

1 A bill to be entitled

2 An act relating to postsecondary education; creating
3 s. 1009.9995, F.S.; requiring the Board of Governors
4 of the State University System to establish a pilot
5 program to create a system under which a person who is
6 accepted to attend an institution of higher learning
7 may forgo paying tuition and fees if he or she
8 contracts with the institution to pay to the
9 institution or the state a percentage of his or her
10 income for a specified number of years after
11 graduation, transfer, withdrawal, or expulsion;
12 providing duties of the Board of Governors;
13 authorizing the pilot program to vary by institution
14 of higher learning depending on certain criteria;
15 requiring the Board of Governors to submit by a
16 specified date to the Governor and the Legislature a
17 report of its findings and recommendations; providing
18 that the pilot program expires on a specified date;
19 providing an effective date.

20
21 WHEREAS, the Legislature finds that postsecondary education
22 has expanded opportunities for Floridians to qualify for high-
23 quality jobs and entry into the middle class, providing an
24 enhanced workforce that strengthens this state's economy, and

25 WHEREAS, the Legislature finds that rising higher education
26 costs force an increasing number of students to borrow greater

27 amounts of money to pay for higher education, with the resulting
 28 burden of substantial student debt damaging not only the
 29 individual student's ability to succeed financially but also
 30 posing grave consequences for the future economy of this state,
 31 and

32 WHEREAS, the Legislature finds it must immediately seek a
 33 creative alternative for students to obtain higher education
 34 without graduating under the burden of student loan debt, and

35 WHEREAS, the Legislature finds that several other states
 36 are expressing a growing interest in a new financing strategy
 37 known as Pay Forward, Pay Back, and

38 WHEREAS, the Legislature recognizes that it is in the best
 39 interests of this state to study and recommend a potential Pay
 40 Forward, Pay Back pilot program for Florida, NOW, THEREFORE,

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42 Be It Enacted by the Legislature of the State of Florida:

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44 Section 1. Section 1009.9995, Florida Statutes, is created
 45 to read:

46 1009.9995 Pay Forward, Pay Back pilot program.-

47 (1) The Board of Governors shall establish a pilot program
 48 to create a system under which a person who is accepted to
 49 attend an institution of higher learning, as defined in s.
 50 1001.705, may forgo paying tuition and fees if he or she enters
 51 into a contract with the institution to pay to such institution
 52 or to this state a percentage of his or her annual income for a

53 specified number of years after graduation, transfer,
54 withdrawal, or expulsion.

55 (2) The Board of Governors shall:

56 (a) Allow a person who is a resident for tuition purposes
57 under s. 1009.21 and who qualifies for admission to an
58 institution of higher learning, as defined in s. 1001.705, to
59 enroll in the institution without paying tuition or fees if the
60 student signs a binding contract to pay a certain percentage of
61 his or her annual adjusted gross income to the institution of
62 higher learning or to this state for a specified number of years
63 after his or her graduation, transfer, withdrawal, or expulsion.

64 (b) Specify the duration of, and the percentage of annual
65 adjusted gross income to be paid under, contracts specific to
66 each participating institution of higher learning, as defined in
67 s. 1001.705.

68 (c) Provide for:

69 1. Circumstances in which a contracting student dies or
70 becomes incapable of work due to incapacity or disability; and
71 2. Imputing income to a contracting student who is
72 willfully unemployed or underemployed.

73 (d) Develop a method for prioritizing or apportioning
74 repayment among multiple institutions of higher learning, as
75 defined in s. 1001.705, if a student attends more than one such
76 institution under the terms of such a contract.

77 (e) Establish an immediate funding source for the first 15
78 to 20 years of the pilot program and a revolving fund for the

79 deposit of payments made under the pilot program.

80 (3) The pilot program may vary by institution of higher
81 learning, as defined in s. 1001.705, depending on the total cost
82 of education at the institution, the portion of the cost that is
83 paid by this state, the term of the contract, and the percentage
84 of annual adjusted gross income specified in the contract.

85 (4) By December 1, 2020, the Board of Governors shall
86 submit to the Governor, the President of the Senate, and the
87 Speaker of the House of Representatives a report of its findings
88 and recommendations, including, but not limited to, information
89 regarding graduation rates, repayment rates, and employment
90 rates of student participants in the pilot program, and any
91 other information that the Board of Governors deems necessary to
92 evaluate the pilot program.

93 (5) The pilot program shall expire on June 30, 2021.

94 Section 2. This act shall take effect July 1, 2014.