

CHAPTER 2021-193

Committee Substitute for Committee Substitute for House Bill No. 3

An act relating to home book delivery for elementary students; providing legislative findings; creating ss. 211.0252 and 212.1833, F.S.; providing credits against oil and gas production taxes and sales taxes payable by direct pay permitholders, respectively, under the New Worlds Reading Initiative Tax Credit; specifying requirements and procedures for, and limitations on, the credits; amending s. 220.02, F.S.; revising the order in which tax credits against the corporate income tax credit or the franchise tax are applied; amending s. 220.13, F.S.; revising the definition of the term “adjusted federal income”; amending s. 220.186, F.S.; revising the calculation of the corporate income tax credit for the Florida alternative minimum tax; creating s. 220.1876, F.S.; providing a credit against the corporate income tax under the New Worlds Reading Initiative Tax Credit; specifying requirements and procedures for, and limitations on, the credit; creating ss. 561.1212 and 624.51056, F.S.; providing credits against excise taxes on certain alcoholic beverages and the insurance premium tax, respectively, under the New Worlds Initiative Tax Credit; specifying requirements and procedures for, and limitations on, the credits; creating s. 1003.485 F.S.; providing definitions; establishing the New Worlds Reading Initiative under the Department of Education; requiring the department to contract with a state university to administer the initiative; providing duties of the department and administrator; requiring the administrator, in consultation with a specified entity, to develop a selection of books; requiring the administrator to facilitate distribution of books; requiring the administrator to assist with local implementation of the initiative; requiring the administrator to maintain a clearinghouse of specified information; requiring the administrator to develop and disseminate certain training materials by specified means; requiring the administrator to annually submit an audit report; requiring the administrator to maintain specified accounts for program funds; providing spending requirements; requiring the administrator to provide a certificate of contribution in certain circumstances; establishing reporting requirements; establishing a tax credit cap amount; authorizing a taxpayer to apply for a tax credit; providing requirements for the application; specifying a limitation on, and application procedures for, the tax credit; specifying requirements and procedures for, and restrictions on, the carryforward, conveyance, transfer, assignment, and rescindment of credits; specifying requirements and procedures for the Department of Revenue; establishing student eligibility requirements; requiring school districts to identify eligible students and notify parents; requiring school districts to coordinate with the administrator to initiate book delivery; providing requirements for book delivery; requiring that students be offered certain options relating to books; specifying when student eligibility ends; requiring school districts raise awareness of the

initiative; authorizing the Department of Revenue, the Division of Alcoholic Beverages and Tobacco of the Department of Business and Professional Regulation, and the Department of Education to develop a cooperative agreement and adopt rules; amending s. 1008.25, F.S.; requiring that a certain notification include information about the initiative; authorizing the Department of Revenue to adopt emergency rules; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. The Legislature finds that the ability to read is fundamental to a productive, fulfilling, culturally rewarding, and civically engaged life. Furthermore, a literacy-rich home environment helps develop reading and writing skills in young learners to prepare them for future academic and career success. Research shows that students who read more perform better academically than those who do not. Unfortunately, statistics show students who have fewer books and literacy-based interactions at home than their peers have lower educational attainment and lifetime income-earning potential. Programs that deliver books directly to students' homes and support engagement in reading enable parents to develop their child's reading skills and enjoyment of reading and foster improved outcomes for students.

Section 2. Section 211.0252, Florida Statutes, is created to read:

211.0252 Credit for contributions to the New Worlds Reading Initiative. Beginning January 1, 2022, there is allowed a credit of 100 percent of an eligible contribution made to the New Worlds Reading Initiative under s. 1003.485 against any tax due under s. 211.02 or s. 211.025. However, the combined credit allowed under this section and s. 211.0251 may not exceed 50 percent of the tax due on the return on which the credit is taken. If the combined credit allowed under this section and s. 211.0251 exceeds 50 percent of the tax due on the return, the credit must first be taken under s. 211.0251. Any remaining liability must be taken under this section, but may not exceed 50 percent of the tax due. For purposes of the distributions of tax revenue under s. 211.06, the department shall disregard any tax credits allowed under this section to ensure that any reduction in tax revenue received which is attributable to the tax credits results only in a reduction in distributions to the General Revenue Fund. Section 1003.485 applies to the credit authorized by this section.

Section 3. Section 212.1833, Florida Statutes, is created to read:

212.1833 Credit for contributions to the New Worlds Reading Initiative. Beginning January 1, 2022, there is allowed a credit of 100 percent of an eligible contribution made to the New Worlds Reading Initiative under s. 1003.485 against any tax imposed by the state and due under this chapter from a direct pay permitholder as a result of the direct pay permit held pursuant to s. 212.183. For purposes of the dealer's credit granted for keeping prescribed records, filing timely tax returns, and properly

accounting and remitting taxes under s. 212.12, the amount of tax due used to calculate the credit shall include any eligible contribution made to the New Worlds Reading Initiative from a direct pay permitholder. For purposes of the distributions of tax revenue under s. 212.20, the department shall disregard any tax credits allowed under this section to ensure that any reduction in tax revenue received which is attributable to the tax credits results only in a reduction in distributions to the General Revenue Fund. Section 1003.485 applies to the credit authorized by this section. A dealer who claims a tax credit under this section must file his or her tax returns and pay his or her taxes by electronic means under s. 213.755.

Section 4. Subsection (8) of section 220.02, Florida Statutes, is amended to read:

220.02 Legislative intent.—

(8) It is the intent of the Legislature that credits against either the corporate income tax or the franchise tax be applied in the following order: those enumerated in s. 631.828, those enumerated in s. 220.191, those enumerated in s. 220.181, those enumerated in s. 220.183, those enumerated in s. 220.182, those enumerated in s. 220.1895, those enumerated in s. 220.195, those enumerated in s. 220.184, those enumerated in s. 220.186, those enumerated in s. 220.1845, those enumerated in s. 220.19, those enumerated in s. 220.185, those enumerated in s. 220.1875, those enumerated in s. 220.1876, those enumerated in s. 220.193, those enumerated in s. 288.9916, those enumerated in s. 220.1899, those enumerated in s. 220.194, and those enumerated in s. 220.196.

Section 5. Paragraph (a) of subsection (1) of section 220.13, Florida Statutes, is amended to read:

220.13 “Adjusted federal income” defined.—

(1) The term “adjusted federal income” means an amount equal to the taxpayer’s taxable income as defined in subsection (2), or such taxable income of more than one taxpayer as provided in s. 220.131, for the taxable year, adjusted as follows:

(a) *Additions.*—There shall be added to such taxable income:

1.a. The amount of any tax upon or measured by income, excluding taxes based on gross receipts or revenues, paid or accrued as a liability to the District of Columbia or any state of the United States which is deductible from gross income in the computation of taxable income for the taxable year.

b. Notwithstanding sub-subparagraph a., if a credit taken under s. 220.1875 or s. 220.1876 is added to taxable income in a previous taxable year under subparagraph 11. and is taken as a deduction for federal tax purposes in the current taxable year, the amount of the deduction allowed shall not be added to taxable income in the current year. The exception in this sub-subparagraph is intended to ensure that the credit under s. 220.1875 or s.

220.1876 is added in the applicable taxable year and does not result in a duplicate addition in a subsequent year.

2. The amount of interest which is excluded from taxable income under s. 103(a) of the Internal Revenue Code or any other federal law, less the associated expenses disallowed in the computation of taxable income under s. 265 of the Internal Revenue Code or any other law, excluding 60 percent of any amounts included in alternative minimum taxable income, as defined in s. 55(b)(2) of the Internal Revenue Code, if the taxpayer pays tax under s. 220.11(3).

3. In the case of a regulated investment company or real estate investment trust, an amount equal to the excess of the net long-term capital gain for the taxable year over the amount of the capital gain dividends attributable to the taxable year.

4. That portion of the wages or salaries paid or incurred for the taxable year which is equal to the amount of the credit allowable for the taxable year under s. 220.181. This subparagraph shall expire on the date specified in s. 290.016 for the expiration of the Florida Enterprise Zone Act.

5. That portion of the ad valorem school taxes paid or incurred for the taxable year which is equal to the amount of the credit allowable for the taxable year under s. 220.182. This subparagraph shall expire on the date specified in s. 290.016 for the expiration of the Florida Enterprise Zone Act.

6. The amount taken as a credit under s. 220.195 which is deductible from gross income in the computation of taxable income for the taxable year.

7. That portion of assessments to fund a guaranty association incurred for the taxable year which is equal to the amount of the credit allowable for the taxable year.

8. In the case of a nonprofit corporation which holds a pari-mutuel permit and which is exempt from federal income tax as a farmers' cooperative, an amount equal to the excess of the gross income attributable to the pari-mutuel operations over the attributable expenses for the taxable year.

9. The amount taken as a credit for the taxable year under s. 220.1895.

10. Up to nine percent of the eligible basis of any designated project which is equal to the credit allowable for the taxable year under s. 220.185.

11. Any ~~The~~ amount taken as a credit for the taxable year under s. 220.1875 ~~or s. 220.1876~~. The addition in this subparagraph is intended to ensure that the same amount is not allowed for the tax purposes of this state as both a deduction from income and a credit against the tax. This addition is not intended to result in adding the same expense back to income more than once.

12. The amount taken as a credit for the taxable year under s. 220.193.

13. Any portion of a qualified investment, as defined in s. 288.9913, which is claimed as a deduction by the taxpayer and taken as a credit against income tax pursuant to s. 288.9916.

14. The costs to acquire a tax credit pursuant to s. 288.1254(5) that are deducted from or otherwise reduce federal taxable income for the taxable year.

15. The amount taken as a credit for the taxable year pursuant to s. 220.194.

16. The amount taken as a credit for the taxable year under s. 220.196. The addition in this subparagraph is intended to ensure that the same amount is not allowed for the tax purposes of this state as both a deduction from income and a credit against the tax. The addition is not intended to result in adding the same expense back to income more than once.

Section 6. Subsection (2) of section 220.186, Florida Statutes, is amended to read:

220.186 Credit for Florida alternative minimum tax.—

(2) The credit pursuant to this section shall be the amount of the excess, if any, of the tax paid based upon taxable income determined pursuant to s. 220.13(2)(k) over the amount of tax which would have been due based upon taxable income without application of s. 220.13(2)(k), before application of this credit without application of any credit under s. 220.1875 or s. 220.1876.

Section 7. Section 220.1876, Florida Statutes, is created to read:

220.1876 Credit for contributions to the New Worlds Reading Initiative.

(1) For taxable years beginning on or after January 1, 2022, there is allowed a credit of 100 percent of an eligible contribution made to the New Worlds Reading Initiative under s. 1003.485 against any tax due for a taxable year under this chapter after the application of any other allowable credits by the taxpayer. An eligible contribution must be made to the New Worlds Reading Initiative on or before the date the taxpayer is required to file a return pursuant to s. 220.222. The credit granted by this section shall be reduced by the difference between the amount of federal corporate income tax, taking into account the credit granted by this section, and the amount of federal corporate income tax without application of the credit granted by this section.

(2) A taxpayer who files a Florida consolidated return as a member of an affiliated group pursuant to s. 220.131(1) may be allowed the credit on a consolidated return basis; however, the total credit taken by the affiliated group is subject to the limitation established under subsection (1).

(3) Section 1003.485 applies to the credit authorized by this section.

(4) If a taxpayer applies and is approved for a credit under s. 1003.485 after timely requesting an extension to file under s. 220.222(2):

(a) The credit does not reduce the amount of tax due for purposes of the department's determination as to whether the taxpayer was in compliance with the requirement to pay tentative taxes under ss. 220.222 and 220.32.

(b) The taxpayer's noncompliance with the requirement to pay tentative taxes shall result in the revocation and rescindment of any such credit.

(c) The taxpayer shall be assessed for any taxes, penalties, or interest due from the taxpayer's noncompliance with the requirement to pay tentative taxes.

Section 8. Section 561.1212, Florida Statutes, is created to read:

561.1212 Credit for contributions to the New Worlds Reading Initiative. Beginning January 1, 2022, there is allowed a credit of 100 percent of an eligible contribution made to the New Worlds Reading Initiative under s. 1003.485 against any tax due under s. 563.05, s. 564.06, or s. 565.12, except excise taxes imposed on wine produced by manufacturers in this state from products grown in this state. However, a credit allowed under this section may not exceed 90 percent of the tax due on the return on which the credit is taken. For purposes of the distributions of tax revenue under ss. 561.121 and 564.06(10), the division shall disregard any tax credits allowed under this section to ensure that any reduction in tax revenue received which is attributable to the tax credits results only in a reduction in distributions to the General Revenue Fund. The provisions of s. 1003.485 apply to the credit authorized by this section.

Section 9. Section 624.51056, Florida Statutes, is created to read:

624.51056 Credit for contributions to the New Worlds Reading Initiative.—

(1) For taxable years beginning on or after January 1, 2022, there is allowed a credit of 100 percent of an eligible contribution made to the New Worlds Reading Initiative under s. 1003.485 against any tax due for a taxable year under s. 624.509(1) after deducting from such tax deductions for assessments made pursuant to s. 440.51, credits for taxes paid under ss. 175.101 and 185.08, credits for income taxes paid under chapter 220, and the credit allowed under s. 624.509(5), as such credit is limited by s. 624.509(6). An eligible contribution must be made to the New Worlds Reading Initiative on or before the date the taxpayer is required to file a return pursuant to ss. 624.509 and 624.5092. An insurer claiming a credit against premium tax liability under this section is not required to pay any additional retaliatory tax levied under s. 624.5091 as a result of claiming such credit. Section 624.5091 does not limit such credit in any manner.

(2) Section 1003.485 applies to the credit authorized by this section.

Section 10. Section 1003.485, Florida Statutes, is created to read:

1003.485 The New Worlds Reading Initiative.—

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

(a) “Administrator” means a state university registered with the department under s. 1002.395(15)(i) and designated to administer the initiative under paragraph (2)(a).

(b) “Annual tax credit amount” means, for any state fiscal year, the sum of the amount of tax credits approved under paragraph (3)(b), including tax credits to be taken under s. 211.0252, s. 212.1833, s. 220.1876, s. 561.1212, or s. 624.51056, which are approved for taxpayers whose taxable years begin on or after January 1 of the calendar year preceding the start of the applicable state fiscal year.

(c) “Department” means the Department of Education.

(d) “Division” means the Division of Alcoholic Beverages and Tobacco of the Department of Business and Professional Regulation.

(e) “Eligible contribution” means a monetary contribution from a taxpayer, subject to the restrictions provided in this section, to the administrator.

(f) “Initiative” means the New Worlds Reading Initiative.

(2) NEW WORLDS READING INITIATIVE; ADMINISTRATION.—The New Worlds Reading Initiative is established under the department to improve literacy skills and instill a love of reading by providing high-quality, free books to students in kindergarten through grade 5 who are reading below grade level.

(a) The department shall:

1. Designate an administrator to implement the initiative and to receive funding as provided in this section. The administrator must have an academic innovation institution with extensive experience in:

a. Conducting academic research in early literacy instruction.

b. Implementing online delivery of early learning and literacy training for educators nationally.

c. Developing online support materials that assist parents and care-givers in developing early literacy skills.

d. Conducting fundraising and public awareness campaigns to support the development and growth of evidence-based educational initiatives that support learning at home and in schools.

2. Publish information about the initiative and tax credits under subsection (3) on its website, including the process for a taxpayer to select the administrator as the recipient of funding through a tax credit.

3. Beginning September 30, 2022, and annually thereafter, report on its website the number of students participating in the initiative in each school district, information from the annual financial report under subparagraph (b)6., and the academic achievement and learning gains, as applicable, of participating students based on data provided by school districts as permitted under s. 1002.22. The department shall establish a date by which the administrator and each school district must annually provide the data necessary to complete the report.

(b) The administrator shall:

1. Develop, in consultation with the Just Read, Florida! Office under s. 1001.215, a selection of high-quality books encompassing diverse subjects and genres for each grade level to be mailed to students in the initiative.

2. Distribute books at no cost to students as provided in paragraph (4)(c) either directly or through an agreement with a book distribution company.

3. Assist local implementation of the initiative by providing marketing materials to school districts and any partnering nonprofit organizations to assist with public awareness campaigns and other activities designed to increase family engagement and instill a love of reading in students.

4. Maintain a clearinghouse for information on national, state, and local nonprofit organizations that support efforts to improve literacy and provide books to children.

5. Develop training materials for parents of students in the initiative, including brief video training modules, which engage families in reading and assist with improving student literacy skills. The administrator shall periodically send, via text message and e-mail, tips for facilitating reading at home and hyperlinks to the video training modules.

6. Annually submit to the department an annual financial report that includes, at a minimum, the amount of eligible contributions received by the administrator; the amount spent on each activity required by this paragraph, including administrative expenses; and the number of students and households served under the initiative.

7. Maintain separate accounts for operating funds and funds for the purchase and delivery of books.

8. Expend eligible contributions received only for the purchase and delivery of books and to implement the requirements of this section, as well as for administrative expenses not to exceed 2 percent of total eligible contributions. Notwithstanding s. 1002.395(6)(j)2., the administrator may carry forward up to 25 percent of eligible contributions to the following state fiscal year for purposes authorized by this subsection. Any eligible contributions in excess of the 25 percent carry forward not used to provide additional books throughout the year to eligible students shall revert to the state treasury.

9. Upon receipt of a contribution, provide the taxpayer that made the contribution with a certificate of contribution. A certificate of contribution must include the taxpayer's name and, if available, its federal employer identification number, the amount contributed, the date of contribution, and the name of the administrator.

(3) NEW WORLDS READING INITIATIVE TAX CREDITS; APPLICATIONS, TRANSFERS, AND LIMITATIONS.—

(a) The tax credit cap amount is \$10 million for the 2021-2022 state fiscal year, \$30 million for the 2022-2023 state fiscal year, and \$50 million in each state fiscal year thereafter.

(b) Beginning October 1, 2021, a taxpayer may submit an application to the Department of Revenue for a tax credit or credits to be taken under one or more of s. 211.0252, s. 212.1833, s. 220.1876, s. 561.1212, or s. 624.51056.

1. The taxpayer shall specify in the application each tax for which the taxpayer requests a credit and the applicable taxable year for a credit under s. 220.1876 or s. 624.51056 or the applicable state fiscal year for a credit under s. 211.0252, s. 212.1833, or s. 561.1212. For purposes of s. 220.1876, a taxpayer may apply for a credit to be used for a prior taxable year before the date the taxpayer is required to file a return for that year pursuant to s. 220.222. For purposes of s. 624.51056, a taxpayer may apply for a credit to be used for a prior taxable year before the date the taxpayer is required to file a return for that prior taxable year pursuant to ss. 624.509 and 624.5092. The Department of Revenue shall approve tax credits on a first-come, first-served basis and must obtain the division's approval before approving a tax credit under s. 561.1212.

2. Within 10 days after approving or denying an application, the Department of Revenue shall provide a copy of its approval or denial letter to the administrator.

(c) If a tax credit approved under paragraph (b) is not fully used within the specified state fiscal year for credits under s. 211.0252, s. 212.1833, or s. 561.1212 or against taxes due for the specified taxable year for credits under s. 220.1876 or s. 624.51056 because of insufficient tax liability on the part of the taxpayer, the unused amount must be carried forward for a period not to exceed 10 years. For purposes of s. 220.1876, a credit carried forward may be

used in a subsequent year after applying the other credits and unused carryovers in the order provided in s. 220.02(8).

(d) A taxpayer may not convey, transfer, or assign an approved tax credit or a carryforward tax credit to another entity unless all of the assets of the taxpayer are conveyed, assigned, or transferred in the same transaction. However, a tax credit under s. 211.0252, s. 212.1833, s. 220.1876, s. 561.1212, or s. 624.51056 may be conveyed, transferred, or assigned between members of an affiliated group of corporations if the type of tax credit under s. 211.0252, s. 212.1833, s. 220.1876, s. 561.1212, or s. 624.51056 remains the same. A taxpayer shall notify the Department of Revenue of its intent to convey, transfer, or assign a tax credit to another member within an affiliated group of corporations. The amount conveyed, transferred, or assigned is available to another member of the affiliated group of corporations upon approval by the Department of Revenue. The Department of Revenue shall obtain the division's approval before approving a conveyance, transfer, or assignment of a tax credit under s. 561.1212.

(e) Within any state fiscal year, a taxpayer may rescind all or part of a tax credit approved under paragraph (b). The amount rescinded shall become available for that state fiscal year to another eligible taxpayer approved by the Department of Revenue if the taxpayer receives notice from the Department of Revenue that the rescindment has been accepted by the Department of Revenue. The Department of Revenue must obtain the division's approval before accepting the rescindment of a tax credit under s. 561.1212. Any amount rescinded under this paragraph must become available to an eligible taxpayer on a first-come, first-served basis based on tax credit applications received after the date the rescindment is accepted by the Department of Revenue.

(f) Within 10 days after approving or denying the conveyance, transfer, or assignment of a tax credit under paragraph (d), or the rescindment of a tax credit under paragraph (e), the Department of Revenue shall provide a copy of its approval or denial letter to the administrator. The Department of Revenue shall also include the administrator on all letters or correspondence of acknowledgment for tax credits under s. 212.1833.

(g) For purposes of calculating the underpayment of estimated corporate income taxes under s. 220.34 and tax installment payments for taxes on insurance premiums or assessments under s. 624.5092, the final amount due is the amount after credits earned under s. 220.1876 or s. 624.51056 for contributions to the administrator are deducted.

1. For purposes of determining if a penalty or interest under s. 220.34(2)(d)1. will be imposed for underpayment of estimated corporate income tax, a taxpayer may, after earning a credit under s. 220.1876, reduce any estimated payment in that taxable year by the amount of the credit.

2. For purposes of determining if a penalty under s. 624.5092 will be imposed, an insurer, after earning a credit under s. 624.51056 for a taxable

year, may reduce any installment payment for such taxable year of 27 percent of the amount of the net tax due as reported on the return for the preceding year under s. 624.5092(2)(b) by the amount of the credit.

(4) ELIGIBILITY; NOTIFICATION; SCHOOL DISTRICT OBLIGATIONS.—

(a) A student in kindergarten through grade 5 must be provided books through the initiative if the student has a substantial reading deficiency identified under s. 1008.25(5)(a) or scored below a Level 3 on the preceding year's statewide, standardized English Language Arts assessment under s. 1008.22.

(b) Each school district shall notify the parent of a student who meets the criteria under paragraph (a) that the student is eligible to receive books at no cost through the New Worlds Reading Initiative and provide the parent with the application form developed by the administrator, which must allow for the selection of specific book topics or genres for the student.

(c) Once an eligible student is identified, the school district shall coordinate with the administrator to initiate book delivery on a monthly basis during the school year, which must begin no later than October and continue through at least June. However, for the 2021-2022 school year only, delivery may begin no later than December 31, 2021, provided that no fewer than 9 books are delivered to each student before book deliveries begin for the 2022-2023 school year.

(d) At the beginning of each school year, students must be provided options for specific book topics or genres in order to maximize student interest in reading.

(e) A student's eligibility for the initiative continues until promotion to grade 6 or until the student's parent opts out of the initiative.

(f) Each school district shall participate in the initiative by partnering with local nonprofit organizations, raising awareness of the initiative using marketing materials developed by the administrator, coordinating book delivery, and identifying students and notifying parents pursuant to this subsection.

(g) Each school district shall coordinate with each charter school it sponsors for purposes of identifying eligible students, notifying parents, coordinating book delivery, providing the opportunity to annually select book topics and genres, and raising awareness of the initiative as provided by this section.

(h) School districts and partnering nonprofit organizations shall raise awareness of the initiative, including information on eligibility and video training modules under subparagraph (2)(b)5., through, at least, the following:

1. The student handbook and the read-at-home plan under s. 1008.25(5)(c).

2. A parent or curriculum night or separate initiative awareness event at each elementary school.

3. Partnering with the county library to host awareness events, which should coincide with other initiatives such as library card drives, family library nights, summer access events, and other family engagement programming.

(5) ADMINISTRATION; RULES.—

(a) The Department of Revenue, the division, and the Department of Education may develop a cooperative agreement to assist in the administration of this section, as needed.

(b) The Department of Revenue may adopt rules necessary to administer this section and ss. 211.0252, 212.1833, 220.1876, 561.1212, and 624.51056, including rules establishing application forms, procedures governing the approval of tax credits and carryforward tax credits under subsection (3), and procedures to be followed by taxpayers when claiming approved tax credits on their returns.

(c) The division may adopt rules necessary to administer its responsibilities under this section and s. 561.1212.

(d) The Department of Education may adopt rules necessary to administer this section.

(e) Notwithstanding any provision of s. 213.053 to the contrary, sharing information with the division related to this tax credit is considered the conduct of the Department of Revenue's official duties as contemplated in s. 213.053(8)(c), and the Department of Revenue and the division are specifically authorized to share information as needed to administer this section.

Section 11. Paragraph (c) of subsection (5) of section 1008.25, Florida Statutes, is amended to read:

1008.25 Public school student progression; student support; reporting requirements.—

(5) READING DEFICIENCY AND PARENTAL NOTIFICATION.—

(c) The parent of any student who exhibits a substantial deficiency in reading, as described in paragraph (a), must be notified in writing of the following:

1. That his or her child has been identified as having a substantial deficiency in reading, including a description and explanation, in terms

understandable to the parent, of the exact nature of the student's difficulty in learning and lack of achievement in reading.

2. A description of the current services that are provided to the child.
3. A description of the proposed intensive interventions and supports that will be provided to the child that are designed to remediate the identified area of reading deficiency.
4. That if the child's reading deficiency is not remediated by the end of grade 3, the child must be retained unless he or she is exempt from mandatory retention for good cause.
5. Strategies, including multisensory strategies, through a read-at-home plan the parent can use in helping his or her child succeed in reading.
6. That the statewide, standardized English Language Arts assessment is not the sole determiner of promotion and that additional evaluations, portfolio reviews, and assessments are available to the child to assist parents and the school district in knowing when a child is reading at or above grade level and ready for grade promotion.
7. The district's specific criteria and policies for a portfolio as provided in subparagraph (6)(b)4. and the evidence required for a student to demonstrate mastery of Florida's academic standards for English Language Arts. A parent of a student in grade 3 who is identified anytime during the year as being at risk of retention may request that the school immediately begin collecting evidence for a portfolio.
8. The district's specific criteria and policies for midyear promotion. Midyear promotion means promotion of a retained student at any time during the year of retention once the student has demonstrated ability to read at grade level.
9. Information about the student's eligibility for the New Worlds Reading Initiative under s. 1003.485 and information on parent training modules and other reading engagement resources available through the initiative.

Section 12. The Department of Revenue is authorized, and all conditions are deemed met, to adopt emergency rules under s. 120.54(4), Florida Statutes, for the purpose of implementing provisions related to the New Worlds Reading Initiative Tax Credit created by this act. Notwithstanding any other law, emergency rules adopted under this section are effective for 6 months after adoption and may be renewed during the pendency of procedures to adopt permanent rules addressing the subject of the emergency rules.

Section 13. This act shall take effect upon becoming a law.

Approved by the Governor June 29, 2021.

Filed in Office Secretary of State June 29, 2021.