By Senator Gruters

23-01064-19 20191090

A bill to be entitled

An act relating to the Keep Our Graduates Working Act; creating s. 1009.951, F.S.; providing a short title; providing a purpose; defining terms; prohibiting a state authority from suspending or revoking a person's professional license, certificate, registration, or permit solely on the basis of a delinquency or default in the payment of his or her student loan; prohibiting a state authority from suspending or revoking a person's professional license, certificate, registration, or permit solely on the basis of a default in satisfying the requirements of his or her work-conditional scholarship; amending ss. 456.072, 456.074, and 1009.95, F.S., and repealing s. 456.0721, F.S., relating to practitioners in default on student loan or scholarship obligations, to conform provisions to changes made by the act; providing an effective date.

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

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Section 1. Section 1009.951, Florida Statutes, is created to read:

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1009.951 Keep Our Graduates Working Act.-

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(1) SHORT TITLE.—This section may be cited as the "Keep Our Graduates Working Act of 2019."

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(2) PURPOSE.—The purpose of this act is to ensure that Floridians who graduate from an accredited college or university can maintain their occupational licenses, as defined in

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subsection (3), and remain in the workforce while they struggle to pay off their student loan debt, thereby helping them avoid falling into poverty, which might necessitate their seeking public assistance.

- (3) DEFINITIONS.—As used in this section, the term:
- (a) "Default" means the failure to repay a student loan according to the terms agreed to in the promissory note.
- (b) "Delinquency" means the failure to make a student loan payment when it is due.
- (c) "License" means any professional license, certificate, registration, or permit granted by the applicable state authority.
- (d) "State authority" means any department, board, or agency with the authority to grant a license to any person in this state.
- (e) "Student loan" means a federal-guaranteed or state-guaranteed loan for the purposes of postsecondary education.
- (f) "Work-conditional scholarship" means an award of financial aid for a student to further his or her education which imposes an obligation on the student to complete certain work-related requirements to receive or to continue receiving the scholarship.
- (4) STUDENT LOAN DEFAULT; DELINQUENCY.—A state authority may not suspend or revoke a license that it has issued to any person who is in default on or delinquent in the payment of his or her student loans solely on the basis of such default or delinquency.
- (5) WORK-CONDITIONAL SCHOLARSHIP DEFAULT.—A state authority may not suspend or revoke a license that it has issued to any

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person who is in default on the satisfaction of the requirements of his or her work-conditional scholarship solely on the basis of such default.

Section 2. Paragraph (k) of subsection (1) of section 456.072, Florida Statutes, is amended to read:

456.072 Grounds for discipline; penalties; enforcement.

- (1) The following acts shall constitute grounds for which the disciplinary actions specified in subsection (2) may be taken:
- (k) Failing to perform any statutory or legal obligation placed upon a licensee; however, the board or department, as applicable, may not violate s. 1009.951. For purposes of this section, failing to repay a student loan issued or guaranteed by the state or the Federal Government in accordance with the terms of the loan or failing to comply with service scholarship obligations shall be considered a failure to perform a statutory or legal obligation, and the minimum disciplinary action imposed shall be a suspension of the license until new payment terms are agreed upon or the scholarship obligation is resumed, followed by probation for the duration of the student loan or remaining scholarship obligation period, and a fine equal to 10 percent of the defaulted loan amount. Fines collected shall be deposited into the Medical Quality Assurance Trust Fund.

Section 3. Subsection (4) of section 456.074, Florida Statutes, is amended to read:

456.074 Certain health care practitioners; immediate suspension of license.—

(4) Upon receipt of information that a Florida-licensed health care practitioner has defaulted on a student loan issued

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or guaranteed by the state or the Federal Government, the department shall notify the licensee by certified mail that he or she shall be subject to immediate suspension of license unless, within 45 days after the date of mailing, the licensee provides proof that new payment terms have been agreed upon by all parties to the loan. The department shall issue an emergency order suspending the license of any licensee who, after 45 days following the date of mailing from the department, has failed to provide such proof. Production of such proof shall not prohibit the department from proceeding with disciplinary action against the licensee pursuant to s. 456.073.

Section 4. Subsection (1) of s. 1009.95, Florida Statutes, is amended to read:

1009.95 Delinquent accounts.-

(1) The Department of Education is directed to exert every lawful and reasonable effort to collect all delinquent unpaid and uncanceled scholarship loan notes, student loan notes, and defaulted guaranteed loan notes; however, in all such efforts, the department shall comply with s. 1009.951.

Section 5. <u>Section 456.0721</u>, <u>Florida Statutes</u>, <u>is repealed</u>. Section 6. This act shall take effect July 1, 2019.