

By Senator Farmer

34-01432-17

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1 A bill to be entitled  
2 An act relating to the Student Loan Forgiveness  
3 Program; creating s. 1009.951, F.S.; creating the  
4 Student Loan Forgiveness Program; providing for  
5 administration of the program; providing eligibility  
6 requirements; providing for application for program  
7 participation and funding and loan payment  
8 distribution for the program; providing that a student  
9 loan must meet certain criteria; providing that a  
10 payment under the program is not taxable income;  
11 providing for rulemaking; providing an effective date.  
12

13 Be It Enacted by the Legislature of the State of Florida:  
14

15 Section 1. Section 1009.951, Florida Statutes, is created  
16 to read:

17 1009.951 Student Loan Forgiveness Program.—Upon  
18 appropriation by the Legislature, there is established the  
19 Student Loan Forgiveness Program to be administered by the  
20 Department of Education.

21 (1) To be eligible for the program, an individual:

22 (a) Must be a resident of the state.

23 (b) Must earn less than \$50,000 annually, as reported to  
24 the United States Internal Revenue Service.

25 (c) Must have graduated from a Florida College System  
26 institution or state university with an associate's degree or  
27 higher no earlier than July 1, 2012.

28 (d) Must be enrolled in a federal income-based student loan  
29 repayment program.

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30 (e) May not be enrolled in any other loan forgiveness  
31 program.

32 (2) An individual that meets the requirements of subsection  
33 (1) may apply to the department for acceptance into the program.  
34 Individuals shall be accepted on a first-come, first-served  
35 basis. Upon acceptance into the program, and from the funds  
36 appropriated for the program, the department shall make a  
37 payment to the individual in an amount equal to his or her  
38 student loan. If funds appropriated for the program are  
39 insufficient to provide adequate funds for each individual  
40 accepted into the program, the department shall prorate payments  
41 by an equal percentage reduction.

42 (3) Only loans that are not in default and issued pursuant  
43 to the Higher Education Act of 1965, as amended, to pay the  
44 costs of a postsecondary education shall be covered under the  
45 program.

46 (4) A payment under this section is not taxable income and  
47 shall be made directly to the holder of the loan.

48 (5) The State Board of Education shall adopt rules to  
49 administer the program.

50 Section 2. This act shall take effect July 1, 2017.