

ENROLLED  
CS/HB 281

2009 Legislature

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.

7  
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

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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.