

COMMITTEE AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB2644 _____
Of the printed Bill
Page _____ Section _____ Lines _____
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Adopted: _____

Amendment submitted by: Todd Thomsen

Reading Clerk

1 STATE OF OKLAHOMA

2 2nd Session of the 52nd Legislature (2010)

3 PROPOSED COMMITTEE
4 SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 2644

By: Thomsen

7 PROPOSED COMMITTEE SUBSTITUTE

8 An Act relating to schools; amending 70 O.S. 2001,
9 Section 623, which relates to the guaranteeing of
10 student loans; modifying certain statutory reference;
11 modifying description of participating schools;
12 deleting certain requirements for applicants;
13 expanding authorization to utilize certain federal
14 student loan assistance funds for certain purposes;
15 authorizing the State Regents for Higher Education to
16 provide certain assistance services through contract
17 or agreements; modifying restriction on interest
18 rate; deleting requirement to consider certain
19 student hardships and to consolidate certain loans;
20 clarifying statutory language; providing an effective
21 date; and declaring an emergency.

22 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

23 SECTION 1. AMENDATORY 70 O.S. 2001, Section 623, is
24 amended to read as follows:

25 Section 623. A. The Oklahoma State Regents for Higher
26 Education are hereby authorized to utilize the Student Educational
27 Assistance Fund and to administer the student loan guarantee program
28 under the federal Higher Education Act of 1965, as amended, for

1 | guaranteeing loans made by private or public lending institutions to
2 | loan guarantee applicants ~~for such loan guarantees~~ for the purpose
3 | of obtaining financial assistance for attendance at any ~~vocational~~
4 | rehabilitation participating school, ~~vocational education or trade~~
5 | ~~school, or any institution of higher learning, under the following~~
6 | ~~conditions:~~

7 | 1. ~~Every such applicant shall demonstrate to the satisfaction~~
8 | ~~of the State Regents or their delegate or delegates that the student~~
9 | ~~is a worthy applicant for such assistance, that the student is~~
10 | ~~unable to obtain funds necessary for an adequate program of~~
11 | ~~education at the institution of the student's choice without such~~
12 | ~~assistance, and shall undertake repayment of the loan guarantee in~~
13 | ~~compliance with conditions stated herein;~~ to participate in any
14 | other federal student loan program, and to provide support services
15 | for students and others in conjunction with the United States
16 | Department of Education in areas including, but not limited to,
17 | default prevention, financial literacy, financial aid awareness,
18 | college access and outreach and other areas as permitted or mandated
19 | by current or future federal legislation. The State Regents are
20 | authorized to provide the student and parent borrower assistance
21 | services described in this section for any and all federal student
22 | loan programs through contracts and agreements with the United
23 | States Department of Education or other entities.

24 |

1 ~~2-~~ B. No ~~such~~ loan guaranteed by the State Regents ~~through the~~
2 ~~Student Educational Assistance Fund~~, except as required by federal
3 regulation, shall require repayment while the student is pursuing at
4 least a half-time course of study on a continuing basis in a
5 ~~vocational rehabilitation~~ participating school, ~~vocational education~~
6 ~~or trade school, or institution of higher learning~~. The rate of
7 interest on the loan shall be ~~subject to the approval of the State~~
8 ~~Regents, but shall not be in excess of the interest or rate of~~
9 ~~interest allowable in any similar federally guaranteed Student Loan~~
10 ~~Program~~; as established in the Higher Education Act of 1965, as
11 amended.

12 ~~3-~~ C. The State Regents are further authorized and empowered to
13 promulgate ~~such~~ rules and procedures with respect to applicant
14 eligibility, terms of loans, and other matters ~~they may consider~~
15 considered appropriate, as will facilitate the program authorized by
16 this ~~act~~ section and the Higher Education Act of 1965, as amended,
17 and as will not conflict with the terms hereof. ~~Such~~ The procedures
18 may include, but not be limited to, entering into agreements with
19 other ~~Federal Family Education Loan Program (FFELP)~~ federal loan
20 program participants such as schools, lenders, servicers, secondary
21 markets, collection agencies, guarantee agencies, ~~and the United~~
22 States Department of Education, and other entities. ~~It is the~~
23 ~~intent of the Legislature that the State Regents consider the~~
24 ~~hardships existing due to previous requirements of applicants.~~

1 ~~That, further, the State Regents make every effort to consolidate~~
2 ~~previous loans of full time students for students now qualifying as~~
3 ~~part time students and guarantee these combined loans;~~

4 ~~4.~~ D. 1. The State Regents may notify each licensing board in
5 this state of the default of payment of the student in accordance
6 with Section 623.1 of this title~~;~~.

7 ~~5.~~ 2. A licensing agency shall provide information indexed by
8 social security number to the State Regents when ~~such~~ the
9 information is requested for use in the default prevention efforts
10 or collection of defaulted student loans guaranteed by the State
11 Regents.

12 3. Any information disclosed under ~~this~~ the provision of this
13 subsection shall be utilized for the purpose outlined ~~herein~~ in this
14 subsection and shall be held strictly confidential by the State
15 Regents.

16 4. No member or employee of any entity who discloses
17 information pursuant to this ~~section~~ subsection shall be criminally
18 or civilly liable for any error or omission in the disclosure of
19 ~~such~~ the information~~;~~ and.

20 ~~6.~~ 5. In addition to other collection methods authorized by
21 law, the State Regents may establish and implement programs for
22 administrative garnishment and wage withholding, in accordance with
23 applicable federal laws and regulations, to collect on defaulted
24 student loans.

1 SECTION 2. This act shall become effective July 1, 2010.

2 SECTION 3. It being immediately necessary for the preservation
3 of the public peace, health and safety, an emergency is hereby
4 declared to exist, by reason whereof this act shall take effect and
5 be in full force from and after its passage and approval.

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7 52-2-9601 KB 02/03/10

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