

By the Committee on Education and Senator Rossin

304-1851A-01

1 A bill to be entitled
 2 An act relating to prepaid college tuition;
 3 amending s. 240.551, F.S.; authorizing the
 4 purchase of advance payment contracts for
 5 scholarships by nonprofit organizations;
 6 providing an effective date.

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

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10 Section 1. Paragraph (e) of subsection (11) of section
11 240.551, Florida Statutes, is amended, and subsection (23) is
12 added to that section, to read:

13 240.551 Florida Prepaid College Program.--

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

22 (e) Except for an advance payment contract entered
 23 into pursuant to subsection (22) or subsection (23), the name
 24 and date of birth of the qualified beneficiary on whose behalf
 25 the contract is drawn and the terms and conditions under which
 26 another person may be substituted as the qualified
 27 beneficiary.

28 (23) SCHOLARSHIPS.--A nonprofit organization described
 29 in s. 501 (c)(3) of the United States Internal Revenue Code
 30 and exempt from taxation under s. 501(a) of the United States
 31 Internal Revenue Code may purchase advance payment contracts

1 for a scholarship program that has been approved by the board
2 and is operated by the purchasing organization.

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

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5 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
6 COMMITTEE SUBSTITUTE FOR
7 SB 2088

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8 The Committee Substitute eliminates a restrictive cross
9 reference to a qualified state tuition program.

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