

1 A bill to be entitled
 2 An act relating to prepaid college programs; amending s.
 3 1009.98, F.S.; providing that a purchaser of an advance
 4 payment contract may receive a refund of the unused
 5 portion of the contract under certain circumstances;
 6 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.

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
 50 into pursuant to subsection (9) or s. 1009.983 may receive a
 51 refund equal to the redemption value of the unused portion of
 52 the advance payment contract at a state postsecondary
 53 institution if the refund is used exclusively to fund additional
 54 scholarships purchased pursuant to subsection (9) or s.
 55 1009.983.

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