

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.

PCS FOR HB 281

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55 | 1009.983.

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