A bill to be entitled 1 2 An act relating to the Florida Resident Job 3 Preparation Forgivable Loan program; creating 4 s. 240.6052, F.S.; providing legislative 5 intent; creating the Florida Resident Job 6 Preparation Forgivable Loan program to make 7 forgivable loans available to eligible students 8 enrolled in associate degree programs at eligible independent colleges and universities; 9 10 providing eligibility requirements for 11 independent colleges and universities; providing student eligibility requirements; 12 13 establishing a method to determine the amount 14 of a Florida Resident Job Preparation 15 Forgivable Loan; providing for the amount of the loan to be reduced if the amount of all 16 scholarships and grants received exceeds the 17 amount charged to the student for tuition and 18 19 fees; limiting the numbers of semesters or 20 quarters a student may receive a Florida Job Preparation Forgivable Loan; providing an 21 22 exception; requiring a student who receives a Florida Job Preparation Forgivable Loan and 23 24 does not complete an associate degree within a 25 certain period of time to repay the amount of 26 the loan plus interest; providing for the 27 disbursement of funds; requiring the Department 28 of Education to include in its annual legislative budget request an amount necessary 29 to implement the provisions of this section; 30 31 requiring funding to be included annually in

the General Appropriations Act; requiring the 1 2 State Board of Education to adopt rules; 3 providing an effective date. 4 5 Be It Enacted by the Legislature of the State of Florida: 6 Section 1. Section 240.6052, Florida Statutes, is 7 created to read: 8 240.6052 Florida Resident Job Preparation Forgivable 9 Loan program. --10 (1) The Legislature recognizes that the economic welfare of the state is heavily dependent upon the education 11 12 and employability of its citizenry. The Legislature further 13 recognizes that the needs of the workforce stretch across a 14 variety of industries. The Legislature finds that a 15 significant number of state residents choose to attend 16 nonpublic colleges and universities as a means of acquiring the knowledge and skills necessary to become contributing 17 members of society. The Legislature further finds that a 18 19 strong and viable system of nonpublic colleges reduces the tax 20 burden on the citizens of the state. Therefore, the Legislature finds that a Resident Job Preparation Forgivable 21 22 Loan program which awards forgivable loans to state residents for study in career-oriented programs at nonpublic colleges is 23 24 consistent with the goals of the state to increase the education and skill levels of its citizenry, and to reduce the 25 26 tax burden on the citizens of the state. Because the award of 27 a Florida Resident Job Preparation Forgivable Loan will not be 28 related to a student's financial need or other criteria upon which financial aid programs are based, it is the intent of 29 the Legislature that the Florida Resident Job Preparation 30

31

1 2

 Forgivable Loan program not be considered a financial aid program, but rather a tuition assistance program.

- (2) There is hereby created the Florida Resident Job
  Preparation Forgivable Loan program to be administered by the
  Department of Education. The program shall make forgivable
  loans available to eligible students for undergraduate study
  at an eligible independent college or university.
- (3) A Florida Resident Job Preparation Forgivable Loan may be used at an independent college or university that:
  - (a) Is located in Florida.
- (b) Is accredited by a regional or national accrediting agency recognized by the United States Department of Education.
- (c) Is either licensed by the State Board of Independent Colleges and Universities or exempt from licensure pursuant to s. 246.085(1)(a).
- (d) Participates in the common course designation and numbering system and had at least 10 percent of its courses submitted to the system by December 31, 1999. To remain eligible, an independent college or university must have 50 percent of its courses submitted to the system by December 31, 2000, and 75 percent of its courses submitted to the system by December 31 of the year preceding the fiscal year of the award of the forgivable loan.
- (e) Is not eligible to participate in the William L.

  Boyd, IV, Florida Resident Access Grant Program established by
  s. 240.605.
- (f) Has a secular purpose, provided that the receipt of state aid by students at the institution will not have the primary effect of advancing or impeding religion, or result in

1 2

 excessive entanglement between the state and any religious
sect.

- (4) To be eligible to receive a Florida Resident Job Preparation Forgivable Loan, a student must:
- (a) Meet the general requirements for student eligibility for state financial aid established by s. 240.404, including residency, except as otherwise provided by this section.
- (b) Be enrolled as a full-time student in an associate degree program at an eligible independent college or university.
- (c) Not be enrolled in a program of study leading to a degree in theology or divinity.
- (d) Be making satisfactory academic progress, as defined by the college or university in which he or she is enrolled.
- (e) Agree in writing to complete his or her associate degree within the maximum timeframe determined by the United States Department of Education for purposes of financial aid, or to repay the loan amount plus interest, according to provisions established by the Department of Education.
- Preparation Forgivable Loan awarded to a student shall be the average cost to the state, per academic year, for the full-time enrollment of a student in an institution within the Florida Community College System, unless otherwise specified in the General Appropriations Act. If the combined amount of a forgivable loan awarded according to this section and all other scholarships and grants for tuition or fees awarded to a student exceeds the amount charged to the student for tuition

1 2

 and fees, the Department of Education shall reduce the forgivable loan by an amount equal to such excess.

- (b) No student shall receive a Florida Job Preparation Forgivable Loan for more than 6 semesters or 9 quarters, except as otherwise provided by s. 240.404(3).
- (c) Any Florida Resident Job Preparation Forgivable
  Loan recipient who does not complete an associate degree
  within the maximum timeframe determined by the United States
  Department of Education for purposes of financial aid shall
  repay to the Florida Department of Education, on a schedule to
  be determined by the department, the entire amount of the
  scholarship plus interest accruing from the date of the
  scholarship payment.
- (6) The Department of Education shall disburse to the college or university in which a student receiving a Florida Resident Job Preparation Forgivable Loan is enrolled funds for payment of that student's tuition and fees. The department may disburse a portion of such funds in advance of the registration period. Each institution receiving funds pursuant to this subsection shall certify to the department the amount of funds disbursed to each student and shall remit to the department any undisbursed advances or refunds within 60 days after the end of regular registration.
- (7) The Department of Education shall include in its annual legislative budget request an amount necessary to implement the provisions of this section which shall be based on the average cost to the state, per academic year, for the full-time enrollment of a student in an institution within the Florida Community College System, multiplied by the number of students planned to participate in the program. Funding for

the Florida Job Preparation Forgivable Loan program shall be included annually in the General Appropriations Act.

(8) The State Board of Education shall adopt rules necessary for the administration of the program, including rules that establish repayment schedules and applicable interest rates pursuant to ss. 240.451 and 240.465.

Section 2. This act shall take effect July 1, 2000.

\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*

## HOUSE SUMMARY

Creates the Florida Resident Job Preparation Forgivable Loan program to make forgivable loans available to eligible students enrolled in associate degree programs at eligible independent colleges and universities. Provides eligibility requirements for independent colleges and universities. Provides student eligibility requirements. Establishes a method to determine the amount of a Florida Resident Job Preparation Forgivable Loan. Provides for the amount of the loan to be reduced if the amount of all scholarships and grants received exceeds the amount charged to the student for tuition and fees. Limits the numbers of semesters or quarters a student may receive a Florida Job Preparation Forgivable Loan. Provides an exception. Requires a student who receives a Florida Job Preparation Forgivable Loan and does not complete an associate degree within a certain period of time to repay the amount of the loan plus interest. Provides for the disbursement of funds. Requires the Department of Education to include in its annual legislative budget request an amount necessary to implement the provisions of this section. Requires funding to be included annually in the General Appropriations Act. Requires the State Board of Education to adopt rules.