

Bill No. CS for SB 550

Barcode 092198

CHAMBER ACTION

Senate

House

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The Committee on Education Appropriations (Lynn) recommended  
the following amendment:

**Senate Amendment (with title amendment)**

Delete everything after the enacting clause

and insert:

Section 1. The Florida Prepaid College Program is  
renamed and may be cited as the "Stanley G. Tate Florida  
Prepaid College Program."

Section 2. Subsection (5) of section 1009.972, Florida  
Statutes, is amended to read:

1009.972 Florida Prepaid College Trust Fund.--

(5) Notwithstanding ~~the provisions of~~ chapter 717,  
funds associated with terminated advance payment contracts  
pursuant to s. 1009.98(4)(k) and canceled contracts for which  
no refunds have been claimed shall be retained by the board.  
The board shall establish procedures for notifying purchasers  
who subsequently cancel their advance payment contracts of any  
unclaimed refund and shall establish a time period after which  
no refund may be claimed by a purchaser who canceled a

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1 contract. The board may transfer funds retained from such  
 2 terminated advance payment contracts and canceled contracts to  
 3 the Florida Prepaid Tuition Scholarship Program to provide  
 4 matching funds for prepaid tuition scholarships for  
 5 economically disadvantaged youth who remain drug free and  
 6 crime free. In addition, such funds may be used for any other  
 7 scholarship programs approved by the board under s.  
 8 1009.983(8)(b) if the matching funds are obtained solely from  
 9 the private sector.

10 Section 3. Paragraph (a) of subsection (3) and  
 11 paragraph (k) of subsection (4) of section 1009.98, Florida  
 12 Statutes, are amended to read:

13 1009.98 Florida Prepaid College Program.--

14 (3) TRANSFER OF BENEFITS TO PRIVATE AND OUT-OF-STATE  
 15 COLLEGES AND UNIVERSITIES AND TO CAREER CENTERS.--A qualified  
 16 beneficiary may apply the benefits of an advance payment  
 17 contract toward:

18 (a) An independent college or university that is  
 19 located and chartered in Florida, ~~that is not for profit~~, that  
 20 is accredited by the Commission on Colleges of the Southern  
 21 Association of Colleges and Schools or the Accrediting Council  
 22 for Independent Colleges and Schools, and that confers degrees  
 23 as defined in s. 1005.02. Any advertisement disseminated by an  
 24 eligible for-profit independent college or university which  
 25 refers to the Florida Prepaid College Program must clearly  
 26 state: "While the benefits of a Florida Prepaid College  
 27 contract may be used at this institution, the Florida Prepaid  
 28 College Board does not endorse any particular college or  
 29 university."

30  
 31 The board shall transfer or cause to be transferred to the

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1 institution designated by the qualified beneficiary an amount  
 2 not to exceed the redemption value of the advance payment  
 3 contract at a state postsecondary institution. If the cost of  
 4 registration or housing fees at such institution is less than  
 5 the corresponding fees at a state postsecondary institution,  
 6 the amount transferred may not exceed the actual cost of  
 7 registration and housing fees. A transfer authorized under  
 8 this subsection may not exceed the number of semester credit  
 9 hours or semesters of dormitory residence contracted on behalf  
 10 of a qualified beneficiary. Notwithstanding any other  
 11 provision in this section, an institution must be an "eligible  
 12 educational institution" under s. 529 of the Internal Revenue  
 13 Code to be eligible for the transfer of advance payment  
 14 contract benefits.

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

21 (k) The period of time after which advance payment  
 22 contracts that have not been terminated or the benefits used  
 23 shall be considered terminated. Time expended by a qualified  
 24 beneficiary as an active duty member of ~~any of~~ the armed  
 25 services of the United States shall be added to the period of  
 26 time specified by the board. A ~~No~~ purchaser or qualified  
 27 beneficiary whose advance payment contract is terminated  
 28 pursuant to this paragraph is not ~~shall be~~ entitled to a  
 29 refund. Notwithstanding chapter 717, the board shall retain  
 30 any moneys paid by the purchaser for an advance payment  
 31 contract that has been terminated in accordance with this

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1 paragraph. Such moneys may be transferred to the Florida  
 2 Prepaid Tuition Scholarship Program to provide matching funds  
 3 for prepaid tuition scholarships for economically  
 4 disadvantaged youths who remain drug free and crime free. In  
 5 addition, such funds may be used for any other scholarship  
 6 programs approved by the board under s. 1009.983(8)(b) if the  
 7 matching funds are obtained solely from the private sector.

8 Section 4. Subsection (8) is added to section  
 9 1009.983, Florida Statutes, to read:

10 1009.983 Direct-support organization; authority.--

11 (8)(a) The direct-support organization shall  
 12 administer the Florida Prepaid Tuition Scholarship Program  
 13 pursuant to the provisions of s. 1009.984.

14 (b) The board may establish and administer additional  
 15 scholarship programs supported from escheated funds retained  
 16 by the board pursuant to s. 1009.972(5) if the matching funds  
 17 used for such scholarships are obtained solely from the  
 18 private sector.

19 Section 5. This act shall take effect July 1, 2006.

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22 ===== T I T L E A M E N D M E N T =====

23 And the title is amended as follows:

24 Delete everything before the enacting clause

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26 and insert:

27 A bill to be entitled  
 28 An act relating to scholarship programs;  
 29 renaming the Florida Prepaid College Program as  
 30 the "Stanley G. Tate Florida Prepaid College  
 31 Program"; amending s. 1009.972, F.S.; providing

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1 for the Florida Prepaid Tuition Scholarship  
2 Program to be funded with moneys retained from  
3 certain terminated or cancelled contracts under  
4 the Florida Prepaid College Program;  
5 authorizing the Florida Prepaid College Board  
6 and Prepaid College Foundation Board to approve  
7 scholarship programs for such funding;  
8 requiring that any matching funds be donated by  
9 the private sector; amending s. 1009.98, F.S.;  
10 deleting a restriction on the types of  
11 postsecondary educational institutions in which  
12 a qualified beneficiary may use his or her  
13 benefits under the Florida Prepaid College  
14 Program; requiring certain advertisements to  
15 contain a disclaimer regarding the program;  
16 conforming provisions to changes made by the  
17 act; requiring that any matching funds be  
18 donated by the private sector; amending s.  
19 1009.983, F.S.; requiring the direct-support  
20 organization of the Florida Prepaid College  
21 Board to administer the scholarship program;  
22 authorizing the board to establish and  
23 administer additional scholarship programs  
24 supported from escheated funds retained by the  
25 board if the matching funds used for the  
26 scholarships are obtained solely from the  
27 private sector; providing an effective date.

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