

Bill No. SB 1162

Amendment No. \_\_\_\_ Barcode 511362

<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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Senator Sebesta moved the following substitute for amendment (683836):

**Senate Amendment (with title amendment)**

On page 1, line 19, through  
page 4, line 11, delete those lines

and insert:

Section 1. Subsection (10), paragraphs (b) and (c) of subsection (13), and paragraph (e) of subsection (22) of section 240.551, Florida Statutes, are amended to read:

240.551 Florida Prepaid College Program.--

(10) TRANSFER OF BENEFITS TO PRIVATE AND OUT-OF-STATE COLLEGES AND UNIVERSITIES AND TO AREA TECHNICAL CENTERS.--A qualified beneficiary may apply the benefits of an advance payment contract toward:

(a) Any eligible independent college or university. An independent college or university that is located and chartered in Florida, that is not for profit, that is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools or the Accrediting Council

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1 ~~for Commission of the Association of Independent Colleges and~~  
2 ~~Schools, and that confers degrees as defined in s. 246.021, is~~  
3 ~~eligible for such application. The board shall transfer, or~~  
4 ~~cause to have transferred, to the eligible independent college~~  
5 ~~or university designated by the qualified beneficiary an~~  
6 ~~amount not to exceed the redemption value of the advance~~  
7 ~~payment contract at ~~within~~ a state postsecondary institution.~~  
8 ~~If the cost of registration or housing fees at the independent~~  
9 ~~college or university is less than the corresponding fees at a~~  
10 ~~state postsecondary institution, the amount transferred shall~~  
11 ~~not exceed the actual cost of registration or housing fees. A~~  
12 ~~transfer authorized under this paragraph may not exceed the~~  
13 ~~number of semester credit hours or semesters of dormitory~~  
14 ~~residence contracted on behalf of a qualified beneficiary.~~

15 (b) An eligible out-of-state college or university. An  
16 out-of-state college or university that is not for profit and  
17 is accredited by a regional accrediting association, and that  
18 confers degrees, is eligible for such application. The board  
19 shall transfer, or cause to have transferred, an amount not to  
20 exceed the redemption value of the advance payment contract at  
21 a state postsecondary institution ~~or the original purchase~~  
22 ~~price plus 5 percent compounded interest, whichever is less,~~  
23 ~~after assessment of a reasonable transfer fee.~~ If the cost of  
24 registration or housing fees charged the qualified beneficiary  
25 at the eligible out-of-state college or university is less  
26 than this calculated amount, the amount transferred shall not  
27 exceed the actual cost of registration or housing fees. Any  
28 remaining amount shall be transferred in subsequent semesters  
29 until the transfer value is depleted. A transfer authorized  
30 under this paragraph may not exceed the number of semester  
31 credit hours or semesters of dormitory residence contracted on

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1 behalf of a qualified beneficiary.

2 (c) An applied technology diploma program or  
3 vocational certificate program conducted by a community  
4 college listed in s. 240.3031 or an area technical center  
5 operated by a district school board. The board shall transfer  
6 or cause to be transferred to the community college or area  
7 technical center designated by the qualified beneficiary an  
8 amount not to exceed the redemption value of the advance  
9 payment contract at ~~within~~ a state postsecondary institution.  
10 If the cost of the fees charged by the college or center, as  
11 authorized in s. 239.117, is less than the corresponding fees  
12 at a state postsecondary institution, the amount transferred  
13 may not exceed the actual cost of the fees. A transfer  
14 authorized under this paragraph may not exceed the number of  
15 semester credit hours contracted on behalf of a qualified  
16 beneficiary.

17  
18 Notwithstanding any other provision in this section, an  
19 institution must be an "eligible educational institution"  
20 under s. 529 of the Internal Revenue Code to be eligible for  
21 the transfer of advance payment contract benefits.

22 (13) REFUNDS.--

23 (b) If the beneficiary is awarded a scholarship, the  
24 terms of which cover the benefits included in the advance  
25 payment contracts, moneys paid for the purchase of the advance  
26 payment contracts shall be refunded ~~returned~~ to the purchaser  
27 in semester installments coinciding with the matriculation by  
28 the beneficiary in an amount which, in total, does not exceed  
29 the redemption value of the advance payment contract at a  
30 state postsecondary institution ~~amounts of either the original~~  
31 ~~purchase price plus 5 percent compounded interest, or the~~

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1 ~~current rates at state postsecondary institutions, whichever~~  
2 ~~is less.~~

3           (c) In the event of the death or total disability of  
4 the beneficiary, moneys paid for the purchase of advance  
5 payment contracts shall be refunded ~~returned~~ to the purchaser  
6 in an amount not to exceed the redemption value of the advance  
7 payment contract at a state postsecondary institution ~~together~~  
8 ~~with 5 percent compounded interest, or the current rates at~~  
9 ~~state postsecondary institutions, whichever is less.~~

10           (22) DIRECT-SUPPORT ORGANIZATION; AUTHORITY.--

11           (e) The chair and the executive director of the board  
12 shall be directors of the direct-support organization and  
13 shall jointly name, at a minimum, three other individuals to  
14 serve as directors of the organization.

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17 ===== T I T L E   A M E N D M E N T =====

18 And the title is amended as follows:

19           On page 1, lines 13 and 14, delete those lines

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21

and insert:

22           contract at a state postsecondary institution;  
23           providing for the appointment of additional  
24           members as directors of the direct-support  
25           organization; providing an effective

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