

By the Council for Lifelong Learning and Committee on  
Colleges & Universities and Representative Diaz-Balart

1                                   A bill to be entitled  
2           An act relating to student financial  
3           assistance; amending s. 231.621, F.S.;  
4           providing for loan repayments under the  
5           Critical Teacher Shortage Student Loan  
6           Forgiveness Program directly to the teacher  
7           under certain circumstances; amending s.  
8           240.209, F.S.; revising language with respect  
9           to student fees; increasing the percentage of  
10          funds from the financial aid fee to be used for  
11          need-based financial aid; requiring Board of  
12          Regents to develop criteria for making awards;  
13          providing for an annual report; amending s.  
14          240.271, F.S.; requiring that a minimum  
15          percentage of funds provided in the General  
16          Appropriations Act for fellowship and fee  
17          waivers shall be used only to support graduate  
18          students or upper-division students in certain  
19          disciplines; amending s. 240.35, F.S.; revising  
20          language with respect to student fees;  
21          increasing the percentage of funds from the  
22          financial aid fee to be used for need-based  
23          financial aid; revising provisions regarding  
24          annual report; reenacting and amending s.  
25          240.40201, F.S.; revising general student  
26          eligibility requirements for the Florida Bright  
27          Futures Scholarship Program; reenacting and  
28          amending s. 240.40202, F.S., relating to the  
29          Florida Bright Futures Scholarship Program;  
30          revising student eligibility provisions for  
31          initial award of a Florida Bright Futures

1 Scholarship; revising language with respect to  
2 reinstatement applications; reenacting and  
3 amending s. 240.40203, F.S.; providing  
4 requirements for renewal, reinstatement, and  
5 restoration awards under the Florida Bright  
6 Futures Scholarship Program; reenacting and  
7 amending s. 240.40204, F.S.; updating obsolete  
8 language with respect to eligible postsecondary  
9 education institutions under the Florida Bright  
10 Futures Scholarship Program; reenacting and  
11 amending s. 240.40205, F.S.; revising language  
12 with respect to the Florida Academic Scholars  
13 award; revising provisions relating to the  
14 calculation of awards; including transition  
15 language currently in statute; reenacting and  
16 amending s. 240.40206, F.S.; changing the name  
17 of the Florida Merit Scholars award to the  
18 Florida Medallion Scholars award; revising  
19 eligibility requirements with respect to the  
20 award; revising provisions relating to the  
21 calculation of awards; reenacting and amending  
22 s. 240.40207, F.S.; revising eligibility  
23 requirements with respect to the Florida Gold  
24 Seal Vocational Scholars award; revising  
25 provisions relating to the calculation of  
26 awards; providing restrictions on use of the  
27 award; providing for transfer of awards;  
28 including transition language currently in  
29 statute; creating s. 240.40211, F.S.; providing  
30 for Florida Bright Futures Scholarship Program  
31 targeted occupations; providing student awards;

1       repealing s. 240.40208, F.S., relating to  
2       transition language for eligibility for the  
3       Florida Bright Futures Scholarship Program;  
4       repealing s. 240.40242, F.S., relating to the  
5       use of certain scholarship funds by children of  
6       deceased or disabled veterans; providing for  
7       the Florida Bright Futures Scholarship Testing  
8       Program; requiring the Articulation  
9       Coordinating Committee to identify scores,  
10      credit, and courses for which credit may be  
11      awarded for specified examinations; requiring  
12      the completion of examinations for receipt of  
13      certain awards; providing requirements with  
14      respect to the award of credit; amending s.  
15      240.404, F.S.; revising language with respect  
16      to general requirements for student eligibility  
17      for state financial aid; reenacting,  
18      renumbering, and amending ss. 240.2985 and  
19      240.6054, F.S.; revising and combining  
20      provisions relating to ethics in business  
21      scholarships; amending s. 240.409, F.S.;  
22      revising language with respect to the Florida  
23      Public Student Assistance Grant Program;  
24      revising eligibility criteria; amending s.  
25      240.4095, F.S.; revising language with respect  
26      to the Florida Private Student Assistance Grant  
27      Program; revising eligibility criteria;  
28      amending s. 240.4097, F.S.; revising language  
29      with respect to the Florida Postsecondary  
30      Student Assistance Grant Program; revising  
31      eligibility criteria; creating s. 240.40975,

1 F.S.; providing for priority with respect to  
2 Florida student assistance grant programs;  
3 amending s. 240.4128, F.S.; revising language  
4 with respect to the minority teacher education  
5 scholars program; requiring participating  
6 institutions to report on eligible students to  
7 whom scholarships are disbursed each academic  
8 term; amending s. 240.437, F.S.; revising  
9 language with respect to student financial aid  
10 planning and development; amending s. 240.465,  
11 F.S.; deleting language which prohibits certain  
12 delinquent borrowers from being furnished with  
13 their academic transcripts; reenacting and  
14 amending s. 240.551, F.S.; revising language  
15 with respect to the Florida Prepaid College  
16 Program; revising language with respect to  
17 transfer and refund provisions; providing for a  
18 rollover of benefits to a college savings  
19 program at the redemption value of the advance  
20 payment contract at a state postsecondary  
21 institution; revising provisions relating to  
22 appointment of directors of the direct-support  
23 organization; creating s. 240.6053, F.S.;  
24 providing for academic program contracts and  
25 for funding thereof; amending s. 295.02, F.S.;  
26 including postsecondary education institutions  
27 eligible to participate in the Florida Bright  
28 Futures Scholarship Program among institutions  
29 at which children of certain service members  
30 may receive an award under ch. 295, F.S.;  
31 providing effective dates.

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

2

3 Section 1. Paragraph (c) of subsection (2) of section  
4 231.621, Florida Statutes, is amended to read:

5 231.621 Critical Teacher Shortage Student Loan  
6 Forgiveness Program.--

7 (2) From the funds available, the Department of  
8 Education may make loan principal repayments as follows:

9 (c) All repayments shall be contingent on continued  
10 proof of employment in the designated subject areas in this  
11 state and shall be made directly to the holder of the loan or,  
12 in case of a loan being paid in full, directly to the teacher.

13 The state shall not bear responsibility for the collection of  
14 any interest charges or other remaining balance. In the event  
15 that designated critical teacher shortage subject areas are  
16 changed by the State Board of Education, a teacher shall  
17 continue to be eligible for loan forgiveness as long as he or  
18 she continues to teach in the subject area for which the  
19 original loan repayment was made and otherwise meets all  
20 conditions of eligibility.

21 Section 2. Effective July 1, 2002, paragraph (e) of  
22 subsection (3) of section 240.209, Florida Statutes, is  
23 amended to read:

24 240.209 Board of Regents; powers and duties.--

25 (3) The board shall:

26 (e) Establish student fees.

27 1. By no later than December 1 of each year, the board  
28 shall raise the systemwide standard for resident undergraduate  
29 matriculation and financial aid fees for the subsequent fall  
30 term, up to but no more than 25 percent of the prior year's  
31 cost of undergraduate programs. In implementing this

1 paragraph, fees charged for graduate, medical, veterinary, and  
2 dental programs may be increased by the Board of Regents in  
3 the same percentage as the increase in fees for resident  
4 undergraduates. However, in the absence of legislative action  
5 to the contrary in an appropriations act, the board may not  
6 approve annual fee increases for resident students in excess  
7 of 10 percent. The sum of nonresident student matriculation  
8 and tuition fees must be sufficient to defray the full cost of  
9 undergraduate education. Graduate, medical, veterinary, and  
10 dental fees charged to nonresidents may be increased by the  
11 board in the same percentage as the increase in fees for  
12 nonresident undergraduates. However, in implementing this  
13 policy and in the absence of legislative action to the  
14 contrary in an appropriations act, annual fee increases for  
15 nonresident students may not exceed 25 percent. In the absence  
16 of legislative action to the contrary in the General  
17 Appropriations Act, the fees shall go into effect for the  
18 following fall term.

19         2. When the appropriations act requires a new fee  
20 schedule, the board shall establish a systemwide standard fee  
21 schedule required to produce the total fee revenue established  
22 in the appropriations act based on the product of the assigned  
23 enrollment and the fee schedule. The board may approve the  
24 expenditure of any fee revenues resulting from the product of  
25 the fee schedule adopted pursuant to this section and the  
26 assigned enrollment.

27         3. Upon provision of authority in a General  
28 Appropriations Act to spend revenue raised pursuant to this  
29 section, the board shall approve a university request to  
30 implement a matriculation and out-of-state tuition fee  
31 schedule which is calculated to generate revenue which varies

1 no more than 10 percent from the standard fee revenues  
2 authorized through an appropriations act. In implementing an  
3 alternative fee schedule, the increase in cost to a student  
4 taking 15 hours in one term shall be limited to 5 percent.  
5 Matriculation and out-of-state tuition fee revenues generated  
6 as a result of this provision are to be expended for  
7 implementing a plan for achieving accountability goals adopted  
8 pursuant to s. 240.214 and for implementing a Board of  
9 Regents-approved plan to contain student costs by reducing the  
10 time necessary for graduation without reducing the quality of  
11 instruction. The plans shall be recommended by a  
12 universitywide committee, at least one-half of whom are  
13 students appointed by the student body president. A  
14 chairperson, appointed jointly by the university president and  
15 the student body president, shall vote only in the case of a  
16 tie.

17         4. The board may implement individual university plans  
18 for a differential out-of-state tuition fee for universities  
19 that have a service area that borders another state.

20         5. The board is authorized to collect for financial  
21 aid purposes an amount not to exceed 5 percent of the student  
22 tuition and matriculation fee per credit hour. The revenues  
23 from fees are to remain at each campus and replace existing  
24 financial aid fees. Such funds shall be disbursed to students  
25 as quickly as possible. These funds may not be used for direct  
26 or indirect administrative purposes or salaries.The board  
27 shall specify specific limits on the percent of the fees  
28 collected in a fiscal year which may be carried forward  
29 unexpended to the following fiscal year. A minimum of 75 ~~50~~  
30 percent of funds from the student financial aid fee for new  
31 financial aid awards shall be used to provide financial aid

1 based on absolute need. A student who has received an award  
2 prior to July 1, 1984, shall have his or her eligibility  
3 assessed on the same criteria that was used at the time of his  
4 or her original award. The Board of Regents shall develop  
5 criteria for making financial aid awards. Each university  
6 shall report annually to the Department of Education on the  
7 revenue collected pursuant to this subparagraph, the amount  
8 carried forward, the criteria used to make awards, the amount  
9 and number of awards for each criterion, and a delineation of  
10 the distribution of such awards. The report shall include an  
11 assessment by category of the financial need of every student  
12 who receives an award, regardless of the purpose for which the  
13 award is received. Awards which are based on financial need  
14 shall be distributed in accordance with a nationally  
15 recognized system of need analysis approved by the Board of  
16 Regents. An award for academic merit shall require a minimum  
17 overall grade point average of 3.0 on a 4.0 scale or the  
18 equivalent for both initial receipt of the award and renewal  
19 of the award.

20           6. The board may recommend to the Legislature an  
21 appropriate systemwide standard matriculation and tuition fee  
22 schedule.

23           7. The Education and General Student and Other Fees  
24 Trust Fund is hereby created, to be administered by the  
25 Department of Education. Funds shall be credited to the trust  
26 fund from student fee collections and other miscellaneous fees  
27 and receipts. The purpose of the trust fund is to support the  
28 instruction and research missions of the State University  
29 System. Notwithstanding the provisions of s. 216.301, and  
30 pursuant to s. 216.351, any balance in the trust fund at the  
31 end of any fiscal year shall remain in the trust fund and

1 shall be available for carrying out the purposes of the trust  
2 fund.

3           8. The board is further authorized to establish the  
4 following fees:

5           a. A nonrefundable application fee in an amount not to  
6 exceed \$30.

7           b. An admissions deposit fee for the University of  
8 Florida College of Dentistry in an amount not to exceed \$200.

9           c. An orientation fee in an amount not to exceed \$35.

10           d. A fee for security, access, or identification  
11 cards. The annual fee for such a card may not exceed \$10 per  
12 card. The maximum amount charged for a replacement card may  
13 not exceed \$15.

14           e. Registration fees for audit and zero-hours  
15 registration; a service charge, which may not exceed \$15, for  
16 the payment of tuition in installments; and a  
17 late-registration fee in an amount not less than \$50 nor more  
18 than \$100 to be imposed on students who fail to initiate  
19 registration during the regular registration period.

20           f. A late-payment fee in an amount not less than \$50  
21 nor more than \$100 to be imposed on students who fail to pay  
22 or fail to make appropriate arrangements to pay (by means of  
23 installment payment, deferment, or third-party billing)  
24 tuition by the deadline set by each university. Each  
25 university may adopt specific procedures or policies for  
26 waiving the late-payment fee for minor underpayments.

27           g. A fee for miscellaneous health-related charges for  
28 services provided at cost by the university health center  
29 which are not covered by the health fee set under s.  
30 240.235(1).  
31

- 1           h. Materials and supplies fees to offset the cost of  
2 materials or supplies that are consumed in the course of the  
3 student's instructional activities, excluding the cost of  
4 equipment replacement, repairs, and maintenance.
- 5           i. Housing rental rates and miscellaneous housing  
6 charges for services provided by the university at the request  
7 of the student.
- 8           j. A charge representing the reasonable cost of  
9 efforts to collect payment of overdue accounts.
- 10          k. A service charge on university loans in lieu of  
11 interest and administrative handling charges.
- 12          l. A fee for off-campus course offerings when the  
13 location results in specific, identifiable increased costs to  
14 the university.
- 15          m. Library fees and fines, including charges for  
16 damaged and lost library materials, overdue reserve library  
17 books, interlibrary loans, and literature searches.
- 18          n. Fees relating to duplicating, photocopying,  
19 binding, and microfilming; copyright services; and  
20 standardized testing. These fees may be charged only to those  
21 who receive the services.
- 22          o. Fees and fines relating to the use, late return,  
23 and loss and damage of facilities and equipment.
- 24          p. A returned-check fee as authorized by s. 832.07(1)  
25 for unpaid checks returned to the university.
- 26          q. Traffic and parking fines, charges for parking  
27 decals, and transportation access fees.
- 28          r. An Educational Research Center for Child  
29 Development fee for child care and services offered by the  
30 center.  
31

1           s. Fees for transcripts and diploma replacement, not  
2 to exceed \$10 per item.

3           Section 3. Effective July 1, 2002, subsection (7) is  
4 added to section 240.271, Florida Statutes, to read:

5           240.271 State University System; funding.--

6           (7) A minimum of 50 percent of new awards from the  
7 funds provided in the General Appropriations Act for  
8 fellowships and fee waivers shall be used only to support  
9 graduate students or upper-division students formally admitted  
10 to programs in the following disciplines: computer and  
11 information sciences; engineering; engineering technology;  
12 biological sciences/life sciences; mathematics; physical  
13 sciences; and health professions and related sciences. The  
14 State University System shall report annually to the  
15 Legislature the distribution of fellowships and fee waivers  
16 provided, including, but not limited to, the number of awards,  
17 the dollar value of the awards, student level, student  
18 discipline, and the number and percent of fee-waiver  
19 recipients remaining in the state following graduation who are  
20 employed in the field directly related to the discipline for  
21 which the fee waiver was received.

22           Section 4. Effective July 1, 2002, subsection (11) of  
23 section 240.35, Florida Statutes, is amended to read:

24           240.35 Student fees.--Unless otherwise provided, the  
25 provisions of this section apply only to fees charged for  
26 college credit instruction leading to an associate in arts  
27 degree, an associate in applied science degree, or an  
28 associate in science degree and noncollege credit  
29 college-preparatory courses defined in s. 239.105.

30           (11)(a) Each community college is authorized to  
31 establish a separate fee for financial aid purposes in an

1 additional amount up to, but not to exceed, 5 percent of the  
2 total student tuition or matriculation fees collected. Each  
3 community college may collect up to an additional 2 percent if  
4 the amount generated by the total financial aid fee is less  
5 than \$250,000. If the amount generated is less than \$250,000,  
6 a community college that charges tuition and matriculation  
7 fees at least equal to the average fees established by rule  
8 may transfer from the general current fund to the scholarship  
9 fund an amount equal to the difference between \$250,000 and  
10 the amount generated by the total financial aid fee  
11 assessment. No other transfer from the general current fund to  
12 the loan, endowment, or scholarship fund, by whatever name  
13 known, is authorized.

14 (b) All funds collected under this program shall be  
15 placed in the loan and endowment fund or scholarship fund of  
16 the college, by whatever name known. Such funds shall be  
17 disbursed to students as quickly as possible. An amount not  
18 greater than 40 percent of the fees collected in a fiscal year  
19 may be carried forward unexpended to the following fiscal  
20 year. However, funds collected prior to July 1, 1989, and  
21 placed in an endowment fund may not be considered part of the  
22 balance of funds carried forward unexpended to the following  
23 fiscal year.

24 (c) Up to 25 percent or \$300,000, whichever is  
25 greater, of the financial aid fees collected may be used to  
26 assist students who demonstrate academic merit; who  
27 participate in athletics, public service, cultural arts, and  
28 other extracurricular programs as determined by the  
29 institution; or who are identified as members of a targeted  
30 gender or ethnic minority population. The financial aid fee  
31 revenues allocated for athletic scholarships and fee

1 exemptions provided pursuant to subsection (17) for athletes  
2 shall be distributed equitably as required by s.  
3 228.2001(3)(d). A minimum of 75 ~~50~~ percent of the balance of  
4 these funds for new awards shall be used to provide financial  
5 aid based on absolute need, and the remainder of the funds  
6 shall be used for academic merit purposes and other purposes  
7 approved by the district boards of trustees. Such other  
8 purposes shall include the payment of child care fees for  
9 students with financial need. The State Board of Community  
10 Colleges shall develop criteria for making financial aid  
11 awards. Each college shall report annually to the Department  
12 of Education on the revenue collected pursuant to this  
13 paragraph, the amount carried forward, the criteria used to  
14 make awards, the amount and number of awards for each  
15 criterion, and a delineation of the distribution of such  
16 awards. The report shall include an assessment by category of  
17 the financial need of every student who receives an award,  
18 regardless of the purpose for which the award is received.  
19 Awards which are based on financial need shall be distributed  
20 in accordance with a nationally recognized system of need  
21 analysis approved by the State Board of Community Colleges. An  
22 award for academic merit shall require a minimum overall grade  
23 point average of 3.0 on a 4.0 scale or the equivalent for both  
24 initial receipt of the award and renewal of the award.

25 (d) These funds may not be used for direct or indirect  
26 administrative purposes or salaries.

27 Section 5. Notwithstanding subsection (7) of section 3  
28 of chapter 2000-321, Laws of Florida, section 240.40201,  
29 Florida Statutes, shall not stand repealed on January 7, 2003,  
30 and is reenacted and amended to read:  
31

1           240.40201 Florida Bright Futures Scholarship  
2 Program.--  
3           (1) The Florida Bright Futures Scholarship Program is  
4 created to establish a lottery-funded scholarship program to  
5 reward any Florida high school graduate who merits recognition  
6 of high academic achievement and who enrolls in a degree  
7 program, certificate program, or applied technology diploma  
8 program at an eligible Florida public or private postsecondary  
9 education institution within 7 ~~3~~ years of graduation from high  
10 school. No award shall be provided to a student beyond 7 years  
11 after high school graduation, regardless of the year in which  
12 a student first receives scholarship funding.  
13           (2) The Bright Futures Scholarship Program consists of  
14 three types of awards, the Florida Academic Scholarship, the  
15 Florida Medallion ~~Merit~~ Scholarship, and the Florida  
16 ~~Vocational~~ Gold Seal Vocational Scholarship.  
17           (3) The Department of Education shall administer the  
18 Bright Futures Scholarship Program according to rules and  
19 procedures established by the Commissioner of Education. A  
20 single application must be sufficient for a student to apply  
21 for any of the three types of awards. The department must  
22 advertise the availability of the scholarship program and must  
23 notify students, teachers, parents, guidance counselors, and  
24 principals or other relevant school administrators of the  
25 criteria and application procedures. The department must begin  
26 this process of notification no later than January 1 of each  
27 year.  
28           (4) Funding for the Bright Futures Scholarship Program  
29 must be allocated from the Education Enhancement Trust Fund  
30 and must be provided before allocations from that fund are  
31 calculated for disbursement to other educational entities.

1 (a) If funds appropriated are not adequate to provide  
2 the maximum allowable award to each eligible applicant, awards  
3 in all three components of the program must be prorated using  
4 the same percentage reduction.

5 (b) Notwithstanding s. 216.301, if all funds allocated  
6 to the Bright Futures Scholarship Program are not used in any  
7 fiscal year, up to 10 percent of the total allocation may be  
8 carried forward and used for awards in the following year.

9 (5) The department shall issue awards from the  
10 scholarship program annually. Annual awards may be for up to  
11 45 semester credit hours or the equivalent. Before the  
12 registration period each semester, the department shall  
13 transmit payment for each award to the president or director  
14 of the postsecondary education institution, or his or her  
15 representative, except that the department may withhold  
16 payment if the receiving institution fails to report or to  
17 make refunds to the department as required in this act.

18 (a) Within 30 days after the end of regular  
19 registration each semester, the educational institution shall  
20 certify to the department the eligibility status of each  
21 student who receives an award. After the end of the drop and  
22 add period, an institution is not required to reevaluate or  
23 revise a student's eligibility status, but must make a refund  
24 to the department if a student who receives an award  
25 disbursement terminates enrollment for any reason during an  
26 academic term and a refund is permitted by the institution's  
27 refund policy.

28 (b) An institution that receives funds from the  
29 program shall certify to the department the amount of funds  
30 disbursed to each student and shall remit to the department  
31

1 any undisbursed advances within 60 days after the end of  
2 regular registration.

3 (c) Each institution that receives moneys through this  
4 program shall prepare an annual report that includes an  
5 independent external audit or an audit prepared by the Office  
6 of the Auditor General. The report shall include an audit of  
7 the institution's administration of the program and a complete  
8 accounting of the moneys for the program. This report must be  
9 submitted to the department annually by March 1. The  
10 department may conduct its own annual audit of an  
11 institution's administration of the program. The department  
12 may request a refund of any moneys overpaid to the institution  
13 for the program. The department may suspend or revoke an  
14 institution's eligibility to receive future moneys for the  
15 program if the department finds that an institution has not  
16 complied with this section. The institution must remit within  
17 60 days any refund requested in accordance with this  
18 subsection.

19 (6) A student enrolled in 6 to 8 semester credit hours  
20 may receive up to one-half of the maximum award; a student  
21 enrolled in 9 to 11 credit hours may receive up to  
22 three-fourths of the maximum award; and a student enrolled in  
23 12 or more credit hours may receive up to the full award.

24 (7) A student may receive only one type of award from  
25 the Florida Bright Futures Scholarship Program at a time, but  
26 may transfer from one type of award to another through the  
27 renewal application process, if the student's eligibility  
28 status changes. However, a student is not eligible to transfer  
29 from a Florida Medallion Merit Scholarship or a Florida  
30 ~~Vocational~~ Gold Seal Vocational Scholarship to a Florida  
31 Academic Scholarship. A student who receives an award from the

1 program may also receive a federal family education loan or a  
2 federal direct loan, and the value of the award must be  
3 considered in the certification or calculation of the  
4 student's loan eligibility.

5 (8) If a recipient transfers from one eligible  
6 institution to another and continues to meet eligibility  
7 requirements, the award must be transferred with the student.

8 (9) A student may use an award for summer term  
9 enrollment if funds are available.

10 (10) Funds from any scholarship within the Florida  
11 Bright Futures Scholarship Program may not be used to pay for  
12 remedial or college-preparatory coursework.

13 Section 6. Notwithstanding subsection (7) of section 3  
14 of chapter 2000-321, Laws of Florida, section 240.40202,  
15 Florida Statutes, shall not stand repealed on January 7, 2003,  
16 and is reenacted and amended to read:

17 240.40202 Florida Bright Futures Scholarship Program;  
18 student eligibility requirements for initial awards.--

19 (1) To be eligible for an initial award from any of  
20 the three types of scholarships under the Florida Bright  
21 Futures Scholarship Program, a student must:

22 (a) Be a Florida resident as defined in s. 240.404 and  
23 rules of the State Board of Education.

24 (b) Earn a standard Florida high school diploma or its  
25 equivalent as described in s. 232.246 or s. 229.814 unless:

26 1. The student is enrolled full time in the early  
27 admission program of an eligible postsecondary education  
28 institution or completes a home education program according to  
29 s. 232.0201; or

30 2. The student earns a high school diploma from a  
31 non-Florida school while living with a parent or guardian who

1 is on military or public service assignment away from Florida.  
2 "Public service assignment," as used in this subparagraph,  
3 means the occupational assignment outside Florida of a person  
4 who is a permanent resident of Florida and who is employed by  
5 the United States Government or the State of Florida, a  
6 condition of which employment is assignment outside Florida.

7 (c) Be accepted by and enroll in an eligible Florida  
8 public or independent postsecondary education institution.

9 (d) Be enrolled for at least 6 semester credit hours  
10 or the equivalent in quarter hours or clock hours.

11 (e) Not have been found guilty of, or have pled ~~plead~~  
12 ~~nolo contendere to~~ or guilty to, a felony charge, unless the  
13 student has been granted clemency by the Governor and Cabinet  
14 sitting as the Executive Office of Clemency.

15 (f) Apply for a scholarship from the program by ~~April~~  
16 ~~1 of the last semester before~~ high school graduation. Requests  
17 for exceptions to this deadline may be accepted by the high  
18 school or district through December 31 following high school  
19 graduation.

20 (2) ~~A student is eligible to accept an initial award~~  
21 ~~for 3 years following high school graduation and to accept a~~  
22 ~~renewal award for 7 years following high school graduation.~~ A  
23 student who ~~applies for an award by April 1~~ and who meets all  
24 ~~other~~ eligibility requirements, but who does not accept his or  
25 her award during the first year of eligibility after high  
26 school graduation, may apply for reinstatement of the award  
27 for use within 7 ~~reapply during subsequent application periods~~  
28 ~~up to 3 years after high school graduation.~~ Reinstatement  
29 applications must be received by the deadline established by  
30 the Department of Education.

31

1           (3) For purposes of calculating the grade point  
2 average to be used in determining initial eligibility for a  
3 Florida Bright Futures scholarship, the department shall  
4 assign additional weights to grades earned in the following  
5 courses:

6           (a) Courses identified in the course code directory as  
7 Advanced Placement, pre-International Baccalaureate, or  
8 International Baccalaureate.

9           (b) Courses designated as academic dual enrollment  
10 courses in the statewide course numbering system.

11  
12 The department may assign additional weights to courses, other  
13 than those described in paragraphs (a) and (b), that are  
14 identified by the Articulation Coordinating Committee as  
15 containing rigorous academic curriculum and performance  
16 standards. The additional weight assigned to a course pursuant  
17 to this subsection shall not exceed 0.5 per course. The  
18 weighted system shall be developed and distributed to all high  
19 schools in the state prior to January 1, 1998. The department  
20 may determine a student's eligibility status during the senior  
21 year before graduation and may inform the student of the award  
22 at that time.

23           (4) A student who wishes to qualify for a particular  
24 award within the Florida Bright Futures Scholarship Program,  
25 but who does not meet all of the requirements for that level  
26 of award, may, nevertheless, receive the award if the  
27 principal of the student's school or the district  
28 superintendent verifies that the deficiency is caused by the  
29 fact that school district personnel provided inaccurate or  
30 incomplete information to the student. The school district  
31 must provide a means for the student to correct the

1 deficiencies and the student must correct them, either by  
2 completing comparable work at the postsecondary institution or  
3 by completing a directed individualized study program  
4 developed and administered by the school district. If the  
5 student does not complete the requirements by December 31  
6 immediately following high school graduation, the student is  
7 ineligible to participate in the program.

8 Section 7. Notwithstanding subsection (7) of section 3  
9 of chapter 2000-321, Laws of Florida, section 240.40203,  
10 Florida Statutes, shall not stand repealed on January 7, 2003,  
11 and is reenacted and amended to read:

12 240.40203 Florida Bright Futures Scholarship Program;  
13 student eligibility requirements for renewal, reinstatement,  
14 and restoration awards.--

15 ~~(1)~~ To be eligible to receive ~~renew~~ a scholarship from  
16 any of the three types of scholarships under the Florida  
17 Bright Futures Scholarship Program after the first year of  
18 eligibility, a student must meet the following requirements  
19 for renewal, reinstatement, or restoration:

20 (1)(a) Renewal applies to students who receive an  
21 award for at least one term during the immediately preceding  
22 academic year. For renewal, a student must complete at least  
23 12 semester credit hours or the equivalent in the last  
24 academic year in which the student earned a scholarship and:

25 ~~(b)~~ maintain the cumulative grade point average  
26 required by the scholarship program, except that:

27 (a)~~1.~~ If a recipient's grades fall beneath the average  
28 required to renew a Florida Academic Scholarship, but are  
29 sufficient to renew a Florida Medallion Merit Scholarship ~~or a~~  
30 ~~Florida Vocational Gold Seal Scholarship~~, the Department of  
31 Education may grant a renewal to the Florida Medallion

1 ~~Scholarship from one of those other scholarship programs, if~~  
2 ~~the student meets the renewal eligibility requirements; or~~  
3 (b)2. If, upon renewal evaluation, a student fails to  
4 meet the renewal criteria pursuant to this section, credit  
5 hours and grades earned during the following summer term may  
6 be used to satisfy the renewal requirements.~~If, at any time~~  
7 ~~during the eligibility period, a student's grades are~~  
8 ~~insufficient to renew the scholarship, the student may restore~~  
9 ~~eligibility by improving the grade point average to the~~  
10 ~~required level. A student is eligible for such a reinstatement~~  
11 ~~only once.~~The Legislature encourages education institutions  
12 to assist students to calculate whether or not it is possible  
13 to raise the grade point average during the summer term. ~~If~~  
14 ~~the institution determines that it is possible, the education~~  
15 ~~institution may so inform the department, which may reserve~~  
16 ~~the student's award if funds are available.~~The renewal,  
17 however, must not be granted until the student achieves the  
18 required cumulative grade point average and earns the required  
19 number of hours. If, during the summer term, a student does  
20 not earn is not sufficient hours or to raise the grade point  
21 average to the required renewal level, the student shall not  
22 be eligible for an award student's next opportunity for  
23 ~~renewal is the fall semester of the following academic year.~~  
24 (2) Reinstatement applies to students who were  
25 eligible but did not receive an award during the previous  
26 academic year or years, and who may apply to reestablish use  
27 of the scholarship. For reinstatement, a student must have  
28 been eligible at the time of the student's most recent Florida  
29 Bright Futures Scholarship eligibility determination. The  
30 student must apply for reinstatement by submitting a  
31

1 reinstatement application by the deadline established by the  
2 Department of Education.

3 (3) Restoration applies to students who lost  
4 scholarship eligibility as a result of not meeting the renewal  
5 grade point average or number of hours, or both, at a prior  
6 evaluation period. A student may restore eligibility by  
7 meeting the renewal grade point average during a subsequent  
8 renewal evaluation period. A student is eligible to receive  
9 such restoration only once. The student must submit an  
10 application for restoration by the deadline established by the  
11 Department of Education.

12 ~~(2) A student who is enrolled in a program that~~  
13 ~~terminates in an associate degree or a baccalaureate degree~~  
14 ~~may receive an award for a maximum of 110 percent of the~~  
15 ~~number of credit hours required to complete the program. A~~  
16 ~~student who is enrolled in a program that terminates in a~~  
17 ~~technical certificate may receive an award for a maximum of~~  
18 ~~110 percent of the credit hours or clock hours required to~~  
19 ~~complete the program up to 90 credit hours. A student who~~  
20 ~~transfers from one of these program levels to another becomes~~  
21 ~~eligible for the higher of the two credit hour limits.~~

22 Section 8. Notwithstanding subsection (7) of section 3  
23 of chapter 2000-321, Laws of Florida, section 240.40204,  
24 Florida Statutes, shall not stand repealed on January 7, 2003,  
25 and is reenacted and amended to read:

26 240.40204 Florida Bright Futures Scholarship Program;  
27 eligible postsecondary education institutions.--A student is  
28 eligible for an award or the renewal, reinstatement, or  
29 restoration of an award from the Florida Bright Futures  
30 Scholarship Program if the student meets the requirements for  
31 the program as described in this act and is enrolled in a

1 postsecondary education institution that meets the description  
2 in any one of the following subsections:  
3 (1) A Florida public university, community college, or  
4 technical center.  
5 (2) An independent Florida college or university that  
6 is accredited by an accrediting agency recognized by the  
7 United States Department of Education ~~a member of the~~  
8 ~~Commission on Recognition of Postsecondary Accreditation~~ and  
9 which has operated in the state for at least 3 years.  
10 (3) An independent Florida postsecondary education  
11 institution that is licensed by the State Board of Independent  
12 Colleges and Universities and which:  
13 (a) Shows evidence of sound financial condition; and  
14 (b) Has operated in the state for at least 3 years  
15 without having its approval, accreditation, or license placed  
16 on probation.  
17 (4) A Florida independent postsecondary education  
18 institution that offers a nursing diploma approved by the  
19 Board of Nursing.  
20 (5) A Florida independent postsecondary education  
21 institution that is licensed by the State Board of Nonpublic  
22 Career Education and which:  
23 (a) Has a program completion and placement rate of at  
24 least the rate required by the current Florida Statutes, the  
25 Florida Administrative Code, or the Department of Education  
26 for an institution at its level; and  
27 (b) Shows evidence of sound financial condition; and  
28 either:  
29 1. Is accredited at the institutional level by an  
30 accrediting agency recognized by the United States Department  
31 of Education and has operated in the state for at least 3

1 years during which there has been no complaint for which  
2 probable cause has been found; or

3 2. Has operated in Florida for 5 years during which  
4 there has been no complaint for which probable cause has been  
5 found.

6 Section 9. Notwithstanding subsection (7) of section 3  
7 of chapter 2000-321, Laws of Florida, section 240.40205,  
8 Florida Statutes, shall not stand repealed on January 7, 2003,  
9 and is reenacted and amended to read:

10 240.40205 Florida Academic Scholars award.--

11 (1) A student is eligible for a Florida Academic  
12 Scholars award if the student meets the general eligibility  
13 requirements for the Florida Bright Futures Scholarship  
14 Program and the student:

15 (a) Has achieved a 3.5 weighted grade point average as  
16 calculated pursuant to s. 240.40202, or its equivalent, in  
17 high school courses that are adopted by the Board of Regents  
18 and recommended by the State Board of Community Colleges as  
19 college-preparatory academic courses; and

20 (b) Has attained at least a score of 1270 ~~the score~~  
21 ~~identified by rules of the Department of Education on the~~  
22 ~~combined verbal and quantitative parts of the Scholastic~~  
23 ~~Aptitude Test, the Scholastic Assessment Test, or the~~  
24 ~~recentered Scholastic Assessment Test of the College Entrance~~  
25 ~~Examination, or an equivalent score on the American College~~  
26 ~~Test Testing Program; or~~

27 (c) Has attended a home education program according to  
28 s. 232.0201 during grades 11 and 12 or has completed the  
29 International Baccalaureate curriculum but failed to earn the  
30 International Baccalaureate Diploma, and has attained at least  
31 a score of 1270 ~~the score identified by rules of the~~

1 ~~Department of Education~~ on the combined verbal and  
2 quantitative parts of ~~the Scholastic Aptitude Test, the~~  
3 ~~Scholastic Assessment Test, or the recentered Scholastic~~  
4 ~~Assessment Test of the College Entrance Examination,~~ or an  
5 equivalent score on the American College Test ~~Testing Program;~~  
6 or  
7 (d) Has been awarded an International Baccalaureate  
8 Diploma from the International Baccalaureate Office; or  
9 (e) Has been recognized by the merit or achievement  
10 programs of the National Merit Scholarship Corporation as a  
11 scholar or finalist; or  
12 (f) Has been recognized by the National Hispanic  
13 Recognition Program as a scholar recipient.  
14  
15 Effective with the 1998-1999 school year, a student must  
16 complete a program of community service work, as approved by  
17 the district school board or the administrators of a nonpublic  
18 school, which shall include a minimum of 75 hours of service  
19 work and require the student to identify a social problem that  
20 interests him or her, develop a plan for his or her personal  
21 involvement in addressing the problem, and, through papers or  
22 other presentations, evaluate and reflect upon his or her  
23 experience.  
24 (2)(a) A Florida Academic Scholar who is enrolled in a  
25 public postsecondary education institution is eligible for an  
26 award equal to the amount required to pay matriculation and,  
27 fees, as defined by the department, and \$600 for  
28 college-related expenses annually. A student who is enrolled  
29 in a nonpublic postsecondary education institution is eligible  
30 for an award equal to the amount that would be required to pay  
31 for the average matriculation and fees of a public

1 postsecondary education institution at the comparable level,  
2 plus the annual \$600. A student who is enrolled in a program  
3 that terminates in an associate degree or a baccalaureate  
4 degree may receive an award for a maximum of 110 percent of  
5 the number of credit hours required to complete the program.  
6 A student who is enrolled in an undergraduate program that  
7 terminates in the award of a postbaccalaureate degree, or the  
8 simultaneous award of baccalaureate and postbaccalaureate  
9 degrees, may receive an award for a maximum of 132 semester  
10 hours, or the equivalent, at the undergraduate rate. A  
11 student who is enrolled in a program that terminates in a  
12 technical certificate may receive an award for a maximum of  
13 110 percent of the credit hours or clock hours required to  
14 complete the program up to 90 credit hours. A student who  
15 transfers from one of these program levels to another becomes  
16 eligible for the higher of the credit hour limits.

17 (b) Beginning with the 2005-2006 academic year and for  
18 each year thereafter, the Florida Academic Scholars award  
19 amount shall be calculated on the basis of \$120 per semester  
20 credit hour, or the equivalent. The total number of credit  
21 hours for which a student may receive payment shall not exceed  
22 the equivalent of 132 semester credit hours.

23 (3) To be eligible for a renewal or restoration award  
24 as a Florida Academic Scholar, a student must meet the  
25 requirements of s. 240.40203 and the ~~maintain the equivalent~~  
26 ~~of a~~ grade point average requirement of 3.0 on a 4.0 scale, or  
27 the equivalent, for all postsecondary education work  
28 attempted. A student may have, ~~with~~ an opportunity for one  
29 restoration ~~reinstatement~~ as provided in this act.

30 (4) In each school district, the Florida Academic  
31 Scholar with the highest academic ranking shall be designated

1 as an Academic Top Scholar and shall receive an additional  
2 award of \$1,500 for college-related expenses. This award must  
3 be funded from the Florida Bright Futures Scholarship Program.

4 (5) A student who graduated from high school in 1997  
5 or earlier and who was eligible for the Florida Undergraduate  
6 Scholars' Program pursuant to s. 240.402 is eligible for a  
7 Florida Academic Scholars award as provided in this act.

8 Section 10. Notwithstanding subsection (7) of section  
9 3 of chapter 2000-321, Laws of Florida, section 240.40206,  
10 Florida Statutes, shall not stand repealed on January 7, 2003,  
11 and is reenacted and amended to read:

12 240.40206 Florida Medallion ~~Merit~~ Scholars award.--

13 (1) A student is eligible for a Florida Medallion  
14 ~~Merit~~ Scholars award if the student meets the general  
15 eligibility requirements for the Florida Bright Futures  
16 Scholarship Program and the student:

17 (a) Has achieved a weighted grade point average of 3.0  
18 as calculated pursuant to s. 240.40202, or the equivalent, in  
19 high school courses that are adopted by the Board of Regents  
20 and recommended by the State Board of Community Colleges as  
21 college-preparatory academic courses; and

22 (b) Has attained at least the score identified by  
23 rules of the Department of Education, or a score of at least  
24 1100 for a student who enters the ninth grade in the 2001-2002  
25 school year or thereafter, on the combined verbal and  
26 quantitative parts of ~~the Scholastic Aptitude Test,~~ the  
27 Scholastic Assessment Test, ~~or the recentered Scholastic~~  
28 ~~Assessment Test of the College Entrance Examination,~~ or an  
29 equivalent score on the American College Test ~~Testing Program;~~  
30 or  
31

1           (c) Has attended a home education program according to  
2 s. 232.0201 during grades 11 and 12 or has completed the  
3 International Baccalaureate curriculum but failed to earn the  
4 International Baccalaureate Diploma, and has attained at least  
5 the score identified by rules of the Department of Education,  
6 or a score of at least 1100 for a student who enters the ninth  
7 grade in the 2001-2002 school year or thereafter, on the  
8 combined verbal and quantitative parts of ~~the Scholastic~~  
9 ~~Aptitude Test,~~ the Scholastic Assessment Test, ~~or the~~  
10 ~~recentered Scholastic Assessment Test of the College Entrance~~  
11 ~~Examination,~~ or an equivalent score on the American College  
12 Test Testing Program; or.

13           (d) Has been recognized by the merit or achievement  
14 programs of the National Merit Scholarship Corporation as a  
15 scholar or finalist, but has not completed a program of  
16 community service as provided in s. 240.40205; or

17           (e) Has been recognized by the National Hispanic  
18 Recognition Program as a scholar, but has not completed a  
19 program of community service as provided in s. 240.40205.

20           (2)(a) A Florida Medallion Merit Scholar is eligible  
21 for an award equal to the amount required to pay 75 percent of  
22 matriculation and fees, as defined by the department, if the  
23 student is enrolled in a public postsecondary education  
24 institution. A student who is enrolled in a nonpublic  
25 postsecondary education institution is eligible for an award  
26 equal to the amount that would be required to pay 75 percent  
27 of the average matriculation and fees of a public  
28 postsecondary education institution at the comparable level. A  
29 student who is enrolled in a program that terminates in an  
30 associate degree or a baccalaureate degree may receive an  
31 award for a maximum of 110 percent of the number of credit

1 hours required to complete the program. A student who is  
2 enrolled in an undergraduate program that terminates in the  
3 award of a postbaccalaureate degree, or the simultaneous award  
4 of baccalaureate and postbaccalaureate degrees, may receive an  
5 award for a maximum of 132 semester hours, or the equivalent,  
6 at the undergraduate rate. A student who is enrolled in a  
7 program that terminates in a technical certificate may receive  
8 an award for a maximum of 110 percent of the credit hours or  
9 clock hours required to complete the program up to 90 credit  
10 hours. A student who transfers from one of these program  
11 levels to another becomes eligible for the higher of the  
12 credit hour limits.

13 (b) Beginning with the 2005-2006 academic year and for  
14 each year thereafter, the Florida Medallion Scholars award  
15 amount shall be calculated on the basis of \$75 per semester  
16 credit hour, or the equivalent. The total number of credit  
17 hours for which a student may receive payment shall not exceed  
18 the equivalent of 132 semester credit hours.

19 (3) To be eligible for a renewal or restoration award  
20 as a Florida Medallion Merit Scholar, a student must meet the  
21 requirements of s. 240.40203 and the maintain the equivalent  
22 of a grade point average requirement of 2.75 on a 4.0 scale,  
23 or the equivalent, for all postsecondary education work  
24 attempted. A student may have, with an opportunity for  
25 reinstatement one restoration time as provided in this act.

26 Section 11. Notwithstanding subsection (7) of section  
27 3 of chapter 2000-321, Laws of Florida, section 240.40207,  
28 Florida Statutes, shall not stand repealed on January 7, 2003,  
29 and is reenacted and amended to read:

30 240.40207 Florida Gold Seal Vocational Scholars  
31 award.--The Florida Gold Seal Vocational Scholars award is

1 created within the Florida Bright Futures Scholarship Program  
2 to recognize and reward academic achievement and vocational  
3 preparation by high school students who wish to continue their  
4 education.

5 (1) A student is eligible for a Florida Gold Seal  
6 Vocational Scholars award if the student meets the general  
7 eligibility requirements for the Florida Bright Futures  
8 Scholarship Program and the student:

9 (a) Successfully ~~completes the secondary school~~  
10 ~~portion of a sequential program of studies that requires at~~  
11 ~~least three secondary school vocational credits~~ in one program  
12 of study, as identified by the Department of Education, taken  
13 over at least 2 academic years, and is continued in a planned,  
14 related postsecondary education program. If the student's  
15 school does not offer such a two-plus-two or tech-prep  
16 program, the student must complete a job-preparatory career  
17 education program selected by the Workforce Estimating  
18 Conference or Workforce Florida, Inc., for its ability to  
19 provide high-wage employment in an occupation with high  
20 potential for employment opportunities. By July 1, 2002, the  
21 Articulation Coordinating Committee shall identify the  
22 programs at each 4-year institution that qualify as planned,  
23 related postsecondary education programs. On-the-job training  
24 may not be substituted for any of the three required  
25 vocational credits.

26 (b) Demonstrates readiness for postsecondary education  
27 by earning a passing score on the Florida College Entry Level  
28 Placement Test or its equivalent as identified by the  
29 Department of Education.

30 (c) Earns a minimum cumulative weighted grade point  
31 average of 3.0, as calculated pursuant to s. 240.40202, on all

1 subjects required for a standard high school diploma,  
2 excluding elective courses.

3 (d) Earns a minimum unweighted grade point average of  
4 3.5 on a 4.0 scale for secondary vocational courses comprising  
5 the vocational program.

6 ~~(e) Completes the requirements of a vocational-ready  
7 diploma program, as defined by rules of the State Board of  
8 Education.~~

9 (2)(a) A Florida Gold Seal Vocational Scholar is  
10 eligible for an award equal to the amount required to pay 75  
11 percent of matriculation and fees, as defined by the  
12 department, if the student is enrolled in a public  
13 postsecondary education institution. A student who is enrolled  
14 in a nonpublic postsecondary education institution is eligible  
15 for an award equal to the amount that would be required to pay  
16 75 percent of the matriculation and mandatory fees of a public  
17 postsecondary education institution at the comparable level. A  
18 student who is enrolled in a program that terminates in a  
19 technical certificate may receive an award for a maximum of  
20 110 percent of the credit hours or clock hours required to  
21 complete the program up to 90 credit hours.

22 (b) Beginning with the 2005-2006 academic year and for  
23 each year thereafter, the Florida Gold Seal Vocational  
24 Scholars award amount shall be calculated on the basis of \$75  
25 per semester credit hour, or the equivalent. The total number  
26 of credit hours for which a student may receive payment shall  
27 not exceed the equivalent of 90 credit hours.

28 (3) To be eligible for a renewal or restoration award  
29 as a Florida Gold Seal Vocational Scholar, a student must meet  
30 the requirements of s. 240.40203 and the ~~maintain the~~  
31 ~~equivalent of a grade point average~~ requirement of 2.75 on a

1 4.0 scale, or the equivalent, for all postsecondary education  
2 work attempted. A student may have, with an opportunity for  
3 ~~reinstatement~~ one restoration time as provided in this act.

4 (4) Beginning with the fall term of 2003, a Florida  
5 Gold Seal Vocational Scholars award may only be used by  
6 students who enroll in programs of 2 years or less at a  
7 vocational-technical institution, a community college, or a  
8 junior college unless the award is a renewal of an initial  
9 award issued prior to the fall term of 2003 or as otherwise  
10 provided for in this section. A student may use an award for a  
11 program at a 4-year institution if the program has been  
12 identified by the Articulation Coordinating Committee pursuant  
13 to subsection (1), the student meets the minimum State  
14 University System admissions requirements, and the institution  
15 certifies annually the student's continued enrollment in such  
16 program.

17 (5) Upon successful completion of an associate degree  
18 program or 60 hours, an award recipient who meets the renewal  
19 criteria in subsection (3) and enrolls in a baccalaureate  
20 degree program at an eligible postsecondary education  
21 institution is eligible to transfer to the Florida Medallion  
22 Scholars award component of the Florida Bright Futures  
23 Scholarship Program. Other than initial eligibility criteria,  
24 all other requirements of the Florida Medallion Scholars award  
25 shall apply to a student who transfers to that program  
26 pursuant to the provisions of this subsection. The number of  
27 hours for which a student may receive a Florida Medallion  
28 Scholars award shall be calculated by subtracting from the  
29 student's total eligibility pursuant to s. 240.40206(2) the  
30 number of hours for which the student has already received  
31 funding under the Florida Bright Futures Scholarship Program.

1       (6) If a Florida Gold Seal Vocational Scholar received  
2 an initial award prior to the fall term of 2003, and has a  
3 cumulative grade point average of 2.75 in all postsecondary  
4 education work attempted, the Department of Education may  
5 transfer the student to the Florida Medallion Scholars award  
6 component of the Florida Bright Futures Scholarship Program at  
7 any renewal period. Other than initial eligibility criteria,  
8 all other requirements of the Florida Medallion Scholars award  
9 shall apply to a student who transfers to that program  
10 pursuant to the provisions of this subsection. The number of  
11 hours for which a student may receive a Florida Medallion  
12 Scholars award shall be calculated by subtracting from the  
13 student's total eligibility pursuant to s. 240.40206(2) the  
14 number of hours for which the student has already received  
15 funding under the Florida Bright Futures Scholarship Program.

16       (7) A student who graduated from high school in 1997  
17 or earlier and who was eligible for the Vocational Gold Seal  
18 Endorsement Scholarship Program award pursuant to s. 240.4021  
19 is eligible for a Florida Gold Seal Vocational Scholars award.

20       ~~(4) A student may earn a Florida Gold Seal Vocational~~  
21 ~~Scholarship for 110 percent of the number of credit hours~~  
22 ~~required to complete the program, up to 90 credit hours or the~~  
23 ~~equivalent. A Florida Gold Seal Scholar who has a cumulative~~  
24 ~~grade point average of 2.75 in all postsecondary education~~  
25 ~~work attempted may apply for a Florida Merit Scholars award at~~  
26 ~~any renewal period. All other provisions of that program~~  
27 ~~apply, and the credit-hour limitation must be calculated by~~  
28 ~~subtracting from the student's total eligibility the number of~~  
29 ~~credit hours the student attempted while earning the Gold Seal~~  
30 ~~Vocational Scholarship.~~

31

1           Section 12. Section 240.40211, Florida Statutes, is  
2 created to read:

3           240.40211 Florida Bright Futures Scholarship Program  
4 targeted occupations.--

5           (1)(a) Using information provided by the Workforce  
6 Estimating Conference, the Department of Education, in  
7 consultation with the Legislature, shall identify targeted  
8 occupations that are high demand, high wage, and high skill  
9 for which the state's postsecondary education institutions  
10 provide the necessary education and training.

11           (b) The Department of Education shall identify the  
12 specific associate and baccalaureate degree programs,  
13 certificate programs, and applied technology diploma programs  
14 that are offered by postsecondary education institutions and  
15 prepare students for employment in the targeted occupations.  
16 The department shall provide such information to the  
17 postsecondary education institutions that participate in the  
18 Florida Bright Futures Scholarship Program.

19           (c) Identification of targeted occupations and degree,  
20 certificate, and diploma programs shall be completed, and  
21 updated annually thereafter, for use in providing awards  
22 pursuant to this section beginning with the 2002-2003 fall  
23 academic term.

24           (2) A Florida Bright Futures Scholarship award  
25 recipient who is enrolled at a vocational-technical  
26 institution, a community college, or a junior college in a  
27 program identified pursuant to paragraph (1)(b) is eligible to  
28 receive an additional \$250 per semester, or the equivalent,  
29 for postsecondary education-related expenses.

30           (3) A Florida Bright Futures Scholarship award  
31 recipient who is enrolled at a baccalaureate-degree-granting

1 institution in the upper division of a program identified  
2 pursuant to paragraph (1)(b) is eligible to receive an  
3 additional \$500 per semester, or the equivalent, for  
4 postsecondary education-related expenses.

5 (4) Institutions that participate in the Florida  
6 Bright Futures Scholarship Program and offer a program  
7 identified pursuant to paragraph (1)(b) shall advise their  
8 students of the availability of the awards provided pursuant  
9 to this section.

10 (5) The department shall establish procedures for  
11 institutions to certify to the department the initial and  
12 continued eligibility status of any student who is eligible to  
13 receive an award pursuant to this section. A student's  
14 continued enrollment in an eligible program shall be certified  
15 by the institution each academic year.

16 (6) The department shall evaluate this component of  
17 the Florida Bright Futures Scholarship Program from its  
18 inception to determine, of the total number of students who  
19 receive awards pursuant to this section, the number who become  
20 employed in the occupation for which the award was provided.  
21 This evaluation shall be reported on an annual basis to the  
22 Governor and the Legislature.

23 (7) This award component of the Florida Bright Futures  
24 Scholarship Program shall be implemented to the extent funded  
25 in the General Appropriations Act. When funds are not  
26 sufficient to make full awards, the department shall reduce  
27 the amount of each recipient's award pro rata.

28 Section 13. Sections 240.40208 and 240.40242, Florida  
29 Statutes, are repealed.

30 Section 14. Florida Bright Futures Scholarship Testing  
31 Program.--

1       (1) By January 1, 2002, the Articulation Coordinating  
2 Committee shall identify the minimum scores, maximum credit,  
3 and course or courses for which credit is to be awarded for  
4 each College Level Examination Program (CLEP) general  
5 examination, CLEP subject examination, College Board Advanced  
6 Placement Program examination, and International Baccalaureate  
7 examination. In addition, the Articulation Coordinating  
8 Committee shall identify such courses in the general education  
9 core curriculum of each state university and public community  
10 college.

11       (2) Each community college and state university must  
12 award credit for specific courses for which competency has  
13 been demonstrated by successful passage of one of these  
14 examinations unless the award of credit duplicates credit  
15 already awarded. Community colleges and universities may not  
16 exempt students from courses without the award of credit if  
17 competencies have been so demonstrated.

18       (3) Beginning with initial award recipients for the  
19 2002-2003 academic year and continuing thereafter, students  
20 eligible for a Florida Academic Scholars award or a Florida  
21 Medallion Scholars award who are admitted to and enroll in a  
22 community college or state university shall, prior to  
23 registering for courses that may be earned through a CLEP  
24 examination and not later than registration for their second  
25 term, complete at least five examinations from those specified  
26 in subsection (1), one in each of the following areas:  
27 English; humanities; mathematics; natural sciences; and social  
28 sciences. Successful completion of dual enrollment courses,  
29 Advanced Placement examinations, and International  
30 Baccalaureate examinations taken prior to high school  
31 graduation satisfy this requirement. The Articulation

1 Coordinating Committee shall identify the examinations that  
2 satisfy each component of this requirement.

3 (4) Each community college and state university shall  
4 pay for the CLEP examinations required pursuant to this  
5 section from the funds appropriated from the Educational  
6 Enhancement Trust Fund. The institution shall not charge the  
7 student for services that include preparation and  
8 administration of the test, access to a student guide to  
9 prepare for the test, and recordkeeping and reporting of each  
10 student's test results to the department.

11 (5) The credit awarded pursuant to this section shall  
12 apply toward the 120 hours of college credit required pursuant  
13 to s. 240.115(6).

14 (6) The maximum number of credit hours for which a  
15 student is eligible to receive a Florida Bright Futures  
16 Scholarship Program award shall be reduced by the number of  
17 hours for which credit is awarded pursuant to this section.

18 Section 15. Subsection (1) of section 240.404, Florida  
19 Statutes, is amended to read:

20 240.404 General requirements for student eligibility  
21 for state financial aid.--

22 (1)(a) The general requirements for eligibility of  
23 students for state financial aid awards consist of the  
24 following:

25 1. Achievement of the academic requirements of and  
26 acceptance at a state university or community college; a  
27 nursing diploma school approved by the Florida Board of  
28 Nursing; a Florida college, university, or community college  
29 which is accredited by an accrediting agency recognized by the  
30 United States Department of Education ~~a member of the~~  
31 ~~Commission on Recognition of Postsecondary Accreditation; any~~

1 Florida institution the credits of which are acceptable for  
2 transfer to state universities; any area technical center; or  
3 any private vocational-technical institution accredited by an  
4 accrediting agency recognized by the United States Department  
5 of Education ~~a member of the Commission on Recognition of~~  
6 ~~Postsecondary Accreditation.~~

7         2.a. Residency in this state for no less than 1 year  
8 preceding the award of aid for a program established pursuant  
9 to s. 240.409, s. 240.4095, s. 240.4097, s. 240.412, s.  
10 240.4125, s. 240.413, s. 240.4987, s. 240.605, or s. 240.606.  
11 Residency in this state must be for purposes other than to  
12 obtain an education. Resident status for purposes of receiving  
13 state financial aid awards shall be determined in the same  
14 manner as resident status for tuition purposes pursuant to s.  
15 240.1201 and rules of the State Board of Education.

16         b. A person who has been properly classified as a  
17 resident by a postsecondary institution for initial receipt of  
18 state-funded student financial assistance and has been  
19 determined eligible to participate in a financial assistance  
20 program may continue to qualify as a resident for state-funded  
21 financial aid programs if he or she maintains continuous  
22 enrollment at the postsecondary institution, with no break in  
23 enrollment greater than 12 consecutive months.

24         3. Submission of certification attesting to the  
25 accuracy, completeness, and correctness of information  
26 provided to demonstrate a student's eligibility to receive  
27 state financial aid awards. Falsification of such information  
28 shall result in the denial of any pending application and  
29 revocation of any award currently held to the extent that no  
30 further payments shall be made. Additionally, students who  
31 knowingly make false statements in order to receive state

1 financial aid awards shall be guilty of a misdemeanor of the  
2 second degree subject to the provisions of s. 837.06 and shall  
3 be required to return all state financial aid awards  
4 wrongfully obtained.

5 (b)1. Eligibility for the renewal of undergraduate  
6 financial aid awards shall be evaluated at the end of the  
7 second semester or third quarter of each academic year. As a  
8 condition for renewal, a student shall:

9 a. Have earned a minimum cumulative grade point  
10 average of 2.0 on a 4.0 scale; and

11 b. Have earned, for full-time study, 12 credits per  
12 term or the equivalent for the number of terms for which aid  
13 was received.

14 2. A student who earns the minimum number of credits  
15 required for renewal, but who fails to meet the minimum 2.0  
16 cumulative grade point average, may be granted a probationary  
17 award for up to the equivalent of 1 academic year and shall be  
18 required to earn a cumulative grade point average of 2.0 on a  
19 4.0 scale by the end of the probationary period to be eligible  
20 for subsequent renewal. A student who receives a probationary  
21 award and who fails to meet the conditions for renewal by the  
22 end of his or her probationary period shall be ineligible to  
23 receive additional awards for the equivalent of 1 academic  
24 year following his or her probationary period. Each such  
25 student may, however, reapply for assistance during a  
26 subsequent application period and may be eligible for an award  
27 if he or she has earned a cumulative grade point average of  
28 2.0 on a 4.0 scale.

29 3. A student who fails to earn the minimum number of  
30 credits required for renewal shall lose his or her eligibility  
31 for renewal for a period equivalent to 1 academic year.

1 However, the student may reapply during a subsequent  
2 application period and may be eligible for an award if he or  
3 she has earned a minimum cumulative grade point average of 2.0  
4 on a 4.0 scale.

5 4. Students who receive state student aid and  
6 subsequently fail to meet state academic progress requirements  
7 due to verifiable illness or other emergencies may be granted  
8 an exception from the academic requirements. Such students  
9 shall make a written appeal to the institution. The appeal  
10 shall include a description and verification of the  
11 circumstances. Verification of illness or other emergencies  
12 may include but not be limited to a physician's statement or  
13 written statement of a parent or college official. The  
14 institution shall recommend exceptions with necessary  
15 documentation to the department. The department may accept or  
16 deny such recommendations for exception from the institution.

17 Section 16. Notwithstanding subsection (7) of section  
18 3 of chapter 2000-321, Laws of Florida, sections 240.2985 and  
19 240.6054, Florida Statutes, shall not stand repealed on  
20 January 7, 2003, and are reenacted, renumbered as section  
21 240.4084, Florida Statutes, and amended to read:

22 (Substantial rewording of sections. See ss.  
23 240.2985 and 240.6054, F.S., for present text.)  
24 240.4084 Ethics in Business Scholarship Program.--The  
25 Ethics in Business Scholarship Program is created to provide  
26 scholarships to students who are enrolled in postsecondary  
27 education institutions and who meet the general requirements  
28 for student eligibility for state financial aid pursuant to s.  
29 240.404. Moneys appropriated and allocated for such  
30 scholarships shall be matched by private donations for the  
31 purpose of providing ethics in business scholarships. The

1 Ethics in Business Scholarship Program shall consist of the  
2 following components:  
3       (1) Moneys appropriated from the Insurance  
4 Commissioner's Regulatory Trust Fund to the Trust Fund for  
5 Major Gifts, pursuant to section 2 of chapter 97-381, Laws of  
6 Florida, shall be allocated to each university foundation on a  
7 matching basis equal to the amount of private funds received  
8 by such foundation for program purposes. Moneys appropriated  
9 and allocated to university foundations for purposes of the  
10 program shall be used to create endowments to provide  
11 scholarships to undergraduate students enrolled in state  
12 institutions of higher learning who register for one or more  
13 credit hours in business ethics courses and who have  
14 demonstrated a commitment to serve the interests of their  
15 community. First priority for award of scholarships shall be  
16 given to students who demonstrate financial need. The Board  
17 of Regents shall administer the provisions of this subsection.  
18       (2) Moneys transferred from the Insurance  
19 Commissioner's Regulatory Trust Fund to the State Student  
20 Financial Assistance Trust Fund, pursuant to section 3 of  
21 chapter 97-381, Laws of Florida, shall be allocated to provide  
22 ethics in business scholarships to students enrolled in public  
23 community colleges and independent postsecondary education  
24 institutions eligible to participate in the William L. Boyd,  
25 IV, Florida Resident Access Grant Program under s. 240.605.  
26 The funds shall be allocated to institutions for scholarships  
27 in the following ratio: two-thirds for community colleges and  
28 one-third for eligible independent institutions. These funds  
29 shall be allocated to institutions that provide an equal  
30 amount of matching funds generated by private donors for the  
31 purpose of providing ethics in business scholarships. The

1 Department of Education shall administer the provisions of  
2 this subsection and may adopt rules for such administration.  
3 Notwithstanding any other provision of law, the State Board of  
4 Administration shall have the authority to invest the funds  
5 appropriated under this subsection.

6  
7 Each institution that receives an allocation of funds shall  
8 submit to the Legislature an annual report of the matching  
9 funds collected and a profile of scholarship award recipients.

10 Section 17. Section 240.409, Florida Statutes, is  
11 amended to read:

12 240.409 Florida Public Student Assistance Grant  
13 Program; eligibility for grants.--

14 (1) There is hereby created a Florida Public Student  
15 Assistance Grant Program. The program shall be administered by  
16 the participating institutions in accordance with rules of the  
17 state board.

18 (2) The department is directed to establish an initial  
19 application deadline for funds administered pursuant to this  
20 section.

21 (3) Using the priorities established in this section  
22 and in s. 240.40975, institutions shall first award funds  
23 administered pursuant to this section to students who meet the  
24 initial application deadline established pursuant to  
25 subsection (2). An institution may, at its discretion, award  
26 any remaining funds from this program to students who apply  
27 after the deadline date and who are otherwise eligible  
28 pursuant to this section.

29 (4)~~(2)~~(a) State student assistance grants through the  
30 program may be made only to ~~full-time~~ degree-seeking students  
31 who enroll in at least 6 semester hours, or the equivalent,

1 per semester and who meet the general requirements for student  
2 eligibility as provided in s. 240.404, except as otherwise  
3 provided in this section. Such grants shall be awarded  
4 annually for the amount of demonstrated unmet need for the  
5 cost of education and may not exceed an amount equal to the  
6 average prior academic year cost of matriculation fees and  
7 other registration fees for 30 credit hours at state  
8 universities or such other amount as specified in the General  
9 Appropriations Act, to any recipient. A demonstrated unmet  
10 need of less than \$200 shall render the applicant ineligible  
11 for a state student assistance grant. Recipients of such  
12 grants must have been accepted at a state university or  
13 community college authorized by Florida law. No student may  
14 receive an award for more than the equivalent of 9 semesters  
15 or 14 quarters of full-time enrollment, except as otherwise  
16 provided in s. 240.404(3).

17 (b) A student applying for a Florida public student  
18 assistance grant shall be required to apply for the Pell  
19 Grant. The Pell Grant entitlement shall be considered when  
20 conducting an assessment of the financial resources available  
21 to each student.

22 ~~(c) Priority in the distribution of grant moneys shall~~  
23 ~~be given to students with the lowest total family resources,~~  
24 ~~in accordance with a nationally recognized system of need~~  
25 ~~analysis.~~Using the system of need analysis, the department  
26 shall establish a maximum expected family contribution. An  
27 institution may not make a grant from this program to a  
28 student whose expected family contribution exceeds the level  
29 established by the department. An institution may not impose  
30 additional criteria to determine a student's eligibility to  
31 receive a grant award.

1           (d) Each participating institution shall report, to  
2 the department by the established date, the eligible students  
3 to whom grant moneys are disbursed each academic term and  
4 indicate whether or not the student met the application  
5 deadline established pursuant to subsection (2). Each  
6 institution shall also report to the department necessary  
7 demographic and eligibility data for such students.

8           ~~(5)(3)~~ Based on the unmet financial need of an  
9 eligible applicant, the amount of a Florida public student  
10 assistance grant must be between \$200 and the weighted average  
11 of the cost of matriculation and other registration fees for  
12 30 credit hours at state universities per academic year or the  
13 amount specified in the General Appropriations Act.

14           ~~(6)(4)~~(a) The funds appropriated for the Florida  
15 Public Student Assistance Grant shall be distributed to  
16 eligible institutions in accordance with a formula recommended  
17 by the Department of Education's Florida Council of Student  
18 Financial Aid Advisors and reviewed by the Postsecondary  
19 Education Planning Commission, the State Board of Community  
20 Colleges, and the Board of Regents. The formula shall consider  
21 at least the prior year's distribution of funds, the number of  
22 full-time eligible applicants who did not receive awards, the  
23 number of eligible applicants who met the application  
24 deadline, the standardization of the expected family  
25 contribution, and provisions for unused funds.

26           (b) Payment of Florida public student assistance  
27 grants shall be transmitted to the president of the state  
28 university or community college, or to his or her  
29 representative, in advance of the registration period.  
30 Institutions shall notify students of the amount of their  
31 awards.

1           (c) The eligibility status of each student to receive  
2 a disbursement shall be determined by each institution as of  
3 the end of its regular registration period, inclusive of a  
4 drop-add period. Institutions shall not be required to  
5 reevaluate a student's eligibility status after this date for  
6 purposes of changing eligibility determinations previously  
7 made.

8           (d) Institutions shall certify to the department the  
9 amount of funds disbursed to each student, shall indicate  
10 whether or not the student met the application deadline  
11 established pursuant to subsection (2), and shall remit to the  
12 department any undisbursed advances by June 1 of each year.

13           ~~(7)(5)~~ Funds appropriated by the Legislature for state  
14 student assistance grants shall be deposited in the State  
15 Student Financial Assistance Trust Fund. Notwithstanding the  
16 provisions of s. 216.301 and pursuant to s. 216.351, any  
17 balance in the trust fund at the end of any fiscal year that  
18 has been allocated to the Florida Public Student Assistance  
19 Grant Program shall remain therein and shall be available for  
20 carrying out the purposes of this section.

21           ~~(8)(6)~~ The State Board of Education shall establish  
22 rules necessary to implement this section.

23           Section 18. Section 240.4095, Florida Statutes, is  
24 amended to read:

25           240.4095 Florida Private Student Assistance Grant  
26 Program; eligibility for grants.--

27           (1) There is hereby created a Florida Private Student  
28 Assistance Grant Program. The program shall be administered by  
29 the participating institutions in accordance with rules of the  
30 state board.

31

1           (2) The department is directed to establish an initial  
2 application deadline for funds administered pursuant to this  
3 section.

4           (3) Using the priorities established in this section  
5 and in s. 240.40975, institutions shall first award funds  
6 administered pursuant to this section to students who met the  
7 initial application deadline established pursuant to  
8 subsection (2). An institution may, at its discretion, award  
9 any remaining funds from this program to students who apply  
10 after the deadline date and who are otherwise eligible  
11 pursuant to this section.

12           (4)(2)(a) Florida private student assistance grants  
13 from the State Student Financial Assistance Trust Fund may be  
14 made only to ~~full-time~~ degree-seeking students who enroll in  
15 at least 6 semester hours, or the equivalent, per semester and  
16 who meet the general requirements for student eligibility as  
17 provided in s. 240.404, except as otherwise provided in this  
18 section. Such grants shall be awarded for the amount of  
19 demonstrated unmet need for tuition and fees and may not  
20 exceed an amount equal to the average matriculation and other  
21 registration fees for 30 credit hours at state universities  
22 plus \$1,000 per academic year, or as specified in the General  
23 Appropriations Act, to any applicant. A demonstrated unmet  
24 need of less than \$200 shall render the applicant ineligible  
25 for a Florida private student assistance grant. Recipients of  
26 such grants must have been accepted at a  
27 baccalaureate-degree-granting independent nonprofit college or  
28 university, which is accredited by the Commission on Colleges  
29 of the Southern Association of Colleges and Schools and which  
30 is located in and chartered as a domestic corporation by the  
31 state. No student may receive an award for more than the

1 equivalent of 9 semesters or 14 quarters of full-time  
2 enrollment, except as otherwise provided in s. 240.404(3).

3 (b) A student applying for a Florida private student  
4 assistance grant shall be required to apply for the Pell  
5 Grant. The Pell Grant entitlement shall be considered when  
6 conducting an assessment of the financial resources available  
7 to each student.

8 ~~(c) Priority in the distribution of grant moneys shall~~  
9 ~~be given to students with the lowest total family resources,~~  
10 ~~in accordance with a nationally recognized system of need~~  
11 ~~analysis.~~ Using the system of need analysis, the department  
12 shall establish a maximum expected family contribution. An  
13 institution may not make a grant from this program to a  
14 student whose expected family contribution exceeds the level  
15 established by the department. An institution may not impose  
16 additional criteria to determine a student's eligibility to  
17 receive a grant award.

18 (d) Each participating institution shall report, to  
19 the department by the established date, the eligible students  
20 to whom grant moneys are disbursed each academic term and  
21 indicate whether or not the student met the application  
22 deadline established pursuant to subsection (2). Each  
23 institution shall also report to the department necessary  
24 demographic and eligibility data for such students.

25 ~~(5)(3)~~ Based on the unmet financial need of an  
26 eligible applicant, the amount of a Florida private student  
27 assistance grant must be between \$200 and the average cost of  
28 matriculation and other registration fees for 30 credit hours  
29 at state universities plus \$1,000 per academic year or the  
30 amount specified in the General Appropriations Act.

31

1           ~~(6)(4)~~(a) The funds appropriated for the Florida  
2 Private Student Assistance Grant shall be distributed to  
3 eligible institutions in accordance with a formula recommended  
4 by the Department of Education's Florida Council of Student  
5 Financial Aid Advisors and reviewed by the Postsecondary  
6 Education Planning Commission and the Independent Colleges and  
7 Universities of Florida. The formula shall consider at least  
8 the prior year's distribution of funds, the number of  
9 full-time eligible applicants who did not receive awards, the  
10 number of eligible applicants who met the application  
11 deadline, the standardization of the expected family  
12 contribution, and provisions for unused funds.

13           (b) Payment of Florida private student assistance  
14 grants shall be transmitted to the president of the college or  
15 university, or to his or her representative, in advance of the  
16 registration period. Institutions shall notify students of the  
17 amount of their awards.

18           (c) The eligibility status of each student to receive  
19 a disbursement shall be determined by each institution as of  
20 the end of its regular registration period, inclusive of a  
21 drop-add period. Institutions shall not be required to  
22 reevaluate a student's eligibility status after this date for  
23 purposes of changing eligibility determinations previously  
24 made.

25           (d) Institutions shall certify to the department the  
26 amount of funds disbursed to each student, shall indicate  
27 whether or not the student met the application deadline  
28 established pursuant to subsection (2), and shall remit to the  
29 department any undisbursed advances by June 1 of each year.

30           (e) Each institution that receives moneys through the  
31 Florida Private Student Assistance Grant Program shall cause

1 to be prepared a biennial report that includes an independent  
2 external audit of the institution's administration of the  
3 program and a complete accounting of moneys in the State  
4 Student Financial Assistance Trust Fund allocated to the  
5 institution for the program. Such report shall be submitted to  
6 the department on or before March 1 every other year. The  
7 department may conduct its own annual or biennial audit of an  
8 institution's administration of the program and its allocated  
9 funds in lieu of the required biennial report and independent  
10 external audit. The department may suspend or revoke an  
11 institution's eligibility to receive future moneys from the  
12 trust fund for the program or request a refund of any moneys  
13 overpaid to the institution through the trust fund for the  
14 program if the department finds that an institution has not  
15 complied with the provisions of this section. Any refund  
16 requested pursuant to this paragraph shall be remitted within  
17 60 days.

18 (7)~~(5)~~ Funds appropriated by the Legislature for  
19 Florida private student assistance grants shall be deposited  
20 in the State Student Financial Assistance Trust Fund.  
21 Notwithstanding the provisions of s. 216.301 and pursuant to  
22 s. 216.351, any balance in the trust fund at the end of any  
23 fiscal year that has been allocated to the Florida Private  
24 Student Assistance Grant Program shall remain therein and  
25 shall be available for carrying out the purposes of this  
26 section and as otherwise provided by law.

27 (8)~~(6)~~ The State Board of Education shall adopt rules  
28 necessary to implement this section.

29 Section 19. Section 240.4097, Florida Statutes, is  
30 amended to read:

31

1           240.4097 Florida Postsecondary Student Assistance  
2 Grant Program; eligibility for grants.--

3           (1) There is hereby created a Florida Postsecondary  
4 Student Assistance Grant Program. The program shall be  
5 administered by the participating institutions in accordance  
6 with rules of the state board.

7           (2) The department is directed to establish an initial  
8 application deadline for funds administered pursuant to this  
9 section.

10          (3) Using the priorities established in this section  
11 and s. 240.40975, institutions shall first award funds  
12 administered pursuant to this section to students who meet the  
13 initial application deadline established pursuant to  
14 subsection (2). An institution may, at its discretion, award  
15 any remaining funds from this program to students who apply  
16 after the deadline date and who are otherwise eligible  
17 pursuant to this section.

18          ~~(4)~~(2)(a) Florida postsecondary student assistance  
19 grants through the State Student Financial Assistance Trust  
20 Fund may be made only to ~~full-time~~ degree-seeking students who  
21 enroll in at least 6 semester hours, or the equivalent, per  
22 semester and who meet the general requirements for student  
23 eligibility as provided in s. 240.404, except as otherwise  
24 provided in this section. Such grants shall be awarded for  
25 the amount of demonstrated unmet need for tuition and fees and  
26 may not exceed an amount equal to the average prior academic  
27 year cost of matriculation and other registration fees for 30  
28 credit hours at state universities plus \$1,000 per academic  
29 year, or as specified in the General Appropriations Act, to  
30 any applicant. A demonstrated unmet need of less than \$200  
31 shall render the applicant ineligible for a Florida

1 postsecondary student assistance grant. Recipients of such  
2 grants must have been accepted at a postsecondary institution  
3 that is located in the state and that is:

4 1. A private nursing diploma school approved by the  
5 Florida Board of Nursing; or

6 2. An institution either licensed by the State Board  
7 of Independent Colleges and Universities or exempt from  
8 licensure pursuant to s. 246.085(1)(a), excluding those  
9 institutions the students of which are eligible to receive a  
10 Florida private student assistance grant pursuant to s.  
11 240.4095.

12  
13 No student may receive an award for more than the equivalent  
14 of 9 semesters or 14 quarters of full-time enrollment, except  
15 as otherwise provided in s. 240.404(3).

16 (b) A student applying for a Florida postsecondary  
17 student assistance grant shall be required to apply for the  
18 Pell Grant. The Pell Grant entitlement shall be considered  
19 when conducting an assessment of the financial resources  
20 available to each student.

21 ~~(c) Priority in the distribution of grant moneys shall~~  
22 ~~be given to students with the lowest total family resources,~~  
23 ~~in accordance with a nationally recognized system of need~~  
24 ~~analysis.~~ Using the system of need analysis, the department  
25 shall establish a maximum expected family contribution. An  
26 institution may not make a grant from this program to a  
27 student whose expected family contribution exceeds the level  
28 established by the department. An institution may not impose  
29 additional criteria to determine a student's eligibility to  
30 receive a grant award.

31

1           (d) Each participating institution shall report, to  
2 the department by the established date, the eligible students  
3 to whom grant moneys are disbursed each academic term and  
4 indicate whether or not the student met the application  
5 deadline established pursuant to subsection (2). Each  
6 institution shall also report to the department necessary  
7 demographic and eligibility data for such students.

8           ~~(5)(3)~~ Based on the unmet financial need of an  
9 eligible applicant, the amount of a Florida postsecondary  
10 student assistance grant must be between \$200 and the average  
11 cost of matriculation and other registration fees for 30  
12 credit hours at state universities plus \$1,000 per academic  
13 year or the amount specified in the General Appropriations  
14 Act.

15           ~~(6)(4)~~(a) The funds appropriated for the Florida  
16 Postsecondary Student Assistance Grant shall be distributed to  
17 eligible institutions in accordance with a formula recommended  
18 by the Department of Education's Florida Council of Student  
19 Financial Aid Advisors and reviewed by the Postsecondary  
20 Education Planning Commission and the Florida Association of  
21 Postsecondary Schools and Colleges. The formula shall consider  
22 at least the prior year's distribution of funds, the number of  
23 full-time eligible applicants who did not receive awards, the  
24 number of eligible applicants who met the application  
25 deadline, the standardization of the expected family  
26 contribution, and provisions for unused funds.

27           (b) Payment of Florida postsecondary student  
28 assistance grants shall be transmitted to the president of the  
29 eligible institution, or to his or her representative, in  
30 advance of the registration period. Institutions shall notify  
31 students of the amount of their awards.

1           (c) The eligibility status of each student to receive  
2 a disbursement shall be determined by each institution as of  
3 the end of its regular registration period, inclusive of a  
4 drop-add period. Institutions shall not be required to  
5 reevaluate a student's eligibility status after this date for  
6 purposes of changing eligibility determinations previously  
7 made.

8           (d) Institutions shall certify to the department the  
9 amount of funds disbursed to each student, shall indicate  
10 whether or not the student met the application deadline  
11 established pursuant to subsection (2), and shall remit to the  
12 department any undisbursed advances by June 1 of each year.

13           (e) Each institution that receives moneys through the  
14 Florida Postsecondary Student Assistance Grant Program shall  
15 cause to be prepared a biennial report that includes an  
16 independent external audit of the institution's administration  
17 of the program and a complete accounting of moneys in the  
18 State Student Financial Assistance Trust Fund allocated to the  
19 institution for the program. Such report shall be submitted  
20 to the department on or before March 1 every other year. The  
21 department may conduct its own annual or biennial audit of an  
22 institution's administration of the program and its allocated  
23 funds in lieu of the required biennial report and independent  
24 external audit. The department may suspend or revoke an  
25 institution's eligibility to receive future moneys from the  
26 trust fund for the program or request a refund of any moneys  
27 overpaid to the institution through the trust fund for the  
28 program if the department finds that an institution has not  
29 complied with the provisions of this section. Any refund  
30 requested pursuant to this paragraph shall be remitted within  
31 60 days.

1       ~~(7)(5)~~ Any institution that was eligible to receive  
2 state student assistance grants on January 1, 1989, and that  
3 is not eligible to receive grants pursuant to s. 240.4095 is  
4 eligible to receive grants pursuant to this section.

5       ~~(8)(6)~~ Funds appropriated by the Legislature for  
6 Florida postsecondary student assistance grants shall be  
7 deposited in the State Student Financial Assistance Trust  
8 Fund. Notwithstanding the provisions of s. 216.301 and  
9 pursuant to s. 216.351, any balance in the trust fund at the  
10 end of any fiscal year that has been allocated to the Florida  
11 Postsecondary Student Assistance Grant Program shall remain  
12 therein and shall be available for carrying out the purposes  
13 of this section and as otherwise provided by law.

14       ~~(9)(7)~~ The State Board of Education shall adopt rules  
15 necessary to implement this section.

16       Section 20. Section 240.40975, Florida Statutes, is  
17 created to read:

18       240.40975 Florida student assistance grant programs;  
19 priority for receiving grants.--Priority in the distribution  
20 of grants provided pursuant to s. 240.409, s. 240.4095, or s.  
21 240.4097 shall be given to eligible applicants in the  
22 following order:

23       (1) To full-time students with the greatest financial  
24 need as determined by the department.

25       (2) To full-time students with financial need who  
26 graduate from public Florida high schools, who have completed  
27 the high school courses that are adopted by the Board of  
28 Regents and recommended by the State Board of Community  
29 Colleges as college-preparatory academic courses, and who rank  
30 in the top 20 percent of their high school graduating class.  
31 Class rank shall be determined by the Department of Education.

1           (3) To other full-time students with financial need.

2           (4) To part-time students with financial need, if  
3 funds are remaining.

4           Section 21. Subsection (3) of section 240.4128,  
5 Florida Statutes, is amended to read:

6           240.4128 Minority teacher education scholars  
7 program.--There is created the minority teacher education  
8 scholars program, which is a collaborative performance-based  
9 scholarship program for African-American, Hispanic-American,  
10 Asian-American, and Native American students. The participants  
11 in the program include Florida's public community colleges and  
12 its public and private universities that have teacher  
13 education programs.

14           (3) The total amount appropriated annually for new  
15 scholarships in the program must be divided by \$4,000 and by  
16 the number of participating colleges and universities. Each  
17 participating institution has access to the same number of  
18 scholarships and may award all of them to eligible minority  
19 students. If a college or university does not award all of its  
20 scholarships by the date set by the program administration at  
21 the Florida Fund for Minority Teachers, Inc., the remaining  
22 scholarships must be transferred to another institution that  
23 has eligible students. Each participating institution shall  
24 report to the department, by the established date, the  
25 eligible students to whom scholarships are disbursed each  
26 academic term. Each institution shall also report to the  
27 department necessary demographic and eligibility data for such  
28 students.

29           Section 22. Subsection (6) of section 240.437, Florida  
30 Statutes, is amended to read:

31

1           240.437 Student financial aid planning and  
2 development.--

3           (6) ~~Any Effective July 1, 1992, all new and existing~~  
4 financial assistance programs authorized by state law that are  
5 administered by the Bureau of Student Financial Assistance of  
6 the Department of Education and that under this part which are  
7 not funded for 3 consecutive years after enactment shall stand  
8 repealed. Financial aid programs provided under this part on  
9 July 1, 1992, which lose funding for 3 consecutive years shall  
10 stand repealed. The Bureau Office of Student Financial  
11 Assistance of the Department of Education shall annually  
12 review the legislative appropriation of financial aid to  
13 identify such programs.

14           Section 23. Section 240.465, Florida Statutes, is  
15 amended to read:

16           240.465 Delinquent accounts.--

17           (1) The Department of Education is directed to exert  
18 every lawful and reasonable effort to collect all delinquent  
19 unpaid and uncanceled scholarship loan notes, student loan  
20 notes, and defaulted guaranteed loan notes.

21           (2) The department is authorized to establish a  
22 recovery account into which unpaid and uncanceled scholarship  
23 loan note, student loan note, and defaulted guaranteed loan  
24 note accounts may be transferred.

25           (3) The department is authorized to settle any  
26 delinquent unpaid and uncanceled scholarship loan notes,  
27 student loan notes, and defaulted guaranteed loan notes and to  
28 employ the service of a collection agent when deemed advisable  
29 in collecting delinquent or defaulted accounts. However, no  
30 collection agent may be paid a commission in excess of 35  
31 percent of the amount collected. Any expense incurred by the

1 department in enforcing the collection of a loan note may be  
2 borne by the signer of the note and may be added to the amount  
3 of the principal of such note.

4 (4) The department is authorized to charge off unpaid  
5 and uncanceled scholarship loan notes and student loan notes  
6 which are at least 3 years delinquent and which prove  
7 uncollectible after good faith collection efforts. However, a  
8 delinquent account with a past due balance of \$25 or less may  
9 be charged off as uncollectible when it becomes 6 months past  
10 due and the cost of further collection effort or assignment to  
11 a collection agent would not be warranted.

12 ~~(5) No individual borrower who has been determined to~~  
13 ~~be in default in making legally required scholarship loan,~~  
14 ~~student loan, or guaranteed loan repayments shall be furnished~~  
15 ~~with his or her academic transcripts or other student records~~  
16 ~~until such time as the loan is paid in full or the default~~  
17 ~~status has been removed.~~

18 (5)(6) The department is authorized to charge an  
19 individual borrower who has been determined to be in default  
20 in making legally required loan repayments the maximum  
21 interest rate authorized by law.

22 (6)(7) The State Board of Education shall adopt such  
23 rules as are necessary to regulate the collection, settlement,  
24 and charging off of delinquent unpaid and uncanceled  
25 scholarship loan notes, student loan notes, and defaulted  
26 guaranteed loan notes.

27 Section 24. Notwithstanding subsection (7) of section  
28 3 of chapter 2000-321, Laws of Florida, section 240.551,  
29 Florida Statutes, shall not stand repealed on January 7, 2003,  
30 and is reenacted and amended to read:

31 240.551 Florida Prepaid College Program.--

1           (1) LEGISLATIVE INTENT.--The Legislature recognizes  
2 that educational opportunity at the postsecondary level is a  
3 critical state interest. It further recognizes that  
4 educational opportunity is best ensured through the provision  
5 of postsecondary institutions that are geographically and  
6 financially accessible. Accordingly, it is the intent of the  
7 Legislature that a program be established through which many  
8 of the costs associated with postsecondary attendance may be  
9 paid in advance and fixed at a guaranteed level for the  
10 duration of undergraduate enrollment. It is similarly the  
11 intent of the Legislature to provide a program that fosters  
12 timely financial planning for postsecondary attendance and to  
13 encourage employer participation in such planning through  
14 program contributions on behalf of employees and the  
15 dependents of employees.

16           (2) DEFINITIONS.--

17           (a) "Advance payment contract" means a contract  
18 entered into by the board and a purchaser pursuant to this  
19 section.

20           (b) "Board" means the Florida Prepaid College Board.

21           (c) "Fund" means the Florida Prepaid College Trust  
22 Fund.

23           (d) "Program" means the Florida Prepaid College  
24 Program.

25           (e) "Purchaser" means a person who makes or is  
26 obligated to make advance registration or dormitory residence  
27 payments in accordance with an advance payment contract.

28           (f) "Qualified beneficiary" means:

29           1. A resident of this state at the time a purchaser  
30 enters into an advance payment contract on behalf of the  
31 resident;

1           2. A nonresident who is the child of a noncustodial  
2 parent who is a resident of this state at the time that such  
3 parent enters into an advance payment contract on behalf of  
4 the child; or

5           3. For purposes of advance payment contracts entered  
6 into pursuant to subsection (22), a graduate of an accredited  
7 high school in this state who is a resident of this state at  
8 the time he or she is designated to receive the benefits of  
9 the advance payment contract.

10           (g) "Registration fee" means matriculation fee,  
11 financial aid fee, building fee, and Capital Improvement Trust  
12 Fund fee.

13           (h) "State postsecondary institution" means any  
14 community college identified in s. 240.3031 or university  
15 identified in s. 240.2011.

16           (3) FLORIDA PREPAID COLLEGE PROGRAM; CREATION.--There  
17 is created a Florida Prepaid College Program to provide a  
18 medium through which the cost of registration and dormitory  
19 residence may be paid in advance of enrollment in a state  
20 postsecondary institution at a rate lower than the projected  
21 corresponding cost at the time of actual enrollment. Such  
22 payments shall be combined and invested in a manner that  
23 yields, at a minimum, sufficient interest to generate the  
24 difference between the prepaid amount and the cost of  
25 registration and dormitory residence at the time of actual  
26 enrollment. Students who enroll in a state postsecondary  
27 institution pursuant to this section shall be charged no fees  
28 in excess of the terms delineated in the advance payment  
29 contract.

30           (4) FLORIDA PREPAID COLLEGE TRUST FUND.--There is  
31 created within the State Board of Administration the Florida

1 Prepaid College Trust Fund. The fund shall consist of state  
2 appropriations, moneys acquired from other governmental or  
3 private sources, and moneys remitted in accordance with  
4 advance payment contracts. All funds deposited into the trust  
5 fund may be invested pursuant to s. 215.47. Dividends,  
6 interest, and gains accruing to the trust fund shall increase  
7 the total funds available for the program. Notwithstanding the  
8 provisions of chapter 717, funds associated with terminated  
9 contracts pursuant to subsection (12) and canceled contracts  
10 for which no refunds have been claimed shall increase the  
11 total funds available for the program. However, the board  
12 shall establish procedures for notifying purchasers who  
13 subsequently cancel their contracts of any unclaimed refund  
14 and shall establish a time period after which no refund may be  
15 claimed by a purchaser who canceled a contract. Any balance  
16 contained within the fund at the end of a fiscal year shall  
17 remain therein and shall be available for carrying out the  
18 purposes of the program. In the event that dividends,  
19 interest, and gains exceed the amount necessary for program  
20 administration and disbursements, the board may designate an  
21 additional percentage of the fund to serve as a contingency  
22 fund. Moneys contained within the fund shall be exempt from  
23 the investment requirements of s. 18.10. Any funds of a  
24 direct-support organization created pursuant to subsection  
25 (22) shall be exempt from the provisions of this subsection.

26 (5) PROGRAM ADMINISTRATION.--

27 (a) The Florida Prepaid College Program shall be  
28 administered by the Florida Prepaid College Board as an agency  
29 of the state. The Florida Prepaid College Board is hereby  
30 created as a body corporate with all the powers of a body  
31 corporate for the purposes delineated in this section. For

1 the purposes of s. 6, Art. IV of the State Constitution, the  
2 board shall be assigned to and administratively housed within  
3 the State Board of Administration, but it shall independently  
4 exercise the powers and duties specified in this section.

5 (b) The board shall consist of seven members to be  
6 composed of the Insurance Commissioner and Treasurer, the  
7 Comptroller, the Chancellor of the Board of Regents, the  
8 Executive Director of the State Board of Community Colleges,  
9 and three members appointed by the Governor and subject to  
10 confirmation by the Senate. Each member appointed by the  
11 Governor shall possess knowledge, skill, and experience in the  
12 areas of accounting, actuary, risk management, or investment  
13 management. Each member of the board not appointed by the  
14 Governor may name a designee to serve the board on behalf of  
15 the member; however, any designee so named shall meet the  
16 qualifications required of gubernatorial appointees to the  
17 board. Members appointed by the Governor shall serve terms of  
18 3 years. Any person appointed to fill a vacancy on the board  
19 shall be appointed in a like manner and shall serve for only  
20 the unexpired term. Any member shall be eligible for  
21 reappointment and shall serve until a successor qualifies.  
22 Members of the board shall serve without compensation but  
23 shall be reimbursed for per diem and travel in accordance with  
24 s. 112.061. Each member of the board shall file a full and  
25 public disclosure of his or her financial interests pursuant  
26 to s. 8, Art. II of the State Constitution and corresponding  
27 statute.

28 (c) The board shall annually elect a board member to  
29 serve as chair and a board member to serve as vice chair and  
30 shall designate a secretary-treasurer who need not be a member  
31 of the board. The secretary-treasurer shall keep a record of

1 the proceedings of the board and shall be the custodian of all  
2 printed material filed with or by the board and of its  
3 official seal. Notwithstanding the existence of vacancies on  
4 the board, a majority of the members shall constitute a  
5 quorum. The board shall take no official action in the absence  
6 of a quorum. The board shall meet, at a minimum, on a  
7 quarterly basis at the call of the chair.

8 (6) FLORIDA PREPAID COLLEGE BOARD; DUTIES.--The board  
9 shall:

10 (a) Appoint an executive director to serve as the  
11 chief administrative and operational officer of the board and  
12 to perform other duties assigned to him or her by the board.

13 (b) Administer the fund in a manner that is  
14 sufficiently actuarially sound to defray the obligations of  
15 the program. The board shall annually evaluate or cause to be  
16 evaluated the actuarial soundness of the fund. If the board  
17 perceives a need for additional assets in order to preserve  
18 actuarial soundness, the board may adjust the terms of  
19 subsequent advance payment contracts to ensure such soundness.

20 (c) Establish a comprehensive investment plan for the  
21 purposes of this section with the approval of the State Board  
22 of Administration. The comprehensive investment plan shall  
23 specify the investment policies to be utilized by the board in  
24 its administration of the fund. The board may place assets of  
25 the fund in savings accounts or use the same to purchase fixed  
26 or variable life insurance or annuity contracts, securities,  
27 evidence of indebtedness, or other investment products  
28 pursuant to the comprehensive investment plan and in such  
29 proportions as may be designated or approved under that plan.  
30 Such insurance, annuity, savings, or investment products shall  
31 be underwritten and offered in compliance with the applicable

1 federal and state laws, regulations, and rules by persons who  
2 are duly authorized by applicable federal and state  
3 authorities. Within the comprehensive investment plan, the  
4 board may authorize investment vehicles, or products incident  
5 thereto, as may be available or offered by qualified companies  
6 or persons. A contract purchaser may not direct the investment  
7 of his or her contribution to the trust fund, and a contract  
8 beneficiary may not direct the contribution made on his or her  
9 behalf to the trust fund. Board members and employees of the  
10 board are not prohibited from purchasing advance payment  
11 contracts by virtue of their fiduciary responsibilities as  
12 members of the board or official duties as employees of the  
13 board.

14 (d) Solicit proposals and contract, pursuant to s.  
15 287.057, for the marketing of the Florida Prepaid College  
16 Program. The entity designated pursuant to this paragraph  
17 shall serve as a centralized marketing agent for the program  
18 and shall be solely responsible for the marketing of the  
19 program. Any materials produced for the purpose of marketing  
20 the program shall be submitted to the board for review. No  
21 such materials shall be made available to the public before  
22 the materials are approved by the board. Any educational  
23 institution may distribute marketing materials produced for  
24 the program; however, all such materials shall have been  
25 approved by the board prior to distribution. Neither the state  
26 nor the board shall be liable for misrepresentation of the  
27 program by a marketing agent.

28 (e) Solicit proposals and contract, pursuant to s.  
29 287.057, for a trustee services firm to select and supervise  
30 investment programs on behalf of the board. The goals of the  
31 board in selecting a trustee services firm shall be to obtain

1 the highest standards of professional trustee services, to  
2 allow all qualified firms interested in providing such  
3 services equal consideration, and to provide such services to  
4 the state at no cost and to the purchasers at the lowest cost  
5 possible. The trustee services firm shall agree to meet the  
6 obligations of the board to qualified beneficiaries if moneys  
7 in the fund fail to offset the obligations of the board as a  
8 result of imprudent selection or supervision of investment  
9 programs by such firm. Evaluations of proposals submitted  
10 pursuant to this paragraph shall include, but not be limited  
11 to, the following criteria:

12           1. Adequacy of trustee services for supervision and  
13 management of the program, including current operations and  
14 staff organization and commitment of management to the  
15 proposal.

16           2. Capability to execute program responsibilities  
17 within time and regulatory constraints.

18           3. Past experience in trustee services and current  
19 ability to maintain regular and continuous interactions with  
20 the board, records administrator, and product provider.

21           4. The minimum purchaser participation assumed within  
22 the proposal and any additional requirements of purchasers.

23           5. Adequacy of technical assistance and services  
24 proposed for staff.

25           6. Adequacy of a management system for evaluating and  
26 improving overall trustee services to the program.

27           7. Adequacy of facilities, equipment, and electronic  
28 data processing services.

29           8. Detailed projections of administrative costs,  
30 including the amount and type of insurance coverage, and  
31 detailed projections of total costs.

1           (f) Solicit proposals and contract, pursuant to s.  
2 287.057, for product providers to develop investment  
3 portfolios on behalf of the board to achieve the purposes of  
4 this section. Product providers shall be limited to authorized  
5 insurers as defined in s. 624.09, banks as defined in s.  
6 658.12, associations as defined in s. 665.012, authorized  
7 Securities and Exchange Commission investment advisers, and  
8 investment companies as defined in the Investment Company Act  
9 of 1940. All product providers shall have their principal  
10 place of business and corporate charter located and registered  
11 in the United States. In addition, each product provider shall  
12 agree to meet the obligations of the board to qualified  
13 beneficiaries if moneys in the fund fail to offset the  
14 obligations of the board as a result of imprudent investing by  
15 such provider. Each authorized insurer shall evidence superior  
16 performance overall on an acceptable level of surety in  
17 meeting its obligations to its policyholders and other  
18 contractual obligations. Only qualified public depositories  
19 approved by the Insurance Commissioner and Treasurer shall be  
20 eligible for board consideration. Each investment company  
21 shall provide investment plans as specified within the request  
22 for proposals. The goals of the board in selecting a product  
23 provider company shall be to provide all purchasers with the  
24 most secure, well-diversified, and beneficially administered  
25 postsecondary education expense plan possible, to allow all  
26 qualified firms interested in providing such services equal  
27 consideration, and to provide such services to the state at no  
28 cost and to the purchasers at the lowest cost possible.  
29 Evaluations of proposals submitted pursuant to this paragraph  
30 shall include, but not be limited to, the following criteria:  
31

- 1           1. Fees and other costs charged to purchasers that  
2 affect account values or operational costs related to the  
3 program.
- 4           2. Past and current investment performance, including  
5 investment and interest rate history, guaranteed minimum rates  
6 of interest, consistency of investment performance, and any  
7 terms and conditions under which moneys are held.
- 8           3. Past experience and ability to provide timely and  
9 accurate service in the areas of records administration,  
10 benefit payments, investment management, and complaint  
11 resolution.
- 12           4. Financial history and current financial strength  
13 and capital adequacy to provide products, including operating  
14 procedures and other methods of protecting program assets.
- 15           (7) FLORIDA PREPAID COLLEGE BOARD; POWERS.--The board  
16 shall have the powers necessary or proper to carry out the  
17 provisions of this section, including, but not limited to, the  
18 power to:
- 19           (a) Adopt an official seal and rules.
- 20           (b) Sue and be sued.
- 21           (c) Make and execute contracts and other necessary  
22 instruments.
- 23           (d) Establish agreements or other transactions with  
24 federal, state, and local agencies, including state  
25 universities and community colleges.
- 26           (e) Invest funds not required for immediate  
27 disbursement.
- 28           (f) Appear in its own behalf before boards,  
29 commissions, or other governmental agencies.
- 30           (g) Hold, buy, and sell any instruments, obligations,  
31 securities, and property determined appropriate by the board.

1           (h) Require a reasonable length of state residence for  
2 qualified beneficiaries.

3           (i) Restrict the number of participants in the  
4 community college plan, university plan, and dormitory  
5 residence plan, respectively. However, any person denied  
6 participation solely on the basis of such restriction shall be  
7 granted priority for participation during the succeeding year.

8           (j) Segregate contributions and payments to the fund  
9 into various accounts and funds.

10           (k) Contract for necessary goods and services, employ  
11 necessary personnel, and engage the services of private  
12 consultants, actuaries, managers, legal counsel, and auditors  
13 for administrative or technical assistance.

14           (l) Solicit and accept gifts, grants, loans, and other  
15 aids from any source or participate in any other way in any  
16 government program to carry out the purposes of this section.

17           (m) Require and collect administrative fees and  
18 charges in connection with any transaction and impose  
19 reasonable penalties, including default, for delinquent  
20 payments or for entering into an advance payment contract on a  
21 fraudulent basis.

22           (n) Procure insurance against any loss in connection  
23 with the property, assets, and activities of the fund or the  
24 board.

25           (o) Impose reasonable time limits on use of the  
26 tuition benefits provided by the program. However, any such  
27 limitation shall be specified within the advance payment  
28 contract.

29           (p) Delineate the terms and conditions under which  
30 payments may be withdrawn from the fund and impose reasonable  
31 fees and charges for such withdrawal. Such terms and

1 conditions shall be specified within the advance payment  
2 contract.

3 (q) Provide for the receipt of contributions in lump  
4 sums or installment payments.

5 (r) Require that purchasers of advance payment  
6 contracts verify, under oath, any requests for contract  
7 conversions, substitutions, transfers, cancellations, refund  
8 requests, or contract changes of any nature. Verification  
9 shall be accomplished as authorized and provided for in s.  
10 92.525(1)(a).

11 (s) Delegate responsibility for administration of the  
12 comprehensive investment plan required in paragraph (6)(c) to  
13 a person the board determines to be qualified. Such person  
14 shall be compensated by the board. Directly or through such  
15 person, the board may contract with a private corporation or  
16 institution to provide such services as may be a part of the  
17 comprehensive investment plan or as may be deemed necessary or  
18 proper by the board or such person, including, but not limited  
19 to, providing consolidated billing, individual and collective  
20 recordkeeping and accountings, and asset purchase, control,  
21 and safekeeping.

22 (t) Endorse insurance coverage written exclusively for  
23 the purpose of protecting advance payment contracts, and the  
24 purchasers and beneficiaries thereof, which may be issued in  
25 the form of a group life policy and which is exempt from the  
26 provisions of part V of chapter 627.

27 (u) Solicit proposals and contract, pursuant to s.  
28 287.057, for the services of a records administrator. The  
29 goals of the board in selecting a records administrator shall  
30 be to provide all purchasers with the most secure,  
31 well-diversified, and beneficially administered postsecondary

1 education expense plan possible, to allow all qualified firms  
2 interested in providing such services equal consideration, and  
3 to provide such services to the state at no cost and to the  
4 purchasers at the lowest cost possible. Evaluations of  
5 proposals submitted pursuant to this paragraph shall include,  
6 but not be limited to, the following criteria:

7           1. Fees and other costs charged to purchasers that  
8 affect account values or operational costs related to the  
9 program.

10           2. Past experience in records administration and  
11 current ability to provide timely and accurate service in the  
12 areas of records administration, audit and reconciliation,  
13 plan communication, participant service, and complaint  
14 resolution.

15           3. Sufficient staff and computer capability for the  
16 scope and level of service expected by the board.

17           4. Financial history and current financial strength  
18 and capital adequacy to provide administrative services  
19 required by the board.

20           (v) Establish other policies, procedures, and criteria  
21 to implement and administer the provisions of this section.

22           (w) Adopt procedures to govern contract dispute  
23 proceedings between the board and its vendors.

24           (8) QUALIFIED STATE TUITION PROGRAM

25 STATUS.--Notwithstanding any other provision of this section,  
26 the board may adopt rules necessary to enable the program to  
27 retain its status as a "qualified state tuition program" in  
28 order to maintain its tax exempt status or other similar  
29 status of the program, purchasers, and qualified beneficiaries  
30 under the Internal Revenue Code of 1986, as defined in s.  
31 220.03(1). The board shall inform purchasers of changes to the

1 tax or securities status of contracts purchased through the  
2 program.

3 (9) PREPAID COLLEGE PLANS.--At a minimum, the board  
4 shall make advance payment contracts available for two  
5 independent plans to be known as the community college plan  
6 and the university plan. The board may also make advance  
7 payment contracts available for a dormitory residence plan.

8 (a)1. Through the community college plan, the advance  
9 payment contract shall provide prepaid registration fees for a  
10 specified number of undergraduate semester credit hours not to  
11 exceed the average number of hours required for the conference  
12 of an associate degree. The cost of participation in the  
13 community college plan shall be based primarily on the average  
14 current and projected registration fees within the Florida  
15 Community College System and the number of years expected to  
16 elapse between the purchase of the plan on behalf of a  
17 qualified beneficiary and the exercise of the benefits  
18 provided in the plan by such beneficiary. Qualified  
19 beneficiaries shall bear the cost of any laboratory fees  
20 associated with enrollment in specific courses. Each qualified  
21 beneficiary shall be classified as a resident for tuition  
22 purposes, pursuant to s. 240.1201, regardless of his or her  
23 actual legal residence.

24 2. Effective July 1, 1998, the board may provide  
25 advance payment contracts for additional fees delineated in s.  
26 240.35, not to exceed the average number of hours required for  
27 the conference of an associate degree, in conjunction with  
28 advance payment contracts for registration fees. The cost of  
29 purchasing such fees shall be based primarily on the average  
30 current and projected fees within the Florida Community  
31 College System and the number of years expected to elapse

1 between the purchase of the plan on behalf of the beneficiary  
2 and the exercise of benefits provided in the plan by such  
3 beneficiary. Community college plan contracts purchased prior  
4 to July 1, 1998, shall be limited to the payment of  
5 registration fees as defined in subsection (2).

6 (b)1. Through the university plan, the advance payment  
7 contract shall provide prepaid registration fees for a  
8 specified number of undergraduate semester credit hours not to  
9 exceed the average number of hours required for the conference  
10 of a baccalaureate degree. The cost of participation in the  
11 university plan shall be based primarily on the current and  
12 projected registration fees within the State University System  
13 and the number of years expected to elapse between the  
14 purchase of the plan on behalf of a qualified beneficiary and  
15 the exercise of the benefits provided in the plan by such  
16 beneficiary. Qualified beneficiaries shall bear the cost of  
17 any laboratory fees associated with enrollment in specific  
18 courses. Each qualified beneficiary shall be classified as a  
19 resident for tuition purposes pursuant to s. 240.1201,  
20 regardless of his or her actual legal residence.

21 2. Effective July 1, 1998, the board may provide  
22 advance payment contracts for additional fees delineated in s.  
23 240.235(1), for a specified number of undergraduate semester  
24 credit hours not to exceed the average number of hours  
25 required for the conference of a baccalaureate degree, in  
26 conjunction with advance payment contracts for registration  
27 fees. Such contracts shall provide prepaid coverage for the  
28 sum of such fees, to a maximum of 45 percent of the cost of  
29 registration fees. The costs of purchasing such fees shall be  
30 based primarily on the average current and projected cost of  
31 these fees within the State University System and the number

1 of years expected to elapse between the purchase of the plan  
2 on behalf of the qualified beneficiary and the exercise of the  
3 benefits provided in the plan by such beneficiary. University  
4 plan contracts purchased prior to July 1, 1998, shall be  
5 limited to the payment of registration fees as defined in  
6 subsection (2).

7 (c) Through the dormitory residence plan, the advance  
8 payment contract may provide prepaid housing fees for a  
9 maximum of 10 semesters of full-time undergraduate enrollment  
10 in a state university. Dormitory residence plans shall be  
11 purchased in increments of 2 semesters. The cost of  
12 participation in the dormitory residence plan shall be based  
13 primarily on the average current and projected housing fees  
14 within the State University System and the number of years  
15 expected to elapse between the purchase of the plan on behalf  
16 of a qualified beneficiary and the exercise of the benefits  
17 provided in the plan by such beneficiary. Qualified  
18 beneficiaries shall have the highest priority in the  
19 assignment of housing within university residence halls.  
20 Qualified beneficiaries shall bear the cost of any additional  
21 elective charges such as laundry service or long-distance  
22 telephone service. Each state university may specify the  
23 residence halls or other university-held residences eligible  
24 for inclusion in the plan. In addition, any state university  
25 may request immediate termination of a dormitory residence  
26 contract based on a violation or multiple violations of rules  
27 of the residence hall or other university-held residences. In  
28 the event that sufficient housing is not available for all  
29 qualified beneficiaries, the board shall refund the purchaser  
30 or qualified beneficiary an amount equal to the fees charged  
31 for dormitory residence during that semester. If a qualified

1 beneficiary fails to be admitted to a state university or  
2 chooses to attend a community college that operates one or  
3 more dormitories or residency opportunities, or has one or  
4 more dormitories or residency opportunities operated by the  
5 community college direct-support organization, the qualified  
6 beneficiary may transfer or cause to have transferred to the  
7 community college, or community college direct-support  
8 organization, the fees associated with dormitory residence.  
9 Dormitory fees transferred to the community college or  
10 community college direct-support organization may not exceed  
11 the maximum fees charged for state university dormitory  
12 residence for the purposes of this section, or the fees  
13 charged for community college or community college  
14 direct-support organization dormitories or residency  
15 opportunities, whichever is less.

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

20 (a) Any eligible independent college or university. An  
21 independent college or university that is located and  
22 chartered in Florida, that is not for profit, that is  
23 accredited by the Commission on Colleges of the Southern  
24 Association of Colleges and Schools or the Accrediting Council  
25 for Independent Colleges and Schools ~~Accrediting Commission of~~  
26 ~~the Association of Independent Colleges and Schools~~, and that  
27 confers degrees as defined in s. 246.021, is eligible for such  
28 application. The board shall transfer, or cause to have  
29 transferred, to the eligible independent college or university  
30 designated by the qualified beneficiary an amount not to  
31 exceed the redemption value of the advance payment contract at

1 ~~within~~ a state postsecondary institution. If the cost of  
2 registration or housing fees at the independent college or  
3 university is less than the corresponding fees at a state  
4 postsecondary institution, the amount transferred shall not  
5 exceed the actual cost of registration or housing fees. A  
6 transfer authorized under this paragraph may not exceed the  
7 number of semester credit hours or semesters of dormitory  
8 residence contracted on behalf of a qualified beneficiary.

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

27 (c) An applied technology diploma program or  
28 vocational certificate program conducted by a community  
29 college listed in s. 240.3031 or an area technical center  
30 operated by a district school board. The board shall transfer  
31 or cause to be transferred to the community college or area

1 technical center designated by the qualified beneficiary an  
2 amount not to exceed the redemption value of the advance  
3 payment contract within a state postsecondary institution. If  
4 the cost of the fees charged by the college or center, as  
5 authorized in s. 239.117, is less than the corresponding fees  
6 at a state postsecondary institution, the amount transferred  
7 may not exceed the actual cost of the fees. A transfer  
8 authorized under this paragraph may not exceed the number of  
9 semester credit hours contracted on behalf of a qualified  
10 beneficiary.

11

12 Notwithstanding any other provision in this section, an  
13 institution must be an "eligible educational institution"  
14 under s. 529 of the Internal Revenue Code to be eligible for  
15 the transfer of advance payment contract benefits.

16 (11) ADVANCE PAYMENT CONTRACTS; CONTENTS.--The board  
17 shall construct advance payment contracts for registration and  
18 may construct advance payment contracts for dormitory  
19 residence as provided in this section. Advance payment  
20 contracts constructed for the purposes of this section shall  
21 be exempt from chapter 517 and the Florida Insurance Code.  
22 Such contracts shall include, but not be limited to, the  
23 following:

24 (a) The amount of the payment or payments and the  
25 number of payments required from a purchaser on behalf of a  
26 qualified beneficiary.

27 (b) The terms and conditions under which purchasers  
28 shall remit payments, including, but not limited to, the date  
29 or dates upon which each payment shall be due.

30 (c) Provisions for late payment charges and for  
31 default.

- 1           (d) Provisions for penalty fees for withdrawals from  
2 the fund.
- 3           (e) Except for an advance payment contract entered  
4 into pursuant to subsection (22), the name and date of birth  
5 of the qualified beneficiary on whose behalf the contract is  
6 drawn and the terms and conditions under which another person  
7 may be substituted as the qualified beneficiary.
- 8           (f) The name of any person who may terminate the  
9 contract. The terms of the contract shall specify whether the  
10 contract may be terminated by the purchaser, the qualified  
11 beneficiary, a specific designated person, or any combination  
12 of these persons.
- 13           (g) The terms and conditions under which a contract  
14 may be terminated, modified, or converted, the name of the  
15 person entitled to any refund due as a result of termination  
16 of the contract pursuant to such terms and conditions, and the  
17 amount of refund, if any, due to the person so named.
- 18           (h) The number of semester credit hours or semesters  
19 of dormitory residence contracted by the purchaser.
- 20           (i) The state postsecondary system toward which the  
21 contracted credit hours or semesters of dormitory residence  
22 will be applied.
- 23           (j) The assumption of a contractual obligation by the  
24 board to the qualified beneficiary to provide for a specified  
25 number of semester credit hours of undergraduate instruction  
26 at a state postsecondary institution, not to exceed the  
27 average number of credit hours required for the conference of  
28 the degree that corresponds to the plan purchased on behalf of  
29 the qualified beneficiary or to provide for a specified number  
30 of semesters of dormitory residence, not to exceed the number  
31

1 of semesters of full-time enrollment required for the  
2 conference of a baccalaureate degree.

3 (k) Other terms and conditions deemed by the board to  
4 be necessary or proper.

5 (12) DURATION OF BENEFITS; ADVANCE PAYMENT  
6 CONTRACT.--An advance payment contract may provide that  
7 contracts which have not been terminated or the benefits  
8 exercised within a specified period of time shall be  
9 considered terminated. Time expended by a qualified  
10 beneficiary as an active duty member of any of the armed  
11 services of the United States shall be added to the period of  
12 time specified pursuant to this subsection. No purchaser or  
13 qualified beneficiary whose advance payment contract is  
14 terminated pursuant to this subsection shall be entitled to a  
15 refund. The board shall retain any moneys paid by the  
16 purchaser for an advance payment contract that has been  
17 terminated in accordance with this subsection. Such moneys  
18 retained by the board are exempt from chapter 717, and such  
19 retained moneys must be used by the board to further the  
20 purposes of this section.

21 (13) REFUNDS.--

22 (a) Except as provided in paragraphs (b), and (c), and  
23 (f), no refund shall exceed the amount paid into the fund by  
24 the purchaser.

25 (b) If the beneficiary is awarded a scholarship, the  
26 terms of which cover the benefits included in the advance  
27 payment contracts, moneys paid for the purchase of the advance  
28 payment contracts shall be refunded ~~returned~~ to the purchaser  
29 in semester installments coinciding with the matriculation by  
30 the beneficiary in an amount which, in total, does not exceed  
31 the redemption value of the advance payment contract at a

1 ~~state postsecondary institution amounts of either the original~~  
2 ~~purchase price plus 5 percent compounded interest, or the~~  
3 ~~current rates at state postsecondary institutions, whichever~~  
4 ~~is less.~~

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

12 (d) If an advance payment contract is converted from  
13 one registration plan to a plan of lesser value, the amount  
14 refunded shall not exceed the difference between the amount  
15 paid for the original contract and the amount that would have  
16 been paid for the contract to which the plan is converted had  
17 the converted plan been purchased under the same payment plan  
18 at the time the original advance payment contract was  
19 executed.

20 (e) No refund shall be authorized through an advance  
21 payment contract for any school year partially attended but  
22 not completed. For purposes of this section, a school year  
23 partially attended but not completed shall mean any one  
24 semester whereby the student is still enrolled at the  
25 conclusion of the official drop-add period, but withdraws  
26 before the end of such semester. If a beneficiary does not  
27 complete a community college plan or university plan for  
28 reasons other than specified in paragraph (c), the purchaser  
29 shall receive a refund of the amount paid into the fund for  
30 the remaining unattended years of the advance payment contract  
31 pursuant to rules promulgated by the board.

1       (f) Benefits purchased under the Florida Prepaid  
2 College Program shall be permitted to roll over to a college  
3 savings program, as defined under s. 529 of the United States  
4 Internal Revenue Code, relating to qualified state tuition  
5 programs. The board shall transfer, or cause to have  
6 transferred, an amount not to exceed the redemption value of  
7 the advance payment contract at a state postsecondary  
8 institution in Florida at the time of the rollover, after  
9 assessment of a reasonable transfer fee.

10       (14) CONFIDENTIALITY OF ACCOUNT  
11 INFORMATION.--Information that identifies the purchasers or  
12 beneficiaries of any plan promulgated under this section and  
13 their advance payment account activities is exempt from the  
14 provisions of s. 119.07(1). However, the board may authorize  
15 the program's records administrator to release such  
16 information to a community college, college, or university in  
17 which a beneficiary may enroll or is enrolled. Community  
18 colleges, colleges, and universities shall maintain such  
19 information as exempt from the provisions of s. 119.07(1).

20       (15) OBLIGATIONS OF BOARD; PAYMENT.--The state shall  
21 agree to meet the obligations of the board to qualified  
22 beneficiaries if moneys in the fund fail to offset the  
23 obligations of the board. The Legislature shall appropriate to  
24 the Florida Prepaid College Trust Fund the amount necessary to  
25 meet the obligations of the board to qualified beneficiaries.

26       (16) ASSETS OF THE FUND; EXPENDITURE PRIORITY.--The  
27 assets of the fund shall be maintained, invested, and expended  
28 solely for the purposes of this section and shall not be  
29 loaned, transferred, or otherwise used by the state for any  
30 purpose other than the purposes of this section. This  
31 subsection shall not be construed to prohibit the board from

1 investing in, by purchase or otherwise, bonds, notes, or other  
2 obligations of the state or an agency or instrumentality of  
3 the state. Unless otherwise specified by the board, assets of  
4 the fund shall be expended in the following order of priority:

5 (a) To make payments to state postsecondary  
6 institutions on behalf of qualified beneficiaries.

7 (b) To make refunds upon termination of advance  
8 payment contracts.

9 (c) To pay the costs of program administration and  
10 operations.

11 (17) EXEMPTION FROM CLAIMS OF CREDITORS.--Moneys paid  
12 into or out of the fund by or on behalf of a purchaser or  
13 qualified beneficiary of an advance payment contract made  
14 under this section, which contract has not been terminated,  
15 are exempt, as provided by s. 222.22, from all claims of  
16 creditors of the purchaser or the beneficiary. Neither moneys  
17 paid into the program nor benefits accrued through the program  
18 may be pledged for the purpose of securing a loan.

19 (18) PAYROLL DEDUCTION AUTHORITY.--The state or any  
20 state agency, county, municipality, or other political  
21 subdivision may, by contract or collective bargaining  
22 agreement, agree with any employee to remit payments toward  
23 advance payment contracts through payroll deductions made by  
24 the appropriate officer or officers of the state, state  
25 agency, county, municipality, or political subdivision. Such  
26 payments shall be held and administered in accordance with  
27 this section.

28 (19) DISCLAIMER.--Nothing in this section shall be  
29 construed as a promise or guarantee that a qualified  
30 beneficiary will be admitted to a state postsecondary  
31 institution or to a particular state postsecondary

1 institution, will be allowed to continue enrollment at a state  
2 postsecondary institution after admission, or will be  
3 graduated from a state postsecondary institution.

4 (20) PROGRAM TERMINATION.--In the event that the state  
5 determines the program to be financially infeasible, the state  
6 may discontinue the provision of the program. Any qualified  
7 beneficiary who has been accepted by and is enrolled or is  
8 within 5 years of enrollment in an eligible independent  
9 college or university or state postsecondary institution shall  
10 be entitled to exercise the complete benefits for which he or  
11 she has contracted. All other contract holders shall receive a  
12 refund of the amount paid in and an additional amount in the  
13 nature of interest at a rate that corresponds, at a minimum,  
14 to the prevailing interest rates for savings accounts provided  
15 by banks and savings and loan associations.

16 (21) ANNUAL REPORT.--The board shall annually prepare  
17 or cause to be prepared a report setting forth in appropriate  
18 detail an accounting of the fund and a description of the  
19 financial condition of the program at the close of each fiscal  
20 year. Such report shall be submitted to the President of the  
21 Senate, the Speaker of the House of Representatives, and  
22 members of the State Board of Education on or before March 31  
23 each year. In addition, the board shall make the report  
24 available to purchasers of advance payment contracts. The  
25 board shall provide to the Board of Regents and the State  
26 Board of Community Colleges, by March 31 each year, complete  
27 advance payment contract sales information, including  
28 projected postsecondary enrollments of qualified  
29 beneficiaries. The accounts of the fund shall be subject to  
30 annual audits by the Auditor General or his or her designee.

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

- 1           (a) The board may establish a direct-support  
2 organization which is:
- 3           1. A Florida corporation, not for profit, incorporated  
4 under the provisions of chapter 617 and approved by the  
5 Secretary of State.
- 6           2. Organized and operated exclusively to receive,  
7 hold, invest, and administer property and to make expenditures  
8 to or for the benefit of the program.
- 9           3. An organization which the board, after review, has  
10 certified to be operating in a manner consistent with the  
11 goals of the program and in the best interests of the state.  
12 Unless so certified, the organization may not use the name of  
13 the program.
- 14           (b) The direct-support organization shall operate  
15 under written contract with the board. The contract must  
16 provide for:
- 17           1. Approval of the articles of incorporation and  
18 bylaws of the direct-support organization by the board.
- 19           2. Submission of an annual budget for the approval of  
20 the board. The budget must comply with rules adopted by the  
21 board.
- 22           3. An annual financial and compliance audit of its  
23 financial accounts and records by an independent certified  
24 public accountant in accordance with rules adopted by the  
25 board.
- 26           4. Certification by the board that the direct-support  
27 organization is complying with the terms of the contract and  
28 in a manner consistent with the goals and purposes of the  
29 board and in the best interest of the state. Such  
30 certification must be made annually and reported in the  
31 official minutes of a meeting of the board.

1           5. The reversion to the board, or to the state if the  
2 board ceases to exist, of moneys and property held in trust by  
3 the direct-support organization for the benefit of the board  
4 or program if the direct-support organization is no longer  
5 approved to operate for the board or if the board ceases to  
6 exist.

7           6. The fiscal year of the direct-support organization,  
8 which must begin July 1 of each year and end June 30 of the  
9 following year.

10           7. The disclosure of material provisions of the  
11 contract and of the distinction between the board and the  
12 direct-support organization to donors of gifts, contributions,  
13 or bequests, and such disclosure on all promotional and  
14 fundraising publications.

15           (c) An annual financial and compliance audit of the  
16 financial accounts and records of the direct-support  
17 organization must be performed by an independent certified  
18 public accountant. The audit must be submitted to the board  
19 for review and approval. Upon approval, the board shall  
20 certify the audit report to the Auditor General for review.  
21 The board and Auditor General shall have the authority to  
22 require and receive from the organization or its independent  
23 auditor any detail or supplemental data relative to the  
24 operation of the organization.

25           (d) The identity of donors who desire to remain  
26 anonymous shall be confidential and exempt from the provisions  
27 of s. 119.07(1) and s. 24(a), Art. I of the State  
28 Constitution, and such anonymity shall be maintained in the  
29 auditor's report. Information received by the organization  
30 that is otherwise confidential or exempt by law shall retain  
31 such status. Any sensitive, personal information regarding

1 contract beneficiaries, including their identities, is exempt  
2 from the provisions of s. 119.07(1) and s. 24(a), Art. I of  
3 the State Constitution.

4 (e) The chair and the executive director of the board  
5 shall be directors of the direct-support organization and  
6 shall jointly name, at a minimum, three other individuals to  
7 serve as directors of the organization.

8 (f) The board may authorize the direct-support  
9 organization established in this subsection to use program  
10 property, except money, and use facilities and personal  
11 services subject to the provisions of this section. If the  
12 direct-support organization does not provide equal employment  
13 opportunities to all persons regardless of race, color,  
14 religion, sex, age, or national origin, it may not use the  
15 property, facilities, or personal services of the board. For  
16 the purposes of this subsection, the term "personal services"  
17 includes full-time personnel and part-time personnel as well  
18 as payroll processing as prescribed by rule of the board. The  
19 board shall adopt rules prescribing the procedures by which  
20 the direct-support organization is governed and any conditions  
21 with which such a direct-support organization must comply to  
22 use property, facilities, or personal services of the board.

23 (g) The board may invest funds of the direct-support  
24 organization which have been allocated for the purchase of  
25 advance payment contracts for scholarships with receipts for  
26 advance payment contracts.

27 Section 25. Section 240.6053, Florida Statutes, is  
28 created to read:

29 240.6053 Academic program contracts.--

30 (1) Academic program contracts with independent  
31 institutions recommended by the Postsecondary Education

1 Planning Commission pursuant to s. 240.147(4), and approved by  
2 the State Board of Education pursuant to s. 229.053(2), shall  
3 be administered by the Department of Education.

4 (2) Funding for such contracts shall be based on the  
5 average cost to the state to provide similar programs in the  
6 State University System or an amount specified in the General  
7 Appropriations Act.

8 (3) Priority for academic program contract support  
9 shall be given to students with demonstrated financial need.  
10 To be eligible for such support, a student shall meet the  
11 general requirements for student eligibility for state  
12 financial aid pursuant to s. 240.404.

13 (4) The tuition and fees assessed students supported  
14 through an academic program contract shall not exceed the  
15 amount required to pay the average matriculation and fees for  
16 a comparable program at a state university.

17 (5) The amount an institution receives per student for  
18 funding pursuant to this section, plus the tuition and fees  
19 paid by the student, plus the value of the Florida Resident  
20 Access Grant received by the student shall not exceed the full  
21 cost per student to the state of a similar program in the  
22 State University System.

23 (6) Institutions receiving support pursuant to this  
24 section shall annually submit to the department data on  
25 performance measures, including, but not limited to, degrees  
26 granted, graduation rates, licensure or certification rates of  
27 graduates where applicable, and employment in Florida.

28 Section 26. Section 295.02, Florida Statutes, is  
29 amended to read:

30 295.02 Use of funds; age, etc.--  
31

1           (1) All sums appropriated and expended under this  
2 chapter shall be used to pay tuition and registration fees as  
3 defined by the Department of Education, board, and room rent  
4 and to buy books and supplies for the children of:

5           (a) Deceased or disabled veterans or service members,  
6 as defined and limited in s. 295.01, s. 295.016, s. 295.017,  
7 s. 295.018, s. 295.019, or s. 295.0195; or, ~~or of~~

8           (b) Parents classified as prisoners of war or missing  
9 in action, as defined and limited in s. 295.015., ~~who are~~

10           (2) Such children must be between the ages of 16 and  
11 22 years and ~~who are~~ in attendance at:

12           (a) A state-supported institution of higher learning,  
13 including a community college or vocational-technical school;  
14 or-

15           (b) A postsecondary education institution eligible to  
16 participate in the Florida Bright Futures Scholarship Program.  
17 A student attending an eligible independent postsecondary  
18 education institution may receive an award equivalent to the  
19 average matriculation and fees calculated for full-time  
20 attendance at a public postsecondary education institution at  
21 the comparable level.

22  
23 Any child having entered upon a course of training or  
24 education under the provisions of this chapter, consisting of  
25 a course of not more than 4 years, and arriving at the age of  
26 22 years before the completion of such course may continue the  
27 course and receive all benefits of the provisions of this  
28 chapter until the course is completed.

29           (3) The Department of Education shall administer this  
30 educational program subject to rules ~~regulations~~ of the State

31

1 Board of Education ~~department~~. The state board is authorized  
2 to adopt rules to implement the provisions of this program.

3           Section 27. Except as otherwise provided herein, this  
4 act shall take effect July 1, 2001.

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