

By Senator Wise

5-00897B-09

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1 A bill to be entitled
2 An act relating to prepaid college programs; amending
3 s. 1009.98, F.S.; providing that a purchaser of an
4 advance payment contract may receive a refund of the
5 unused portion of the contract under certain
6 circumstances; 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. Subsection (5) of section 1009.98, Florida
11 Statutes, is amended to read:

12 1009.98 Stanley G. Tate Florida Prepaid College Program.—

13 (5) REFUNDS.—

14 (a) A ~~No~~ refund may not ~~shall~~ exceed the amount paid into
15 the fund by the purchaser except as provided in paragraphs (b),
16 ~~and~~ (c), and (f).

17 (b) If the beneficiary is awarded a scholarship, the terms
18 of which cover the benefits included in the advance payment
19 contracts, moneys paid for the purchase of the advance payment
20 contracts shall be refunded to the purchaser in semester
21 installments coinciding with the tuition by the beneficiary in
22 an amount which, in total, does not exceed the redemption value
23 of the advance payment contract at a state postsecondary
24 institution.

25 (c) In the event of the death or total disability of the
26 beneficiary, moneys paid for the purchase of advance payment
27 contracts shall be refunded to the purchaser in an amount not to
28 exceed the redemption value of the advance payment contract at a
29 state postsecondary institution.

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30 (d) If an advance payment contract is converted from one
31 registration plan to a plan of lesser value, the amount refunded
32 may ~~shall~~ not exceed the difference between the amount paid for
33 the original contract and the amount that would have been paid
34 for the contract to which the plan is converted had the
35 converted plan been purchased under the same payment plan at the
36 time the original advance payment contract was executed.

37 (e) A ~~No~~ refund may not ~~shall~~ be authorized through an
38 advance payment contract for any school year partially attended
39 but not completed. For purposes of this section, a school year
40 partially attended but not completed shall mean any one semester
41 whereby the student is still enrolled at the conclusion of the
42 official drop-add period but withdraws before the end of such
43 semester. If a beneficiary does not complete a community college
44 plan or university plan for reasons other than specified in
45 paragraph (c), the purchaser shall receive a refund of the
46 amount paid into the fund for the remaining unattended years of
47 the advance payment contract pursuant to rules promulgated by
48 the board.

49 (f) A purchaser of an advance payment contract entered into
50 pursuant to subsection (9) or s. 1009.983 may receive a refund
51 equal to the redemption value of the unused portion of the
52 advance payment contract at a state postsecondary institution if
53 the refund is used exclusively to fund additional scholarships
54 purchased pursuant to subsection (9) or s. 1009.983.

55 Section 2. This act shall take effect upon becoming a law.