

Effective 5/3/2023

Part 4
Utah Fits All Scholarship Program

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;
 - (ii) is not affiliated with any international organization;
 - (iii) does not harvest data for the purpose of reproducing or distributing the data to other entities;
 - (iv) is not involved in guiding or directing any curriculum or curriculum standards; and
 - (v) performs the specific duties and functions assigned in the contract with the state board.
 - (b) "Contracted entity" includes:
 - (i) the program manager, unless the program manager is the Department of Operations for any duration of time;
 - (ii) the financial administrator; and
 - (iii) any other entity contracted to perform program functions under Section 53F-6-404.
 - (c) "Contracted entity" does not include:
 - (i) a qualifying provider;
 - (ii) an eligible school; or
 - (iii) an eligible service provider.
- (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.
 - (b) "Contracted entity employee" does not include:
 - (i) an individual who volunteers for a contracted entity or for a qualifying provider;
 - (ii) an individual who works for a qualifying provider; or
 - (iii) a qualifying provider.
- (5) "Contracted entity officer" means:

- (a) a member of the board of a contracted entity; or
 - (b) the chief administrative officer of a contracted entity.
- (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.
- (7)
- (a) "Educational supplements" means:
 - (i) materials, tools, and equipment that:
 - (A) are directly related to and necessary for subjects aligned with the core standards the state board establishes pursuant to Section 53E-4-202;
 - (B) are used for specific learning objectives or competencies;
 - (C) support structured learning activities or lessons; and
 - (D) are consumable or non-reusable in nature;
 - (ii) supplemental learning materials that:
 - (A) directly support or enhance the delivery of instruction in core academic subjects;
 - (B) are tied to specific educational goals or outcomes; and
 - (C) are not primarily for entertainment or general enrichment purposes;
 - (iii) arts and music education materials that:
 - (A) align with state core standards; and
 - (B) are used in structured arts or music instruction; and
 - (iv) other educational materials that the program manager determines are:
 - (A) necessary for meeting specific learning objectives;
 - (B) appropriate for the student's age or grade level; and
 - (C) primarily educational rather than recreational in nature.
 - (b) "Educational supplements" does not include:
 - (i) entertainment materials;
 - (ii) recreational equipment;
 - (iii) food or nutritional items;
 - (iv) furniture or household items;
 - (v) general office supplies not specific to an educational activity; or
 - (vi) other items that do not have a clear, direct educational purpose aligned with academic instruction.
- (8) "Eligible student" means a student:
- (a) who is eligible to participate in public school, in kindergarten, or grades 1 through 12;
 - (b) who has not reached 19 years old before September 1 of the school year;
 - (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;
 - (d) who, during the school year for which the student is applying for a scholarship account:
 - (i) does not receive a scholarship under:
 - (A) the Carson Smith Scholarship Program established in Section 53F-4-302; or
 - (B) the Carson Smith Opportunity Scholarship Program established in Section 53E-7-402;and
 - (ii) before receiving the scholarship is not enrolled in:
 - (A) an LEA; or
 - (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);
 - (e) whose eligibility is not suspended or disqualified under Section 53F-6-401;

- (f) who completes, to maintain eligibility, the portfolio requirement described in Subsection 53F-6-402(3)(d);
 - (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
 - (h) for out-of-state military families, who attests that the student is not enrolled in a public school elsewhere while receiving the scholarship.
- (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.
- (10)
- (a) "Financial administrator" means an organization that:
 - (i) is not affiliated with any international organization;
 - (ii) does not harvest data for the purpose of reproducing or distributing the data to other entities;
 - (iii) is not involved in guiding or directing any curriculum or curriculum standards; and
 - (iv) contracts with the state board to administer scholarship payments in accordance with this part.
 - (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.
- (11)
- (a) "Home-based scholarship student" means a student who:
 - (i) is eligible to participate in public school, in kindergarten or grades 1 through 12;
 - (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 full-time, tuition-bearing educational institution where the student receives the majority of the student's academic instruction.
 - (b) "Private school" does not include:
 - (i) an entity that distributes, rebates, or passes through to families any portion of enrollment-based funding received by an LEA;
 - (ii) shares common ownership, management, officers, or directors with an entity described in Subsection (15)(b)(i); or

(iii) is structured to circumvent Subsections (15)(b)(i) or (ii).

(16)

(a) "Program manager" means a contracted entity or entities that:

(i) perform program operational functions outlined in the procurement agreement described in Section 53F-6-404, including:

- (A) processing scholarship applications and eligibility determinations;
- (B) maintaining scholarship account records;
- (C) coordinating with qualifying providers and the financial administrator; and
- (D) providing customer service to program participants;

(ii) in accordance with required program administration, implement established program standards and procedures; and

(iii) perform other operational duties as specified in the contract.

(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) tuition and fees of a qualifying provider;

(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;

(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;

(ix) fees for the following examinations, or for a preparation course for the following examinations, that the program manager approves:

(A) a national norm-referenced or standardized assessment described in Section 53F-6-410, an advanced placement examination, or another similar assessment;

- (B) a state-recognized industry certification examination; and
- (C) an examination related to college or university admission;
- (x) educational services for students with disabilities from a licensed or accredited practitioner or provider, including occupational, behavioral, physical, audiology, or speech-language therapies;
- (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;
- (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;
- (xiii) in accordance with Subsection (20)(c), expenses related to extracurricular activities, field trips, educational supplements, physical education experiences, and other educational experiences;
- (xiv) coursework or an educational supplement for arts and music that aligns with state core standards;
- (xv) a musical instrument rental, excluding purchase; or
- (xvi) any other expense for a good or service that:
 - (A) a parent or scholarship student incurs in the education of the scholarship student; and
 - (B) the program manager approves.
- (b) "Scholarship expense" does not include:
 - (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;
 - (ii) season tickets or subscriptions to entertainment venues;
 - (iii) ski passes or lift tickets;
 - (iv) access to recreational facilities unless for physical education of the student;
 - (v) playground equipment;
 - (vi) the purchase of any type of:
 - (A) furniture; or
 - (B) a musical instrument;
 - (vii) apparel; and
 - (viii) other non-educational expenses as the program manager determines.
- (c)
 - (i) A scholarship expense for extracurricular activities may not exceed 20% of the total scholarship amount.
 - (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).
 - (iii) A scholarship expense for arts and music described in Subsection (20)(a)(xiv) is not an extracurricular activity.
- (21) "Scholarship funds" means:
 - (a) funds that the Legislature appropriates for the program; and
 - (b) interest that scholarship funds accrue.
- (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.

- (b) "Scholarship student" does not include a home-based student who does not receive a scholarship award under the program.
- (23) "Utah Fits All Scholarship Program" or "program" means the scholarship program established in Section 53F-6-402.

Amended by Chapter 203, 2026 General Session

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.
 - (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) Each year, subject to this part and legislative appropriations, a scholarship student is eligible for no more than:
 - (i) for a private school student, \$8,000;
 - (ii) for a home-based scholarship student age 5-11 as of September 1 of the scholarship year, \$4,000; and
 - (iii) for a home-based scholarship student age 12-18 as of September 1 of the scholarship year, \$6,000.
 - (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:
 - (A) if awarded during the second quarter of the school year, no more than 75% of the annual scholarship amount is allocated;
 - (B) if awarded during the third quarter of the school year, no more than 50% of the annual scholarship amount is allocated; and
 - (C) no new scholarship awards shall be made during the fourth quarter of the school year.
- (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.

- (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 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;
 - (iii) to an eligible student:
 - (A) who did not use a scholarship account in the previous school year;
 - (B) with a family income at or below 300% of the federal poverty level; and
 - (C) was part of a household that received a partial scholarship award under Subsection 53F-6-402(13)(c) and the sibling was not among the children who received a scholarship in that partial award; 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 (6)(a) exceeds available scholarship funds the program manager shall grant awards on a lottery basis.
 - (c)
 - (i) For income verification purposes, a parent of a scholarship student shall:
 - (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
 - (B) submit the consent in a form prescribed by the State Tax Commission.
 - (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.
 - (d) For income verification purposes:
 - (i) the program manager shall require documentation of household income, not individual income;
 - (ii) if the individual income tax is a business income filing, require:
 - (A) the most recently filed business tax returns;
 - (B) year-to-date profit and loss statements; and
 - (C) documentation of the owner's draw or distributions; and
 - (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
 - (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.
 - (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) 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) 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) 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 (13)(c)(ii);
 - (iv) process the household's decision in accordance with the deadlines established in Subsection 53F-6-402(11); and
 - (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.

Amended by Chapter 203, 2026 General Session

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;
 - (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.

Amended by Chapter 25, 2025 General Session

53F-6-404 State board procurement -- Failure to comply.

- (1)
 - (a) In accordance with Title 63G, Chapter 6a, Utah Procurement Code, the state board shall issue requests for proposals for entities to perform duties and functions necessary for program operations.

- (b) An organization that responds to a request for proposals described in Subsection (1)(a) shall submit information demonstrating:
 - (i) organizational qualifications and capacity to perform the specific duties or functions;
 - (ii) relevant experience in education program administration or financial management;
 - (iii) the proposed methodology for performing assigned responsibilities; and
 - (iv) an affidavit or other evidence that the organization:
 - (A) is not affiliated with any international organization;
 - (B) does not harvest data for the purpose of reproducing or distributing the data to another entity; and
 - (C) has no involvement in guiding or directing any curriculum standards.
- (c) The state board shall ensure that the agreement described in Subsection (1)(a):
 - (i) clearly delineates the specific duties and functions to be performed;
 - (ii) ensures the efficiency and success of the program;
 - (iii) maintains appropriate separation between program and contract administration and direct educational services;
 - (iv) preserves the independence of educational decisions made between parents and providers; and
 - (v) does not impose any requirements on the program manager that:
 - (A) are not essential to the basic administration of the program; or
 - (B) create restrictions, directions, or mandates regarding instructional content or curriculum.
- (2) The state board may regulate and take enforcement action as necessary against a contracted entity in accordance with the provisions of the state board's agreement with the contracted entity.
- (3)
 - (a) If the state board determines that a contracted entity has violated a provision of this part or a provision of the state board's agreement with the contracted entity, the state board shall send written notice to the contracted entity explaining the violation and the remedial action required to correct the violation.
 - (b) A contracted entity that receives a notice described in Subsection (3)(a) shall, no later than 60 days after the day on which the contracted entity receives the notice, correct the violation and report the correction to the state board.
 - (c)
 - (i) If a contracted entity that receives a notice described in Subsection (3)(a) fails to correct a violation in the time period described in Subsection (3)(b), the state board may bar the contracted entity from further participation in the program.
 - (ii) A contracted entity may appeal a decision of the state board under Subsection (3)(c)(i) in accordance with Title 63G, Chapter 4, Administrative Procedures Act.
 - (d) A contracted entity may not accept state funds while the contracted entity:
 - (i) is barred from participating in the program under Subsection (3)(c)(i); or
 - (ii) has an appeal pending under Subsection (3)(c)(ii).
 - (e) A contracted entity that has an appeal pending under Subsection (3)(c)(ii) may continue to administer scholarship accounts during the pending appeal.
- (4) The state board shall establish a process for a contracted entity to report the information the contracted entity is required to report to the state board under Section 53F-6-405.
- (5) The state board shall make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and include provisions in the state board's agreement with a contracted entity for:

- (a) subject to Subsection (6), the administration of scholarship accounts and disbursement of scholarship funds if a contracted entity is barred from participating in the program under Subsection (3)(c)(i); and
 - (b) audit and report requirements as described in Section 53F-6-405.
- (6)
- (a) The state board shall include in the rules and provisions described in Subsection (5)(a) measures to ensure that the establishment and maintenance of scholarship accounts and enrollment in the program are not disrupted if the contracted entity is barred from participating in the program.
 - (b) The state board may, if the contracted entity is barred from participating in the program, issue a new request for proposals and enter into a new agreement with an alternative contracted entity in accordance with this section and, if applicable, Section 53F-6-415.5.
- (7) The state board may not include a provision in any rule that creates or implies a restriction, direction, or mandate regarding:
- (a) instructional content;
 - (b) curriculum; or
 - (c) program operations that a contracted entity performs pursuant to an agreement under this section.
- (8) No later than 10 business days after each distribution described in Section 53F-6-411, the state board shall disperse to the program manager an amount equal to the funds appropriated for the Utah Fits All Scholarship Program for the given fiscal year.

Amended by Chapter 25, 2025 General Session

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;
 - (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;
- (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;
- (f) provide aggregate data regarding the number of scholarship students and the number of eligible students on the waitlist described in Subsection (1)(e);
- (g) contract for annual and random audits on scholarship accounts conducted:
 - (i) by a certified public accountant who is independent from:
 - (A) the program manager; and
 - (B) the financial administrator's accounts and records pertaining to scholarship funds; and
 - (ii) in accordance with generally accepted auditing standards;
- (h) require the financial administrator to demonstrate financial accountability through annual reporting requirements described in Section 53F-6-405.5;
- (i) develop and implement an annual orientation for qualifying providers;
- (j) administer the appeals process described in Section 53F-6-417;
- (k) in accordance with Subsection 53F-6-411(4), manage scholarship rollovers;
- (l) track and ensure compliance of allowed scholarship expenses;

- (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
 - (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 time frame.
- (2) The program manager shall:
- (a) require the financial administrator to submit monthly financial reports including:
 - (i) a statement of financial position;
 - (ii) a statement of activities;
 - (iii) account reconciliation statements;
 - (iv) detailed transaction reports; and
 - (v) exception reports highlighting any unusual activity; and
 - (b) oversee the financial administrator's compliance with requirements regarding:
 - (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
 - (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.
- (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:
- (a) the policies and processes of the program;
 - (b) approved scholarship expenses and qualifying providers;
 - (c) the responsibilities of parents regarding the program and scholarship funds;
 - (d) the duties of each contracted entity; and
 - (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.
- (4) To ensure the fiscal security and compliance of the program, the program manager shall:
- (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;
 - (b) establish procedures to ensure a fair process to:
 - (i) suspend scholarship student's eligibility for the program in the event of the scholarship student's or scholarship student's parent's:
 - (A) intentional or substantial misuse of scholarship funds; or
 - (B) violation of this part or the terms of the program; and
 - (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
 - (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
 - (c) notify the financial administrator, scholarship student, and scholarship student's parent in writing:
 - (i) of the suspension described in Subsection (4)(b)(i);

- (ii) that no further transactions, disbursements, or reimbursements are allowed;
 - (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.
- (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;
- (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
 - (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.

Amended by Chapter 203, 2026 General Session

53F-6-405.5 Financial administrator duties and requirements.

- (1) The financial administrator shall:
- (a) operate independently in processing and distributing scholarship funds while:
 - (i) following program requirements the program manager establishes;
 - (ii) implementing payment directives from the program manager regarding:
 - (A) scholarship student eligibility;

- (B) qualifying provider status;
- (C) payment timing; and
- (D) other established program requirements;
- (iii) maintaining separate systems and controls from program administration; and
- (iv) providing necessary reporting while preserving operational independence;
- (b) implement and maintain a payment processing system that:
 - (i) provides an online portal for scholarship account access;
 - (ii) facilitates electronic payments to qualifying providers;
 - (iii) enables pre-approval of parent reimbursements for eligible expenses;
 - (iv) includes provider rating and review capabilities;
 - (v) processes payments efficiently;
 - (vi) prevents unauthorized access;
 - (vii) provides real-time reporting to the program manager; and
 - (viii) maintains backup systems and disaster recovery capabilities;
- (c) process payments only:
 - (i) to qualifying providers approved by the program manager;
 - (ii) for scholarship expenses determined eligible by the program manager, including the reimbursement for the scholarship expense to parents; and
 - (iii) when directed by the program manager;
- (d) maintain security measures that:
 - (i) prevent unauthorized access to scholarship funds;
 - (ii) comply with industry standards for data privacy; and
 - (iii) ensure compliance with federal education privacy laws; and
- (e) process scholarship payments according to the distribution schedule described in Section 53F-6-411, including:
 - (i) tracking initial and second-half payments;
 - (ii) managing early disbursement authorizations; and
 - (iii) reconciling payment records with the Utah Fits All Scholarship Restricted Account balance.
- (2) For financial accountability, the financial administrator shall:
 - (a) maintain detailed records of:
 - (i) all scholarship account transactions to the service or item level;
 - (ii) payment processing activities; and
 - (iii) reimbursements and refunds;
 - (b) provide monthly reports to the program manager including:
 - (i) scholarship account balances and activity;
 - (ii) payment processing status and issues;
 - (iii) provider payment summaries; and
 - (iv) reimbursement tracking; and
 - (c) submit annual financial reports including:
 - (i) total scholarship funds disbursed;
 - (ii) account reconciliation statements; and
 - (iii) audit results and responses.
- (3) The financial administrator shall:
 - (a) implement payment suspensions or cancellations as directed by the program manager;
 - (b) process reimbursements from providers as required;
 - (c) credit returned funds to appropriate scholarship accounts; and
 - (d) maintain records of all suspended or canceled payments.
- (4) The financial administrator:

- (a) may not:
 - (i) approve or deny scholarship expenses;
 - (ii) determine provider eligibility;
 - (iii) establish program policies; and
 - (iv) charge processing fees to an eligible student or pass on third-party fees related to the use or management of scholarship funds; and
- (b) shall:
 - (i) follow all program manager directives regarding fund disbursement;
 - (ii) maintain separation between policy decisions and payment processing; and
 - (iii) implement internal controls to prevent unauthorized payments.
- (5) The financial administrator shall:
 - (a) cooperate with all program audits;
 - (b) provide requested financial records;
 - (c) respond to audit findings as directed; and
 - (d) implement corrective actions as required by the program manager.

Enacted by Chapter 25, 2025 General Session

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;
 - (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-6-703.
 - (b) An LEA may not:
 - (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.

Amended by Chapter 203, 2026 General Session

53F-6-407 Background checks for program manager -- Bureau responsibilities -- Fees.

- (1) As used in this section:
 - (a) "Bureau" means the Bureau of Criminal Identification created in Section 53-10-201 within the Department of Public Safety.
 - (b) "Department" means the Department of Public Safety.
 - (c) "Division" means the Criminal Investigations and Technical Services Division created in Section 53-10-103.
 - (d) "Personal identifying information" means:
 - (i) current name;
 - (ii) former names;
 - (iii) nicknames;
 - (iv) aliases;
 - (v) date of birth;
 - (vi) address;
 - (vii) telephone number;
 - (viii) driver license number or other government-issued identification number;
 - (ix) social security number; and
 - (x) fingerprints.
 - (e) "Rap back system" means a system that enables authorized entities to receive ongoing status notifications of any criminal history reported on individuals whose fingerprints are registered in the system.
 - (f) "WIN Database" means the Western Identification Network Database that consists of eight western states sharing one electronic fingerprint database.
- (2) Each contracted entity shall:
 - (a) require an employee or officer of the contracted entity to submit to a criminal background check and ongoing monitoring;
 - (b) collect the following from an employee or officer of the contracted entity:
 - (i) personal identifying information;
 - (ii) a fee described in Subsection (4); and
 - (iii) consent, on a form specified by the program manager, for:

- (A) an initial fingerprint-based background check by the bureau;
 - (B) retention of personal identifying information for ongoing monitoring through registration with the systems described in Subsection (3); and
 - (C) disclosure of any criminal history information to the contracted entity;
- (c) submit the personal identifying information of an employee or officer of the contracted entity to the bureau for:
- (i) an initial fingerprint-based background check by the bureau; and
 - (ii) ongoing monitoring through registration with the systems described in Subsection (3) if the results of the initial background check do not contain disqualifying criminal history information as determined by the program manager;
- (d) identify the appropriate privacy risk mitigation strategy that will be used to ensure that the contracted entity only receives notifications for individuals with whom the contracted entity maintains an authorizing relationship; and
- (e) submit the information to the bureau for ongoing monitoring through registration with the systems described in Subsection (3).
- (3) The bureau shall:
- (a) upon request from the program manager, register the fingerprints submitted by the contracted entity as part of a background check with the WIN Database rap back system, or any successor system;
 - (b) notify the program manager when a new entry is made against an individual whose fingerprints are registered with the WIN Database rap back system regarding:
 - (i) an alleged offense; or
 - (ii) a conviction, including a plea in abeyance;
 - (c) assist the contracted entity to identify the appropriate privacy risk mitigation strategy that is to be used to ensure that the contracted entity only receives notifications for individuals with whom the authorized entity maintains an authorizing relationship; and
 - (d) collaborate with the contracted entity to provide training to appropriate contracted entity employees on the notification procedures and privacy risk mitigation strategies described in this section.
- (4)
- (a) The division shall impose fees that the division sets in accordance with Section 63J-1-504 for the fingerprint card of an employee or officer of the program manager, for a name check, and to register fingerprints under this section.
 - (b) Funds generated under this Subsection (4) shall be deposited into the General Fund as a dedicated credit by the department to cover the costs incurred in providing the information.

Amended by Chapter 25, 2025 General Session

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) 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;
 - (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;
 - (c) comply with the antidiscrimination provisions of 42 U.S.C. Sec. 2000d;
 - (d) provide a written disclosure to the parent of each prospective scholarship student, before the student is enrolled, of:
 - (i) the education services that the school will provide to the scholarship student, including the cost of the provided services;
 - (ii) tuition costs;
 - (iii) additional fees the school will require a parent to pay during the school year;
 - (iv) the skill or grade level of the curriculum in which the prospective scholarship student will participate;
 - (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
 - (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;
 - (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:
 - (i) an employee who does not hold:
 - (A) a current Utah educator license issued by the state board under Title 53E, Chapter 6, Education Professional Licensure; or
 - (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
 - (ii) a contract employee;
 - (f) 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;
 - (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
 - (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.
- (2)
- (a) The program manager shall ensure that:
 - (i) the verification required under Subsection (1)(a)(i):

- (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;
 - (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
 - (C) does not include the underlying audit report or detailed financial information.
- (b) The program manager:
- (i) may only verify that the required audit or agreed upon procedures engagement was completed and found general financial solvency;
 - (ii) may not conduct, commission, or be involved in the audit or agreed upon procedures engagement; and
 - (iii) may not review detailed financial records of the private school beyond the verification described in Subsection (2)(a)(i).
- (3) A private school described in Subsection (1) is not eligible to receive scholarship funds if:
- (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;
 - (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.
- (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;
 - (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 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) 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;
 - (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

- (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.
- (5) A private school described in Subsection (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.
- (6) To be eligible to receive scholarship funds on behalf of a scholarship student as an eligible school, an LEA shall:
 - (a) provide to the program manager and financial administrator:
 - (i) a federal employer identification number;
 - (ii) the LEA's address and contact information; and
 - (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;
 - (b) comply with the antidiscrimination provisions of 42 U.S.C. Sec. 2000d; and
 - (c) ensure the provision of services to a scholarship student through which:
 - (i) the scholarship student does not enroll in the LEA; and
 - (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;
 - (d) treat a scholarship student the same as the LEA would treat an enrolled student, including in:
 - (i) participation allowances;
 - (ii) audition rules;
 - (iii) athletic team participation;
 - (iv) extracurricular activities; and
 - (v) co-curricular activities;
 - (e) not deny a scholarship student participation in any activity, team, or program simply because:
 - (i) the student is a scholarship student; or
 - (ii) of liability concerns specific to the student's scholarship status;
 - (f) establish a transparent and fair fee structure for scholarship expenses offered by the LEA, including a fee schedule that:
 - (i) is based on actual costs of providing services;
 - (ii) is consistent with fees charged to enrolled students;
 - (iii) itemizes all charges and fees;
 - (iv) explains the basis for each fee; and
 - (v) is updated annually;
 - (g) provide the same liability coverage to scholarship students as provided to enrolled students; and
 - (h) in accordance with Subsection 53F-6-402(7), create and maintain a distinct identifier in the LEA's student information system that:
 - (i) clearly identifies a scholarship student; and
 - (ii) distinguishes the scholarship student from a student enrolled in the LEA.
- (7) An LEA described in Subsection (6) is not eligible to receive scholarship funds if:
 - (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
 - (b) the LEA refuses to offer services that do not require LEA enrollment to scholarship students under the program.
- (8) Residential treatment facilities licensed by the state are not eligible to receive scholarship funds.

- (9) A private school or LEA intending to receive scholarship funds shall:
- (a)
 - (i) for a private school, submit an application to the program manager; or
 - (ii) for an LEA, submit a notice to the program manager containing the information described in Subsection (6)(a); and
 - (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.
- (10) The program manager shall:
- (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.
- (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.
- (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.

Amended by Chapter 203, 2026 General Session

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

- (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.
- (4) The program manager shall:
 - (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
 - (b) make available to the public a list of eligible service providers approved under this section.
- (5) A private program or service approved under this section that changes ownership shall:
 - (a) cease operation as an eligible service provider until:
 - (i) the program or service submits a new application to the program manager; and
 - (ii) the program manager approves the new application; and
 - (b) demonstrate that the private program or service continues to meet the eligibility requirements of this section.
- (6) The following are not eligible service providers:
 - (a) a parent of a home-based scholarship student or a home school student solely in relation to the parent's child; or
 - (b) any other individual that does not meet the requirements described in this section.
- (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.

Amended by Chapter 25, 2025 General Session

53F-6-410 Parental rights -- Optional assessment.

- (1) In accordance with Section 53G-6-803 regarding a parent's right to academic accommodations, nothing in this chapter restricts or affects a parent's interests and role in the care, custody, and control of the parent's child, including the duty and right to nurture and direct the child's upbringing and education.
- (2)
 - (a) A parent may request that the program manager facilitate one of the following assessments of the parent's scholarship student:
 - (i) a standards assessment described in Section 53E-4-303;
 - (ii) a high school assessment described in Section 53E-4-304;
 - (iii) a college readiness assessment described in Section 53E-4-305;
 - (iv) an assessment of students in grade 3 to measure reading grade level described in Section 53E-4-307; or
 - (v) a nationally norm-referenced assessment.
 - (b)
 - (i) Notwithstanding any other provision of law, the entity administering an assessment described in Subsection (2)(a) to a scholarship student in accordance with this section may not report the result of or any other data pertaining to the assessment or scholarship student to a person other than the program manager, the scholarship student, or the scholarship student's parent.
 - (ii) The program manager may not report or communicate the result or data described in Subsection (2)(b)(i) to a person other than the relevant scholarship student and the

scholarship student's parent unless the result or data is included in a de-identified compilation of data related to all scholarship students.

- (c) In any communication from the program manager regarding an assessment described in this Subsection (2), the program manager shall include a disclaimer that no assessment is required.
 - (d) The completion of an optional assessment under this section satisfies the portfolio eligibility qualification described in Subsection 53F-6-402(3)(d).
- (3) The rights described in this section shall be exercised in conjunction with the procedures for students with special needs as described in Section 53F-6-416.

Amended by Chapter 25, 2025 General Session

53F-6-411 Program funding.

- (1) Except as provided in Subsection (7), if a scholarship student enters or reenters the public education system during a given school year:
 - (a) no later than five business days after the day on which the student enters or reenters the public education system, the program manager shall direct the financial administrator to immediately remove the balance in the scholarship student's scholarship account for other use within the program;
 - (b) the state board may not distribute any remaining state funds to the program manager or financial administrator for the student; and
 - (c) the program manager may direct the financial administrator to use the balance described in Subsection (1)(a) for another scholarship student.
- (2) At the end of a school year, a program manager shall:
 - (a) direct the financial administrator to:
 - (i) withdraw any remaining scholarship funds in a scholarship account; and
 - (ii) allocate these funds as rollovers in accordance with Subsection (4); and
 - (b) return any funds not allocated as rollovers to the program manager or the state board to be deposited in the restricted account described in Subsection (4).
- (3)
 - (a) To administer the program, the program manager may use up to 5% of the funds the Legislature appropriates for the program.
 - (b) The funds for program administration described in Subsection (3)(a) are nonlapsing.
 - (c) The program manager may not retain administrative cost balances in excess of 25% of total administrative costs in any fiscal year.
- (4)
 - (a) There is created a restricted account within the Income Tax Fund known as the "Utah Fits All Scholarship Program Restricted Account."
 - (b) The restricted account shall consist of:
 - (i) money appropriated to the restricted account by the Legislature;
 - (ii) interest earned on the restricted account; and
 - (iii) in accordance with Subsection (6), unused scholarship funds returned to the restricted account under this section.
- (5)
 - (a) Subject to legislative appropriations, the state board shall distribute scholarship funds to the program manager or financial administrator from the restricted account in two equal payments:
 - (i) the first payment at the beginning of the scholarship year; and

- (ii) the second payment during the second half of the scholarship year.
- (b) Notwithstanding Subsection (5)(a), the program manager may authorize disbursement of a scholarship student's full annual award amount at the beginning of the scholarship year if:
 - (i) the funds are for private school tuition; or
 - (ii) the program manager determines immediate disbursement is necessary for the student's education.
- (6) The program manager shall:
 - (a) allow unused scholarship funds to rollover in a 2:1 ratio, where:
 - (i) for every three dollars of unused scholarship funds, two dollars rollover to the scholarship student to be added to the student's scholarship award for the next scholarship year, up to a maximum rollover amount of \$2,000 that may cumulate; and
 - (ii) the remaining unused funds return to the restricted account;
 - (b) verify the scholarship student maintains program eligibility before executing any rollover; and
 - (c) direct the financial administrator to return any unused funds not allocated as rollovers to the restricted account described in this section.
- (7)
 - (a) Before determining a student has reentered public education, the program manager shall:
 - (i) notify the parent in writing of:
 - (A) the identified public school enrollment; and
 - (B) the parent's right to verify or dispute the enrollment finding; and
 - (ii) allow the parent five business days to:
 - (A) confirm the accuracy of the enrollment; or
 - (B) provide evidence disputing the enrollment finding.
 - (b) A parent may appeal an incorrect reentry determination by submitting documentation to the program manager within the time specified in Subsection (7)(a).

Amended by Chapter 25, 2025 General Session

53F-6-412 Reports.

In accordance with Section 68-3-14 and the Family Educational Rights and Privacy Act, 20 U.S.C. Sec. 1232g, the program manager shall submit a report on the program to the Education Interim Committee no later than September 1 of each year that includes:

- (1) the number and outcomes of appeals processed through the appeals process established in Section 53F-6-417;
- (2) the total amount and usage of rollover funds as described in Section 53F-6-411;
- (3) a summary of the income verification process and outcomes, including the number of households verified through each method described in Section 53F-6-402;
- (4) for scholarship rollovers:
 - (a) the total amount of funds rolled over;
 - (b) the number of students with rollovers; and
 - (c) the impact on subsequent year scholarship amounts;
- (5) for restricted expenses:
 - (a) the total amount spent on extracurricular and physical education expenses;
 - (b) the percentage of scholarship funds used for restricted expenses by students; and
 - (c) the number of students reaching:
 - (i) the 20% restriction limit for physical education expenses; and
 - (ii) the 20% limit for extracurricular related expenses;

- (6) in consultation with the financial administrator, all financial data necessary for the preparation of the report required under this section no later than 30 days before each reporting deadline;
- (7) the total amount of tuition and fees qualifying providers charged for the current year and previous two years;
- (8) the total amount of goods paid for with scholarship funds in the previous year and a general characterization of the types of goods;
- (9) administrative costs of the program;
- (10) the number of scholarship students from each county and the aggregate number of eligible students on the waitlist described in Section 53F-6-405;
- (11) the percentage of first-time scholarship students who were enrolled in a public school during the previous school year or who entered kindergarten or a higher grade for the first time in Utah;
- (12) the program manager's strategy and outreach efforts to reach eligible students whose family income is at or below 200% of the federal poverty level and related obstacles to enrollments;
- (13) in the report that the program manager submits in 2025, information on steps the program manager has taken and processes the program manager has adopted to implement the program;
- (14) breakdown of scholarship students by:
 - (a) private school enrollment versus home-based education; and
 - (b) enrollment preference tier through which the student received the scholarship; and
- (15) any other information regarding the program and the program's implementation that the committee requests.

Amended by Chapter 25, 2025 General Session

53F-6-413 Legal proceedings.

- (1) In any legal proceeding against the state in which a qualifying provider challenges the application of this part to the qualifying provider, the state shall bear the burden of establishing that the law:
 - (a) is necessary; and
 - (b) does not impose an undue burden on the qualifying provider.
- (2) The following bear no liability based on the award or use of scholarship funds under this part:
 - (a) the state;
 - (b) the state board;
 - (c) the program manager; or
 - (d) an LEA.
- (3) If any provision of this part is the subject of a state or federal constitutional challenge in a state court, scholarship students and scholarship students' parents may intervene as a matter of right to defend the program's constitutionality, subject to any court order that all defending parents and scholarship students intervene jointly.

Enacted by Chapter 1, 2023 General Session

53F-6-414 Severability.

- (1) If any provision of this part or the application of any provision of this part to any person or circumstance is held invalid by a final decision of a court of competent jurisdiction, the remaining provisions of this part remain effective without the invalidated provision or application.

(2) The provisions of this part are severable.

Enacted by Chapter 1, 2023 General Session

53F-6-415 Procurement flexibility.

For the year 2023, if the state board determines that it is not feasible to successfully meet a procurement and contracting deadline in this part, the state board may extend the deadline by no more than 90 days.

Enacted by Chapter 353, 2023 General Session

53F-6-415.5 Transition provisions.

(1) As used in this section:

- (a) "Previous contracted entity" means an organization that was contracted to perform program functions immediately prior to a transition event.
- (b) "Transition event" means:
 - (i) the expiration or termination of a contracted entity contract;
 - (ii) the inability of a contracted entity to perform required duties; or
 - (iii) any other circumstance requiring transition to a new contracted entity, including legislative changes to this part or the program appropriations.
- (c) "Transition period" means the time between:
 - (i) the occurrence of a transition event; and
 - (ii) the effective date of a contract with a new contracted entity selected through the state's procurement process.

(2) Upon the occurrence of a transition event, the Department of Operations shall:

- (a) serve as a temporary bridge program administrator solely during the time required to:
 - (i) maintain essential program operations with the full cooperation from the previous contracted entity that is undergoing termination of contract; and
 - (ii) complete the procurement process for selecting new contracted entities;
 - (b) immediately initiate and complete the procurement process described in Section 53F-6-404 in an expedited manner;
 - (c) establish clear timelines and procedures for the transition process between the previous contracted entity to the Department of Operations to the new contracted entity;
 - (d) if the transition event affects the financial administrator:
 - (i) immediately secure temporary financial services through an emergency procurement process to ensure continuity of payment processing;
 - (ii) ensure the temporary financial services provider meets all qualifications of a financial administrator under Section 53F-6-401; and
 - (iii) maintain separation between program administration and financial operations during the transition period; and
 - (e) provide proper notice to and coordinate with:
 - (i) qualifying providers;
 - (ii) parents;
 - (iii) all contracted entities;
 - (iv) the state board; and
 - (v) other affected parties.
- (3) During the transition period, the Department of Operations:
- (a) shall ensure with full cooperation and support of the previous contracted entity:

- (i) all existing scholarship accounts remain valid and operational;
 - (ii) all qualifying provider approvals remain in effect;
 - (iii) no interruption in:
 - (A) scholarship payments;
 - (B) account access for parents;
 - (C) contracted entity operations; and
 - (D) other essential program functions;
 - (iv) if a temporary financial services provider is necessary:
 - (A) the provider's compliance with program requirements;
 - (B) proper processing of scholarship payments; and
 - (C) appropriate separation of duties is maintained between the provider and the Department of Operations;
 - (v) preservation of all program data and records for transfer to new contracted entities; and
 - (vi) continuation of necessary reporting and compliance activities;
- (b) may not:
- (i) implement new policies or procedures;
 - (ii) modify existing program operations; or
 - (iii) directly handle or process any scholarship funds; and
- (c) shall maintain the program's operational independence from governmental control.
- (4) The Department of Operations' temporary bridge program administrator role:
- (a) is limited to maintaining essential program functions;
 - (b) may not extend beyond the minimum time necessary to complete the procurement process;
 - (c) does not constitute ongoing program management or operations;
 - (d) shall be performed solely to maintain program continuity during the transition to a new program manager; and
 - (e) shall terminate immediately upon the new program manager assuming the duties of a program manager.
- (5) All contracts, agreements, and obligations with the previous contracted entity shall:
- (a) remain in effect during the transition period unless specifically terminated through appropriate procedures;
 - (b) be reviewed by the Department of Operations for continuation, modification, or termination; and
 - (c) if necessary, be transferred to appropriate entities as determined through the procurement process.
- (6) Upon selection and awarding of a new contract to a contracted entity, the Department of Operations shall:
- (a) facilitate an orderly transfer of all relevant program operations, records, and data;
 - (b) ensure the new contracted entity is prepared to assume all relevant program responsibilities; and
 - (c) except for contract administrator duties, terminate all temporary administrative duties.
- (7) During the transition period:
- (a) if a temporary financial services provider is necessary:
 - (i) the provider shall process all program payments and maintain all scholarship accounts;
 - (ii) the Department of Operations may not directly handle or process any scholarship funds; and
 - (iii) the temporary financial services provider shall receive the portion of administrative funds necessary for financial operations;
 - (b) the state board shall:
 - (i) allocate administrative funds as directed by the Department of Operations to:

- (A) the temporary financial services provider for financial operations; and
- (B) other contracted entities continuing to perform program functions; and
- (ii) ensure the total administrative costs do not exceed the limit in Subsection 53F-6-411(3)(a)
 - (i); and
- (c) the Department of Operations:
 - (i) shall maintain detailed accounting of all transition period administrative expenditures;
 - (ii) shall report transition period expenditures to the state board;
 - (iii) may not directly handle scholarship funds or accounts; and
 - (iv) shall ensure proper separation between program administration and financial operations is maintained throughout the transition period.
- (8) Any unexpended administrative funds at the end of the transition period shall:
 - (a) transfer to the newly contracted entities upon completion of the procurement process; or
 - (b) return to the restricted account described in Section 53F-6-411 if not needed for contracted entity operations.
- (9) Within 30 days after terminating temporary administrative duties under Subsection (6)(c), the Department of Operations shall submit a report to the Executive Appropriations Committee that includes:
 - (a) a summary of actions taken during the transition period;
 - (b) an accounting of all expenditures made during the transition period;
 - (c) confirmation that all program operations, records, and data have been properly transferred to new contracted entities; and
 - (d) verification that all temporary administrative duties have been terminated.

Enacted by Chapter 25, 2025 General Session

53F-6-416 Students with special needs.

The program manager shall coordinate with the program manager of the Carson Smith Opportunity Scholarship Program created in Section 53E-7-402 and the Carson Smith Scholarship Program created in Section 53F-4-302 to ensure that a student is not receiving duplicate benefits.

Enacted by Chapter 25, 2025 General Session

53F-6-417 Appeals process for denied reimbursements.

In accordance with required program administration the program manager shall:

- (1) follow an appeals process for when a student's eligibility is suspended or disqualified under Section 53F-6-405; and
- (2) establish the process and procedures for the appeals process described in this section.

Enacted by Chapter 25, 2025 General Session