

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

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

6 1009.972 Florida Prepaid College Trust Fund.--

7 (5) Notwithstanding ~~the provisions of~~ chapter 717,
8 funds associated with terminated advance payment contracts
9 pursuant to s. 1009.98(4)(k) and canceled contracts for which
10 no refunds have been claimed shall be retained by the board.
11 The board shall establish procedures for notifying purchasers
12 who subsequently cancel their advance payment contracts of any
13 unclaimed refund and shall establish a time period after which
14 no refund may be claimed by a purchaser who canceled a
15 contract. The board may transfer funds retained from such
16 terminated advance payment contracts and canceled contracts to
17 the Florida Prepaid Tuition Scholarship Program to provide
18 matching funds for prepaid tuition scholarships for
19 economically disadvantaged students or students with
20 disabilities ~~youth~~ who remain drug free and crime free or for
21 a scholarship program that is approved by the board and the
22 board of the direct-support organization established under s.
23 1009.983.

24 Section 3. Paragraph (a) of subsection (3) and
25 paragraph (k) of subsection (4) of section 1009.98, Florida
26 Statutes, are amended to read:

27 1009.98 Florida Prepaid College Program.--

28 (3) TRANSFER OF BENEFITS TO PRIVATE AND OUT-OF-STATE
29 COLLEGES AND UNIVERSITIES AND TO CAREER CENTERS.--A qualified
30 beneficiary may apply the benefits of an advance payment
31 contract toward:

1 (a) An independent college or university that is
2 located and chartered in Florida, ~~that is not for profit~~, that
3 is accredited by the Commission on Colleges of the Southern
4 Association of Colleges and Schools or the Accrediting Council
5 for Independent Colleges and Schools, and that confers degrees
6 as defined in s. 1005.02. Any advertisement disseminated by an
7 eligible for-profit independent college or university which
8 refers to the Florida Prepaid College Program must clearly
9 state: "While the benefits of a Florida Prepaid College
10 contract may be used at this institution, the Florida Prepaid
11 College Board does not endorse any particular college or
12 university."

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14 The board shall transfer or cause to be transferred to the
15 institution designated by the qualified beneficiary an amount
16 not to exceed the redemption value of the advance payment
17 contract at a state postsecondary institution. If the cost of
18 registration or housing fees at such institution is less than
19 the corresponding fees at a state postsecondary institution,
20 the amount transferred may not exceed the actual cost of
21 registration and housing fees. A transfer authorized under
22 this subsection may not exceed the number of semester credit
23 hours or semesters of dormitory residence contracted on behalf
24 of a qualified beneficiary. Notwithstanding any other
25 provision in this section, an institution must be an "eligible
26 educational institution" under s. 529 of the Internal Revenue
27 Code to be eligible for the transfer of advance payment
28 contract benefits.

29 (4) ADVANCE PAYMENT CONTRACTS.--The board shall
30 develop advance payment contracts for registration and may
31 develop advance payment contracts for dormitory residence as

1 provided in this section. Advance payment contracts shall be
2 exempt from chapter 517 and the Florida Insurance Code. Such
3 contracts shall include, but not be limited to, the following:

4 (k) The period of time after which advance payment
5 contracts that have not been terminated or the benefits used
6 shall be considered terminated. Time expended by a qualified
7 beneficiary as an active duty member of ~~any of~~ the armed
8 services of the United States shall be added to the period of
9 time specified by the board. ~~A No~~ purchaser or qualified
10 beneficiary whose advance payment contract is terminated
11 pursuant to this paragraph ~~is not shall be~~ entitled to a
12 refund. Notwithstanding chapter 717, the board shall retain
13 any moneys paid by the purchaser for an advance payment
14 contract that has been terminated in accordance with this
15 paragraph. Such moneys may be transferred to the Florida
16 Prepaid Tuition Scholarship Program to provide matching funds
17 for prepaid tuition scholarships for economically
18 disadvantaged students or students with disabilities ~~youths~~
19 who remain drug free and crime free or for a scholarship
20 program that is approved by the board and the board of the
21 direct-support organization established under s. 1009.983.

22 Section 4. Section 1009.984, Florida Statutes, is
23 amended to read:

24 1009.984 Florida Prepaid Tuition Scholarship
25 Program.--The Florida Prepaid Tuition Scholarship Program is
26 established to provide economically disadvantaged students or
27 students with disabilities ~~youth~~ with prepaid postsecondary
28 tuition scholarships and to provide such scholarships to
29 others as approved by the board and the board of the
30 direct-support organization established under s. 1009.983. The
31 direct-support organization established pursuant to s.

1 1009.983 shall administer the program with the assistance and
2 cooperation of the Department of Education to:

3 (1) Provide an incentive for economically
4 disadvantaged students or students with disabilities ~~youth~~ to
5 improve school attendance and academic performance in order to
6 graduate and pursue a postsecondary education.

7 (2) Obtain the commitment and involvement of private
8 sector entities by virtue of funding matches with a ratio of
9 50 percent provided by the private sector and 50 percent
10 provided by the state.

11 (3) Purchase prepaid tuition scholarships for
12 economically disadvantaged students or students with
13 disabilities certified by the Department of Education to the
14 direct-support organization who meet ~~minimum economic and~~
15 school requirements and remain drug free and crime free.

16 (a) For the purpose of this subsection, "drug free"
17 means not being convicted of, or adjudicated delinquent for,
18 any violation of chapter 893 after being designated a
19 recipient of a Florida prepaid tuition scholarship.

20 (b) For the purpose of this subsection, "crime free"
21 means not being convicted of, or adjudicated delinquent for,
22 any felony or first degree misdemeanor as defined in ss.
23 775.08 and 775.081 after being designated a recipient of a
24 Florida prepaid tuition scholarship.

25 (4) Purchase prepaid tuition scholarships for students
26 who are eligible for a scholarship program that is approved by
27 the board and the board of the direct-support organization
28 established under s. 1009.983.

29 Section 5. This act shall take effect July 1, 2006.
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1 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
2 COMMITTEE SUBSTITUTE FOR
3 Senate Bill 550
4 This committee substitute:
5 Renames the Florida Prepaid College Program as the Stanley G.
6 Tate Florida Prepaid College Program;
7 Authorizes the Florida Prepaid College Board and the board of
8 the direct-support organization to approve prepaid tuition
9 scholarship programs;
10 Extends prepaid tuition scholarships to students with
11 disabilities; and
12 Requires advertisements disseminated by eligible for-profit
13 colleges and universities to contain specified disclaimer
14 statements.
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