of the federal poverty level.~~

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

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

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

178 3. The student's household income level is greater than  
 179 185 percent of the federal poverty level but does not exceed 260  
 180 percent of the federal poverty level and the student:

181 a. Spent the previous school year in attendance at a  
 182 public school in the state and was enrolled and reported by the

183 school district for funding during October and February for  
 184 purposes of the Florida Education Finance Program surveys;  
 185 b. Is eligible to enter kindergarten or grade 1; or  
 186 c. Received a scholarship from an eligible nonprofit  
 187 scholarship-funding organization or the state during the  
 188 previous school year.

189  
 190 A student who initially receives a scholarship based on  
 191 eligibility under subparagraph (b)2. or subparagraph (c)2.  
 192 remains eligible until the student graduates from high school or  
 193 turns 21 years of age, whichever occurs first, regardless of the  
 194 student's household income level. A sibling of a student who is  
 195 participating in the scholarship program under this subsection  
 196 is eligible for a scholarship if the student resides in the same  
 197 household as the sibling.

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

199 (a)1. Beginning in the 2014-2015 state fiscal year, the  
 200 tax credit cap amount is \$387.80 million.

201 2. In the state fiscal year immediately following the  
 202 first state fiscal year in which the tax credit cap amount is  
 203 equal to or greater than 90 percent of the tax credit cap amount  
 204 set forth in subparagraph 1., the tax credit cap amount is  
 205 \$477.30 million.

206 3. In the state fiscal year immediately following the  
 207 first state fiscal year in which the tax credit cap amount is  
 208 equal to or greater than 90 percent of the tax credit cap amount



209 set forth in subparagraph 2., the tax credit cap amount is  
 210 \$589.10 million.

211 4. In the state fiscal year immediately following the  
 212 first state fiscal year in which the tax credit cap amount is  
 213 equal to or greater than 90 percent of the tax credit cap amount  
 214 set forth in subparagraph 3., the tax credit cap amount is  
 215 \$728.90 million.

216 5. In the state fiscal year immediately following the  
 217 first state fiscal year in which the tax credit cap amount is  
 218 equal to or greater than 90 percent of the tax credit cap amount  
 219 set forth in subparagraph 4., the tax credit cap amount is  
 220 \$903.80 million.

221 6. For each state fiscal year following the fiscal year in  
 222 which the tax credit cap amount in subparagraph 5. has been  
 223 reached, the tax credit cap amount is the same as the tax credit  
 224 cap amount in the previous state fiscal year. However, for any  
 225 state fiscal year in which the tax credit cap amount is equal to  
 226 or greater than 90 percent of the tax credit cap amount  
 227 applicable to that state fiscal year, the tax credit cap amount  
 228 shall increase by 25 percent for the immediately subsequent  
 229 state fiscal year.

230 7. The Department of Revenue shall publish the tax credit  
 231 cap amount on its website and shall update the tax credit cap  
 232 amount upon each increase ~~The tax credit cap amount is \$229~~  
 233 ~~million in the 2012-2013 state fiscal year.~~

234 ~~2. In the 2013-2014 state fiscal year and each state~~

235 ~~fiscal year thereafter, the tax credit cap amount is the tax~~  
 236 ~~credit cap amount in the prior state fiscal year. However, in~~  
 237 ~~any state fiscal year when the annual tax credit amount for the~~  
 238 ~~prior state fiscal year is equal to or greater than 90 percent~~  
 239 ~~of the tax credit cap amount applicable to that state fiscal~~  
 240 ~~year, the tax credit cap amount shall increase by 25 percent.~~  
 241 ~~The department shall publish on its website information~~  
 242 ~~identifying the tax credit cap amount when it is increased~~  
 243 ~~pursuant to this subparagraph.~~

244 (b) A taxpayer may submit an application to the department  
 245 for a tax credit or credits under one or more of s. 211.0251, s.  
 246 212.1831, s. 220.1875, s. 561.1211, or s. 624.51055.

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

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

259 (c) If a tax credit approved under paragraph (b) is not  
 260 fully used within the specified state fiscal year for credits

261 under s. 211.0251, s. 212.1831, or s. 561.1211 or against taxes  
 262 due for the specified taxable year for credits under s. 220.1875  
 263 or s. 624.51055 because of insufficient tax liability on the  
 264 part of the taxpayer, the unused amount may be carried forward  
 265 for a period not to exceed 5 years. However, any taxpayer that  
 266 seeks to carry forward an unused amount of tax credit must  
 267 submit an application to the department for approval of the  
 268 carryforward tax credit in the year that the taxpayer intends to  
 269 use the carryforward. The department must obtain the division's  
 270 approval prior to approving the carryforward of a tax credit  
 271 under s. 561.1211.

272 (d) A taxpayer may not convey, assign, or transfer an  
 273 approved tax credit or a carryforward tax credit to another  
 274 entity unless all of the assets of the taxpayer are conveyed,  
 275 assigned, or transferred in the same transaction. However, a tax  
 276 credit under s. 211.0251, s. 212.1831, s. 220.1875, s. 561.1211,  
 277 or s. 624.51055 may be conveyed, transferred, or assigned  
 278 between members of an affiliated group of corporations if the  
 279 type of tax credit under s. 211.0251, s. 212.1831, s. 220.1875,  
 280 s. 561.1211, or s. 624.51055 remains the same. A taxpayer must  
 281 notify the department of its intent to convey, transfer, or  
 282 assign a tax credit to another member within an affiliated group  
 283 of corporations. The amount conveyed, transferred, or assigned  
 284 is available to another member of the affiliated group of  
 285 corporations upon approval by the department. The department  
 286 must obtain the division's approval before approving a

287 conveyance, transfer, or assignment of a tax credit under s.  
 288 561.1211.

289 (e) Within any state fiscal year, a taxpayer may rescind  
 290 all or part of a tax credit approved under paragraph (b). The  
 291 amount rescinded shall become available for that state fiscal  
 292 year to another eligible taxpayer as approved by the department  
 293 if the taxpayer receives notice from the department that the  
 294 rescindment has been accepted by the department. The department  
 295 must obtain the division's approval prior to accepting the  
 296 rescindment of a tax credit under s. 561.1211. Any amount  
 297 rescinded under this paragraph shall become available to an  
 298 eligible taxpayer on a first-come, first-served basis based on  
 299 tax credit applications received after the date the rescindment  
 300 is accepted by the department.

301 (f) For purposes of calculating the underpayment of  
 302 estimated corporate income taxes pursuant to s. 220.34 and tax  
 303 installment payments for taxes on insurance premiums or  
 304 assessments under s. 624.5092, the final tax amount due is the  
 305 amount after credits earned under s. 220.1875 or s. 624.51055  
 306 for contributions to eligible nonprofit scholarship-funding  
 307 organizations are deducted.

308 1. For purposes of determining if a penalty or interest  
 309 shall be imposed for underpayment of an installment of estimated  
 310 tax under s. 220.34(2)(d)1. by a taxpayer earning a credit under  
 311 s. 220.1875, the tax computed at the rates applicable to the  
 312 taxable year shall be reduced by the amount of any credit earned

313 under s. 220.1875 during the taxable year.

314 2. For insurers earning a credit under s. 624.51055, the  
 315 net tax due as reported on the return for the preceding year  
 316 under s. 624.5092(2) (b) shall be reduced by the amount of any  
 317 credit earned under s. 624.51055 during the current taxable year  
 318 before being multiplied by 27 percent.

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

322 (a) Must comply with the antidiscrimination provisions of  
 323 42 U.S.C. s. 2000d.

324 (b) Must comply with the following background check  
 325 requirements:

326 1. All owners and operators as defined in subparagraph  
 327 (2) (i) 1. ~~(2) (h) 1.~~ are, before ~~upon~~ employment or engagement to  
 328 provide services, subject to level 2 background screening as  
 329 provided under chapter 435. The fingerprints for the background  
 330 screening must be electronically submitted to the Department of  
 331 Law Enforcement and can be taken by an authorized law  
 332 enforcement agency or by an employee of the eligible nonprofit  
 333 scholarship-funding organization or a private company who is  
 334 trained to take fingerprints. However, the complete set of  
 335 fingerprints of an owner or operator may not be taken by the  
 336 owner or operator. The results of the state and national  
 337 criminal history check shall be provided to the Department of  
 338 Education for screening under chapter 435. The cost of the

339 background screening may be borne by the eligible nonprofit  
 340 scholarship-funding organization or the owner or operator.

341 2. Every 5 years following employment or engagement to  
 342 provide services or association with an eligible nonprofit  
 343 scholarship-funding organization, each owner or operator must  
 344 meet level 2 screening standards as described in s. 435.04, at  
 345 which time the nonprofit scholarship-funding organization shall  
 346 request the Department of Law Enforcement to forward the  
 347 fingerprints to the Federal Bureau of Investigation for level 2  
 348 screening. If the fingerprints of an owner or operator are not  
 349 retained by the Department of Law Enforcement under subparagraph  
 350 3., the owner or operator must electronically file a complete  
 351 set of fingerprints with the Department of Law Enforcement. Upon  
 352 submission of fingerprints for this purpose, the eligible  
 353 nonprofit scholarship-funding organization shall request that  
 354 the Department of Law Enforcement forward the fingerprints to  
 355 the Federal Bureau of Investigation for level 2 screening, and  
 356 the fingerprints shall be retained by the Department of Law  
 357 Enforcement under subparagraph 3.

358 3. ~~All~~ Fingerprints submitted to the Department of Law  
 359 Enforcement as required by this paragraph must be retained by  
 360 the Department of Law Enforcement in a manner approved by rule  
 361 and entered in the statewide automated biometric identification  
 362 system authorized by s. 943.05(2)(b). The fingerprints must  
 363 thereafter be available for all purposes and uses authorized for  
 364 arrest fingerprints entered in the statewide automated biometric

365 identification system pursuant to s. 943.051.

366 4. The Department of Law Enforcement shall search all  
367 arrest fingerprints received under s. 943.051 against the  
368 fingerprints retained in the statewide automated biometric  
369 identification system under subparagraph 3. Any arrest record  
370 that is identified with an owner's or operator's fingerprints  
371 must be reported to the Department of Education. The Department  
372 of Education shall participate in this search process by paying  
373 an annual fee to the Department of Law Enforcement and by  
374 informing the Department of Law Enforcement of any change in the  
375 employment, engagement, or association status of the owners or  
376 operators whose fingerprints are retained under subparagraph 3.  
377 The Department of Law Enforcement shall adopt a rule setting the  
378 amount of the annual fee to be imposed upon the Department of  
379 Education for performing these services and establishing the  
380 procedures for the retention of owner and operator fingerprints  
381 and the dissemination of search results. The fee may be borne by  
382 the owner or operator of the nonprofit scholarship-funding  
383 organization.

384 5. A nonprofit scholarship-funding organization whose  
385 owner or operator fails the level 2 background screening is not  
386 ~~shall not be~~ eligible to provide scholarships under this  
387 section.

388 6. A nonprofit scholarship-funding organization whose  
389 owner or operator in the last 7 years has filed for personal  
390 bankruptcy or corporate bankruptcy in a corporation of which he

391 or she owned more than 20 percent shall not be eligible to  
 392 provide scholarships under this section.

393 7. In addition to the offenses listed in s. 435.04, a  
 394 person required to undergo background screening pursuant to this  
 395 part or authorizing statutes must not have an arrest awaiting  
 396 final disposition for, must not have been found guilty of, or  
 397 entered a plea of nolo contendere to, regardless of  
 398 adjudication, and must not have been adjudicated delinquent, and  
 399 the record must not have been sealed or expunged for, any of the  
 400 following offenses or any similar offense of another  
 401 jurisdiction:

- 402 a. Any authorizing statutes, if the offense was a felony.
- 403 b. This chapter, if the offense was a felony.
- 404 c. Section 409.920, relating to Medicaid provider fraud.
- 405 d. Section 409.9201, relating to Medicaid fraud.
- 406 e. Section 741.28, relating to domestic violence.
- 407 f. Section 817.034, relating to fraudulent acts through  
 408 mail, wire, radio, electromagnetic, photoelectronic, or  
 409 photooptical systems.
- 410 g. Section 817.234, relating to false and fraudulent  
 411 insurance claims.
- 412 h. Section 817.505, relating to patient brokering.
- 413 i. Section 817.568, relating to criminal use of personal  
 414 identification information.
- 415 j. Section 817.60, relating to obtaining a credit card  
 416 through fraudulent means.



- 417        k. Section 817.61, relating to fraudulent use of credit  
 418 cards, if the offense was a felony.
- 419        l. Section 831.01, relating to forgery.
- 420        m. Section 831.02, relating to uttering forged  
 421 instruments.
- 422        n. Section 831.07, relating to forging bank bills, checks,  
 423 drafts, or promissory notes.
- 424        o. Section 831.09, relating to uttering forged bank bills,  
 425 checks, drafts, or promissory notes.
- 426        p. Section 831.30, relating to fraud in obtaining  
 427 medicinal drugs.
- 428        q. Section 831.31, relating to the sale, manufacture,  
 429 delivery, or possession with the intent to sell, manufacture, or  
 430 deliver any counterfeit controlled substance, if the offense was  
 431 a felony.
- 432        (c) Must not have an owner or operator who owns or  
 433 operates an eligible private school that is participating in the  
 434 scholarship program.
- 435        (d) Must provide scholarships, from eligible  
 436 contributions, to eligible students for the cost of:
- 437            1. Tuition and fees for an eligible private school; or  
 438            2. Transportation to a Florida public school that is  
 439 located outside the district in which the student resides or to  
 440 a lab school as defined in s. 1002.32.
- 441        (e) Must give first priority to eligible students who  
 442 received a scholarship from an eligible nonprofit scholarship-

443 funding organization or from the State of Florida during the  
444 previous school year. Beginning in the 2016-2017 school year, an  
445 eligible nonprofit scholarship-funding organization shall give  
446 priority to new applicants whose household income levels do not  
447 exceed 185 percent of the federal poverty level or who are in  
448 foster care or out-of-home care.

449 (f) Must provide a scholarship to an eligible student on a  
450 first-come, first-served basis unless the student qualifies for  
451 priority pursuant to paragraph (e).

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

455 (h) Must allow a student in foster care or out-of-home  
456 care to apply for a scholarship at any time.

457 (i)~~(h)~~ Must allow an eligible student to attend any  
458 eligible private school and must allow a parent to transfer a  
459 scholarship during a school year to any other eligible private  
460 school of the parent's choice.

461 (j)~~(i)~~1. May use up to 3 percent of eligible contributions  
462 received during the state fiscal year in which such  
463 contributions are collected for administrative expenses if the  
464 organization has operated under this section for at least 3  
465 state fiscal years and did not have any negative financial  
466 findings in its most recent audit under paragraph (m) ~~(l)~~. Such  
467 administrative expenses must be reasonable and necessary for the  
468 organization's management and distribution of eligible

469 contributions under this section. Administrative expenses may  
 470 also include professional development to support participating  
 471 schools. Up to ~~No more than~~ one-third of the funds authorized  
 472 for administrative expenses under this subparagraph may be used  
 473 for expenses related to the recruitment of contributions from  
 474 taxpayers.

475 2. Must expend for annual or partial-year scholarships an  
 476 amount equal to or greater than 75 percent of the net eligible  
 477 contributions remaining after administrative expenses during the  
 478 state fiscal year in which such contributions are collected. No  
 479 more than 25 percent of such net eligible contributions may be  
 480 carried forward to the following state fiscal year. Any amounts  
 481 carried forward shall be expended for annual or partial-year  
 482 scholarships in the following state fiscal year. Net eligible  
 483 contributions remaining on June 30 of each year that are in  
 484 excess of the 25 percent that may be carried forward shall be  
 485 returned to the State Treasury for deposit in the General  
 486 Revenue Fund.

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

491 (k) ~~(j)~~ Must maintain separate accounts for scholarship  
 492 funds and operating funds.

493 (l) ~~(k)~~ With the prior approval of the Department of  
 494 Education, may transfer funds to another eligible nonprofit

495 scholarship-funding organization if additional funds are  
 496 required to meet scholarship demand at the receiving nonprofit  
 497 scholarship-funding organization. A transfer is ~~shall be~~ limited  
 498 to the greater of \$500,000 or 20 percent of the total  
 499 contributions received by the nonprofit scholarship-funding  
 500 organization making the transfer. All transferred funds must be  
 501 deposited by the receiving nonprofit scholarship-funding  
 502 organization into its scholarship accounts. All transferred  
 503 amounts received by any nonprofit scholarship-funding  
 504 organization must be separately disclosed in the annual  
 505 financial and compliance audit required in this section.

506 (m) ~~(l)~~ Must provide to the Auditor General and the  
 507 Department of Education an annual financial and compliance audit  
 508 of its accounts and records conducted by an independent  
 509 certified public accountant and in accordance with rules adopted  
 510 by the Auditor General. The audit must be conducted in  
 511 compliance with generally accepted auditing standards and must  
 512 include a report on financial statements presented in accordance  
 513 with generally accepted accounting principles set forth by the  
 514 American Institute of Certified Public Accountants for not-for-  
 515 profit organizations and a determination of compliance with the  
 516 statutory eligibility and expenditure requirements set forth in  
 517 this section. Audits must be provided to the Auditor General and  
 518 the Department of Education within 180 days after completion of  
 519 the eligible nonprofit scholarship-funding organization's fiscal  
 520 year.

521        (n)~~(m)~~ Must prepare and submit quarterly reports to the  
 522 Department of Education pursuant to paragraph (9) (m). In  
 523 addition, an eligible nonprofit scholarship-funding organization  
 524 must submit in a timely manner any information requested by the  
 525 Department of Education relating to the scholarship program.

526        (o)~~(n)~~1.a. Must participate in the joint development of  
 527 agreed-upon procedures to be performed by an independent  
 528 certified public accountant as required under paragraph (8) (e)  
 529 if the scholarship-funding organization provided more than  
 530 \$250,000 in scholarship funds to an eligible private school  
 531 under this section during the 2009-2010 state fiscal year. The  
 532 agreed-upon procedures must uniformly apply to all private  
 533 schools and must determine, at a minimum, whether the private  
 534 school has been verified as eligible by the Department of  
 535 Education under paragraph (9) (c); has an adequate accounting  
 536 system, system of financial controls, and process for deposit  
 537 and classification of scholarship funds; and has properly  
 538 expended scholarship funds for education-related expenses.  
 539 During the development of the procedures, the participating  
 540 scholarship-funding organizations shall specify guidelines  
 541 governing the materiality of exceptions that may be found during  
 542 the accountant's performance of the procedures. The procedures  
 543 and guidelines shall be provided to private schools and the  
 544 Commissioner of Education by March 15, 2011.

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

547 by February 2013 and biennially thereafter, if the scholarship-  
 548 funding organization provided more than \$250,000 in scholarship  
 549 funds to an eligible private school under this section during  
 550 the state fiscal year preceding the biennial review. If the  
 551 procedures and guidelines are revised, the revisions must be  
 552 provided to private schools and the Commissioner of Education by  
 553 March 15, 2013, and biennially thereafter.

554 c. Must monitor the compliance of a private school with  
 555 paragraph (8)(e) if the scholarship-funding organization  
 556 provided the majority of the scholarship funding to the school.  
 557 For each private school subject to paragraph (8)(e), the  
 558 appropriate scholarship-funding organization shall notify the  
 559 Commissioner of Education by October 30, 2011, and annually  
 560 thereafter of:

561 (I) A private school's failure to submit a report required  
 562 under paragraph (8)(e); or

563 (II) Any material exceptions set forth in the report  
 564 required under paragraph (8)(e).

565 2. Must seek input from the accrediting associations that  
 566 are members of the Florida Association of Academic Nonpublic  
 567 Schools when jointly developing the agreed-upon procedures and  
 568 guidelines under sub-subparagraph 1.a. and conducting a review  
 569 of those procedures and guidelines under sub-subparagraph 1.b.

570 (p) Must maintain the surety bond or letter of credit  
 571 required by subsection (16). The amount of the surety bond or  
 572 letter of credit may be adjusted quarterly to equal the actual

573 amount of undisbursed funds based upon submission by the  
 574 organization of a statement from a certified public accountant  
 575 verifying the amount of undisbursed funds. The requirements of  
 576 this paragraph are waived if the cost of acquiring a surety bond  
 577 or letter of credit exceeds the average 10-year cost of  
 578 acquiring a surety bond or letter of credit by 200 percent.

579  
 580 ~~Any and all~~ Information and documentation provided to the  
 581 Department of Education and the Auditor General relating to the  
 582 identity of a taxpayer that provides an eligible contribution  
 583 under this section shall remain confidential at all times in  
 584 accordance with s. 213.053.

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

587 (g) The parent must authorize the nonprofit scholarship-  
 588 funding organization to access information needed for income  
 589 eligibility determination and verification held by other state  
 590 or federal agencies, including the Department of Revenue, the  
 591 Department of Children and Families, the Department of  
 592 Education, the Department of Economic Opportunity, and the  
 593 Agency for Health Care Administration.

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

597 (e) Annually contract with an independent certified public  
 598 accountant to perform the agreed-upon procedures developed under

599 paragraph (6) (o) ~~(6) (n)~~ and produce a report of the results if  
 600 the private school receives more than \$250,000 in funds from  
 601 scholarships awarded under this section in the 2010-2011 state  
 602 fiscal year or a state fiscal year thereafter. A private school  
 603 subject to this paragraph must submit the report by September  
 604 15, 2011, and annually thereafter to the scholarship-funding  
 605 organization that awarded the majority of the school's  
 606 scholarship funds. The agreed-upon procedures must be conducted  
 607 in accordance with attestation standards established by the  
 608 American Institute of Certified Public Accountants.

609  
 610 The inability of a private school to meet the requirements of  
 611 this subsection shall constitute a basis for the ineligibility  
 612 of the private school to participate in the scholarship program  
 613 as determined by the Department of Education.

614 (9) DEPARTMENT OF EDUCATION OBLIGATIONS.—The Department of  
 615 Education shall:

616 (d) Annually verify the eligibility of expenditures as  
 617 provided in paragraph (6) (d) using the audit required by  
 618 paragraph (6) (m) ~~(6) (l)~~.

619 (o) Provide a process to match the direct certification  
 620 list with the scholarship application data submitted by any  
 621 nonprofit scholarship-funding organization eligible to receive  
 622 the 3-percent administrative allowance under paragraph (6) (j)  
 623 ~~(6) (i)~~.

624 (12) SCHOLARSHIP AMOUNT AND PAYMENT.—



625           (a)~~1~~. Except as provided in subparagraph 2., the amount of  
 626 a scholarship provided to any student for any single school year  
 627 by an eligible nonprofit scholarship-funding organization from  
 628 eligible contributions shall be for total costs authorized under  
 629 paragraph (6) (d), not to exceed annual limits, which shall be  
 630 determined as follows:

631           1.a. For a scholarship awarded to a student enrolled in an  
 632 eligible private school:

633           ~~(I) For the 2009-2010 state fiscal year, the limit shall~~  
 634 ~~be \$3,950.~~

635           ~~(II) For the 2010-2011 state fiscal year, the limit shall~~  
 636 ~~be 60 percent of the unweighted FTE funding amount for that~~  
 637 ~~year.~~

638           ~~(III) For the 2011-2012 state fiscal year and thereafter,~~  
 639 the limit shall be determined by multiplying the unweighted FTE  
 640 funding amount in that state fiscal year by the percentage used  
 641 to determine the limit in the prior state fiscal year. However,  
 642 in each state fiscal year that the tax credit cap amount  
 643 increases pursuant to paragraph (5) (a) ~~subparagraph (5) (a) 2.~~,  
 644 the prior year percentage shall be increased by 4 percentage  
 645 points and the increased percentage shall be used to determine  
 646 the limit for that state fiscal year. If the percentage so  
 647 calculated reaches 80 percent in a state fiscal year, no further  
 648 increase in the percentage is allowed and the limit shall be 80  
 649 percent of the unweighted FTE funding amount for that state  
 650 fiscal year and thereafter. Beginning in the 2016-2017 state

651 fiscal year, the amount of a scholarship awarded to a student  
 652 enrolled in an eligible private school shall be equal to 82  
 653 percent of the unweighted FTE funding amount for that state  
 654 fiscal year and thereafter.

655 b. For a scholarship awarded to a student enrolled in a  
 656 Florida public school that is located outside the district in  
 657 which the student resides or in a lab school as defined in s.  
 658 1002.32, the limit shall be \$500.

659 2. For the 2014-2015 and 2015-2016 state fiscal years, the  
 660 annual limit for a scholarship under sub-subparagraph 1.a. shall  
 661 be reduced by:

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

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

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

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

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

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

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

683 (16) NONPROFIT SCHOLARSHIP-FUNDING ORGANIZATIONS;  
 684 APPLICATION.—In order to participate in the scholarship program  
 685 created by this section, a nonprofit scholarship-funding  
 686 organization must submit an application for initial approval or  
 687 renewal to the Office of Independent Education and Parental  
 688 Choice no later than September 1 of each year before the school  
 689 year for which the organization intends to offer scholarships.

690 (a) An application for initial approval must include:

691 1. A copy of the organization's incorporation documents  
 692 and registration with the Division of Corporations of the  
 693 Department of State.

694 2. A copy of the organization's Internal Revenue Service  
 695 determination letter as a s. 501(c)(3) not-for-profit  
 696 organization.

697 3. A description of the organization's financial plan that  
 698 demonstrates sufficient funds to operate throughout the school  
 699 year.

700 4. A description of the geographic region that the  
 701 organization intends to serve and an analysis of the demand and  
 702 unmet need for eligible students in that area.

- 703        5. The organization's organizational chart.
- 704        6. A description of the criteria and methodology that the  
 705 organization will use to evaluate scholarship eligibility.
- 706        7. A description of the application process, including  
 707 deadlines and any associated fees.
- 708        8. A description of the deadlines for attendance  
 709 verification and scholarship payments.
- 710        9. A copy of the organization's policies on conflict of  
 711 interest and whistleblowers.
- 712        10. A copy of a surety bond or letter of credit in an  
 713 amount equal to 25 percent of the scholarship funds anticipated  
 714 for each school year or \$100,000, whichever is greater.
- 715        (b) In addition to the information required by  
 716 subparagraphs (a)1.-9., an application for renewal must include:
- 717            1. A surety bond or letter of credit equal to the amount  
 718 of undisbursed donations held by the organization based on the  
 719 annual report submitted pursuant to paragraph (6) (m). The amount  
 720 of the surety bond or letter of credit must be at least  
 721 \$100,000, but not more than \$25 million.
- 722            2. The organization's completed Internal Revenue Service  
 723 Form 990 submitted no later than November 30 of the year before  
 724 the school year that the organization intends to offer the  
 725 scholarships, notwithstanding the September 1 application  
 726 deadline.
- 727            3. A copy of the statutorily required audit to the  
 728 Department of Education and Auditor General.

729        4. An annual report that includes:  
 730        a. The number of students who completed applications, by  
 731 county and by grade.  
 732        b. The number of students who were approved for  
 733 scholarships, by county and by grade.  
 734        c. The number of students who received funding for  
 735 scholarships within each funding category, by county and by  
 736 grade.  
 737        d. The amount of funds received, the amount of funds  
 738 distributed in scholarships, and an accounting of remaining  
 739 funds and the obligation of those funds.  
 740        e. A detailed accounting of how the organization spent the  
 741 administrative funds allowable under paragraph (6)(j).  
 742        (c) In consultation with the Department of Revenue and the  
 743 Chief Financial Officer, the Office of Independent Education and  
 744 Parental Choice shall review the application. The Department of  
 745 Education shall notify the organization in writing of any  
 746 deficiencies within 30 days after receipt of the application and  
 747 allow the organization 30 days to correct any deficiencies.  
 748        (d) Within 30 days after receipt of the finalized  
 749 application by the Office of Independent Education and Parental  
 750 Choice, the Commissioner of Education shall recommend approval  
 751 or disapproval of the application to the State Board of  
 752 Education. The State Board of Education shall consider the  
 753 application and recommendation at the next scheduled meeting,  
 754 adhering to appropriate meeting notice requirements. If the

755 State Board of Education disapproves the organization's  
756 application, it shall provide the organization with a written  
757 explanation of that determination. The State Board of  
758 Education's action is not subject to chapter 120.

759 (e) If the State Board of Education disapproves the  
760 renewal of a nonprofit scholarship-funding organization, the  
761 organization must notify the affected eligible students and  
762 parents of the decision within 15 days after disapproval. An  
763 eligible student affected by the disapproval of an  
764 organization's participation remains eligible under this section  
765 until the end of the school year in which the organization was  
766 disapproved. The student must apply and be accepted by another  
767 eligible nonprofit scholarship-funding organization for the  
768 upcoming school year. The student shall be given priority in  
769 accordance with paragraph (6) (f).

770 (f) All remaining funds held by a nonprofit scholarship-  
771 funding organization that is disapproved for participation shall  
772 revert to the Department of Revenue for redistribution to other  
773 eligible nonprofit scholarship-funding organizations.

774 (g) A nonprofit scholarship-funding organization is  
775 considered a renewing organization if it maintains continuous  
776 approval and participation in the program. An organization that  
777 chooses not to participate for 1 year or more or is disapproved  
778 to participate for 1 year or more must submit an application for  
779 initial approval in order to participate in the program again.

780 (h) The State Board of Education shall adopt rules

781 providing guidelines for receiving, reviewing, and approving  
 782 applications for new and renewing nonprofit scholarship-funding  
 783 organizations. The rules shall include a process for compiling  
 784 input and recommendations from the Chief Financial Officer, the  
 785 Department of Revenue, and the Department of Education. The  
 786 rules shall also require that the nonprofit scholarship-funding  
 787 organization make a brief presentation to assist the State Board  
 788 of Education in its decision.

789 Section 3. A nonprofit scholarship-funding organization  
 790 whose application for participation in the program established  
 791 by s. 1002.395, Florida Statutes, was approved before July 1,  
 792 2014, shall, by August 1, 2014, provide a copy of a surety bond  
 793 or letter of credit meeting the requirements of s. 1002.395(16),  
 794 Florida Statutes, to the Office of Independent Education and  
 795 Parental Choice.

796 Section 4. Section 1002.411, Florida Statutes, is created  
 797 to read:

798 1002.411 Florida Personal Learning Scholarship Account  
 799 Program.—

800 (1) FLORIDA PERSONAL LEARNING SCHOLARSHIP ACCOUNT  
 801 PROGRAM.—The Florida Personal Learning Scholarship Account  
 802 Program is established to enable parents of students with  
 803 disabilities to customize their child's education using a wide  
 804 range of instructional services.

805 (2) DEFINITIONS.—

806 (a) "Approved provider" means a provider of specialized

807 instructional services approved by the department, individuals  
 808 providing services through the Agency for Persons with  
 809 Disabilities, and providers approved pursuant to s. 1002.66.

810 (b) "Certified teacher" means a teacher who holds a valid  
 811 Florida professional certificate issued pursuant to s. 1012.56  
 812 to teach academic subjects at the elementary or secondary level.

813 (c) "Curriculum" means a complete course of study for a  
 814 particular content area or grade level, including any required  
 815 supplemental materials.

816 (d) "Eligible student" or "participating student" means a  
 817 student with a disability who is eligible for, or is  
 818 participating in, the Florida Personal Learning Scholarship  
 819 Account Program, as applicable.

820 (e) "Student with a disability" means a student in  
 821 kindergarten through grade 5 who has autism, cerebral palsy,  
 822 Down syndrome, an intellectual disability, Prader-Willi  
 823 syndrome, or spina bifida, as defined in s. 393.063. For a  
 824 student in kindergarten, the term also means a high-risk child  
 825 as defined in s. 393.063(20) (a).

826 (3) FLORIDA PERSONAL LEARNING SCHOLARSHIP ACCOUNT  
 827 ELIGIBILITY.—The parent of a student who resides in this state  
 828 may request and receive a Florida Personal Learning Scholarship  
 829 Account if:

830 (a) The student is eligible to enter kindergarten or grade  
 831 1 through grade 5 or received a Florida Personal Learning  
 832 Scholarship Account established pursuant to this section in the



833 previous school year;

834 (b) The student has been identified as a student with a  
 835 disability by the school district in which he or she resides and  
 836 the district has completed an individual educational plan  
 837 written in accordance with rules of the State Board of  
 838 Education; and

839 (c) The student is assigned to matrix Support Level IV or  
 840 Support Level V pursuant to s. 1011.62(1).

841  
 842 For a student who is a first-time applicant, an administrative  
 843 or a judicial proceeding may not be pending regarding the  
 844 contents of the student's individual educational plan. For a  
 845 student who is applying to renew a current Florida Personal  
 846 Learning Scholarship Account, the existence of a pending  
 847 administrative or judicial proceeding about a subsequent  
 848 individual educational plan does not affect continued  
 849 eligibility for an account.

850 (4) PARENT AND STUDENT RESPONSIBILITIES FOR PROGRAM  
 851 PARTICIPATION.—

852 (a) To receive a Florida Personal Learning Scholarship  
 853 Account, the parent of an eligible student must:

- 854 1. No later than 60 days before one of the payment  
 855 transfer dates specified in paragraph (8)(d), submit an  
 856 application to an eligible nonprofit scholarship-funding  
 857 organization in order to receive that payment and, if the  
 858 student does not already have an active individual educational

859 plan, request an annual educational evaluation from the school  
 860 district in which the student resides; and

861 2. Obtain an individual educational plan in accordance  
 862 with subsection (7) no later than 30 days before one of the  
 863 payment transfer dates specified in paragraph (8)(d) in order to  
 864 receive that payment.

865 (b) To maintain eligibility in the Florida Personal  
 866 Learning Scholarship Account Program, the parent of an eligible  
 867 student must:

868 1. Register the student's participation in the program  
 869 with the school district in which the student resides and  
 870 release the school district from all obligations to educate the  
 871 student.

872 2. Participate in the initial development of the  
 873 individual educational plan and the annual review of the plan  
 874 under subsection (7).

875 3. Submit eligible expenses to the nonprofit scholarship-  
 876 funding organization designated by the parent for reimbursement  
 877 of qualifying expenditures. Reimbursement requests must be  
 878 supported by documentation of services rendered, such as  
 879 receipts or invoices, and accompanied by an affidavit signed by  
 880 the parent certifying his or her compliance with the  
 881 requirements of this section. Eligible expenses include:

882 a. Specialized instructional services by an approved  
 883 provider.

884 b. Tuition and fees for instructional services from an

885 eligible private school under s. 1002.39(8) or s. 1002.395(8).  
 886 c. Private tutoring pursuant to s. 1002.43.  
 887 d. Tuition and fees for enrollment in a virtual education  
 888 program provided by an approved virtual education provider  
 889 pursuant to s. 1002.37 or s. 1002.45 or in an approved online  
 890 course offered pursuant to s. 1003.499 or s. 1004.0961.  
 891 e. Curriculum.  
 892 f. Costs incurred to comply with the annual educational  
 893 evaluation required in this paragraph.  
 894 g. The fee authorized by paragraph (5)(a).  
 895 h. Services such as applied behavior analysis as defined  
 896 in s. 627.6686, speech-language pathology as defined in s.  
 897 468.1125, occupational therapy as defined in s. 468.203, and  
 898 physical therapy as defined in s. 486.021.  
 899 i. An advanced payment contract purchased through the  
 900 Stanley G. Tate Florida Prepaid College Program for the benefit  
 901 of the eligible student.  
 902 4. Maintain a portfolio of records and materials that  
 903 consists of:  
 904 a. A log of educational instruction and services that is  
 905 made contemporaneously with delivery of the instruction and  
 906 services and that designates by title any reading materials  
 907 used.  
 908 b. Samples of writings, worksheets, workbooks, or creative  
 909 materials used or developed by the student.  
 910

911 The portfolio must be preserved by the parent for 2 years and  
 912 made available for inspection by the district school  
 913 superintendent, or his or her designee, upon 15 days' written  
 914 notice. This subparagraph does not require the district school  
 915 superintendent to inspect the portfolio.

916 5. Provide for an annual educational evaluation which  
 917 documents the student's demonstration of educational progress at  
 918 a level commensurate with his or her ability, which may include:

919 a. Evaluation of the student's work portfolio by a  
 920 certified teacher selected by the parent;

921 b. Any nationally normed student achievement test  
 922 administered by a certified teacher;

923 c. A statewide, standardized assessment administered by a  
 924 certified teacher, at a location and under testing conditions  
 925 approved by the school district;

926 d. Evaluation by an individual holding a valid, active  
 927 license pursuant to the provisions of s. 490.003(7) or (8); or

928 e. Any other valid measurement tool mutually agreed upon  
 929 by the school superintendent of the district in which the  
 930 student resides and the student's parent.

931 (c) The district school superintendent must review and  
 932 accept the results of the annual educational evaluation of a  
 933 participating student. If the student does not demonstrate  
 934 educational progress at a level commensurate with his or her  
 935 ability, the district school superintendent must notify the  
 936 parent, in writing, that such progress has not been achieved. If

937 the student remains eligible for a Florida Personal Learning  
938 Scholarship Account, the parent has 1 year after the date of  
939 receipt of the written notification to provide remedial  
940 instruction to the student. At the end of the 1-year  
941 probationary period, the student must be reevaluated pursuant to  
942 subparagraph (b)5. Continued participation in the Florida  
943 Personal Learning Scholarship Account Program is contingent upon  
944 the student's demonstrating educational progress commensurate  
945 with his or her ability at the end of the probationary period.

946 (d) The parent is responsible for procuring the services  
947 necessary to educate the student. Once the student receives a  
948 Florida Personal Learning Scholarship Account, the district  
949 school board is not obligated to provide the student with a free  
950 appropriate public education. For purposes of s. 1003.57 and the  
951 Individuals with Disabilities Education Act, a participating  
952 student has only those rights that apply to all other  
953 unilaterally parentally placed students, except that, when  
954 requested by the parent, school district personnel must develop  
955 an individual educational plan in accordance with subsection  
956 (7).

957 (e) The parent is responsible for the payment of all  
958 eligible expenses in excess of the amount in the Florida  
959 Personal Learning Scholarship Account in accordance with the  
960 terms agreed to between the parent and the providers and may not  
961 receive any refund or rebate of any expenditures made in  
962 accordance with subparagraph (b)3.

963 (f) A student is eligible for only one Florida Personal  
 964 Learning Scholarship Account and may not receive a scholarship  
 965 under part III of this chapter.

966 (5) OBLIGATIONS OF ELIGIBLE NONPROFIT SCHOLARSHIP-FUNDING  
 967 ORGANIZATIONS.—A nonprofit scholarship-funding organization  
 968 participating in the Florida Tax Credit Scholarship Program  
 969 under s. 1002.395 may establish Florida Personal Learning  
 970 Scholarship Accounts for eligible students. An eligible  
 971 nonprofit scholarship-funding organization must:

972 (a) Receive applications and determine student eligibility  
 973 in accordance with the requirements of this section. Once an  
 974 application is approved, the nonprofit scholarship-funding  
 975 organization must provide the department with information on the  
 976 student to enable the school district to report the student for  
 977 funding in accordance with subsection (8). A nonprofit  
 978 scholarship-funding organization may charge the parent of an  
 979 eligible student up to a \$25 fee to establish the Florida  
 980 Personal Learning Scholarship Account but may not receive any  
 981 other fees.

982 (b) Establish and maintain separate accounts for each  
 983 eligible student.

984 (c) Verify qualifying expenditures before receipt of the  
 985 quarterly distribution by the department.

986 (d) Return any unused funds to the department when a  
 987 student is no longer eligible for a Florida Personal Learning  
 988 Scholarship Account.

989 (e) Provide to the Auditor General and the department an  
 990 annual financial and compliance audit of its accounts and  
 991 records conducted by an independent certified public accountant  
 992 in accordance with rules adopted by the Auditor General. The  
 993 audit must be conducted in compliance with generally accepted  
 994 auditing standards and must include a report on financial  
 995 statements presented in accordance with generally accepted  
 996 accounting principles set forth by the American Institute of  
 997 Certified Public Accountants for not-for-profit organizations  
 998 and a determination of compliance with the requirements provided  
 999 in this section. Audits must be provided to the Auditor General  
 1000 and the Department of Education within 180 days after completion  
 1001 of the nonprofit scholarship-funding organization's fiscal year.  
 1002 If a nonprofit scholarship-funding organization does not submit  
 1003 an annual audit, the Auditor General shall conduct the audit  
 1004 required by this paragraph.

1005 (f) Prepare and submit quarterly reports to the department  
 1006 pursuant to paragraph (6) (f). In addition, a nonprofit  
 1007 scholarship-funding organization must submit in a timely manner  
 1008 any information requested by the department relating to the  
 1009 Florida Personal Learning Scholarship Account Program.

1010 (6) DEPARTMENT OF EDUCATION OBLIGATIONS.—The department  
 1011 must:

1012 (a) Maintain a list of approved providers.

1013 (b) Require each eligible nonprofit scholarship-funding  
 1014 organization to verify eligible expenditures as provided in

1015 subparagraph (4) (b) 3. before reimbursement.

1016 (c) Investigate any written complaint of a violation of  
 1017 this section in accordance with the process established by s.  
 1018 1002.395(9) (f).

1019 (d) Notify an eligible nonprofit scholarship-funding  
 1020 organization of any of the organization's identified students  
 1021 who are receiving educational scholarships pursuant to part III  
 1022 of this chapter.

1023 (e) Notify an eligible nonprofit scholarship-funding  
 1024 organization of any of the organization's identified students  
 1025 who have established a Florida Personal Learning Scholarship  
 1026 Account with another eligible nonprofit scholarship-funding  
 1027 organization or who have been reported for funding by a school  
 1028 district or the Florida Virtual School.

1029 (f) Require quarterly reports by an eligible nonprofit  
 1030 scholarship-funding organization regarding the number of  
 1031 students participating in the program, the providers of services  
 1032 to students, and other information deemed necessary by the  
 1033 department.

1034 (7) SCHOOL DISTRICT OBLIGATIONS; PARENTAL OPTIONS.-

1035 (a) Upon the request of a parent submitted at least 60  
 1036 days before a payment transfer date specified in paragraph  
 1037 (8) (d), the school district in which the student resides shall  
 1038 conduct an initial evaluation of a student in accordance with s.  
 1039 1003.57. If a determination is made that the student has a  
 1040 disability and needs special education and related services, an



1041 individual educational plan must be developed.

1042 (b) Evaluations and individual educational plans must be  
 1043 completed within the timeframes set forth in rules of the State  
 1044 Board of Education. If a student has been identified as a  
 1045 student with a disability under the Individuals with  
 1046 Disabilities Education Act pursuant to a current evaluation team  
 1047 report but the student does not have an individual educational  
 1048 plan because the student is not currently enrolled in a public  
 1049 school, the school district shall prepare an individual  
 1050 educational plan for the student.

1051 (c) Upon completion of a student's individual educational  
 1052 plan, the school district shall provide the parent with an  
 1053 estimate of the approximate amount of funds that the student may  
 1054 receive in a Florida Personal Learning Scholarship Account.

1055 (d) The school district in which an eligible student  
 1056 resides must:

1057 1. Review the annual educational evaluation in accordance  
 1058 with paragraph (4) (c).

1059 2. Annually review the individual educational plan of each  
 1060 student with a Florida Personal Learning Scholarship Account in  
 1061 consultation with the personnel of providers of the services  
 1062 selected by the parent for the student under subparagraph  
 1063 (4) (b) 3.

1064 (e) The school district developing the individual  
 1065 educational plan is not obligated to provide a participating  
 1066 student with a free appropriate public education. However, if,

1067 at any time, a parent of a participating student decides to  
 1068 enroll the student in the school district, the school district  
 1069 must provide the student with a free appropriate public  
 1070 education.

1071 (8) FLORIDA PERSONAL LEARNING SCHOLARSHIP ACCOUNT FUNDING  
 1072 AND PAYMENT.—

1073 (a) The maximum amount granted for an eligible student  
 1074 with disabilities shall be calculated in accordance with s.  
 1075 1002.39(10) (a).

1076 (b) The school district shall report to the department for  
 1077 funding all students who are receiving a Florida Personal  
 1078 Learning Scholarship Account. These students must be reported  
 1079 separately from other students reported for purposes of the  
 1080 Florida Education Finance Program.

1081 (c) Following notification on July 1, September 1,  
 1082 December 1, or February 1 of the number of Florida Personal  
 1083 Learning Scholarship Account Program participants, the  
 1084 department shall transfer, from general revenue funds only, the  
 1085 amount calculated under paragraph (a) from the school district's  
 1086 total funding entitlement under the Florida Education Finance  
 1087 Program and from authorized categorical accounts to a separate  
 1088 account for the Florida Personal Learning Scholarship Account  
 1089 Program for quarterly disbursement to the nonprofit scholarship-  
 1090 funding organization for participating students.

1091 (d) After the department verifies the establishment of a  
 1092 Florida Personal Learning Scholarship Account for a

1093 participating student by the nonprofit scholarship-funding  
 1094 organization, the department shall make payments to the  
 1095 nonprofit scholarship-funding organization selected by the  
 1096 parent in four equal amounts no later than September 1, November  
 1097 1, February 1, and April 1 of each academic year in which the  
 1098 account is in force.

1099 (e) Any funds remaining in a Florida Personal Learning  
 1100 Scholarship Account for an eligible student are carried forward  
 1101 to the next fiscal year until termination of the account. A  
 1102 Florida Personal Learning Scholarship Account shall be  
 1103 terminated if the student enrolls in and is reported for funding  
 1104 in any public educational program under s. 1000.04(1), (3), or  
 1105 (4); is determined ineligible for a Florida Personal Learning  
 1106 Scholarship Account under this section; graduates from high  
 1107 school; or reaches 22 years of age, whichever occurs first. Once  
 1108 an account is terminated, all remaining funds revert to the  
 1109 state.

1110 (9) LIABILITY.—No liability shall arise on the part of the  
 1111 state based on the award or use of a Florida Personal Learning  
 1112 Scholarship Account.

1113 (10) RULES.—The State Board of Education shall adopt rules  
 1114 to implement this section, including rules necessary to  
 1115 coordinate the respective responsibilities of the department,  
 1116 school districts, and nonprofit scholarship-funding  
 1117 organizations regarding the funding and administration of  
 1118 Florida Personal Learning Scholarship Accounts; criteria,

1119 timelines, and a reporting format for quarterly reports by  
 1120 nonprofit scholarship-funding organizations; and a standard  
 1121 application form to be used by parents and nonprofit  
 1122 scholarship-funding organizations.

1123 Section 5. Subsection (13) of section 1003.01, Florida  
 1124 Statutes, is amended to read:

1125 1003.01 Definitions.—As used in this chapter, the term:

1126 (13) "Regular school attendance" means the actual  
 1127 attendance of a student during the school day as defined by law  
 1128 and rules of the State Board of Education. Regular attendance  
 1129 within the intent of s. 1003.21 may be achieved by ~~attendance~~  
 1130 ~~in~~:

1131 (a) Attendance in a public school supported by public  
 1132 funds;

1133 (b) Attendance in a parochial, religious, or  
 1134 denominational school;

1135 (c) Attendance in a private school supported in whole or  
 1136 in part by tuition charges or by endowments or gifts;

1137 (d) Participation in a home education program under s.  
 1138 1002.41; ~~that meets the requirements of chapter 1002; or~~

1139 (e) Attendance in a private tutoring program under s.  
 1140 1002.43; or

1141 (f) Participation in the Florida Personal Learning  
 1142 Scholarship Account Program under s. 1002.411 ~~that meets the~~  
 1143 ~~requirements of chapter 1002.~~

1144 Section 6. Paragraph (y) is added to subsection (3) of

1145 section 11.45, Florida Statutes, to read:  
 1146 11.45 Definitions; duties; authorities; reports; rules.—  
 1147 (3) AUTHORITY FOR AUDITS AND OTHER ENGAGEMENTS.—The  
 1148 Auditor General may, pursuant to his or her own authority, or at  
 1149 the direction of the Legislative Auditing Committee, conduct  
 1150 audits or other engagements as determined appropriate by the  
 1151 Auditor General of:  
 1152 (y) The accounts and records of a nonprofit scholarship-  
 1153 funding organization participating in the Florida Personal  
 1154 Learning Scholarship Account Program established by s. 1002.411.  
 1155 Section 7. Section 1003.438, Florida Statutes, is  
 1156 repealed.  
 1157 Section 8. Paragraph (c) of subsection (1) of section  
 1158 120.81, Florida Statutes, is amended to read:  
 1159 120.81 Exceptions and special requirements; general  
 1160 areas.—  
 1161 (1) EDUCATIONAL UNITS.—  
 1162 (c) Notwithstanding s. 120.52(16), any tests, test scoring  
 1163 criteria, or testing procedures relating to student assessment  
 1164 which are developed or administered by the Department of  
 1165 Education pursuant to s. 1003.4282 ~~1003.428~~, ~~s. 1003.429~~, ~~s.~~  
 1166 ~~1003.438~~, s. 1008.22, or s. 1008.25, or any other statewide  
 1167 educational tests required by law, are not rules.  
 1168 Section 9. This act shall take effect July 1, 2014.