

The House Committee on Science and Technology offers the following substitute to SB 458:

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 20 of the Official Code of Georgia Annotated, relating to education, so as to
2 require local school systems and schools to be accredited; to provide for definitions; to
3 provide that if a school system or school loses or fails to attain accreditation, a student shall
4 be entitled to attend another public school or receive a scholarship to attend a private school;
5 to provide for notice to parents; to provide for the maximum amount of the scholarship; to
6 provide for procedures and requirements for payment of scholarships; to provide for
7 conditions of acceptance of a scholarship; to provide for testing; to provide for eligibility
8 requirements for private schools; to provide for rules and regulations; to provide that if a
9 school is designated as a Needs Improvement School for seven consecutive years, a student
10 shall be entitled to attend another public school or receive a scholarship to attend a private
11 school; to provide for notice to parents; to provide for the maximum amount of the
12 scholarship; to provide for procedures and requirements for payment of scholarships; to
13 provide for conditions of acceptance of a scholarship; to provide for testing; to provide for
14 eligibility requirements for private schools; to provide for rules and regulations; to provide
15 that if a school is designated as a failing high school, a student shall be entitled to attend
16 another public school or receive a scholarship to attend a private school; to provide for notice
17 to parents; to provide for the maximum amount of the scholarship; to provide for procedures
18 and requirements for payment of scholarships; to provide for conditions of acceptance of a
19 scholarship; to provide for testing; to provide for eligibility requirements for private schools;
20 to provide for rules and regulations; to provide for related matters; to provide for an effective
21 date; to repeal conflicting laws; and for other purposes.

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

23 **SECTION 1.**

24 Title 20 of the Official Code of Georgia Annotated, relating to education, is amended by
25 adding a new Code section to Article 3 of Chapter 2, relating to local boards of education,
26 to read as follows:

S. B. 458 (SUB)

1 "20-2-72.

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

3 (1) 'Accredited' means system-wide accreditation of a local school system or
4 accreditation of every school within a local school system by the Southern Association
5 of Colleges and Schools or other accrediting entity approved by the State Board of
6 Education.

7 (2) 'Board' means the State Board of Education.

8 (3) 'Parent' means a parent, legal guardian, custodian, or other person with legal authority
9 to act on behalf of a child.

10 (4) 'Participating school' means a private school that has notified the department of its
11 intention to participate in the program, and that complies with the department's
12 requirements.

13 (5) 'Participating student' means a student who receives a scholarship pursuant to this
14 Code section.

15 (6) 'Private school' means a nonpublic school, sectarian or nonsectarian, which has
16 accreditation or is provisionally accredited by one or more of the entities listed in
17 subparagraph (A) of paragraph (6) of Code Section 20-3-519.

18 (7) 'Program' means the scholarship program established pursuant to this Code section.

19 (8) 'Resident school system' means the public school system in which the student would
20 be enrolled based on his or her residence or the public school system in which the student
21 was reported for purposes of FTE in the year prior to application, if the student was
22 enrolled outside his or her school system.

23 (b) Each local school system shall be accredited and shall maintain such accreditation for
24 its school system and for each school within its school system as follows:

25 (1) A school system or a school which is accredited as of the effective date of this Act
26 shall be required to maintain such accreditation in good standing;

27 (2) A school system or a school which is not accredited as of the effective date of this
28 Act shall be required to become accredited no later than three years after the effective
29 date of this Act; and

30 (3) A new school which is opened on or after the effective date of this Act shall be
31 required to become accredited no later than three years after the opening of such school.

32 (c)(1) If a school system or a school which is accredited is put on probation by its
33 accrediting agency, it shall provide notice to the parent of each student within the school
34 system or school, as appropriate, within 30 days of notice by the accrediting agency to
35 the school system of such probation status. Such notice to the parent shall include
36 acknowledgment of such status and the options that are available to a student pursuant
37 to subsection (d) of this Code section if the school system loses its accreditation.

1 (2) If a school system or a school which is not accredited as of the effective date of this
 2 Act fails to attain such accreditation no later than three years after the effective date of
 3 this Act, it shall provide notice no later than 30 days after the expiration of such
 4 three-year period to the parent of each student within the school system or school, as
 5 appropriate, of such failure and the options that are available to a student pursuant to
 6 subsection (d) of this Code section.

7 (3) If a new school which is opened on or after the effective date of this Act fails to
 8 become accredited within three years of its opening, the school shall provide notice no
 9 later than 30 days after the expiration of such three-year period to the parent of each
 10 student within the school of such failure and the options that are available to a student
 11 pursuant to subsection (d) of this Code section.

12 (d) In the event a school system or school loses its accreditation or does not become
 13 accredited in accordance with the time frames established pursuant to subsections (b)
 14 and (c) of this Code section, the parent of each student in the noncompliant school system
 15 or school, as appropriate, may opt to:

16 (1) Request a transfer for the student to another public school within the resident school
 17 system which has available space, in the event of a noncompliant school. If the parent
 18 chooses this option, the resident school system shall be responsible for transportation to
 19 such school. The student may attend such public school pursuant to this paragraph until
 20 the student completes all grades of the school, graduates, or reaches the age of 20,
 21 whichever occurs first;

22 (2) Request a transfer for the student to a public school outside of the student's resident
 23 school system which has available space, in the event of a noncompliant school system
 24 or school. The public school system may accept the student, and if it does, such system
 25 shall report the student for purposes of funding to the department; or

26 (3) Request and receive from the department a scholarship for the student to enroll in and
 27 attend a participating school in accordance with the following:

28 (A) The amount of a scholarship provided pursuant to this paragraph shall be the lesser
 29 of:

30 (i) The amount equivalent to the costs of the educational program that would have
 31 been provided for the student in the resident school system as calculated under Code
 32 Section 20-2-161, which shall not include any federal or local funds; or

33 (ii) The amount of the participating school's tuition and fees, including any
 34 assessment fee required by the participating school;

35 (B) Participating students shall be counted in the enrollment of their resident school
 36 system; provided, however, that this count shall only be for purposes of determining the
 37 amount of the scholarship. The participating students shall not be included as enrolled

1 for purposes of state or federal accountability requirements, including, but not limited
2 to, the federal Elementary and Secondary Education Act, as amended by the No Child
3 Left Behind Act of 2001 (P.L. 107-110). The funds needed to provide a scholarship
4 shall be subtracted from the allotment payable to the resident school system;

5 (C) Each participating school shall submit quarterly reports to the department on dates
6 established by the department stating the number of participating students in the school
7 and their resident school systems. Following each notification, the department shall
8 transfer from the state allotment to each school system the amount calculated under
9 Code Section 20-2-161 to a separate account for the scholarships provided pursuant to
10 this paragraph for quarterly disbursement to the parents of participating students. When
11 a student applies for a scholarship, the department shall receive all documentation
12 required for the student's participation, including the participating school's and
13 student's fee schedules, at least 30 days before the first quarterly payment is made for
14 the student. The department shall not make any retroactive payments;

15 (D) Upon proper documentation received by the department, the department shall make
16 quarterly payments to the parents of participating students on dates established by the
17 department during each academic year in which the participating students receive a
18 scholarship. The initial payment shall be made upon evidence of admission to the
19 participating school, and subsequent payments shall be made on evidence of continued
20 enrollment and attendance at the participating school;

21 (E) Payment to the parents shall be made by individual warrant made payable to the
22 participating student's parent and mailed by the department to the participating school
23 of the parent's choice, and the parent shall restrictively endorse the warrant to the
24 participating school for deposit into the account of such school;

25 (F) A person, on behalf of a participating school, shall not accept a power of attorney
26 from a parent to sign a warrant, and a parent of a participating student shall not give a
27 power of attorney designating a person, on behalf of a participating school, as the
28 parent's attorney in fact;

29 (G) If the participating school requires partial payment of tuition prior to the start of
30 the academic year to reserve space for students admitted to the school, that partial
31 payment may be paid by the department prior to the first quarterly payment of the year
32 in which the scholarship is provided, up to a maximum of \$1,000.00, and deducted
33 from subsequent payments. If a student decides not to attend the participating school,
34 the partial reservation payment shall be returned to the department by such school.
35 Only one reservation payment per student may be made per year;

1 (H) Upon acceptance of a scholarship, the parent assumes full financial responsibility
2 for the education of the participating student, including transportation to and from the
3 participating school;

4 (I) For a student who receives a scholarship pursuant to this paragraph whose parent
5 requests that the student take the state-wide assessments pursuant to Code Section
6 20-2-281, the resident school system shall make available to the student locations and
7 times to take all state-wide assessments. Test scores of participating school students
8 participating in the state-wide assessments shall not be applied to the system averages
9 of the resident school system for data reported for federal and state requirements; and

10 (J) The scholarship shall remain in force until the student returns to his or her assigned
11 school in the resident school system or another public school, completes all grades of
12 the school, graduates, or reaches the age of 20, whichever occurs first.

13 (e)(1) To be eligible to enroll a scholarship student, a participating school shall:

14 (A) Have a physical location in Georgia where the scholarship students attend classes
15 and have direct contact with the school's teachers;

16 (B) Demonstrate fiscal soundness by having been in operation for one school year or
17 by submitting a financial information report for the school that complies with uniform
18 financial accounting standards established by the department and conducted by a
19 certified public accountant. The report must confirm that the school desiring to
20 participate is insured and the owner or owners have sufficient capital or credit to
21 operate the school for the upcoming school year serving the number of students
22 anticipated with expected revenues from tuition and other sources that may be
23 reasonably expected. The report shall be limited in scope to those records that are
24 necessary for the department to make a determination on fiscal soundness and to make
25 payments to schools for scholarships;

26 (C) Comply with the antidiscrimination provisions of 42 U.S.C. Section 2000d;

27 (D) Comply with all health and safety laws or codes that apply to private schools;

28 (E) Comply with all provisions of Code Section 20-2-690 and any other state law
29 applicable to private schools;

30 (F) Regularly report to the parent and the department on the student's academic
31 progress, including the results of pre-academic assessments and post-academic
32 assessments given to the student, in accordance with department guidelines; and

33 (G) Employ or contract with teachers who hold a bachelor's degree or higher degree
34 or have at least three years of experience in education and annually provide to the
35 parents the relevant credentials of the teachers who will be teaching their students.

36 (2) A home school operating under the provisions of Code Section 20-2-690 shall not
37 be eligible to enroll scholarship students.

1 (3) Residential treatment facilities licensed or approved by the state shall not be eligible
2 to enroll scholarship students.

3 (4) The creation of the program shall not be construed to expand the regulatory authority
4 of the state, its officers, or any public school system to impose any additional regulation
5 of nonpublic schools beyond those reasonably necessary to enforce the requirements of
6 this Code section.

7 (5) A participating school intending to enroll scholarship students shall submit an
8 application to the department by June 30 of the school year preceding the school year in
9 which it intends to enroll scholarship students. The notice shall specify the grade levels
10 and services that the school has available for students with disabilities who are
11 participating in the scholarship program. A school intending to enroll scholarship
12 students in the 2008-2009 school year shall submit an application no later than June 30,
13 2008.

14 (6) The board shall approve a participating school's application to enroll scholarship
15 students if the school meets the eligibility requirements of this Code section and complies
16 with board rules established pursuant to subsection (g) of this Code section. The board
17 shall make available to local school systems and the public a list of participating schools.

18 (7) The department may bar a school from participation in the program if the department
19 determines that the school has intentionally and substantially misrepresented information
20 or failed to refund to the state any scholarship overpayments in a timely manner.

21 (f) When a school system or school re-attains its accreditation, the options included in
22 subsection (d) of this Code section shall no longer be available to students beginning in the
23 school year following the re-attainment, except as otherwise provided in subsection (d) of
24 this Code section for students that availed themselves of an option pursuant to such
25 subsection when the school system or school was noncompliant.

26 (g) The board shall adopt rules to administer the program regarding eligibility and
27 participation of participating schools, including, but not limited to, timelines that will
28 maximize student and public and private school participation, the calculation and
29 distribution of scholarships to eligible students and participating schools, and the
30 application and approval procedures for eligible students and participating schools. The
31 department shall develop and utilize a compliance form for completion by participating
32 schools. The department shall be authorized to require any pertinent information as it
33 deems necessary from participating schools for the purpose of implementing the program.
34 Participating schools shall be required to complete such forms and certify their accuracy.

35 (h) No liability shall arise on the part of the department or the state or of any local board
36 of education based on the award or use of a scholarship awarded pursuant to this Code
37 section."

SECTION 2.

Said title is further amended by adding a new Code section to Part 3 of Article 2 of Chapter 14, relating to the accountability assessment program for kindergarten through grade 12, to read as follows:

"20-14-42.

(a) As used in this Code section, the term:

(1) 'Board' means the State Board of Education.

(2) 'Needs Improvement School' means a school that has received an unacceptable rating for a period of two or more consecutive years pursuant to Code Section 20-14-41.

(3) 'Parent' means a parent, legal guardian, custodian, or other person with legal authority to act on behalf of a child.

(4) 'Participating school' means a private school that has notified the department of its intention to participate in the program, and that complies with the department's requirements.

(5) 'Participating student' means a student who receives a scholarship pursuant to this Code section.

(6) 'Private school' means a nonpublic school, sectarian or nonsectarian, which has accreditation or is provisionally accredited by one or more of the entities listed in subparagraph (A) of paragraph (6) of Code Section 20-3-519.

(7) 'Program' means the scholarship program established pursuant to this Code section.

(8) 'Resident school system' means the public school system in which the student would be enrolled based on his or her residence or the public school system in which the student was reported for purposes of FTE in the year prior to application, if the student was enrolled outside his or her school system.

(b) A school which has been designated as a Needs Improvement School for six consecutive years shall provide notice to the parent of each student within the school, within 30 days of notice of such status by the State Board of Education. Such notice to the parent shall include acknowledgment of such status and the options that are available to a student pursuant to subsection (c) of this Code section if the school remains in such status for one more consecutive year.

(c) In the event a school is designated as a Needs Improvement School for seven consecutive years or greater, the parent of each student in such school may opt to:

(1) Request a transfer for the student to another public school within the resident school system which has available space. If the parent chooses this option, the resident school system shall be responsible for transportation to such school. The student may attend such public school pursuant to this paragraph until the student completes all grades of the school, graduates, or reaches the age of 20, whichever occurs first;

1 (2) Request a transfer for the student to a public school outside of the student's resident
2 school system which has available space and transport such student. The public school
3 system may accept the student, and if it does, such system shall report the student for
4 purposes of funding to the department; or

5 (3) Request and receive from the department a scholarship for the student to enroll in and
6 attend a participating school in accordance with the following:

7 (A) The amount of a scholarship provided pursuant to this paragraph shall be the lesser
8 of:

9 (i) The amount equivalent to the costs of the educational program that would have
10 been provided for the student in the resident school system as calculated under Code
11 Section 20-2-161, which shall not include any federal or local funds; or

12 (ii) The amount of the participating school's tuition and fees, including any
13 assessment fee required by the participating school;

14 (B) Participating students shall be counted in the enrollment of their resident school
15 system; provided, however, that this count shall only be for purposes of determining the
16 amount of the scholarship. The participating students shall not be included as enrolled
17 for purposes of state or federal accountability requirements, including, but not limited
18 to, the federal Elementary and Secondary Education Act, as amended by the No Child
19 Left Behind Act of 2001 (P.L. 107-110). The funds needed to provide a scholarship
20 shall be subtracted from the allotment payable to the resident school system;

21 (C) Each participating school system shall submit quarterly reports to the department
22 on dates established by the department stating the number of participating students in
23 the school and their resident school systems. Following each notification, the
24 department shall transfer from the state allotment to each school system the amount
25 calculated under Code Section 20-2-161 to a separate account for the scholarships
26 provided pursuant to this paragraph for quarterly disbursement to the parents of
27 participating students. When a student applies for a scholarship, the department shall
28 receive all documentation required for the student's participation, including the
29 participating school's and student's fee schedules, at least 30 days before the first
30 quarterly payment is made for the student. The department shall not make any
31 retroactive payments;

32 (D) Upon proper documentation received by the department, the department shall make
33 quarterly payments to the parents of participating students on dates established by the
34 department during each academic year in which the participating students receive a
35 scholarship. The initial payment shall be made upon evidence of admission to the
36 participating school, and subsequent payments shall be made on evidence of continued
37 enrollment and attendance at the participating school;

1 (E) Payment to the parents shall be made by individual warrant made payable to the
2 student's parent and mailed by the department to the participating school of the parent's
3 choice, and the parent shall restrictively endorse the warrant to the participating school
4 for deposit into the account of such school;

5 (F) A person, on behalf of a participating school, shall not accept a power of attorney
6 from a parent to sign a warrant, and a parent of a participating student shall not give a
7 power of attorney designating a person, on behalf of a participating school, as the
8 parent's attorney in fact;

9 (G) If the participating school requires partial payment of tuition prior to the start of
10 the academic year to reserve space for students admitted to the school, that partial
11 payment may be paid by the department prior to the first quarterly payment of the year
12 in which the scholarship is provided, up to a maximum of \$1,000.00, and deducted
13 from subsequent payments. If a student decides not to attend the participating school,
14 the partial reservation payment shall be returned to the department by such school.
15 Only one reservation payment per student may be made per year;

16 (H) Upon acceptance of a scholarship, the parent assumes full financial responsibility
17 for the education of the participating student, including transportation to and from the
18 participating school;

19 (I) For a student who receives a scholarship pursuant to this paragraph whose parent
20 requests that the student take the state-wide assessments pursuant to Code Section
21 20-2-281, the resident school system shall make available to the student locations and
22 times to take all state-wide assessments. Test scores of participating school students
23 participating in the state-wide assessments shall not be applied to the system averages
24 of the resident school system for data reported for federal and state requirements; and

25 (J) The scholarship shall remain in force until the student returns to his or her assigned
26 school in the resident school system or another public school, completes all grades of
27 the school, graduates, or reaches the age of 20, whichever occurs first.

28 (d)(1) To be eligible to enroll a scholarship student, a participating school shall:

29 (A) Have a physical location in Georgia where the scholarship students attend classes
30 and have direct contact with the school's teachers;

31 (B) Demonstrate fiscal soundness by having been in operation for one school year or
32 by submitting a financial information report for the school that complies with uniform
33 financial accounting standards established by the department and conducted by a
34 certified public accountant. The report must confirm that the school desiring to
35 participate is insured and the owner or owners have sufficient capital or credit to
36 operate the school for the upcoming school year serving the number of students
37 anticipated with expected revenues from tuition and other sources that may be

1 reasonably expected. The report shall be limited in scope to those records that are
2 necessary for the department to make a determination on fiscal soundness and to make
3 payments to schools for scholarships;

4 (C) Comply with the antidiscrimination provisions of 42 U.S.C. Section 2000d;

5 (D) Comply with all health and safety laws or codes that apply to private schools;

6 (E) Comply with all provisions of Code Section 20-2-690 and any other state law
7 applicable to private schools;

8 (F) Regularly report to the parent and the department on the student's academic
9 progress, including the results of pre-academic assessments and post-academic
10 assessments given to the student, in accordance with department guidelines; and

11 (G) Employ or contract with teachers who hold a bachelor's degree or higher degree
12 or have at least three years of experience in education and annually provide to the
13 parents the relevant credentials of the teachers who will be teaching their students.

14 (2) A home school operating under the provisions of Code Section 20-2-690 shall not
15 be eligible to enroll scholarship students.

16 (3) Residential treatment facilities licensed or approved by the state shall not be eligible
17 to enroll scholarship students.

18 (4) The creation of the program shall not be construed to expand the regulatory authority
19 of the state, its officers, or any public school system to impose any additional regulation
20 of nonpublic schools beyond those reasonably necessary to enforce the requirements of
21 this Code section.

22 (5) A participating school intending to enroll scholarship students shall submit an
23 application to the department by June 30 of the school year preceding the school year in
24 which it intends to enroll scholarship students. The notice shall specify the grade levels
25 and services that the school has available for students with disabilities who are
26 participating in the scholarship program. A school intending to enroll scholarship
27 students in the 2008-2009 school year shall submit an application no later than June 30,
28 2008.

29 (6) The board shall approve a participating school's application to enroll scholarship
30 students if the school meets the eligibility requirements of this Code section and complies
31 with board rules established pursuant to subsection (f) of this Code section. The board
32 shall make available to local school systems and the public a list of participating schools.

33 (7) The department may bar a school from participation in the program if the department
34 determines that the school has intentionally and substantially misrepresented information
35 or failed to refund to the state any scholarship overpayments in a timely manner.

36 (e) When a school is no longer designated as a Needs Improvement School, the options
37 included in subsection (c) of this Code section shall no longer be available to students

1 beginning in the school year following such removal of the designation, except as
 2 otherwise provided in subsection (c) of this Code section for students that availed
 3 themselves of an option pursuant to such subsection when the school was designated as a
 4 Needs Improvement School for seven or more consecutive years.

5 (f) The board shall adopt rules to administer the program regarding eligibility and
 6 participation of participating schools, including, but not limited to, timelines that will
 7 maximize student and public and private school participation, the calculation and
 8 distribution of scholarships to eligible students and participating schools, and the
 9 application and approval procedures for eligible students and participating schools. The
 10 department shall develop and utilize a compliance form for completion by participating
 11 schools. The department shall be authorized to require any pertinent information as it
 12 deems necessary from participating schools for the purpose of implementing the program.
 13 Participating schools shall be required to complete such forms and certify their accuracy.

14 (g) No liability shall arise on the part of the department or the state or of any local board
 15 of education based on the award or use of a scholarship awarded pursuant to this Code
 16 section."

17 SECTION 3.

18 Said title is further amended by adding a new Code section to Part 3 of Article 2 of Chapter
 19 14, relating to the accountability assessment program for kindergarten through grade 12, to
 20 read as follows:

21 "20-14-43.

22 (a) As used in this Code section, the term:

23 (1) 'Board' means the State Board of Education.

24 (2) 'Failing high school' means a public high school in this state that has had a graduation
 25 rate of less than 50 percent, as determined by the department, for three consecutive years;
 26 provided, however, that this term shall not include an alternative school or other public
 27 high school which primarily provides alternative education.

28 (3) 'Parent' means a parent, legal guardian, custodian, or other person with legal authority
 29 to act on behalf of a child.

30 (4) 'Participating school' means a private school that has notified the department of its
 31 intention to participate in the program, and that complies with the department's
 32 requirements.

33 (5) 'Participating student' means a student who receives a scholarship pursuant to this
 34 Code section.

1 (6) 'Private school' means a nonpublic school, sectarian or nonsectarian, which has
2 accreditation or is provisionally accredited by one or more of the entities listed in
3 subparagraph (A) of paragraph (6) of Code Section 20-3-519.

4 (7) 'Program' means the scholarship program established pursuant to this Code section.

5 (8) 'Resident school system' means the public school system in which the student would
6 be enrolled based on his or her residence or the public school system in which the student
7 was reported for purposes of FTE in the year prior to application, if the student was
8 enrolled outside his or her school system.

9 (b) A school which has been designated as a failing high school shall provide notice to the
10 parent of each student within the school, within 30 days of notice of such status by the
11 State Board of Education. Such notice to the parent shall include acknowledgment of such
12 status and the options that are available to a student pursuant to subsection (c) of this Code
13 section.

14 (c) In the event a school is designated as a failing high school, the parent of each student
15 in such school may opt to:

16 (1) Request a transfer for the student to another public school within the resident school
17 system which has available space. If the parent chooses this option, the resident school
18 system shall be responsible for transportation to such school. The student may attend
19 such public school pursuant to this paragraph until the student completes all grades of the
20 school, graduates, or reaches the age of 20, whichever occurs first;

21 (2) Request a transfer for the student to a public school outside of the student's resident
22 school system which has available space and transport such student. The public school
23 system may accept the student, and if it does, such system shall report the student for
24 purposes of funding to the department; or

25 (3) Request and receive from the department a scholarship for the student to enroll in and
26 attend a participating school in accordance with the following:

27 (A) The amount of a scholarship provided pursuant to this paragraph shall be the lesser
28 of:

29 (i) The amount equivalent to the costs of the educational program that would have
30 been provided for the student in the resident school system as calculated under Code
31 Section 20-2-161, which shall not include any federal or local funds; or

32 (ii) The amount of the participating school's tuition and fees, including any
33 assessment fee required by the participating school;

34 (B) Participating students shall be counted in the enrollment of their resident school
35 system; provided, however, that this count shall only be for purposes of determining the
36 amount of the scholarship. The participating students shall not be included as enrolled
37 for purposes of state or federal accountability requirements, including, but not limited

1 to, the federal Elementary and Secondary Education Act, as amended by the No Child
2 Left Behind Act of 2001 (P.L. 107-110). The funds needed to provide a scholarship
3 shall be subtracted from the allotment payable to the resident school system;

4 (C) Each participating school system shall submit quarterly reports to the department
5 on dates established by the department stating the number of participating students in
6 the school and their resident school systems. Following each notification, the
7 department shall transfer from the state allotment to each school system the amount
8 calculated under Code Section 20-2-161 to a separate account for the scholarships
9 provided pursuant to this paragraph for quarterly disbursement to the parents of
10 participating students. When a student applies for a scholarship, the department shall
11 receive all documentation required for the student's participation, including the
12 participating school's and student's fee schedules, at least 30 days before the first
13 quarterly payment is made for the student. The department shall not make any
14 retroactive payments;

15 (D) Upon proper documentation received by the department, the department shall make
16 quarterly payments to the parents of participating students on dates established by the
17 department during each academic year in which the participating students receive a
18 scholarship. The initial payment shall be made upon evidence of admission to the
19 participating school, and subsequent payments shall be made on evidence of continued
20 enrollment and attendance at the participating school;

21 (E) Payment to the parents shall be made by individual warrant made payable to the
22 student's parent and mailed by the department to the participating school of the parent's
23 choice, and the parent shall restrictively endorse the warrant to the participating school
24 for deposit into the account of such school;

25 (F) A person, on behalf of a participating school, shall not accept a power of attorney
26 from a parent to sign a warrant, and a parent of a participating student shall not give a
27 power of attorney designating a person, on behalf of a participating school, as the
28 parent's attorney in fact;

29 (G) If the participating school requires partial payment of tuition prior to the start of
30 the academic year to reserve space for students admitted to the school, that partial
31 payment may be paid by the department prior to the first quarterly payment of the year
32 in which the scholarship is provided, up to a maximum of \$1,000.00, and deducted
33 from subsequent payments. If a student decides not to attend the participating school,
34 the partial reservation payment shall be returned to the department by such school.
35 Only one reservation payment per student may be made per year;

1 (H) Upon acceptance of a scholarship, the parent assumes full financial responsibility
2 for the education of the participating student, including transportation to and from the
3 participating school;

4 (I) For a student who receives a scholarship pursuant to this paragraph whose parent
5 requests that the student take the state-wide assessments pursuant to Code Section
6 20-2-281, the resident school system shall make available to the student locations and
7 times to take all state-wide assessments. Test scores of participating school students
8 participating in the state-wide assessments shall not be applied to the system averages
9 of the resident school system for data reported for federal and state requirements; and

10 (J) The scholarship shall remain in force until the student returns to his or her assigned
11 school in the resident school system or another public school, completes all grades of
12 the school, graduates, or reaches the age of 20, whichever occurs first.

13 (d)(1) To be eligible to enroll a scholarship student, a participating school shall:

14 (A) Have a physical location in Georgia where the scholarship students attend classes
15 and have direct contact with the school's teachers;

16 (B) Demonstrate fiscal soundness by having been in operation for one school year or
17 by submitting a financial information report for the school that complies with uniform
18 financial accounting standards established by the department and conducted by a
19 certified public accountant. The report must confirm that the school desiring to
20 participate is insured and the owner or owners have sufficient capital or credit to
21 operate the school for the upcoming school year serving the number of students
22 anticipated with expected revenues from tuition and other sources that may be
23 reasonably expected. The report shall be limited in scope to those records that are
24 necessary for the department to make a determination on fiscal soundness and to make
25 payments to schools for scholarships;

26 (C) Comply with the antidiscrimination provisions of 42 U.S.C. Section 2000d;

27 (D) Comply with all health and safety laws or codes that apply to private schools;

28 (E) Comply with all provisions of Code Section 20-2-690 and any other state law
29 applicable to private schools;

30 (F) Regularly report to the parent and the department on the student's academic
31 progress, including the results of pre-academic assessments and post-academic
32 assessments given to the student, in accordance with department guidelines; and

33 (G) Employ or contract with teachers who hold a bachelor's degree or higher degree
34 or have at least three years of experience in education and annually provide to the
35 parents the relevant credentials of the teachers who will be teaching their students.

36 (2) A home school operating under the provisions of Code Section 20-2-690 shall not
37 be eligible to enroll scholarship students.

1 (3) Residential treatment facilities licensed or approved by the state shall not be eligible
2 to enroll scholarship students.

3 (4) The creation of the program shall not be construed to expand the regulatory authority
4 of the state, its officers, or any public school system to impose any additional regulation
5 of nonpublic schools beyond those reasonably necessary to enforce the requirements of
6 this Code section.

7 (5) A participating school intending to enroll scholarship students shall submit an
8 application to the department by June 30 of the school year preceding the school year in
9 which it intends to enroll scholarship students. The notice shall specify the grade levels
10 and services that the school has available for students with disabilities who are
11 participating in the scholarship program. A school intending to enroll scholarship
12 students in the 2008-2009 school year shall submit an application no later than June 30,
13 2008.

14 (6) The board shall approve a participating school's application to enroll scholarship
15 students if the school meets the eligibility requirements of this Code section and complies
16 with board rules established pursuant to subsection (f) of this Code section. The board
17 shall make available to local school systems and the public a list of participating schools.

18 (7) The department may bar a school from participation in the program if the department
19 determines that the school has intentionally and substantially misrepresented information
20 or failed to refund to the state any scholarship overpayments in a timely manner.

21 (e) When a school is no longer designated as a failing high school, the options included
22 in subsection (c) of this Code section shall no longer be available to students beginning in
23 the school year following such removal of the designation, except as otherwise provided
24 in subsection (c) of this Code section for students that availed themselves of an option
25 pursuant to such subsection when the school was designated as a failing high school for
26 seven or more consecutive years.

27 (f) The board shall adopt rules to administer the program regarding eligibility and
28 participation of participating schools, including, but not limited to, timelines that will
29 maximize student and public and private school participation, the calculation and
30 distribution of scholarships to eligible students and participating schools, and the
31 application and approval procedures for eligible students and participating schools. The
32 department shall develop and utilize a compliance form for completion by participating
33 schools. The department shall be authorized to require any pertinent information as it
34 deems necessary from participating schools for the purpose of implementing the program.
35 Participating schools shall be required to complete such forms and certify their accuracy.

1 (g) No liability shall arise on the part of the department or the state or of any local board
2 of education based on the award or use of a scholarship awarded pursuant to this Code
3 section."

4 **SECTION 4.**

5 This Act shall become effective upon its approval by the Governor or upon its becoming law
6 without such approval.

7 **SECTION 5.**

8 All laws and parts of laws in conflict with this Act are repealed.