

Utah Fits All Scholarship Program Alterations

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Andrew Stoddard

Senate Sponsor:

LONG TITLE**General Description:**

This bill modifies the Utah Fits All Scholarship Program to prevent grade repetition in certain circumstances.

Highlighted Provisions:

This bill:

- modifies the Utah Fits All Scholarship Program to prevent grade repetition in certain circumstances; and
- makes conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

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

53F-6-403, as last amended by Laws of Utah 2025, Chapter 25

53F-6-405, 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-6-402** is amended to read:

53F-6-402 . Utah Fits All Scholarship Program -- Scholarship account application -- Scholarship expenses -- Program information.

(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.

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

31 (b) The program manager shall:

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

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

37 (c) Each year, subject to this part and legislative appropriations, a scholarship student is
38 eligible for no more than:

39 (i) for a private school student, \$8,000;

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

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

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

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

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

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

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

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

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

53 and

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

56 (A) if awarded during the second quarter of the school year, no more than 75% of
57 the annual scholarship amount is allocated;

58 (B) if awarded during the third quarter of the school year, no more than 50% of
59 the annual scholarship amount is allocated; and

60 (C) no new scholarship awards shall be made during the fourth quarter of the
61 school year.

62 (3)(a) In accordance with required program administration, a program manager shall
63 direct the financial administrator to establish a scholarship account on behalf of an
64 eligible student who submits a timely application, unless the number of applications

exceeds available scholarship funds for the school year.

(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.

(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.

(d)(i) To maintain eligibility for the following school year, a scholarship student or the scholarship student's parent shall:

(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

(B) submit results from an assessment as described in Section 53F-6-410.

(ii) The portfolio or assessment described in Subsection (3)(d)(i) must be submitted:

(A) no later than May 31; or

(B) in accordance with the assessment schedule submitted to and approved by the program manager.

(iii) The receipt of the portfolio or assessment results by the program manager is a condition of scholarship award for the following school year.

(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.

(4)(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.

(b) A scholarship account application form shall contain the following statement:

"I acknowledge that:

1: A qualifying provider may not provide the same level of disability services that are provided in a public school;

2: I will assume full financial responsibility for the education of my scholarship recipient if I agree to this scholarship account;

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

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.".

(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.

(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.

(e) The creation of the program or establishment of a scholarship account on behalf of a student does not:

(i) imply that a public school did not provide a free and appropriate public education for a student; or

(ii) constitute a waiver or admission by the state.

(5) A program manager or financial administrator may not charge a scholarship account application fee.

(6)(a) A program manager shall give an enrollment preference based on the following order of preference:

(i) to an eligible student who used a scholarship account in the previous school year and has submitted the required accountability measure;

(ii) to an eligible student:

(A) who did not use a scholarship account in the previous school year; and

(B) with a family income at or below 300% of the federal poverty level;

(iii) to an eligible student who is a sibling of an eligible student who:

(A) uses a scholarship account at the time the sibling applies for a scholarship account; or

(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

(iv) for any remaining scholarships, to an eligible student on a lottery basis.

(b) If the number of eligible students within any preference tier described in Subsection

- 133 (6)(a) exceeds available scholarship funds the program manager shall grant awards
134 on a lottery basis.
- 135 (c)(i) For income verification purposes, a parent of a scholarship student shall:
- 136 (A) provide written consent authorizing the State Tax Commission to disclose the
137 parent's state individual income tax return information to the program manager;
138 and
- 139 (B) submit the consent in a form prescribed by the State Tax Commission.
- 140 (ii) Upon receiving the consent described in Subsection (6)(c)(i), the State Tax
141 Commission shall provide state individual income tax information to the program
142 manager for income verification purposes regarding the parent within 10 business
143 days.
- 144 (d) For income verification purposes:
- 145 (i) the program manager shall require documentation of household income, not
146 individual income;
- 147 (ii) if the individual income tax is a business income filing, require:
- 148 (A) the most recently filed business tax returns;
- 149 (B) year-to-date profit and loss statements; and
- 150 (C) documentation of the owner's draw or distributions; and
- 151 (iii) for households awaiting completion of tax filings for the year immediately
152 preceding the current year, the program manager shall accept the following
153 documentation for conditional approval and only until such a time as the current
154 tax year returns, year-to-date profit and loss statements, or documentation of
155 owner's draw or distributions are provided for the current tax year:
- 156 (A) the most recent W-2s;
- 157 (B) a current pay stub showing year-to-date earnings; and
- 158 (C) an employer verification letter.
- 159 (7)(a) Subject to Subsections (7)(b) through (e), a parent may use a scholarship account
160 to pay for a scholarship expense from a qualifying provider that a parent or
161 scholarship student incurs in the education of the scholarship student.
- 162 (b) A scholarship student or the scholarship student's parent may not use a scholarship
163 account for an expense that the student or parent does not incur in the education of
164 the scholarship student, including:
- 165 (i) a rehabilitation program that is not primarily designed for an educational purpose;
166 or

- 167 (ii) a travel expense other than a transportation expense described in Section
168 53F-6-401.
- 169 (c) The program manager or financial administrator may not:
- 170 (i) approve a scholarship expense for a service that a qualifying provider provides
171 unless the program manager determines that the scholarship student or the
172 scholarship student's parent incurred the scholarship expense in the education of
173 the scholarship student; or
- 174 (ii) reimburse an expense for a service or good that a provider that is not a qualifying
175 provider provides unless:
- 176 (A) the parent or scholarship student submits a receipt that shows the cost and
177 type of service or good and the name of provider;
- 178 (B) the expense would have qualified as a scholarship expense if a qualifying
179 provider provided the good or service;
- 180 (C) the provider of the good or service is not the parent of the student who is a
181 home-based scholarship student solely in relation to the parent's child;
- 182 (D) the program manager determines that the parent or scholarship student
183 incurred the expense in the education of the scholarship student; and
- 184 (E) the program manager or financial administrator determines that the parent or
185 scholarship student incurred the expense when the student was not enrolled in a
186 public school.
- 187 (d) The parent of a scholarship student may not receive scholarship funds as payment for
188 the parent's time spent educating the parent's child.
- 189 (e) Except for cases in which a scholarship student or the scholarship student's parent is
190 convicted of fraud in relation to scholarship funds, if a qualifying provider,
191 scholarship student, or scholarship student's parent repays an expenditure from a
192 scholarship account for an expense that is not approved under this Subsection (7), the
193 program manager shall credit the repaid amount back to the scholarship account
194 balance within 30 days after the day on which the program manager receives the
195 repayment.
- 196 (8) Notwithstanding any other provision of law, funds that the program manager or
197 financial administrator disburses from the Utah Fits All Scholarship Program Restricted
198 Account created in Section 53F-6-411 under this part to a scholarship account on behalf
199 of a scholarship student do not constitute state taxable income to the parent of the
200 scholarship student.

- (9) 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) 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;
 - (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) 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) shall result in forfeiture of the scholarship offer.
- (12) 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.
- (13) A home-based scholarship student may not, after receiving scholarship funds for a particular grade level, enroll in an LEA to repeat that same grade level unless:
- (a) the student has been diagnosed with a significant learning disability or developmental delay that substantially impacted the student's educational progress during the scholarship year; or
 - (b) as the program manager determines, the student experienced documented extenuating circumstances beyond the family's control that prevented completion of grade-level appropriate academic work.
- Section 2. Section **53F-6-403** is amended to read:
- 53F-6-403 . Qualifying providers.**

- (1) Before the beginning of the school year immediately following a school year in which a qualifying provider receives scholarship funds equal to or more than \$500,000, the qualifying provider shall file with the program manager a surety bond payable to the program manager in an amount equal to the aggregate amount of scholarship funds expected to be received during the school year.
- (2) If a program manager determines that a qualifying provider has violated a provision of this part, the program manager may have the disbursement interrupted or withhold scholarship funds from the qualifying provider.
- (3)(a) If the program manager determines that a qualifying provider no longer meets the eligibility requirements described in this part, the program manager may withdraw the organization's approval of the qualifying provider.
- (b) A provider or person that does not have the approval of the program manager in accordance with the following may not accept scholarship funds for services under this part:
- (i) Section 53F-6-408 regarding eligible schools; or
 - (ii) Section 53F-6-409 regarding eligible service providers.
- (4) If a qualifying provider requires partial payment of tuition or fees before the beginning of the academic year to reserve space for a scholarship student who has been admitted to the qualifying provider, the program manager may direct the financial administrator to:
- (a) pay the partial payment before the beginning of the school year in which the scholarship funds are awarded; and
 - (b) deduct the amount of the partial payment from subsequent scholarship fund deposits in an equitable manner that provides the best availability of scholarship funds to the student throughout the remainder of the school year.
- (5) If a scholarship student chooses to withdraw from or otherwise not engage with the qualifying provider before the beginning of the school year:
- (a) the qualifying provider shall remit the partial payment described in Subsection (4)(a) to the financial administrator; and
 - (b) the program manager shall direct the financial administrator to credit the remitted partial payment to the scholarship student's scholarship account.
- (6) A qualifying provider that is an LEA shall:
- (a) comply with the additional requirements set forth in Section 53F-6-408, including ensuring enrollment systems provide a distinct separation of a scholarship student from a public education student;

- (b) utilize the reporting process established under Subsection (7);
 - (c) submit enrollment verifications in accordance with rules established by the state board; and
 - (d) maintain records of enrollment reporting and verification activities.
- (7) The Department of Operations shall:
- (a) establish a process for an LEA provider to report:
 - (i) instances of double counted enrollment; ~~and~~
 - (ii) students who are erroneously removed from scholarship eligibility; and
 - (iii) instances where a former home-based scholarship student seeks to enroll and repeat a grade level for which scholarship funds were previously received;
 - (b) develop a standardized reporting mechanism that:
 - (i) allows LEA providers to submit verification of accurate student enrollment status;
 - (ii) maintains documentation of enrollment discrepancies; and
 - (iii) tracks resolution of reported enrollment issues;
 - (c) implement data validation measures to:
 - (i) identify potential double counted enrollment across LEA providers; and
 - (ii) ensure students maintain proper scholarship eligibility status; and
 - (d) provide training to LEA providers on:
 - (i) proper enrollment reporting procedures;
 - (ii) use of the reporting mechanism described in Subsection (7)(b); and
 - (iii) resolution of enrollment discrepancies.

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) verifying grade-level progression compliance for former home-based scholarship students seeking LEA enrollment;
- (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;
- (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

- 337 with which the scholarship student is no longer engaged; and
- 338 (B) expend all revenue from interest on scholarship funds or investments on
- 339 scholarship expenses; and
- 340 (vii) implement accounting procedures to track partial payments and remaining
- 341 balances;
- 342 (c) require a parent to notify the program manager if the parent's scholarship student is
- 343 no longer enrolled in or engaging a service:
- 344 (i) for which the scholarship student receives scholarship funds; and
- 345 (ii) that is provided to the scholarship student for an entire school year;
- 346 (d) each time the program manager makes an administrative decision that is adverse to a
- 347 scholarship student or the scholarship student's parent, inform the scholarship student
- 348 and the scholarship student's parent of the opportunity and process to appeal an
- 349 administrative decision of the program manager in accordance with the process
- 350 described in Section 53F-6-417;
- 351 (e) maintain a protected internal waitlist of all eligible students who have applied to the
- 352 program and are not yet scholarship students, including any student who removed the
- 353 student's application from the waitlist;
- 354 (f) provide aggregate data regarding the number of scholarship students and the number
- 355 of eligible students on the waitlist described in Subsection (1)(e);
- 356 (g) contract for annual and random audits on scholarship accounts conducted:
- 357 (i) by a certified public accountant who is independent from:
- 358 (A) the program manager; and
- 359 (B) the financial administrator's accounts and records pertaining to scholarship
- 360 funds; and
- 361 (ii) in accordance with generally accepted auditing standards;
- 362 (h) require the financial administrator to demonstrate financial accountability through
- 363 annual reporting requirements described in Section 53F-6-405.5;
- 364 (i) develop and implement an annual orientation for qualifying providers;
- 365 (j) administer the appeals process described in Section 53F-6-417;
- 366 (k) in accordance with Subsection 53F-6-411(4), manage scholarship rollovers;
- 367 (l) track and ensure compliance of allowed scholarship expenses; and
- 368 (m) comply with enhanced accountability measures, including independent audits and
- 369 public disclosure of third-party contracts and fees related to the administration of the
- 370 program.

- 371 (2) The program manager shall:
- 372 (a) require the financial administrator to submit monthly financial reports including:
- 373 (i) a statement of financial position;
- 374 (ii) a statement of activities;
- 375 (iii) account reconciliation statements;
- 376 (iv) detailed transaction reports; and
- 377 (v) exception reports highlighting any unusual activity; and
- 378 (b) oversee the financial administrator's compliance with requirements regarding:
- 379 (i) except for a reimbursement authorized under this part, the use of scholarship funds
- 380 from the online portal directly to a qualifying provider to pay for scholarship
- 381 expenses without the availability of withdrawal or other direct access to
- 382 scholarship funds by an individual; and
- 383 (ii) system compliance with industry standards for data privacy and cybersecurity,
- 384 including ensuring compliance with the Family Educational Rights and Privacy
- 385 Act, 34 C.F.R. Part 99.
- 386 (3) In advance of the program manager accepting applications in accordance with Section
- 387 53F-6-402 and as regularly as information develops, the program manager shall provide
- 388 information regarding the program by publishing a program handbook online for
- 389 scholarship applicants, scholarship students, parents, service providers seeking to
- 390 become qualifying providers, and qualifying providers, that includes information
- 391 regarding:
- 392 (a) the policies and processes of the program;
- 393 (b) approved scholarship expenses and qualifying providers;
- 394 (c) the responsibilities of parents regarding the program and scholarship funds;
- 395 (d) the duties of each contracted entity; and
- 396 (e) the opportunity and process to appeal an administrative decision of the program
- 397 manager in accordance with the process described in Section 53F-6-417.
- 398 (4) To ensure the fiscal security and compliance of the program, the program manager shall:
- 399 (a) prohibit any person from handling, managing, or processing scholarship funds, if, the
- 400 person poses a risk to the appropriate use of scholarship funds, as determined by
- 401 background checks the program manager conducted in accordance with Section
- 402 53F-6-407;
- 403 (b) establish procedures to ensure a fair process to:
- 404 (i) suspend scholarship student's eligibility for the program in the event of the

- 405 scholarship student's or scholarship student's parent's:
- 406 (A) intentional or substantial misuse of scholarship funds; or
- 407 (B) violation of this part or the terms of the program; and
- 408 (ii) if the program manager or financial administrator obtains evidence of fraudulent
- 409 use of scholarship funds, refer the case to the attorney general for collection or
- 410 criminal investigation; and
- 411 (iii) ensure that a scholarship student whose eligibility is suspended or disqualified
- 412 under this Subsection (4)(b) or Subsection (4)(c) based on the actions of the
- 413 student's parent regains eligibility if the student is placed with a different parent or
- 414 otherwise no longer resides with the parent related to the suspension or
- 415 disqualification; [and]
- 416 (c) notify the financial administrator, scholarship student, and scholarship student's
- 417 parent in writing:
- 418 (i) of the suspension described in Subsection (4)(b)(i);
- 419 (ii) that no further transactions, disbursements, or reimbursements are allowed;
- 420 (iii) that the scholarship student or scholarship student's parent may take corrective
- 421 action within 10 business days of the day on which the program manager provides
- 422 the notification; and
- 423 (iv) that without taking the corrective action within the time period described in
- 424 Subsection (4)(c)(iii), the program manager may disqualify the student's eligibility[-]
- 425 ; and
- 426 (d) verify the enrollment of a home-based scholarship student in an LEA to ensure the
- 427 student does not repeat a grade level for which scholarship funds were received, in
- 428 violation of Subsection 53F-6-402(13).
- 429 (5)(a) A program manager may not direct the financial administrator to:
- 430 (i) disburse scholarship funds to a qualifying provider or allow a qualifying provider
- 431 to use scholarship funds if:
- 432 (A) the program manager determines that the qualifying provider intentionally or
- 433 substantially misrepresented information on overpayment;
- 434 (B) the qualifying provider fails to refund an overpayment in a timely manner; or
- 435 (C) the qualifying provider routinely fails to provide scholarship students with
- 436 promised educational services; or
- 437 (ii) reimburse with scholarship funds an individual for the purchase of a good or
- 438 service if the program manager determines that:

- 439 (A) the scholarship student or the scholarship student's parent requesting
440 reimbursement intentionally or substantially misrepresented the cost or
441 educational purpose of the good or service; or
- 442 (B) the relevant scholarship student was not the exclusive user of the good or
443 service.
- 444 (b) A program manager shall notify a scholarship student if the program manager:
445 (i) stops disbursement of the scholarship student's scholarship funds to a qualifying
446 provider under Subsection (5)(a)(i); or
447 (ii) refuses reimbursement under Subsection (5)(a)(ii).
- 448 (6)(a) At any time, a scholarship student may change the qualifying provider to which
449 the scholarship student's scholarship account makes distributions.
- 450 (b) If, during the school year, a scholarship student changes the student's enrollment in
451 or engagement with a qualifying provider to another qualifying provider, the program
452 manager may direct the financial administrator to prorate scholarship funds between
453 the qualifying providers based on the time the scholarship student received the goods
454 or services or was enrolled.
- 455 (7) A program manager may not subvert the enrollment preferences required under Section
456 53F-6-402 or other provisions of this part to establish a scholarship account on behalf of
457 a relative of a contracted entity employee or contracted employee officer.
- 458 (8) In regards to customer service needs related to the program, the program manager shall:
459 (a) provide customer service regarding:
460 (i) program eligibility determinations;
461 (ii) application status;
462 (iii) qualifying provider approvals;
463 (iv) scholarship expense eligibility;
464 (v) program policies and requirements;
465 (vi) appeals and grievances;
466 (vii) accessibility for disabled individuals; and
467 (viii) general program information;
- 468 (b) ensure the financial administrator provides customer service regarding:
469 (i) scholarship account access;
470 (ii) payment processing status;
471 (iii) technical support for the payment portal;
472 (iv) account balance inquiries;

- 473 (v) transaction history; and
474 (vi) reimbursement status;
475 (c) establish customer service standards that the program manager and the financial
476 administrator must meet;
477 (d) require the financial administrator to:
478 (i) maintain adequate customer service staffing;
479 (ii) meet specified response time requirements; and
480 (iii) track and report on customer service metrics; and
481 (e) coordinate with the financial administrator to ensure seamless referral of inquiries
482 between contracted entities.
483 (9) Contracted entities may not charge processing fees to an eligible student or pass on
484 third-party fees related to the use or management of scholarship funds.

485 **Section 4. Effective Date.**

486 This bill takes effect on May 6, 2026.