

By Representative Kottkamp

1 A bill to be entitled
2 An act relating to the Florida Prepaid College
3 Program; amending s. 240.551, F.S.; authorizing
4 the purchase of advance payment contracts for
5 scholarships by not-for-profit organizations;
6 revising the definition of the term "purchaser"
7 and information required to be included in an
8 advance payment contract, to conform; providing
9 an effective date.

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

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13 Section 1. Paragraph (e) of subsection (2) and
14 paragraph (e) of subsection (11) of section 240.551, Florida
15 Statutes, are amended, and paragraph (g) of subsection (22) of
16 said section is redesignated as paragraph (a) of subsection
17 (23), which subsection is added to said section, to read:

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240.551 Florida Prepaid College Program.--

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(2) DEFINITIONS.--

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(e) "Purchaser" means a person who, or an entity that,

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makes or is obligated to make advance registration or

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dormitory residence payments in accordance with an advance

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payment contract.

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(11) ADVANCE PAYMENT CONTRACTS; CONTENTS.--The board

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shall construct advance payment contracts for registration and

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may construct advance payment contracts for dormitory

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residence as provided in this section. Advance payment

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contracts constructed for the purposes of this section shall

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be exempt from chapter 517 and the Florida Insurance Code.

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Such contracts shall include, but not be limited to, the

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following:

1 (e) Except for an advance payment contract entered
2 into pursuant to subsection~~(23)~~(22), the name and date of
3 birth of the qualified beneficiary on whose behalf the
4 contract is drawn and the terms and conditions under which
5 another person may be substituted as the qualified
6 beneficiary.

7 (23) SCHOLARSHIPS.--

8 ~~(a)~~(g) The board may invest funds of the
9 direct-support organization which have been allocated for the
10 purchase of advance payment contracts for scholarships with
11 receipts for advance payment contracts.

12 (b) Any nonprofit organization exempt from taxation
13 under 26 U.S.C. s. 501(c) may purchase advance payment
14 contracts for scholarships.

15 Section 2. This act shall take effect July 1, 2001.

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18 HOUSE SUMMARY

19 Authorizes the purchase of advance payment contracts for
20 scholarships by not-for-profit organizations. Revises the
21 definition of the term "purchaser" and information
22 required to be included in an advance payment contract,
23 to conform.