

HB0467S03 compared with HB0467

~~{Omitted text}~~ shows text that was in HB0467 but was omitted in HB0467S03

inserted text shows text that was not in HB0467 but was inserted into HB0467S03

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

1 **Utah Fits All Scholarship Program Modifications**
 2026 GENERAL SESSION
 STATE OF UTAH
 Chief Sponsor: Candice B. Pierucci
 Senate Sponsor: Kirk A. Cullimore

2

3 **LONG TITLE**

4 **General Description:**

5 This bill modifies the Utah Fits All Scholarship Program.

6 **Highlighted Provisions:**

7 This bill:

- 8 ▶ amends the definition of private school;
- 9 ▶ clarifies that eligible students must be under 19 years old as of September 1 of the scholarship
year;
- 11 ▶ establishes consumer protection standards for scholarship expenses and reimbursements;
- 12 ▶ ~~{clarifies the role of online and virtual schools in the program;}~~
- 13 ▶ enhances program oversight and compliance mechanisms;
- 14 ▶ improves customer service and marketplace operation standards; and
- 15 ▶ makes technical and conforming changes.

15 **Money Appropriated in this Bill:**

16 None

17 **Other Special Clauses:**

HB0467

HB0467 compared with HB0467S03

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

53F-6-401 , as last amended by Laws of Utah 2025, First Special Session, Chapter 9

53F-6-402 , as last amended by Laws of Utah 2025, Chapter 25

53F-6-405 , as last amended by Laws of Utah 2025, Chapter 25

53F-6-406 , as last amended by Laws of Utah 2025, Chapter 25

53F-6-408 , as last amended by Laws of Utah 2025, Chapter 25

~~{53F-6-409 , as last amended by Laws of Utah 2025, Chapter 25}~~

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **53F-6-401** is amended to read:

53F-6-401. Definitions.

As used in this part:

- (1) "Contract administrator" means the state board's appointed Deputy Superintendent of Operations that ensures the program manager or financial administrator meets contractual obligations.
- (2) "Contract oversight and compliance" means the oversight and coordination functions performed by the Department of Operations contract administrator, including:
 - (a) establishing and maintaining program standards within a contract with a program manager or financial administrator;
 - (b) determining operational requirements and structures;
 - (c) procuring and managing contracts for program services and standards;
 - (d) ensuring program integrity through direct or contracted oversight;
 - (e) coordinating program functions and contracted services with a program manager or financial administrator; and
 - (f) maintaining appropriate separation between government oversight and independent program operations.
- (3) "Contracted entity" means:
 - (a) an organization that:
 - (i) contracts with the state board under Section 53F-6-404 to perform duties and functions necessary for program administration and operations;

HB0467 compared with HB0467S03

- 51 (ii) is not affiliated with any international organization;
52 (iii) does not harvest data for the purpose of reproducing or distributing the data to other entities;
54 (iv) is not involved in guiding or directing any curriculum or curriculum standards; and
56 (v) performs the specific duties and functions assigned in the contract with the state board.
- 58 (b) "Contracted entity" includes:
59 (i) the program manager, unless the program manager is the Department of Operations for any duration
of time;
61 (ii) the financial administrator; and
62 (iii) any other entity contracted to perform program functions under Section 53F-6-404.
- 64 (c) "Contracted entity" does not include:
65 (i) a qualifying provider;
66 (ii) an eligible school; or
67 (iii) an eligible service provider.
68 (4)
- (a) "Contracted entity employee" means an individual working for an entity contracted under Section
53F-6-404 in a position in which the individual's salary, wages, pay, or compensation, including as a
contractor, is paid from scholarship funds.
- 72 (b) "Contracted entity employee" does not include:
73 (i) an individual who volunteers for a contracted entity or for a qualifying provider;
74 (ii) an individual who works for a qualifying provider; or
75 (iii) a qualifying provider.
- 76 (5) "Contracted entity officer" means:
77 (a) a member of the board of a contracted entity; or
78 (b) the chief administrative officer of a contracted entity.
- 79 (6) "Department of Operations" means the section of the state board that oversees financial operations,
procurement operations, data and statistics operations, school land trust, and information technology
operations for the state board.
- 82 (7)
(a) "Educational supplements" means:
83 (i) materials, tools, and equipment that:
84

HB0467 compared with HB0467S03

(A) are directly related to and necessary for subjects aligned with the core standards the state board establishes pursuant to Section 53E-4-202;

86 (B) are used for specific learning objectives or competencies;

87 (C) support structured learning activities or lessons; and

88 (D) are consumable or non-reusable in nature;

89 (ii) supplemental learning materials that:

90 (A) directly support or enhance the delivery of instruction in core academic subjects;

92 (B) are tied to specific educational goals or outcomes; and

93 (C) are not primarily for entertainment or general enrichment purposes;

94 (iii) arts and music education materials that:

95 (A) align with state core standards; and

96 (B) are used in structured arts or music instruction; and

97 (iv) other educational materials that the program manager determines are:

98 (A) necessary for meeting specific learning objectives;

99 (B) appropriate for the student's age or grade level; and

100 (C) primarily educational rather than recreational in nature.

101 (b) "Educational supplements" does not include:

102 (i) entertainment materials;

103 (ii) recreational equipment;

104 (iii) food or nutritional items;

105 (iv) furniture or household items;

106 (v) general office supplies not specific to an educational activity; or

107 (vi) other items that do not have a clear, direct educational purpose aligned with academic instruction.

109 (8) "Eligible student" means a student:

110 (a) who is eligible to participate in public school, in kindergarten, or grades 1 through 12;

111 (b) who has not reached 19 years old before September 1 of the school year;

112 [~~(b)~~] (c) who is a primary resident of the state, including a child of a military service member, as that term is defined in Section 53H-11-202;

114 [~~(e)~~] (d) who, during the school year for which the student is applying for a scholarship account:

116 (i) does not receive a scholarship under:

117 (A) the Carson Smith Scholarship Program established in Section 53F-4-302; or

HB0467 compared with HB0467S03

- 118 (B) the Carson Smith Opportunity Scholarship Program established in Section 53E-7-402; and
120 (ii) before receiving the scholarship is not enrolled in:
- 121 (A) an LEA; or
122 (B) the Statewide Online Education Program to participate in a course with funding provided under
Chapter 4, Part 5, Statewide Online Education Program, which does not include participation in a
course by an entity as described in Subsection 53F-6-409(7);
- 126 ~~[(d)]~~ (e) whose eligibility is not suspended or disqualified under Section 53F-6-401;
127 ~~[(e)]~~ (f) who completes, to maintain eligibility, the portfolio requirement described in Subsection
53F-6-402(3)(d);
- 129 ~~[(f)]~~ (g) who provides verification of primary residence in Utah, including a parent's utility bill,
mortgage statement, lease agreement, or property tax records from the current calendar year in
which the eligible student is renewing, reapplying, or applying for the scholarship for the first time;
and
- 133 ~~[(g)]~~ (h) for out-of-state military families, who attests that the student is not enrolled in a public school
elsewhere while receiving the scholarship.
- 135 (9) "Federal poverty level" means the United States poverty level as defined by the most recently
revised poverty income guidelines published by the United States Department of Health and Human
Services in the Federal Register.
- 138 (10)
- (a) "Financial administrator" means an organization that:
- 139 (i) is not affiliated with any international organization;
140 (ii) does not harvest data for the purpose of reproducing or distributing the data to other entities;
142 (iii) is not involved in guiding or directing any curriculum or curriculum standards; and
144 (iv) contracts with the state board to administer scholarship payments in accordance with this part.
- 146 (b) "Financial administrator" may include an organization that serves as both program manager and
financial administrator if the organization maintains appropriate separation of duties and meets all
qualifications for both roles.
- 149 (11)
- (a) "Home-based scholarship student" means a student who:
- 150 (i) is eligible to participate in public school, in kindergarten or grades 1 through 12;
151

HB0467 compared with HB0467S03

(ii) attests to being exited from enrollment in a public school to attend a home-based learning environment if the student was enrolled at any time in a public school; and

(iii) receives a benefit of scholarship funds.

(b) "Home-based scholarship student" does not mean a home-based student who does not receive a scholarship under the program.

(12) "Household income" means:

(a) the combined gross income of all parents residing in the same household as the eligible student;

(b) the gross income of a single parent who claims the student as a dependent; or

(c) the gross income of a parent who claims the student as a dependent under the terms of a joint custody agreement.

(13) "Parent" means:

(a) the same as that term is defined in Section 53E-1-102; and

(b) a foster parent who has initiated a process to adopt the foster child.

(14) "Primary residence" means the one location where an individual resides for the majority of the year.

(15)

(a) "Private school" means:

(a){ (i) } before the 2026-2027 school year, a full-time, tuition-bearing educational institution where the student receives the majority of the student's academic instruction[-] ; { and }

(b){ (ii) } beginning the 2026-2027 school year, a non-public educational institution that:

(i){ (A) } provides { full-time, tuition-funded academic instruction as } the majority of a student's { primary educational setting } academic instruction;

(ii){ (B) } { serves students in kindergarten through grade 12 } is the student's primary educational setting;

(iii){ (C) } { delivers a comprehensive curriculum across core } maintains records for each enrolled student sufficient to demonstrate participation and academic { subjects } progress as determined by the school;

(iv){ (D) } { maintains daily instructional schedules and provides consistent oversight } functions as the primary source of { student learning } education for enrolled students rather than as supplementary;

(v){ (E) } { is responsible } does not function primarily as a conduit for { monitoring academic progress, maintaining official student records, and supporting structured advancement through defined grade levels } distributing education funds to parents or third-party education providers;

HB0467 compared with HB0467S03

- 180 (vi){(F)} ~~{guides students}~~ holds current accreditation from, is an associate member of, has applied
for candidacy with, or is actively working toward ~~{completion}~~ accreditation with a national or
institutional accrediting body recognized by the United States Department of ~~{an established course}~~
Education, any organization specialized in the accreditation of ~~{study, culminating}~~ learner-
centered or innovative educational models that maintains a peer-review process focused on student
mastery and operational sustainability, or any independent accrediting association that has been in
operation for at least five years and serves non-public schools in ~~{graduation or formal program}~~
~~completion~~ multiple states; and
- 182 (vii){(G)} ~~{requires regular in-person attendance at a physical location;}~~ if not currently accredited,
is actively seeking accreditation under Subsection (15)(a)(ii)(F) and attains formal candidacy
status within 24 months of the institution's first year of scholarship participation and achieves
full accreditation by July 1, 2029, or within three academic years following the date on which the
institution first receives scholarship funds, whichever is later.
- 183 (viii){(b)} ~~{functions as the primary source of education for enrolled students rather than as}~~
~~supplementary or part-time services; and~~ "Private school" does not include an entity that
distributes, rebates, or passes through to families any portion of enrollment-based funding received
by an LEA.
- 194 (16)
(a) ~~{is not primarily an online or virtual school.}~~
- 186 ~~{(16)}~~
~~{(a)}~~ "Program manager" means a contracted entity or entities that:
- 187 (i) perform program operational functions outlined in the procurement agreement described in
Section 53F-6-404, including:
- 189 (A) processing scholarship applications and eligibility determinations;
- 190 (B) maintaining scholarship account records;
- 191 (C) coordinating with qualifying providers and the financial administrator; and
- 192 (D) providing customer service to program participants;
- 193 (ii) in accordance with required program administration, implement established program standards
and procedures; and
- 195 (iii) perform other operational duties as specified in the contract.
- 196

HB0467 compared with HB0467S03

(b) "Program manager" may include an organization that serves as both program manager and financial administrator if the organization maintains appropriate separation of duties and meets all qualifications for both roles.

(17)

(a) "Qualifying provider" means one of the following entities:

(i) an eligible school that the program manager approves in accordance with Section 53F-6-408; or

(ii) an eligible service provider that the program manager approves in accordance with Section 53F-6-409.

(b) "Qualifying provider" does not include:

(i) a parent of a home-based scholarship student solely in relation to the parent's child; or

(ii) any other individual that does not meet the requirements described in Subsection (17)(a).

(18) "Relative" means a father, mother, husband, wife, son, daughter, sister, brother, uncle, aunt, nephew, niece, first cousin, mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, or daughter-in-law.

(19) "Scholarship account" means the account to which a program manager allocates funds for the payment of approved scholarship expenses in accordance with this part.

(20)

(a) "Scholarship expense" means an expense described in Section 53F-6-402 that a parent or scholarship student incurs in the education of the scholarship student for a service or goods that a qualifying provider provides, including:

(i)

{(A)} tuition and fees of a qualifying provider;

{(B) ~~for a private school student, tuition expenses only at an eligible school or through the reimbursement process described in Subsections 53F-6-402(8) and 53F-6-402(15);~~}

(ii) fees and instructional materials at a technical college;

(iii) tutoring services;

(iv) fees for after-school or summer education programs;

(v) textbooks, curricula, or other instructional materials, including any supplemental materials or associated online instruction that a curriculum or a qualifying provider recommends;

(vi) educational software and applications;

(vii) supplies or other equipment related to a scholarship student's educational needs;

HB0467 compared with HB0467S03

- 229 (viii) computer hardware or other technological devices that are intended primarily for a scholarship
student's educational needs, not to exceed once every three years for a scholarship student;
- 232 (ix) fees for the following examinations, or for a preparation course for the following examinations,
that the program manager approves:
- 234 (A) a national norm-referenced or standardized assessment described in Section 53F-6-410, an
advanced placement examination, or another similar assessment;
- 236 (B) a state-recognized industry certification examination; and
- 237 (C) an examination related to college or university admission;
- 238 (x) educational services for students with disabilities from a licensed or accredited practitioner or
provider, including occupational, behavioral, physical, audiology, or speech-language therapies;
- 241 (xi) contracted services that the program manager approves and that an LEA provider offers,
including individual classes, after-school tutoring services, transportation, or fees or costs
associated with participation in extracurricular activities;
- 244 (xii) ride fees or fares for a fee-for-service transportation provider to transport the scholarship
student to and from a qualifying provider, not to exceed \$750 in a given school year;
- 247 (xiii) in accordance with Subsection (20)(c), expenses related to extracurricular activities,
field trips, educational supplements, physical education experiences, and other educational
experiences;
- 250 (xiv) coursework or an educational supplement for arts and music that aligns with state core
standards;
- 252 (xv) a musical instrument rental, excluding purchase; or
- 253 (xvi) any other expense for a good or service that:
- 254 (A) a parent or scholarship student incurs in the education of the scholarship student; and
- 256 (B) the program manager approves.
- 257 (b) "Scholarship expense" does not include:
- 258 (i) chaperone expenses, except that a family with one or more scholarship students receiving the
scholarship under Subsection 53F-6-402(2)(c) may use scholarship funds for one chaperone expense
or pass per family, regardless of how many scholarship students are in the family or household;
- 262 (ii) season tickets or subscriptions to entertainment venues;
- 263 (iii) ski passes or lift tickets;
- 264 (iv) access to recreational facilities unless for physical education of the student;

HB0467 compared with HB0467S03

- 265 (v) playground equipment;
266 (vi) the purchase of any type of:
267 (A) furniture; or
268 (B) a musical instrument;
269 (vii) apparel; and
270 (viii) other non-educational expenses as the program manager determines.
271 (c)
(i) A scholarship expense for extracurricular activities may not exceed 20% of the total scholarship amount.
273 (ii) A scholarship expense for physical education requirements may not exceed an additional 20% of the total scholarship amount from the amount described in Subsection (20)(c)(i).
276 (iii) A scholarship expense for arts and music described in Subsection (20)(a)(xiv) is not an extracurricular activity.
278 (21) "Scholarship funds" means:
279 (a) funds that the Legislature appropriates for the program; and
280 (b) interest that scholarship funds accrue.
281 (22)
(a) "Scholarship student" means an eligible student, including a home-based scholarship student, for whom the program manager establishes and maintains a scholarship account in accordance with this part.
284 (b) "Scholarship student" does not include a home-based student who does not receive a scholarship award under the program.
286 (23) "Utah Fits All Scholarship Program" or "program" means the scholarship program established in Section 53F-6-402.
293 Section 2. Section **53F-6-402** is amended to read:
294 **53F-6-402. Utah Fits All Scholarship Program -- Scholarship account application --**
Scholarship expenses -- Program information.
291 (1) Subject to Section 53F-6-415.5, there is established the Utah Fits All Scholarship Program under which a parent may apply to establish and maintain a scholarship account to cover the cost of a scholarship expense.
294 (2)

HB0467 compared with HB0467S03

(a) In accordance with this part and required program administration, the program manager shall establish and maintain scholarship accounts for eligible students.

(b) The program manager shall:

(i) determine that a student meets the requirements to be an eligible student; and

(ii) subject to Subsection (2)(c), each year the student is an eligible student, coordinate with the financial administrator to maintain a scholarship account for the scholarship student to pay for the cost of one or more scholarship expenses that the student or student's parent incurs in the student's education.

(c)

~~{(i)}~~ Each year, subject to this part and legislative appropriations, a scholarship student is eligible for no more than:

~~{(i)}~~ ~~{(A)}~~ for a private school student, \$8,000;

~~{(ii)}~~ ~~{(B)}~~ for a home-based scholarship student age 5-11 as of September 1 of the scholarship year, \$4,000; and

~~{(iii)}~~ ~~{(C)}~~ for a home-based scholarship student age 12-18 as of September 1 of the scholarship year, \$6,000.

~~{(ii) Beginning the 2026-2027 school year, scholarship funds awarded for private school students under Subsection (2)(c)(i) may only be used for tuition expenses at an eligible school approved under Section 53F-6-408 or for monthly tuition reimbursement as provided in Subsection (8) and Subsection (15).}~~

(d) Unless otherwise authorized under Section 53F-6-411, scholarship funds to eligible scholarship students shall be distributed to the program manager and through the financial administrator in two equal payments:

(i) the first payment no later than July 31 of the scholarship year; and

(ii) the second payment no later than December 31 of the scholarship year.

(e) When a scholarship student exits the program during the school year:

(i) the program manager or the financial administrator shall:

(A) remove any remaining funds from the exited student's scholarship account; and

(B) make those funds available for new scholarship awards within the same year; and

(ii) any new scholarship award made during the same year and using funds from an exited student's account shall be prorated as follows:

HB0467 compared with HB0467S03

- 325 (A) if awarded during the second quarter of the school year, no more than 75% of the annual
scholarship amount is allocated;
- 327 (B) if awarded during the third quarter of the school year, no more than 50% of the annual scholarship
amount is allocated; and
- 329 (C) no new scholarship awards shall be made during the fourth quarter of the school year.
- 331 (3)
- (a) In accordance with required program administration, a program manager shall direct the financial
administrator to establish a scholarship account on behalf of an eligible student who submits a
timely application, unless the number of applications exceeds available scholarship funds for the
school year.
- 335 (b) If the number of applications exceeds the available scholarship funds for a school year, the program
manager shall select students on a random basis, except as provided in Subsection (6), and as long
as the student meets the eligibility criteria.
- 338 (c) An eligible student or a public education student shall submit an application for an initial
scholarship or renewal for each school year that the student intends to receive scholarship funds.
- 341 (d)
- (i) To maintain eligibility for the following school year, a scholarship student or the scholarship
student's parent shall:
- 343 (A) complete and deliver to the program manager a portfolio describing the scholarship student's
educational opportunities and achievements under the program for the given year; or
- 346 (B) submit results from an assessment as described in Section 53F-6-410.
- 347 (ii) The portfolio or assessment described in Subsection (3)(d)(i) must be submitted:
- 348 (A) no later than May 31; or
- 349 (B) in accordance with the assessment schedule submitted to and approved by the program manager.
- 351 (iii) The receipt of the portfolio or assessment results by the program manager is a condition of
scholarship award for the following school year.
- 353 (iv) The program manager may not disclose the content of a given scholarship student's portfolio except
to the scholarship student's parent, unless the parent provides written consent for the portfolio to be
used as a sample or example, in which case all personally identifiable information must be removed
prior to such use.
- 358 (4)

HB0467 compared with HB0467S03

- (a) An application for a scholarship account shall contain an acknowledgment by the student's parent that the qualifying provider selected by the parent for the student's enrollment or engagement can provide education services for the student.
- 361 (b) A scholarship account application form shall contain the following statement:
- 362 "I acknowledge that:
- 363 1: A qualifying provider may not provide the same level of disability services that are provided in a public school;
- 365 2: I will assume full financial responsibility for the education of my scholarship recipient if I agree to this scholarship account;
- 367 3: Agreeing to establish this scholarship account has the same effect as a parental refusal to consent to services as described in 34 C.F.R. Sec. 300.300, issued under the Individuals with Disabilities Education Act, 20 U.S.C. Sec. 1400 et seq.; and
- 370 4: My child may return to a public school at any time, and I will notify the program manager within five business days if my child returns to a public school that is not a qualifying provider or if we have elected to take courses from the public portion of a qualifying provider."
- 374 (c) Upon agreeing to establish a scholarship account, the parent assumes full financial responsibility for the education of the scholarship student, including the balance of any expense incurred at a qualifying provider or for goods that are not paid for by the scholarship student's scholarship account.
- 378 (d) Agreeing to establish a scholarship account has the same effect as a parental refusal to consent to services as described in 34 C.F.R. Sec. 300.300, issued under the Individuals with Disabilities Education Act, 20 U.S.C. Sec. 1400 et seq.
- 381 (e) The creation of the program or establishment of a scholarship account on behalf of a student does not:
- 383 (i) imply that a public school did not provide a free and appropriate public education for a student; or
- 385 (ii) constitute a waiver or admission by the state.
- 386 (5) A program manager or financial administrator may not charge a scholarship account application fee.
- 388 (6)
- (a) A program manager shall give an enrollment preference based on the following order of preference:
- 390 (i) to an eligible student who used a scholarship account in the previous school year and has submitted the required accountability measure;

HB0467 compared with HB0467S03

- 392 (ii) to an eligible student who is a sibling of an eligible student who:
393 (A) uses a scholarship account at the time the sibling applies for a scholarship account; or
395 (B) used a scholarship account in the school year immediately preceding the school year for which the
 sibling is applying for a scholarship account;
397 ~~[(ii)] (iii) to an eligible student:~~
398 (A) who did not use a scholarship account in the previous school year; ~~[and]~~
399 (B) with a family income at or below 300% of the federal poverty level; and
400 (C) was part of a household that received a partial scholarship award under Subsection 53F-6-402(14)
 (c) and the sibling was not among the children who received a scholarship in that partial award; and
403 ~~[(iii) to an eligible student who is a sibling of an eligible student who:]~~
404 ~~[(A) uses a scholarship account at the time the sibling applies for a scholarship account; or]~~
406 ~~[(B) used a scholarship account in the school year immediately preceding the school year for which the~~
 ~~sibling is applying for a scholarship account; and]~~
408 (iv) for any remaining scholarships, to an eligible student on a lottery basis.
409 (b) If the number of eligible students within any preference tier described in Subsection (6)(a) exceeds
 available scholarship funds the program manager shall grant awards on a lottery basis.
412 (c)
 (i) For income verification purposes, a parent of a scholarship student shall:
413 (A) provide written consent authorizing the State Tax Commission to disclose the parent's state
 individual income tax return information to the program manager; and
416 (B) submit the consent in a form prescribed by the State Tax Commission.
417 (ii) Upon receiving the consent described in Subsection (6)(c)(i), the State Tax Commission shall
 provide state individual income tax information to the program manager for income verification
 purposes regarding the parent within 10 business days.
421 (d) For income verification purposes:
422 (i) the program manager shall require documentation of household income, not individual income;
424 (ii) if the individual income tax is a business income filing, require:
425 (A) the most recently filed business tax returns;
426 (B) year-to-date profit and loss statements; and
427 (C) documentation of the owner's draw or distributions; and
428

HB0467 compared with HB0467S03

(iii) for households awaiting completion of tax filings for the year immediately preceding the current year, the program manager shall accept the following documentation for conditional approval and only until such a time as the current tax year returns, year-to-date profit and loss statements, or documentation of owner's draw or distributions are provided for the current tax year:

(A) the most recent W-2s;

(B) a current pay stub showing year-to-date earnings; and

(C) an employer verification letter.

(7)

(a) Subject to Subsections (7)(b) through (e), a parent may use a scholarship account to pay for a scholarship expense from a qualifying provider that a parent or scholarship student incurs in the education of the scholarship student.

(b) A scholarship student or the scholarship student's parent may not use a scholarship account for an expense that the student or parent does not incur in the education of the scholarship student, including:

(i) a rehabilitation program that is not primarily designed for an educational purpose; or

(ii) a travel expense other than a transportation expense described in Section 53F-6-401.

(c) The program manager or financial administrator may not:

(i) approve a scholarship expense for a service that a qualifying provider provides unless the program manager determines that the scholarship student or the scholarship student's parent incurred the scholarship expense in the education of the scholarship student; or

(ii) reimburse an expense for a service or good that a provider that is not a qualifying provider provides unless:

(A) the parent or scholarship student submits a receipt that shows the cost and type of service or good and the name of provider;

(B) the expense would have qualified as a scholarship expense if a qualifying provider provided the good or service;

(C) the provider of the good or service is not the parent of the student who is a home-based scholarship student solely in relation to the parent's child;

(D) the program manager determines that the parent or scholarship student incurred the expense in the education of the scholarship student; and

HB0467 compared with HB0467S03

(E) the program manager or financial administrator determines that the parent or scholarship student incurred the expense when the student was not enrolled in a public school[.] {~~;~~} .

{~~(iii) beginning the 2026-2027 school year, approve or process payment to a private school that requires a parent to pay the full annual scholarship amount with a promise or agreement to refund any portion of the scholarship funds to the parent to be spent on other educational expenses; and~~ }
{~~(iv) beginning the 2026-2027 school year, approve payment to a private school for expenses other than tuition when the student is enrolled as a private school student under Subsection 53F-6-402(2)(e) (i).~~}

(d) The parent of a scholarship student may not receive scholarship funds as payment for the parent's time spent educating the parent's child.

(e) Except for cases in which a scholarship student or the scholarship student's parent is convicted of fraud in relation to scholarship funds, if a qualifying provider, scholarship student, or scholarship student's parent repays an expenditure from a scholarship account for an expense that is not approved under this Subsection (7), the program manager shall credit the repaid amount back to the scholarship account balance within 30 days after the day on which the program manager receives the repayment.

(8) Beginning the 2026-2027 school year, for private schools that meet the definition in Section 53F-6-401 but choose not to become approved eligible schools under Section 53F-6-408, parents may seek up to monthly tuition reimbursement through the scholarship account reimbursement process for tuition expenses {only} .

~~[(8)]~~ (9) Notwithstanding any other provision of law, funds that the program manager or financial administrator disburses from the Utah Fits All Scholarship Program Restricted Account created in Section 53F-6-411 under this part to a scholarship account on behalf of a scholarship student do not constitute state taxable income to the parent of the scholarship student.

~~[(9)]~~ (10) The program manager shall prepare and disseminate information on the program to a parent applying for a scholarship account on behalf of a student, including the information that the program manager provides in accordance with Section 53F-6-405.

~~[(10)]~~ (11) As frequently as necessary to maintain the information, the state board shall provide information on the state board's website, including:

(a) scholarship account information;

HB0467 compared with HB0467S03

(b) information on the program manager or financial administrator, including the program manager's or financial administrator's contact information; and

(c) an overview of the program.

~~[(11)]~~ (12) In accordance with required program administration, the program manager shall:

(a) in alignment with deadlines specified in Subsection 53F-6-405(1)(c), establish and communicate to an eligible student a deadline by which the eligible student must accept or deny the scholarship offer; and

(b) communicate to an eligible student that failure to respond by the deadline described in Subsection ~~[(11)(a)]~~ (12)(a) shall result in forfeiture of the scholarship offer.

~~[(12)]~~ (13) In accordance with Subsection 53F-6-403(7), the program manager shall:

(a) verify student eligibility status before removing any student from scholarship eligibility;

(b) establish protocols for reviewing disputed eligibility determinations;

(c) implement a process for immediate reinstatement of eligibility when errors are identified;

(d) maintain detailed records of all eligibility removals and reinstatements; and

(e) provide regular reports to the state board regarding eligibility status changes of a scholarship student.

(14) When multiple children from the same household apply for scholarships, the program manager shall:

(a) process applications from the same household together;

(b) approve or deny all children in the household as a unit based on the household's priority tier; and

(c) if insufficient scholarship funds remain to award scholarships to all children in a household applying as a unit:

(i) notify the household of the number of scholarships available;

(ii) allow the household to choose to:

(A) accept scholarships for the number of children for which funds are available, with the household determining which children receive scholarships; or

(B) decline the partial award and remain on the waitlist for a future opportunity when sufficient funds become available to serve all children in the household;

(iii) provide the household at least five business days to make the decision described in Subsection (14)(c)(ii);

HB0467 compared with HB0467S03

- (iv) process the household's decision in accordance with the deadlines established in Subsection 53F-6-402(12); and
- 530 (v) if the household accepts a partial award, place any remaining children from the household on the
waitlist in accordance with the children's original priority tier.
- 532 (15) Beginning the 2026-2027 school year:
- 533 (a) a {~~parent~~} ~~parent~~ may pay tuition directly to a private school that meets the definition in Section
53F-6-401 but has not been approved as an eligible school under Section {~~53F-6-408~~} ~~53F-6-408~~;
- 536 (b) {~~The~~} ~~the~~parent may seek monthly reimbursement from the scholarship account for tuition paid to
such a school by submitting:
- 538 (i) a receipt or invoice from the private school showing the amount paid, student name, and services
provided;
- 540 (ii) evidence that the school meets the definition of a private school in Section 53F-6-401;
- 542 (iii) proof of the student's enrollment in the private school, which may include {~~an enrollment~~
~~agreement, acceptance letter, or written verification from~~} the {~~school~~}; ~~following~~:
- 538 (A) ~~an enrollment agreement or contract~~;
- 539 (B) ~~an acceptance letter from the school~~;
- 540 (C) ~~written verification from the school on school letterhead or via school email~~;
- 541 (D) ~~a receipt or invoice showing the student's name and tuition charges~~; or
- 542 (E) ~~a copy of the record demonstrating participation as determined by the school~~; and
- 544 (iv) for monthly reimbursement requests after the initial reimbursement, proof of the student's continued
enrollment in the private school{~~; and~~}, ~~which may include documentation of tuition payments for~~
~~the current period~~.
- 546 {(~~v~~) {~~any other documentation the program manager reasonably requires.~~} }
- 547 (c) The program manager shall process reimbursement requests under this subsection within 10
business days of receiving complete documentation.
- 549 (d) Reimbursements under this subsection are subject to the annual scholarship limits in Subsection (2)
(c).
- 551 (e) A private school receiving tuition payments under this subsection is not required to:
- 552 (i) submit an application to become an eligible school;
- 553 (ii) meet the requirements of Section 53F-6-408; or
- 554 (iii) enter into any agreement with the program manager or financial administrator.

HB0467 compared with HB0467S03

{~~(f)~~} {~~The reimbursement is limited to tuition expenses only and may not include fees, materials, or other costs charged by the private school.~~}

Section 3. Section **53F-6-405** is amended to read:

53F-6-405. Program manager duties -- Audit -- Prohibitions.

(1) The program manager shall:

(a) administer the program, including:

(i) maintaining an application website that includes information on enrollment, relevant application dates, and dates for notification of acceptance;

(ii) reviewing applications from and determining if a person is:

(A) an eligible school under Section 53F-6-408; or

(B) an eligible service provider under Section 53F-6-409;

(iii) establishing an application process that:

(A) opens March 1 of each year for existing scholarship students;

(B) opens April 1 of each year for new scholarship students;

(C) closes May 1 of each year;

(D) aligns with the acceptance deadline established under Subsection 53F-6-402(11) that shall be prior to July 1 of each year; and

(E) provides an eligible student with a decision regarding the eligible student's application within 30 days of the application deadline specified in this Subsection (1)(a);

(iv) reviewing and granting or denying applications for a scholarship account;

(v) determining the eligibility of scholarship expenses, including establishing necessary policies and procedures;

(vi) approving qualifying providers in accordance with Section 53F-6-403; ~~and~~

(vii) maintaining a list of approved qualifying providers; and

(viii) coordinating with the Department of Operations on policy interpretations, compliance issues, and customer service standards;

(b) direct the financial administrator to:

(i) provide an online portal for the parent of a scholarship student to access the scholarship student's account;

(ii) facilitate payments to a qualifying provider from the online portal;

HB0467 compared with HB0467S03

- (iii) ensure that scholarship funds in a scholarship account are readily available to a scholarship student within five business days after receipt of funds from the state board;
- (iv) process scholarship payments in accordance with the payment schedule established in Section 53F-6-411, unless otherwise authorized;
- (v) in accordance with program administration when needed, develop and implement a commercially viable, cost-effective, and parent-friendly system that:
 - (A) processes scholarship payments;
 - (B) maximizes payment flexibility;
 - (C) allows scholarship students and scholarship student's parents to publicly rate, review, and share information about qualifying providers; and
 - (D) provides the program manager with continuous, real-time, view-only access to all scholarship account transactions and balances, payment processing status, provider payment history, reimbursement tracking, and account reconciliation data;
- (vi) upon receiving notification under Subsection (1)(c):
 - (A) obtain reimbursement of scholarship funds from a qualifying provider that provides the services in which a scholarship student is no longer enrolled or with which the scholarship student is no longer engaged; and
 - (B) expend all revenue from interest on scholarship funds or investments on scholarship expenses; and
- (vii) implement accounting procedures to track partial payments and remaining balances;
- (c) require a parent to notify the program manager if the parent's scholarship student is no longer enrolled in or engaging a service:
 - (i) for which the scholarship student receives scholarship funds; and
 - (ii) that is provided to the scholarship student for an entire school year;
- (d) each time the program manager makes an administrative decision that is adverse to a scholarship student or the scholarship student's parent, inform the scholarship student and the scholarship student's parent of the opportunity and process to appeal an administrative decision of the program manager in accordance with the process described in Section 53F-6-417;
- (e) maintain a protected internal waitlist of all eligible students who have applied to the program and are not yet scholarship students, including any student who removed the student's application from the waitlist;

HB0467 compared with HB0467S03

- (f) provide aggregate data regarding the number of scholarship students and the number of eligible students on the waitlist described in Subsection (1)(e);
- 623 (g) contract for annual and random audits on scholarship accounts conducted:
- 624 (i) by a certified public accountant who is independent from:
- 625 (A) the program manager; and
- 626 (B) the financial administrator's accounts and records pertaining to scholarship funds; and
- 628 (ii) in accordance with generally accepted auditing standards;
- 629 (h) require the financial administrator to demonstrate financial accountability through annual reporting requirements described in Section 53F-6-405.5;
- 631 (i) develop and implement an annual orientation for qualifying providers;
- 632 (j) administer the appeals process described in Section 53F-6-417;
- 633 (k) in accordance with Subsection 53F-6-411(4), manage scholarship rollovers;
- 634 (l) track and ensure compliance of allowed scholarship expenses; ~~and~~
- 635 (m) comply with enhanced accountability measures, including independent audits and public disclosure of third-party contracts and fees related to the administration of the program[:]; and
- 638 (n) process parent reimbursement requests within 10 business days after the program manager approves the expense and direct the financial administrator to process approved reimbursements within this {timeframe} ~~time frame~~.
- 641 (2) The program manager shall:
- 642 (a) require the financial administrator to submit monthly financial reports including:
- 643 (i) a statement of financial position;
- 644 (ii) a statement of activities;
- 645 (iii) account reconciliation statements;
- 646 (iv) detailed transaction reports; and
- 647 (v) exception reports highlighting any unusual activity; and
- 648 (b) oversee the financial administrator's compliance with requirements regarding:
- 649 (i) except for a reimbursement authorized under this part, the use of scholarship funds from the online portal directly to a qualifying provider to pay for scholarship expenses without the availability of withdrawal or other direct access to scholarship funds by an individual; and
- 653 (ii) system compliance with industry standards for data privacy and cybersecurity, including ensuring compliance with the Family Educational Rights and Privacy Act, 34 C.F.R. Part 99.

HB0467 compared with HB0467S03

- 656 (3) In advance of the program manager accepting applications in accordance with Section 53F-6-402
and as regularly as information develops, the program manager shall provide information regarding
the program by publishing a program handbook online for scholarship applicants, scholarship
students, parents, service providers seeking to become qualifying providers, and qualifying
providers, that includes information regarding:
- 662 (a) the policies and processes of the program;
- 663 (b) approved scholarship expenses and qualifying providers{~~-, including the limitation that private~~
~~school scholarships may only be used for tuition expenses~~};
- 665 (c) the responsibilities of parents regarding the program and scholarship funds;
- 666 (d) the duties of each contracted entity; and
- 667 (e) the opportunity and process to appeal an administrative decision of the program manager in
accordance with the process described in Section 53F-6-417.
- 669 (4) To ensure the fiscal security and compliance of the program, the program manager shall:
- 670 (a) prohibit any person from handling, managing, or processing scholarship funds, if, the person poses
a risk to the appropriate use of scholarship funds, as determined by background checks the program
manager conducted in accordance with Section 53F-6-407;
- 674 (b) establish procedures to ensure a fair process to:
- 675 (i) suspend scholarship student's eligibility for the program in the event of the scholarship student's or
scholarship student's parent's:
- 677 (A) intentional or substantial misuse of scholarship funds; or
- 678 (B) violation of this part or the terms of the program; and
- 679 (ii) if the program manager or financial administrator obtains evidence of fraudulent use of scholarship
funds, refer the case to the attorney general for collection or criminal investigation; and
- 682 (iii) ensure that a scholarship student whose eligibility is suspended or disqualified under this
Subsection (4)(b) or Subsection (4)(c) based on the actions of the student's parent regains eligibility
if the student is placed with a different parent or otherwise no longer resides with the parent related
to the suspension or disqualification; and
- 687 (c) notify the financial administrator, scholarship student, and scholarship student's parent in writing:
- 689 (i) of the suspension described in Subsection (4)(b)(i);
- 690 (ii) that no further transactions, disbursements, or reimbursements are allowed;
- 691

HB0467 compared with HB0467S03

(iii) that the scholarship student or scholarship student's parent may take corrective action within 10 business days of the day on which the program manager provides the notification; and

(iv) that without taking the corrective action within the time period described in Subsection (4)(c)(iii), the program manager may disqualify the student's eligibility.

(5)

(a) A program manager may not direct the financial administrator to:

(i) disburse scholarship funds to a qualifying provider or allow a qualifying provider to use scholarship funds if:

(A) the program manager determines that the qualifying provider intentionally or substantially misrepresented information on overpayment;

(B) the qualifying provider fails to refund an overpayment in a timely manner; or

(C) the qualifying provider routinely fails to provide scholarship students with promised educational services; or

(ii) reimburse with scholarship funds an individual for the purchase of a good or service if the program manager determines that:

(A) the scholarship student or the scholarship student's parent requesting reimbursement intentionally or substantially misrepresented the cost or educational purpose of the good or service; or

(B) the relevant scholarship student was not the exclusive user of the good or service.

(b) A program manager shall notify a scholarship student if the program manager:

(i) stops disbursement of the scholarship student's scholarship funds to a qualifying provider under Subsection (5)(a)(i); or

(ii) refuses reimbursement under Subsection (5)(a)(ii).

(6)

(a) At any time, a scholarship student may change the qualifying provider to which the scholarship student's scholarship account makes distributions.

(b) If, during the school year, a scholarship student changes the student's enrollment in or engagement with a qualifying provider to another qualifying provider, the program manager may direct the financial administrator to prorate scholarship funds between the qualifying providers based on the time the scholarship student received the goods or services or was enrolled.

HB0467 compared with HB0467S03

(7) A program manager may not subvert the enrollment preferences required under Section 53F-6-402 or other provisions of this part to establish a scholarship account on behalf of a relative of a contracted entity employee or contracted employee officer.

(8) In regards to customer service needs related to the program, the program manager shall:

(a) provide customer service regarding:

(i) program eligibility determinations;

(ii) application status;

(iii) qualifying provider approvals;

(iv) scholarship expense eligibility;

(v) program policies and requirements;

(vi) appeals and grievances;

(vii) accessibility for disabled individuals; and

(viii) general program information;

(b) ensure the financial administrator provides customer service regarding:

(i) scholarship account access;

(ii) payment processing status;

(iii) technical support for the payment portal;

(iv) account balance inquiries;

(v) transaction history; and

(vi) reimbursement status;

(c) establish customer service standards that the program manager and the financial administrator must meet;

(d) require the financial administrator to:

(i) maintain adequate customer service staffing;

(ii) meet specified response time requirements; and

(iii) track and report on customer service metrics; [and]

(e) coordinate with the financial administrator to ensure seamless referral of inquiries between contracted entities[-] ;

(f) maintain call center capacity adequate to serve current program participation levels, including:

(i) sufficient staffing to handle call volume during standard and peak enrollment periods;

(ii) scalability plans to increase customer service capacity as program enrollment grows; and

HB0467 compared with HB0467S03

- (iii) regular capacity assessments to ensure staffing and infrastructure meet program demands; and
(g) continue improvement of customer service based on parent feedback.
- (9) Contracted entities may not charge processing fees to an eligible student or pass on third-party fees related to the use or management of scholarship funds.
- (10) The program manager shall establish and maintain a pre-approval process for scholarship expenses that:
- (a) allows parents to submit expense requests for review before incurring the expense;
 - (b) provides a response within seven business days indicating whether:
 - (i) the expense is approved as an allowable scholarship expense;
 - (ii) the expense requires additional information or documentation; or
 - (iii) the expense is not an allowable scholarship expense, with a clear explanation of the reason for denial;
 - (c) is accessible through the online portal, email, and telephone; and
 - (d) maintains documentation of all pre-approval requests and decisions.
- (11) If the program manager operates a marketplace for educational products or services:
- (a) prices shall reflect fair market value;
 - (b) parents may purchase substantially similar items elsewhere and seek reimbursement;
 - (c) the program manager may not require exclusive marketplace purchases;
 - (d) the program manager may not resell used or returned goods through the marketplace; and
 - (e) nothing in this subsection prohibits parents from purchasing used or resale educational materials, supplies, or equipment from third parties and seeking reimbursement through the scholarship account reimbursement process in accordance with this part.

Section 4. Section **53F-6-406** is amended to read:

53F-6-406. Qualifying provider regulatory autonomy -- Home school autonomy -- Student records -- Scholarship student status.

- (1) Nothing in this part:
- (a) except as expressly described in this part, grants additional authority to any state agency or LEA to regulate or control:
 - (i) a private school, qualifying provider, or home school;
 - (ii) students receiving education from a private school, qualifying provider, or home school;

HB0467 compared with HB0467S03

(b) applies to or otherwise affects the freedom of choice of a home school student, including the curriculum, resources, developmental planning, or any other aspect of the home school student's education; or

(c) except as expressly provided in Section 53F-6-408 regarding LEA providers, expands the regulatory authority of the state, a state office holder, or an LEA to impose any additional regulation of a qualifying provider beyond any regulation necessary to administer this part.

(2) A qualifying provider:

(a) has a right to maximum freedom from unlawful governmental control in providing for the educational needs of a scholarship student who attends or engages with the qualifying provider; and

(b) is not an agent of the state by virtue of the provider's acceptance of payment from a scholarship account in accordance with this part.

(3) Except as provided in Section 53F-6-403 regarding qualifying providers, Section 53F-6-408 regarding eligible schools, or Section 53F-6-409 regarding eligible service providers, a program manager may not require a qualifying provider to alter the qualifying provider's creed, practices, admissions policies, hiring practices, or curricula in order to accept scholarship funds.

(4) An LEA or a school in an LEA in which a scholarship student was previously enrolled shall provide to the scholarship student's parent a copy of all school records relating to the student that the LEA possesses within 30 days after the day on which the LEA or school receives the parent's request for the student's records, subject to:

(a) Title 53E, Chapter 9, Student Privacy and Data Protection; and

(b) Family Educational Rights and Privacy Act, 20 U.S.C. Sec. 1232g.

(5) By virtue of a scholarship student's involvement in the program and unless otherwise expressly provided in statute, a scholarship student is not:

(a) enrolled in the public education system; or

(b) otherwise subject to statute, administrative rules, or other state regulations as if the student was enrolled in the public education system.

(6)

(a) A scholarship student may participate in public school athletics and extracurricular activities in the same manner as a home school student or private school student under Section 53G-6-702.

(b) An LEA may not:

HB0467 compared with HB0467S03

(i) deny a scholarship student the opportunity to participate in athletics or extracurricular activities based solely on the student's scholarship status; or

(ii) impose requirements on scholarship students for athletic or extracurricular participation that are more restrictive than those imposed on home school students or private school students.

Section 5. Section **53F-6-408** is amended to read:

53F-6-408. Eligible schools.

(1) To be eligible to receive scholarship funds on behalf of a scholarship student as an eligible school, a private school with 150 or more enrolled students shall:

~~[(a)~~

~~(i) contract with an independent licensed certified public accountant to conduct an agreed upon procedures engagement as the state board adopts, or obtain an audit and report that:]~~

~~[(A) a licensed independent certified public accountant conducts in accordance with generally accepted auditing standards;]~~

~~[(B) presents the financial statements in accordance with generally accepted accounting principles; and]~~

~~[(C) audits financial statements from within the 12 months immediately preceding the audit; and]~~

~~[(ii) submit the audit report or report of the agreed upon procedure to the program manager when the private school applies to receive scholarship funds;]~~

(a) submit to the program manager verification that the private school has obtained:

(i) an agreed upon procedures engagement conducted by an independent licensed certified public accountant that addresses financial solvency and working capital adequacy; or

(ii) an audit conducted by an independent licensed certified public accountant in accordance with generally accepted auditing standards that presents financial statements in accordance with generally accepted accounting principles;

(a){ (b) } provide to the program manager and financial administrator:

(i) a federal employer identification number;

(ii) the provider's address and contact information;

(iii) a description of each program or service the provider proposes to offer a scholarship student; {and}

(iv) any other information as required by the program manager or financial administrator; and

{(b)} beginning the 2026-2027 school year, attestation that the school does not meet any exclusion under Subsection 53F-6-401(15)(b);

HB0467 compared with HB0467S03

- 857 ~~[(b)]~~ (c) comply with the antidiscrimination provisions of 42 U.S.C. Sec. 2000d;
- 852 ~~[(e)]~~ (d) provide a written disclosure to the parent of each prospective scholarship student, before the student is enrolled, of:
- 854 (i) the education services that the school will provide to the scholarship student, including the cost of the provided services;
- 856 (ii) tuition costs;
- 857 (iii) additional fees the school will require a parent to pay during the school year; ~~[and]~~
- 858 (iv) the skill or grade level of the curriculum in which the prospective scholarship student will participate; ~~[and]~~
- 860 ~~{(v) {beginning the 2026-2027 school year, whether the school charges tuition and fees that equal or exceed the full scholarship amount and, if so, a clear statement that:} }~~
- 862 ~~{(A) {no portion of the scholarship funds will be returned to the parent for other educational expenses;}~~
- 864 ~~{(B) {the parent is responsible for any costs beyond the scholarship amount; and} }~~
- 865 ~~(C){(v)}~~ (v) beginning the 2026-2027 school year, a clear statement that if a scholarship student withdraws and the school's refund policy provides for a tuition refund, the school shall remit any refund directly to the program manager for deposit back into the student's scholarship account in accordance with the school's standard refund policies; and
- 869 (vi) beginning the 2026-2027 school year, a statement that the school's published tuition costs, fees, and refund policies are identical for scholarship students and regularly enrolled students, and that scholarship students will not be charged different amounts or subject to different refund terms than other students enrolled in the same programs;
- 874 ~~[(d)]~~ (e) require the following individuals to submit to a nationwide, fingerprint-based criminal background check and ongoing monitoring, in accordance with Section 53G-11-402, as a condition for employment or appointment, as authorized by the Adam Walsh Child Protection and Safety Act of 2006, Pub. L. No. 109-248:
- 878 (i) an employee who does not hold:
- 879 (A) a current Utah educator license issued by the state board under Title 53E, Chapter 6, Education Professional Licensure; or
- 881 (B) if the private school is not physically located in Utah, a current educator license in the state where the private school is physically located; and

HB0467 compared with HB0467S03

883 (ii) a contract employee[-] ;
884 (e){ (f) } beginning the 2026-2027 school year, maintain and operate a functioning website that includes:
886 (i) clearly posted tuition costs;
887 (ii) all additional fees required during the school year;
888 (iii) the school's refund and reimbursement policies in an easily accessible location;
889 (iv) contact information for the school's administration; and
890 (v) the school's physical address;
891 (f){ (g) } beginning the 2026-2027 school year, report to the program manager within five business days
when a scholarship student withdraws from the school during the school year; and
894 (g){ (h) } beginning the 2026-2027 school year, ensure that all tuition charges, fees, and refund policies
applied to scholarship students are identical to those applied to regularly enrolled students in the
same programs or grade levels.
897 { (2) }
(a) The program manager shall ensure that:
900 (i) the verification required under Subsection (1)(a)(i):
901 (A) is from an audit or agreed upon procedures engagement completed within the 12 months
immediately preceding the private school's application to receive scholarship funds;
904 (B) confirms that the audit or agreed upon procedures engagement found the private school to be
financially solvent with adequate working capital to maintain operations; and
907 (C) does not include the underlying audit report or detailed financial information.
908 (b) The program manager:
909 (i) may only verify that the required audit or agreed upon procedures engagement was completed and
found general financial solvency;
911 (ii) may not conduct, commission, or be involved in the audit or agreed upon procedures engagement;
and
913 (iii) may not review detailed financial records of the private school beyond the verification described in
Subsection (2)(a)(i).
915 [~~(2)~~ (3)] A private school described in Subsection (1) is not eligible to receive scholarship funds if:
899 (a) the private school requires a scholarship student to sign a contract waiving the scholarship student's
right to transfer to another qualifying provider during the school year;
920

HB0467 compared with HB0467S03

(b) the verification required under Subsection (1)(a) indicates that the audit report contains a going concern explanatory paragraph; or

(c) the verification required under Subsection (1)(a) indicates that the report of the agreed upon procedures shows that the private school does not have adequate working capital to maintain operations for the first full year.

~~[(b) the audit report described in Subsection (1)(a) contains a going concern explanatory paragraph; or]~~

~~[(e) the report of the agreed upon procedures described in Subsection (1)(a) shows that the private school does not have adequate working capital to maintain operations for the first full year.]~~

~~[(3)]~~ (4) To be eligible to receive scholarship funds on behalf of a scholarship student as an eligible school, a private school with fewer than 150 enrolled students shall:

(a) provide to the program manager and financial administrator:

(i) a federal employer identification number;

(ii) the provider's address and contact information;

(iii) a description of each program or service the provider proposes to offer a scholarship student; and

(iv) any other information as required by the program manager or financial administrator; ~~[and]~~

(b) comply with the antidiscrimination provisions of 42 U.S.C. Sec. 2000d[-] ;

(c) beginning the 2026-2027 school year, maintain and operate a functioning website that includes:

(i) clearly posted tuition costs;

(ii) all additional fees required during the school year;

(iii) the school's refund and reimbursement policies in an easily accessible location;

(iv) contact information for the school's administration; and

(v) the school's {physical-} address;

(d) provide a written disclosure to the parent of each prospective scholarship student, before the student is enrolled, that includes:

(i) tuition costs;

(ii) additional fees required during the school year; and

(iii) {beginning-} a clear statement that if a scholarship student withdraws and the {2026-2027 school year} school's refund policy provides for a tuition refund, {if-} the school {charges tuition and fees that equal or exceed-} shall remit any refund directly to the {full scholarship amount, a clear statement that no portion of the-} program manager for deposit back into the student's scholarship

HB0467 compared with HB0467S03

~~{ funds will be returned to }~~ account in accordance with the ~~{ parent for other educational expenses }~~
school's standard refund policies;

- 931 (e) beginning the 2026-2027 school year, a statement that the school's published tuition costs, fees, and
refund policies are identical for scholarship students and regularly enrolled students; and
- 934 (f) beginning the 2026-2027 school year, report to the program manager within five business days when
a scholarship student withdraws from the school during the school year.
- 937 ~~[(4)]~~ (5) A private school described in Subsection ~~[(3)]~~ (4) is not eligible to receive scholarship funds
if the private school requires a scholarship student to sign a contract waiving the student's rights to
transfer to another qualifying provider during the school year.
- 940 ~~[(5)]~~ (6) To be eligible to receive scholarship funds on behalf of a scholarship student as an eligible
school, an LEA shall:
- 942 (a) provide to the program manager and financial administrator:
- 943 (i) a federal employer identification number;
- 944 (ii) the LEA's address and contact information; and
- 945 (iii) the amount to be charged under the program, in correlation with the LEA's course and activity
fee schedules, and a description of a class, program, or service the LEA provides to a scholarship
student;
- 948 (b) comply with the antidiscrimination provisions of 42 U.S.C. Sec. 2000d; and
- 949 (c) ensure the provision of services to a scholarship student through which:
- 950 (i) the scholarship student does not enroll in the LEA; and
- 951 (ii) in accordance with Subsection 53F-2-302(2), the LEA does not receive WPU funding related to the
student's participation with the LEA;
- 953 (d) treat a scholarship student the same as the LEA would treat an enrolled student, including in:
- 955 (i) participation allowances;
- 956 (ii) audition rules;
- 957 (iii) athletic team participation;
- 958 (iv) extracurricular activities; and
- 959 (v) co-curricular activities;
- 960 (e) not deny a scholarship student participation in any activity, team, or program simply because:
- 962 (i) the student is a scholarship student; or
- 963 (ii) of liability concerns specific to the student's scholarship status;

HB0467 compared with HB0467S03

- 964 (f) establish a transparent and fair fee structure for scholarship expenses offered by the LEA, including
a fee schedule that:
- 966 (i) is based on actual costs of providing services;
- 967 (ii) is consistent with fees charged to enrolled students;
- 968 (iii) itemizes all charges and fees;
- 969 (iv) explains the basis for each fee; and
- 970 (v) is updated annually;
- 971 (g) provide the same liability coverage to scholarship students as provided to enrolled students; and
- 973 (h) in accordance with Subsection 53F-6-402(7), create and maintain a distinct identifier in the LEA's
student information system that:
- 975 (i) clearly identifies a scholarship student; and
- 976 (ii) distinguishes the scholarship student from a student enrolled in the LEA.
- 977 ~~[(6)]~~ (7) An LEA described in Subsection ~~[(5)]~~ (6) is not eligible to receive scholarship funds if:
- 978 (a) the LEA requires a public education system scholarship student to sign a contract waiving the
student's rights to engage with another qualifying provider for a scholarship expense during the
school year; or
- 981 (b) the LEA refuses to offer services that do not require LEA enrollment to scholarship students under
the program.
- 983 ~~[(7)]~~ (8) Residential treatment facilities licensed by the state are not eligible to receive scholarship
funds.
- 985 ~~[(8)]~~ (9) A private school or LEA intending to receive scholarship funds shall:
- 986 (a)
- (i) for a private school, submit an application to the program manager; or
- 987 (ii) for an LEA, submit a notice to the program manager containing the information described in
Subsection ~~[(5)(a)]~~ (6)(a); and
- 989 (b) agree to not refund, rebate, or share scholarship funds with scholarship students or scholarship
student's parents in any manner except remittances or refunds processed through the financial
administrator to a scholarship account in accordance with this part and procedures that the program
manager establishes, and the payment schedule described in Section 53F-6-411.
- 994 ~~[(9)]~~ (10) The program manager shall:
- 995

HB0467 compared with HB0467S03

(a) if the private school or LEA meets the eligibility requirements of this section, recognize the private school or LEA as an eligible school and, for a private school, approve the application; and

(b) make available to the public a list of eligible schools approved under this section.

~~[(10)]~~ (11) A private school approved under this section that changes ownership shall:

(a) cease operation as an eligible school until:

(i) the school submits a new application to the program manager; and

(ii) the program manager approves the new application; and

(b) demonstrate that the private school continues to meet the eligibility requirements of this section.

~~[(H)]~~ (12) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the state board shall establish rules for an LEA to create and publish fee structures for scholarship students.

~~{Section 6. Section 53F-6-409 is amended to read: }~~

53F-6-409. Eligible service providers.

(1) To be an eligible service provider, a private program or service:

(a) shall provide to the program manager and financial administrator:

(i) a federal employer identification number;

(ii) the provider's address and contact information;

(iii) a description of each program or service the provider proposes to offer directly to a scholarship student; and

(iv) subject to Subsection (2), any other information as required by the program manager;

(b) shall comply with the antidiscrimination provisions of 42 U.S.C. Sec. 2000d; and

(c) may not act as a consultant, clearing house, or intermediary that connects a scholarship student with or otherwise facilitates the student's engagement with a program or service that another entity provides.

(2) The program manager shall adopt policies that maximize the number of eligible service providers, including accepting new providers throughout the school year, while ensuring education programs or services provided through the program meet student needs and otherwise comply with this part.

(3) A private program or service intending to receive scholarship funds shall:

(a) submit an application to the program manager;

(b) complete all required orientation programs established by the program manager before receiving any scholarship funds and maintain a current orientation status throughout participation in the program; and

HB0467 compared with HB0467S03

- 1031 (c) agree to not refund, rebate, or share scholarship funds with scholarship students or scholarship
students' parents in any manner except remittances or refunds processed through the financial
administrator to a scholarship account in accordance with this part and procedures that the program
manager establishes.
- 1035 (4) The program manager shall:
- 1036 (a) if the private program or service meets the eligibility requirements of this section, recognize the
private program or service as an eligible service provider and approve a private program or service's
application to receive scholarship funds on behalf of a scholarship student; and
- 1040 (b) make available to the public a list of eligible service providers approved under this section.
- 1042 (5) A private program or service approved under this section that changes ownership shall:
- 1043 (a) cease operation as an eligible service provider until:
- 1044 (i) the program or service submits a new application to the program manager; and
- 1045 (ii) the program manager approves the new application; and
- 1046 (b) demonstrate that the private program or service continues to meet the eligibility requirements of this
section.
- 1048 (6) The following are not eligible service providers:
- 1049 (a) a parent of a home-based scholarship student or a home school student solely in relation to the
parent's child; or
- 1051 (b) any other individual that does not meet the requirements described in this section.
- 1052 (7) Nothing prohibits an entity that provides education services under the Statewide Online Education
Program described in Chapter 4, Part 5, Statewide Online Education Program, from operating as an
eligible service provider under this part to provide education services to scholarship students.
- 1056 (8) Beginning the 2026-2027 school year:
- 1057 (a) a fully online or virtual private school may participate in the program as an eligible service provider
rather than an eligible school under Section 53F-6-408;
- 1059 (b) to be eligible as a service provider under this Subsection (8), an online or virtual school shall:
- 1061 (i) be registered to do business in the state;
- 1062 (ii) meet all requirements for eligible service providers under Subsections (1) through (3); and
- 1064 (iii) clearly disclose to parents that the school operates primarily online and does not require regular in-
person attendance at a physical location; and
- 1066 (c) an online or virtual school approved under this Subsection (8):

HB0467 compared with HB0467S03

1067 (i) is subject to the same requirements, oversight, and surety bond provisions as other eligible service
providers; and

1069 (ii) may not represent itself as a private school eligible under Section 53F-6-408.

1034 Section 6. **Effective date.**

Effective Date.

This bill takes effect:

1072 (1) except as provided in Subsection (2), May 6, 2026; or

1073 (2) if approved by two-thirds of all members elected to each house:

1074 (a) upon approval by the governor;

1075 (b) without the governor's signature, the day following the constitutional time limit of Utah
Constitution, Article VII, Section 8; or

1077 (c) in the case of a veto, the date of veto override.

2-17-26 8:38 AM