

## MEMORANDUM

Agenda Item No. 11(A)(12)

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**TO:** Honorable Chairman Jose "Pepe" Diaz  
and Members, Board of County Commissioners

**DATE:** May 4, 2021

**FROM:** Geri Bonzon-Keenan  
County Attorney

**SUBJECT:** Resolution directing the County Mayor to (1) develop a plan to implement a student loan repayment assistance program under Internal Revenue Code Section 127 (26 U.S.C. § 127) for County employees with at least 10 years of continuous, full-time County employment; (2) identify legally available funding sources from within the fiscal year 2020-2021 County Budget for this program should implementation occur within this fiscal year; (3) include the funds necessary for the implementation of the student loan repayment assistance program in the Mayor's Proposed Budget for fiscal years 2021-2022 through 2025-2026; (4) provide a report within a specified time on the cost of the program, and a recommendation for how the program will be funded and implemented

Resolution No. R-458-21

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The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Kionne L. McGhee.



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Geri Bonzon-Keenan  
County Attorney

GBK/smm



## MEMORANDUM

(Revised)

**TO:** Honorable Chairman Jose "Pepe" Diaz  
and Members, Board of County Commissioners

**DATE:** May 4, 2021

**FROM:**   
Gen Bonzon-Keenan  
County Attorney

**SUBJECT:** Agenda Item No. 11(A)(12)

Please note any items checked.

- \_\_\_\_\_ "3-Day Rule" for committees applicable if raised
- \_\_\_\_\_ 6 weeks required between first reading and public hearing
- \_\_\_\_\_ 4 weeks notification to municipal officials required prior to public hearing
- \_\_\_\_\_ Decreases revenues or increases expenditures without balancing budget
- \_\_\_\_\_ Budget required
- \_\_\_\_\_ Statement of fiscal impact required
- \_\_\_\_\_ Statement of social equity required
- \_\_\_\_\_ Ordinance creating a new board requires detailed County Mayor's report for public hearing
- \_\_\_\_\_ No committee review
- \_\_\_\_\_ Applicable legislation requires more than a majority vote (i.e., 2/3's present \_\_\_\_, 2/3 membership \_\_\_\_, 3/5's \_\_\_\_, unanimous \_\_\_\_, CDMP 7 vote requirement per 2-116.1(3)(h) or (4)(c) \_\_\_\_, CDMP 2/3 vote requirement per 2-116.1(3)(h) or (4)(c) \_\_\_\_, or CDMP 9 vote requirement per 2-116.1(4)(c)(2) \_\_\_\_ to approve
- \_\_\_\_\_ Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved \_\_\_\_\_ Mayor  
Veto \_\_\_\_\_  
Override \_\_\_\_\_

Agenda Item No. 11(A)(12)  
5-4-21

RESOLUTION NO. \_\_\_\_\_ R-458-21

RESOLUTION DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO (1) DEVELOP A PLAN TO IMPLEMENT A STUDENT LOAN REPAYMENT ASSISTANCE PROGRAM UNDER INTERNAL REVENUE CODE SECTION 127 (26 U.S.C. § 127) FOR COUNTY EMPLOYEES WITH AT LEAST 10 YEARS OF CONTINUOUS, FULL-TIME COUNTY EMPLOYMENT; (2) IDENTIFY LEGALLY AVAILABLE FUNDING SOURCES FROM WITHIN THE FISCAL YEAR 2020-2021 COUNTY BUDGET FOR THIS PROGRAM SHOULD IMPLEMENTATION OCCUR WITHIN THIS FISCAL YEAR; (3) INCLUDE THE FUNDS NECESSARY FOR THE IMPLEMENTATION OF THE STUDENT LOAN REPAYMENT ASSISTANCE PROGRAM IN THE MAYOR'S PROPOSED BUDGET FOR FISCAL YEARS 2021-2022 THROUGH 2025-2026; (4) PROVIDE A REPORT WITHIN A SPECIFIED TIME ON THE COST OF THE PROGRAM, AND A RECOMMENDATION FOR HOW THE PROGRAM WILL BE FUNDED AND IMPLEMENTED

**WHEREAS**, skyrocketing higher education costs have resulted in record levels of student loan debt among college graduates in recent years; and

**WHEREAS**, high student debt burdens and defaults on loans have an adverse impact on the U.S. economy, and make it more difficult for graduates to buy a home, save for retirement, and get ahead in life; and

**WHEREAS**, a growing number of employers now offer student loan repayment assistance to their employees to improve employee recruitment and retention, and to help employees manage their financial future; and

**WHEREAS**, prior to March 2020, Section 127 of the tax code allowed employers to contribute up to \$5,250.00 to their employees for tuition assistance and related expenses on a nontaxable basis, but did not allow employers to help employees pay back student loans on a

nontaxable basis, meaning that any student loan repayment contributions were considered taxable income for the recipients and employers could not claim a deduction for such payments; and

**WHEREAS**, the Coronavirus Aid, Relief and Economic Security (“CARES”) Act, signed into law on March 27, 2020, temporarily allowed employers to provide up to \$5,250.00 in tax-exempt student loan repayment contributions or tuition assistance from March 27, 2020, through December 31, 2020; and

**WHEREAS**, the Consolidated Appropriations Act of 2021 (“CAA”), signed into law on December 27, 2020, extended these provisions for five years through December 31, 2025, allowing employers to continue making contributions of up to \$5,250.00 per employee annually toward eligible education expenses, including tuition or student loan assistance, without raising the employee's gross taxable income; and

**WHEREAS**, any tuition or student loan repayment assistance above \$5,250.00 per employee per calendar year will be taxed; and

**WHEREAS**, on August 27, 1963, the Board of County Commissioners adopted the Miami-Dade County Tuition Refund Program, currently set forth in Miami-Dade County Administrative Order 7-4, which provides that employees enrolled in accredited educational institutions may be reimbursed for 50 percent of tuition costs for approved coursework which will enable them to improve their performance in their current positions and prepare them for increased responsibilities; and

**WHEREAS**, Miami-Dade County does not currently provide student loan repayment assistance for County employees; and

**WHEREAS**, this Board desires to improve employee recruitment and retention and to help County employees to manage their financial future by establishing a student loan repayment assistance program until December 31, 2025, for County employees with at least 10 years of continuous, full-time employment with the County,

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA**, that:

**Section 1.** This Board directs the County Mayor or County Mayor's designee to develop a plan to implement a student loan repayment assistance program under Internal Revenue Code Section 127 (26 U.S.C. § 127) until December 31, 2025 to provide nontaxable contributions of up to \$5,250.00 per employee annually to be used towards the student loan debt of eligible County employees. Upon implementation of this program, payments will be made monthly, and shall not include any retroactive monthly payments for loan amounts due prior to the implementation of the program or prior to the employee's eligibility. Payments may be made to the eligible employee or directly to the eligible employee's lender, as determined by the County Mayor or County Mayor's designee. For purposes of this resolution, "eligible County employee" shall be any full-time employee with 10 or more years of full-time, continuous (uninterrupted) County service. Eligible County employees will have an opportunity to participate in this program starting on their 10-year anniversary date, and ending when they are no longer in pay status, when their student loan debt is paid off, or on December 31, 2025, whichever occurs sooner. In addition, this benefit shall apply to the County's non-bargaining employees, and all other employees covered by collective bargaining agreements whose agreements explicitly provide for this benefit for the employee.

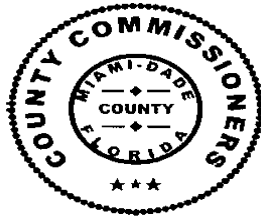
**Section 2.** This Board further directs the County Mayor or County Mayor’s designee to identify legally available funding sources from within the fiscal year 2020-2021 County Budget that may be utilized to fund the implementation of the student loan repayment assistance program identified in section 1 above should said implementation occur within the 2020-2021 fiscal year, and to include the implementation of said program in the Mayor’s Proposed Budget for fiscal years 2021-2022 through 2025-2026, or, alternatively, if such funds are not available, provide recommendations on how the program may be implemented, including but not limited to, possible alternative sources of funding in the report required pursuant to section 3 below.

**Section 3.** The County Mayor or County Mayor's designee shall provide a report to this Board within 180 days of the effective date of this resolution on the cost of creating and providing the student loan repayment assistance to eligible County employees under this resolution and recommending how the program will be funded and implemented. The County Mayor or County Mayor’s designee shall place the completed report on the next available agenda of the Board pursuant to Ordinance No. 14-65.

The Prime Sponsor of the foregoing resolution is Commissioner Kionne L. McGhee. It was offered by Commissioner **Kionne L. McGhee** , who moved its adoption. The motion was seconded by Commissioner **Rebeca Sosa** and upon being put to a vote, the vote was as follows:

	Jose “Pepe” Diaz, Chairman	<b>aye</b>	
	Oliver G. Gilbert, III, Vice-Chairman	<b>aye</b>	
Sen. René García	<b>aye</b>	Keon Hardemon	<b>aye</b>
Sally A. Heyman	<b>aye</b>	Danielle Cohen Higgins	<b>aye</b>
Eileen Higgins	<b>aye</b>	Joe A. Martinez	<b>aye</b>
Kionne L. McGhee	<b>aye</b>	Jean Monestime	<b>aye</b>
Raquel A. Regalado	<b>aye</b>	Rebeca Sosa	<b>aye</b>
Sen. Javier D. Souto	<b>aye</b>		

The Chairperson thereupon declared this resolution duly passed and adopted this 4<sup>th</sup> day of May, 2021. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this resolution and the filing of this approval with the Clerk of the Board.



MIAMI-DADE COUNTY, FLORIDA  
BY ITS BOARD OF  
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: Melissa Adames  
Deputy Clerk

Approved by County Attorney as  
to form and legal sufficiency.

A handwritten signature in blue ink, appearing to read "JPM", is written over a horizontal line.

Marlon D. Moffett