33-702A-02

A bill to be entitled

An act relating to students in community college and area technical center aviation programs; creating a low interest rate loan program; providing maximum loan amounts and the interest rate on loans; providing eligibility criteria; providing for loan repayment; authorizing certain funding; providing an effective date.

WHEREAS, vocational programs offered through community colleges and area technical centers are intended to be cost-effective preparations for participants to receive training that will enable them to become productive members of the workforce, and

WHEREAS, students in aviation programs such as pilot training and aviation maintenance incur high expenses not customarily experienced by students in other programs, and

WHEREAS, the high cost of aviation programs denies access to these programs to qualified individuals who are economically disadvantaged, and

WHEREAS, minorities and women are underrepresented in community college and area technical center aviation programs, and

WHEREAS, low interest rate loans would provide equal opportunities for participants, and

WHEREAS, there is a great need for additional workers trained in aviation programs and it is a benefit to the aviation industry to have a qualified workforce representing the people of Florida, and

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program, a student must:

1 WHEREAS, aviation is vital to sustaining Florida's 2 economy, NOW, THEREFORE, 3 4 Be It Enacted by the Legislature of the State of Florida: 5 6 There is created a low interest rate loan program for students enrolled in aviation programs in 7 8 Florida's public community colleges and area technical 9 centers. 10 (1) A student is eligible for a loan as 11 follows: during a student's first term in an aviation program, in an amount equal to 30 percent of registration, 12 matriculation, and laboratory fees; during a student's second 13 term in an aviation program, in an amount up to 50 percent of 14 registration, matriculation, and laboratory fees; during a 15 student's third term in an aviation program, in an amount up 16 17 to 70 percent of registration, matriculation, and laboratory fees; and during a student's fourth and any subsequent term in 18 19 an aviation program, in an amount up to 90 percent of registration, matriculation, and laboratory fees. If funds are 20 21 insufficient to make loans available to students in the full amount authorized by this section, a community college or an 22 area technical center shall make loans to all eligible 23 24 students on a pro rata basis. 25 (2) To enable the Department of Education to collect 26 demographic data on students participating in the program, 27 each student must fill out a Free Application For Federal 28 Student Aid. 29 (3) In order to maintain eligibility for a low 30 interest rate loan following the first term in an aviation

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1 (a) Be enrolled for at least 6 semester credit hours 2 or the equivalent per term. 3 (b) Maintain a grade point average of no less than 3.0 in aviation classes, including flight classes. 4 5 (c) Be making satisfactory progress, as determined by 6 standards of the respective community college or area 7 technical center, toward successful completion of the aviation 8 program. 9 (d) If enrolled in a pilot training program, be able 10 to hold a second-class medical certificate issued by an 11 aviation medical examiner. (e) Be subject to all current Federal Aviation 12 Administration qualifications and requirements. 13 (4) Loan repayment must begin no later than 6 months 14 after the student leaves the program, and interest on the loan 15 shall remain at 3 percent for the first 3 years beginning with 16 17 the inception of the loan. Interest rates shall increase at the rate of 1 percent each year thereafter until the loan is 18 19 fully repaid. (5) Application for participation in the low interest 20 rate loan program and loan repayment shall be administered by 21 the community college or area technical center in which a 22 student is enrolled. 23 (6) From the 25 percent of  $f_{\underline{inancial}}$  aid  $f_{\underline{ees}}$ 24 25 authorized pursuant to section 240.35(11)(c), Florida Statutes, community colleges may provide low interest rate 26 27 loans to implement the provisions of this section. 28 Section 2. This act shall take effect July 1, 2002. 29 30

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| 2        | SENATE SUMMARY  |
| 3        | Creates a low-interest loan program for aviation students   |
| 4        | Creates a low-interest loan program for aviation students<br>in community colleges. Prescribes maximum loan amounts<br>and interest rates on loans. Requires certain academic<br>and other criteria to be met for continued aid |
| 5        | eligibility.  |
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