

CHAMBER ACTION

1 The Education Council recommends the following:

2
3 **Council/Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to the Florida Prepaid College Program;
7 amending s. 1009.97, F.S.; renaming the Florida Prepaid
8 College Program; amending s. 1009.98, F.S.; deleting a
9 restriction on the types of postsecondary educational
10 institutions to which a qualified beneficiary may apply
11 his or her benefits under the Florida Prepaid College
12 Program; requiring certain advertisements to contain a
13 disclaimer regarding the program; amending s. 732.402,
14 F.S.; conforming provisions; providing an effective date.

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

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18 Section 1. Paragraph (d) of subsection (3) of section
19 1009.97, Florida Statutes, is amended to read:

20 1009.97 General provisions.--

21 (3) DEFINITIONS.--As used in ss. 1009.97-1009.984, the
22 term:

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23 (d) "Prepaid program" means the Stanley G. Tate Florida
 24 Prepaid College Program established pursuant to s. 1009.98.
 25 Section 2. Subsection (1) and paragraph (a) of subsection
 26 (3) of section 1009.98, Florida Statutes, are amended to read:
 27 1009.98 Stanley G. Tate Florida Prepaid College Program.--
 28 (1) STANLEY G. TATE FLORIDA PREPAID COLLEGE PROGRAM;
 29 CREATION.--There is created the Stanley G. Tate a Florida
 30 Prepaid College Program to provide a medium through which the
 31 cost of registration and dormitory residence may be paid in
 32 advance of enrollment in a state postsecondary institution at a
 33 rate lower than the projected corresponding cost at the time of
 34 actual enrollment. Such payments shall be combined and invested
 35 in a manner that yields, at a minimum, sufficient interest to
 36 generate the difference between the prepaid amount and the cost
 37 of registration and dormitory residence at the time of actual
 38 enrollment. Students who enroll in a state postsecondary
 39 institution pursuant to this section shall be charged no fees in
 40 excess of the terms delineated in the advance payment contract.
 41 (3) TRANSFER OF BENEFITS TO PRIVATE AND OUT-OF-STATE
 42 COLLEGES AND UNIVERSITIES AND TO CAREER CENTERS.--A qualified
 43 beneficiary may apply the benefits of an advance payment
 44 contract toward:
 45 (a) An independent college or university that is located
 46 and chartered in Florida, ~~that is not for profit,~~ that is
 47 accredited by the Commission on Colleges of the Southern
 48 Association of Colleges and Schools or the Accrediting Council
 49 for Independent Colleges and Schools, and that confers degrees
 50 as defined in s. 1005.02. Any advertisement disseminated by an

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51 eligible for-profit independent college or university that
52 references the Stanley G. Tate Florida Prepaid College Program
53 shall clearly state the following: "While the benefits of a
54 Florida Prepaid College contract may be utilized at this
55 institution, the Florida Prepaid College Board does not endorse
56 any particular college or university."

57
58 The board shall transfer or cause to be transferred to the
59 institution designated by the qualified beneficiary an amount
60 not to exceed the redemption value of the advance payment
61 contract at a state postsecondary institution. If the cost of
62 registration or housing fees at such institution is less than
63 the corresponding fees at a state postsecondary institution, the
64 amount transferred may not exceed the actual cost of
65 registration and housing fees. A transfer authorized under this
66 subsection may not exceed the number of semester credit hours or
67 semesters of dormitory residence contracted on behalf of a
68 qualified beneficiary. Notwithstanding any other provision in
69 this section, an institution must be an "eligible educational
70 institution" under s. 529 of the Internal Revenue Code to be
71 eligible for the transfer of advance payment contract benefits.

72 Section 3. Paragraph (c) of subsection (2) of section
73 732.402, Florida Statutes, is amended to read:

74 732.402 Exempt property.--

75 (2) Exempt property shall consist of:

76 (c) Stanley G. Tate Florida Prepaid College Program
77 contracts purchased and Florida College Savings agreements
78 established under part IV of chapter 1009.

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79 | Section 4. This act shall take effect July 1, 2006.