

House Bill 319

By: Representative Martin of the 49th

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 7 of Chapter 3 of Title 20 of the Official Code of Georgia Annotated,
2 relating to scholarships, loans, and grants, so as to abolish the Georgia Higher Education
3 Assistance Corporation; to provide for the transfer of outstanding obligations and liabilities
4 and assets of such corporation; to amend Titles 2, 7, 12, 20, 26, 33, 43, and 48 of the Official
5 Code of Georgia Annotated, relating to agriculture, banking and finance, conservation and
6 natural resources, education, food, drugs, and cosmetics, insurance, professions and
7 businesses, and revenue and taxation, respectively, so as to remove cross-references and
8 make conforming changes; to provide for related matters; to provide for an effective date;
9 to repeal conflicting laws; and for other purposes.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

11 **PART I**
12 **SECTION 1-1.**

13 Article 7 of Chapter 3 of Title 20 of the Official Code of Georgia Annotated, relating to
14 scholarships, loans, and grants, is amended by repealing in its entirety Part 2, relating to the
15 Georgia Higher Education Assistance Corporation, and designating said part as reserved.

H. B. 319

16 **SECTION 1-2.**

17 Said article is further amended by adding a new subsection to Code Section 20-3-313,
18 relating to authority created as successor to Georgia Higher Education Assistance Authority,
19 to read as follows:

20 "(d) As of June 30, 2024:

21 (1) The Georgia Higher Education Assistance Corporation is abolished and shall cease
22 to exist;

23 (2) Any outstanding obligations or liabilities of the previously existing Georgia Higher
24 Education Assistance Corporation are transferred to and vested in the authority created
25 by subsection (a) of this Code section; and

26 (3) The right, title, interests in, and ownership of all assets of the previously existing
27 Georgia Higher Education Assistance Corporation are transferred to and vested in the
28 authority created by subsection (a) of this Code section; provided, however, that such
29 assets shall be used for educational purposes."

30 **PART II**31 **SECTION 2-1.**

32 Title 2 of the Official Code of Georgia Annotated, relating to agriculture, is amended by
33 revising subsection (d) of Code Section 2-7-102, relating to grounds for denial, suspension,
34 revocation, or modification of license, permit, or certification relative to the use and
35 application of pesticides, as follows:

36 "(d) The Commissioner shall not suspend any pesticide contractor's license or certified
37 commercial pesticide applicator's license or refuse to grant or renew either license because
38 an applicant for or holder of either such license is a borrower in default who is not in
39 satisfactory repayment status under the Georgia Higher Education Loan Program as
40 determined by the Georgia Higher Education Assistance Corporation or who has been

41 certified by any entity of the federal government for nonpayment or default or breach of
42 a repayment or service obligation under any federal educational loan, loan repayment, or
43 service conditional scholarship program."

44 **SECTION 2-2.**

45 Title 7 of the Official Code of Georgia Annotated, relating to banking and finance, is
46 amended by revising subsection (a) of Code Section 7-1-693, relating to applicant or licensee
47 as borrower in default and failure to pay child support prohibits licensure relative to the sale
48 of payment instruments, as follows:

49 "(a) Where an applicant or licensee ~~has been found to be a borrower in default under the~~
50 ~~Georgia Higher Education Loan Program as determined by the Georgia Higher Education~~
51 ~~Assistance Corporation~~ or has been certified by any entity of the federal government for
52 nonpayment or default or breach of a repayment or service obligation under any federal
53 educational loan, loan repayment, or service conditional scholarship program, such action
54 shall not be grounds for refusal of a license or suspension of a license."

55 **SECTION 2-3.**

56 Said title is further amended by revising subsection (a) of Code Section 7-1-708.1, relating
57 to denial or suspension of license for student borrowers in default prohibited and denial or
58 suspension for failing to comply with child support requirements relative to the cashing of
59 payment instruments, as follows:

60 "(a) Where an applicant or licensee ~~has been found to be a borrower in default under the~~
61 ~~Georgia Higher Education Loan Program as determined by the Georgia Higher Education~~
62 ~~Assistance Corporation~~ or has been certified by any entity of the federal government for
63 nonpayment or default or breach of a repayment or service obligation under any federal
64 educational loan, loan repayment, or service conditional scholarship program, such action
65 shall not be grounds for denial of an application or suspension of a license."

66 **SECTION 2-4.**

67 Said title is further amended by revising paragraph (3) of subsection (a) of Code Section
68 7-1-1017, relating to suspension or revocation of licenses, registrations, or mortgage broker
69 education approval, notice, judicial review, and effect on preexisting contract relative to the
70 licensing of mortgage lenders and mortgage brokers, as follows:

71 ~~"(3) Where an applicant or licensee has been found to be a borrower in default under the~~
72 ~~Georgia Higher Education Loan Program as determined by the Georgia Higher Education~~
73 ~~Assistance Corporation or has been certified by any entity of the federal government for~~
74 ~~nonpayment or default or breach of a repayment or service obligation under any federal~~
75 ~~educational loan, loan repayment, or service conditional scholarship program, such action~~
76 ~~shall not be grounds for refusal of a license or suspension of a license."~~

77 **SECTION 2-5.**

78 Title 12 of the Official Code of Georgia Annotated, relating to conservation and natural
79 resources, is amended by revising Code Section 12-6-49.2, relating to suspension of
80 registered forester license and borrowers in default, as follows:

81 "12-6-49.2.

82 ~~(a) As used in this Code section, the term:~~

83 ~~(1) 'Agency' means the Georgia Higher Education Assistance Corporation created in~~
84 ~~Code Section 20-3-263 which is responsible for administering a program of guaranteed~~
85 ~~educational loans to eligible students and eligible parents known as the Georgia Higher~~
86 ~~Education Loan Program.~~

87 ~~(2) 'Borrower' means an individual who borrowed a guaranteed educational loan under~~
88 ~~the Georgia Higher Education Loan Program.~~

89 ~~(3) 'Default' means default as defined by federal law under the Higher Education Act of~~
90 ~~1965.~~

91 ~~(4) 'Satisfactory repayment status' means the borrower has agreed to repay the defaulted~~
 92 ~~loan to the agency and has made a payment in the most recent prior 60 days.~~
 93 ~~(b)(a)~~ The board shall not suspend the license of any registered forester because he or she
 94 ~~is a borrower in default who is not in satisfactory repayment status as determined by the~~
 95 ~~agency or who~~ has been certified by any entity of the federal government for nonpayment
 96 or default or breach of a repayment or service obligation under any federal educational
 97 loan, loan repayment, or service conditional scholarship program.
 98 ~~(c)(b)~~ The board shall not deny the application for renewal of any applicant or licensee
 99 because he or she ~~is a borrower in default who is not in satisfactory repayment status as~~
 100 ~~determined by the agency or who~~ has been certified by any entity of the federal government
 101 for nonpayment or default or breach of a repayment or service obligation under any federal
 102 educational loan, loan repayment, or service conditional scholarship program."

103 SECTION 2-6.

104 Title 20 of the Official Code of Georgia Annotated, relating to education, is amended by
 105 revising subsection (a) of Code Section 20-1-24, relating to disciplinary action for student
 106 of nonpublic educational institution, as follows:

107 "(a) Any student of a nonpublic educational institution who is convicted, under the laws
 108 of this state, the United States, or any other state, of any felony offense involving the
 109 manufacture, distribution, sale, possession, or use of marijuana, a controlled substance, or
 110 a dangerous drug shall as of the date of conviction be denied state funds for any loans,
 111 grants, or scholarships administered under the authority of Part 3 of Article 7 of Chapter
 112 3 of this title, the 'Georgia Student Finance Authority Act,' or similar loans, grants, or
 113 scholarships, including, but not limited to, Georgia Higher Education Loan Program loans,
 114 student incentive grants; or tuition equalization grants. The authority is authorized to
 115 define such terms and prescribe such rules, regulations, and procedures as may be
 116 reasonable and necessary to carry out the purposes of this article."

SECTION 2-7.

117
118 Said title is further amended by revising subsection (a) of Code Section 20-3-231, relating
119 to legislative findings and purpose of the Georgia Student Finance Commission, as follows:
120 "(a) **Legislative findings.** ~~The General Assembly has determined that it is a valid public~~
121 ~~purpose to promote the educational level of achievement of citizens and persons in this~~
122 ~~state by creating the Georgia Higher Education Assistance Corporation, a public authority,~~
123 ~~as provided for in Part 2 of this article, for the purpose of establishing and administering~~
124 ~~an educational loan program in this state in such a manner as not to pledge the faith and~~
125 ~~credit of the state to the payment of such educational loans as may be guaranteed by the~~
126 ~~corporation.~~ The General Assembly has determined that it is a valid public purpose to
127 promote further the educational level of achievement of citizens and persons in this state
128 by creating the Georgia Student Finance Authority, a public authority, as provided for in
129 Part 3 of this article, for the purpose of providing educational scholarship, grant, and loan
130 assistance to citizens and persons in this state, in large part by educational loans to be
131 funded through the issuance of revenue bonds and other obligations by the authority in
132 such a manner as not to pledge the faith and credit of the state to the payment of such bonds
133 and obligations and to use further such bond funds to provide a form of secondary market
134 for lenders in further support of the educational loan program of the state. The General
135 Assembly finds that it is desirable and cost efficient and will permit greater coordination
136 of state student aid programs; maximum utilization of available student aid funds;
137 simplification of procedures for students, parents, and educational institutions; and possible
138 prevention of frauds and abuses, and thereby better serve the public interests of the state
139 if a maximum degree of centralization in the management and administration of the
140 functions of ~~the corporation~~ and the authority is provided for; and, further, that although
141 public moneys may within the provisions of the Constitution of Georgia be appropriated
142 for use ~~by the corporation~~ and by the authority for prescribed student aid purposes, such
143 moneys may not be lawfully appropriated directly to ~~the corporation~~ nor the authority but

144 must, in lieu thereof, be appropriated to an agency within the executive branch of state
 145 government for use by ~~the corporation~~ or the authority for such prescribed purposes. The
 146 General Assembly resolves, therefore, that in order to accomplish the foregoing essential
 147 and valid public purposes ~~of the corporation as set forth in Part 2 of this article~~ and of the
 148 authority as set forth in Part 3 of this article that it is necessary, essential, a valid public
 149 purpose, and within the meaning of the Constitution of Georgia to create the Georgia
 150 Student Finance Commission as an agency within the executive branch of state government
 151 for the purposes prescribed in this part."

152 **SECTION 2-8.**

153 Said title is further amended by revising paragraph (4) of Code Section 20-3-232, relating
 154 to definitions relative to the Georgia Student Finance Commission, as follows:

155 ~~"(4) 'Corporation' means the Georgia Higher Education Assistance Corporation created~~
 156 ~~by Code Section 20-3-263."~~

157 **SECTION 2-9.**

158 Said title is further amended by revising paragraph (5) of Code Section 20-3-235, relating
 159 to commission officers, employees, and support services, bonds, and legal services, as
 160 follows:

161 ~~"(5) **Legal services.** Legal services shall be provided to the commission, the corporation,~~
 162 ~~and the authority by the Attorney General as provided for by state law, or by private~~
 163 ~~attorneys designated by the Attorney General, or, if authorized by the Attorney General,~~
 164 ~~by private attorneys selected and retained or employed by the commission, the~~
 165 ~~corporation, or the authority for the purposes authorized by the Attorney General. The~~
 166 ~~commission is authorized to provide for paying from funds available to the commission;~~
 167 ~~the corporation, or the authority all legal costs incurred, including, without limitation,~~

168 attorneys' fees, court costs, and all other costs and expenses incurred incident to the
 169 retention of legal services and in respect of legal proceedings."

170 **SECTION 2-10.**

171 Said title is further amended by revising subsection (a) of Code Section 20-3-236, relating
 172 to powers and duties of commission, board of commissioners, and officers, confidentiality,
 173 and repayments and refunds relative to the Georgia Student Finance Commission, as follows:

174 "(a) In addition to all other provisions of this part and in furtherance of the purposes of the
 175 commission, the commission shall have the following powers, duties, and functions:

176 (1) ~~The board of commissioners shall serve as the board of directors of the corporation~~
 177 ~~pursuant to this paragraph and Part 2 of this article; and, whenever they are convened as~~
 178 ~~and are acting in the capacity of the board of directors of the corporation, they shall carry~~
 179 ~~out and fully effectuate the powers, duties, functions, and corporate purposes of the~~
 180 ~~corporation in accordance with Part 2 of this article without regard to any other power,~~
 181 ~~duty, or function vested in them under this part or under any other provision of law;~~

182 (2) The board of commissioners shall serve as the board of directors of the authority
 183 pursuant to this paragraph and Part 3 of this article; ~~and, whenever they are convened as~~
 184 ~~and are acting in the capacity of the board of directors of the authority, and~~ they shall
 185 carry out and fully effectuate the powers, duties, functions, and corporate purposes of the
 186 authority in accordance with Part 3 of this article without regard to any other power, duty,
 187 or function vested in them under this part or under any other provision of law;

188 (3)(2) The officers of the commission shall serve in the same capacity as ~~officers of the~~
 189 ~~corporation and~~ as officers of the authority, ~~respectively~~, pursuant to this paragraph and
 190 ~~Parts 2 and Part~~ Part 3 of this article, ~~respectively~~. Nothing contained in this part, however,
 191 shall be construed to mean or require that ~~the officers of the board of directors of the~~
 192 ~~corporation and~~ the officers of the board of directors of the authority ~~shall be the same~~

193 ~~persons or that they~~ shall be the same persons who are serving as officers of the board of
194 commissioners under this part;

195 ~~(4) The commission shall receive all moneys made available to the commission by the~~
196 ~~General Assembly or otherwise for purposes of the corporation and disburse such moneys~~
197 ~~to the corporation;~~

198 ~~(5)~~(3) The commission shall receive all moneys made available to the commission by the
199 General Assembly or otherwise for purposes of the authority and disburse such moneys
200 to the authority;

201 ~~(6)~~(4) The commission shall receive all moneys made available to the commission by the
202 General Assembly or otherwise for purposes of the commission and use such moneys for
203 purposes of the commission;

204 ~~(7)~~(5) The commission shall also have the following additional powers:

205 (A) To adopt an official seal and to alter the seal at its pleasure;

206 (B) To maintain a principal office and such other offices as it may deem necessary;

207 (C) To adopt bylaws and policies for the regulation of its affairs and the conduct of its
208 business;

209 (D) To adopt rules and regulations necessary or appropriate for the administration of
210 its affairs; the exercise of its powers, duties, and functions; and the accomplishment of
211 its purposes, pursuant to this part;

212 (E) To enter into agreements and undertakings as may be necessary or appropriate in
213 the exercise of its powers, duties, and functions under this part;

214 (F) To perform such other acts as may be necessary or appropriate to effectuate the
215 purposes of the commission under this part;

216 (G) To enter into agreements with the United States government for the purpose of
217 securing the benefits of any federal law which provides federal funds for any student
218 financial aid purpose or for any activity related to student financial aid, including,
219 without limitation, activities such as research activities, the collection and reporting of

220 data, the administration of any activity related to student financial aid, and
221 dissemination of information and services to the public; to comply with the provisions
222 of such federal law; to adopt such rules, regulations, resolutions, and procedures as may
223 be necessary to secure such federal funds; and to provide matching funds as may be
224 required from funds available to the commission;

225 (H) To solicit, receive, and accept funds from any source, public or private, by gift,
226 grant, bequest, or otherwise, either absolutely or in trust, and to hold, use, invest,
227 administer, and expend such funds on behalf of the commission and for any of its
228 purposes; and to acquire from any source, public or private, by purchase, lease, gift,
229 bequest, or devise, any property, real, personal, or mixed, either absolutely or in trust,
230 and to hold, use, administer, and dispose of such property on behalf of the commission
231 and for any of its purposes; and

232 (I) To advertise or otherwise promote the programs, functions, and purposes of the
233 commission, ~~the Georgia Higher Education Assistance Corporation,~~ and the Georgia
234 Student Finance Authority and to expend funds available to the commission for such
235 purposes."

236 **SECTION 2-11.**

237 Said title is further amended by repealing and reserving Code Section 20-3-237, relating to
238 division of board of commissioners to serve as directors of corporation and authority.

239 **SECTION 2-12.**

240 Said title is further amended by revising Code Section 20-3-238, relating to accounting
241 system and corporation moneys not to be used for authority's expenses, as follows:

242 "20-3-238.

243 The commission shall maintain a system of accounts in accordance with generally
244 acceptable accounting procedures and standard accounting procedures and systems

245 established by the state, where applicable, which shall, among other things, properly
246 identify and account for all funds received by the commission ~~from the corporation and~~
247 ~~from the authority, respectively~~; the source of receipt of such funds ~~by the corporation and~~
248 ~~by the authority, respectively~~; all expenditures of the commission made for or on behalf of
249 ~~the corporation or the authority, respectively~~; all expenditures of the commission, a pro rata
250 part of which is properly chargeable as an expenditure made for or on behalf of ~~the~~
251 ~~corporation or the authority, respectively~~; and the basis or method used by the commission
252 in prorating ratable expenditures of the commission ~~to the corporation and to the authority,~~
253 ~~respectively. No agency fund moneys received by the commission from the corporation~~
254 ~~shall be expended by the commission in payment of expenses incurred for or on behalf of~~
255 ~~the authority."~~

256 **SECTION 2-13.**

257 Said title is further amended by revising Code Section 20-3-240, relating to budget requests,
258 as follows:

259 "20-3-240.

260 The commission shall submit its regular and supplemental budget requests to the Governor
261 at such times and in such form and manner as required by state law; provided, however,
262 that the commission shall, in accordance with Code Section 50-4-3, include in its budget
263 requests the ~~respective budget requests~~ budget request, if any, ~~of the corporation and of the~~
264 ~~authority as prepared and submitted to the commission by the corporation and by the~~
265 ~~authority."~~

266 **SECTION 2-14.**

267 Said title is further amended by repealing and reserving Code Section 20-3-312, relating to
268 definitions relative to the Georgia Student Finance Authority.

269 **SECTION 2-15.**

270 Said title is further amended by revising paragraphs (2), (5), and (6) of subsection (a) of Code
 271 Section 20-3-316, relating to powers and duties of authority, employees' functions, servicing
 272 of educational loans, registration with Selective Service System, conflicts with federal or
 273 other state law, and confidentiality, as follows:

274 "(2) Employees of the authority may perform management, supervisory, administrative,
 275 and clerical functions required by the commission ~~and the corporation~~, and the authority
 276 will be compensated for such expenses as directed by the board of commissioners;"

277 ~~"(5) If any conflict exists between this part and Part 2 of this article, the federal act, or~~
 278 ~~other federal laws, or any rules or regulations promulgated under the federal act, which~~
 279 ~~conflict will result in a loss by the authority of any federal funds or other funds that~~
 280 ~~would otherwise be available to it for carrying out its purposes under this part, the~~
 281 ~~authority is authorized and directed to adopt appropriate rules, regulations, and policies,~~
 282 ~~consistent with Part 2 of this article, the federal act, or such other federal laws to remove~~
 283 ~~such conflict and thereby to provide for the receipt of such funds; provided, however, that~~
 284 ~~such rules, regulations, or policies are not in derogation of the Constitution or laws of this~~
 285 ~~state, other than this part, or any contract to which the authority is a party and are wholly~~
 286 ~~in conformity with the purposes of the authority as set forth in this part Reserved; and~~
 287 (6) To the extent that this part is inconsistent with any other state general or special law,
 288 rule, or regulation, ~~other than Part 2 of this article~~, this part shall be controlling."

289 **SECTION 2-16.**

290 Said title is further amended by revising Code Section 20-3-317, relating to accounting
 291 system, use of funds, and payments to commission, as follows:

292 "20-3-317.

293 The authority shall maintain a system of accounts in accordance with generally accepted
 294 accounting procedures and standard accounting procedures and systems established by the

295 state, where applicable, which shall, among other things, properly identify and account for
296 all funds received by the authority, the source of such funds, and all expenditures of the
297 authority. Agency, federal, and other funds of the authority determined to be available for
298 such purposes may be used to pay expenses and operating costs incurred by the authority
299 ~~or incurred by the corporation under Part 3 of this article~~ under this part, including payment
300 to the commission to defray expenses and operating costs of the authority ~~or of the~~
301 ~~corporation~~ paid or to be paid by the commission for or on behalf of the authority ~~or the~~
302 ~~corporation~~. No funds of the authority shall lapse to the state as of the close of any fiscal
303 year."

304 **SECTION 2-17.**

305 Said title is further amended by revising Code Section 20-3-318, relating to authority
306 administration fund, as follows:

307 "20-3-318.

308 The authority shall maintain an administration fund ~~for itself and of the corporation~~ as
309 provided for in this Code section to which shall be credited state moneys, federal moneys,
310 other moneys, and earned income of the authority available for and determined by the
311 authority to be applied for the purpose of paying administration costs of the authority. The
312 authority is authorized to pay from the fund administration costs incurred by the authority
313 and to pay to the commission such amounts as may be necessary to cover administration
314 costs of the authority paid or to be paid by the commission for or on behalf of the authority.
315 ~~Unless otherwise prohibited by state or federal law or by the terms of any trust agreement~~
316 ~~entered into or resolution providing for the issuance of obligations pursuant to Subpart 2~~
317 ~~of this part or by the terms of any other agreement entered into by the authority, the~~
318 ~~authority is authorized to pay from the fund administration costs incurred by the~~
319 ~~corporation and pay to the commission such amounts as may be necessary to cover~~

320 ~~administration costs of the corporation paid or to be paid by the commission for or on~~
321 ~~behalf of the corporation."~~

322 **SECTION 2-18.**

323 Said title is further amended by repealing and reserving Code Section 20-3-319, relating to
324 temporary transfer of authority state funds to corporation to accelerate federal payments.

325 **SECTION 2-19.**

326 Said title is further amended by revising Code Section 20-3-340, relating to legislative
327 findings and purpose of subpart relative to educational loans financed by revenue bonds, as
328 follows:

329 "20-3-340.

330 The General Assembly finds that students and parents are not always able to obtain
331 educational loan assistance from a commercial lender ~~under the Georgia Higher Education~~
332 ~~Loan Program provided for in Part 2 of this article~~; that a need exists to make additional
333 educational loan funds available to students and parents; and that a need exists to provide
334 for secondary financing and servicing of educational loans made by other lenders ~~in order~~
335 ~~to enable such lenders to maintain or expand their participation in the Georgia Higher~~
336 ~~Education Loan Program~~. The purpose of the General Assembly, as provided for in this
337 subpart, is to enable the authority to make additional educational loan funds available for
338 students and parents and to make secondary financing and servicing of educational loans
339 available to other commercial lenders."

340 **SECTION 2-20.**

341 Said title is further amended by repealing and reserving Code Section 20-3-341, relating to
342 definitions relative to educational loans financed by revenue bonds.

343 **SECTION 2-21.**

344 Said title is further amended by revising subsection (a) and paragraph (3) of subsection (b)
345 of Code Section 20-3-342, relating to educational loan program activities authorized and
346 powers and duties of authority, as follows:

347 ~~"(a) The authority is authorized to be a lender in the Georgia Higher Education Loan~~
348 ~~Program as provided for in Part 2 of this article and to establish and administer educational~~
349 ~~loan program activities for the benefit of students and parents and other lenders who~~
350 ~~participate in the Georgia Higher Education Loan Program pursuant to this subpart~~
351 ~~Reserved."~~

352 "(3) To sell or participate in the sale of educational loans, ~~in conformity with the federal~~
353 ~~act and Part 2 of this article~~, any such sale to be public or private and on such terms as
354 the board of directors shall authorize; and to contract in advance for any such sale or to
355 purchase and retain rights to make any such sale and to pay commitment fees or any other
356 amounts payable in respect of such rights;"

357 **SECTION 2-22.**

358 Said title is further amended by revising subsection (b) of Code Section 20-3-344, relating
359 to issuance of bonds and notes of authority, amount, interest, form, execution, use of
360 proceeds, and validation, as follows:

361 "(b) The proceeds of any bonds or notes issued by the authority shall be used solely for the
362 purpose for which issued and shall be disbursed in such manner and under such restrictions,
363 if any, as the authority may provide in a resolution authorizing the issuance of such bonds
364 or notes or in a trust agreement securing such bonds or notes. No such bond proceeds may
365 be expended for the making or the purchase of any loan unless such loan is an educational
366 loan ~~as defined in paragraph (13) of Code Section 20-3-312."~~

367

SECTION 2-23.

368 Said title is further amended by revising Code Section 20-3-345, relating to trust agreements
369 authorized and provisions of trust agreements and bond resolutions, as follows:

370 "20-3-345.

371 In the discretion of the authority, any obligation issued under this subpart may be secured
372 by a trust agreement by and between the authority and a corporate trustee, which may be
373 any trust company or bank having the powers of a trust company within or outside the
374 state. Such trust agreement or the resolution providing for the issuance of such obligations
375 may pledge or assign all or any part of the revenues or assets of the authority derived or
376 held by the authority under and pursuant to this subpart, including, without limitation, as
377 they relate to this subpart: educational loans; educational loan commitments; temporary
378 loans; contracts; agreements; other security or investment obligations, fees, or charges
379 made or received; moneys received for the sale of or in payment of educational loans and
380 interest thereon, including the proceeds of guaranties thereon; and any other moneys that
381 may be received, held, or due to be received by the authority from the United States, ~~the~~
382 ~~corporation~~, or any other person as a result of the activities and operations of the authority
383 under this subpart. The educational loans which are, or the revenues from which are,
384 included within any such pledge may include, at the discretion of the authority and to the
385 extent specified in such resolution or trust indenture and in accordance with all other
386 resolutions, indentures, contracts of the authority and in accordance with law, educational
387 loans financed by the authority with funds available to it pursuant to Subpart 3 of this part.
388 Such trust agreement or resolution may contain such provisions for protecting and
389 enforcing the rights and remedies of the holders of any such obligations as may be
390 reasonable, proper, and not in violation of law, including covenants setting forth the duties
391 of the authority in relation to the purposes to which obligation proceeds may be applied;
392 the disposition or pledging of revenues or assets of the authority under this subpart; the
393 terms and conditions for the issuance of additional obligations; and the custody,

394 safeguarding, and application of moneys and assets of the authority under this subpart. It
395 shall be lawful for any bank or trust company incorporated under the laws of the state
396 which may act as depository of the proceeds of obligations, revenues, or other moneys
397 under this subpart to furnish such indemnifying bonds or to pledge such securities as may
398 be required by the authority. Any such trust agreement or resolution may set forth the
399 rights and remedies of the holders of the obligations to which it relates and the rights and
400 remedies of the trustee, if any, and may restrict the individual right of action by any such
401 holders. In addition to the foregoing, any such trust agreement or resolution may contain
402 such other provisions as the authority may deem reasonable and proper for the security of
403 the holders of any obligations. All expenses incurred in carrying out such trust agreement
404 or resolution may be paid from the revenues or assets pledged or assigned to the payment
405 of the principal of and the interest on obligations or from any other funds available to the
406 authority for this purpose."

407 **SECTION 2-24.**

408 Said title is further amended by revising Code Section 20-3-370, relating to legislative
409 findings and purpose of subpart relative to educational loans financed by state funds, as
410 follows:

411 "20-3-370.

412 The General Assembly finds that students and parents are not always able to obtain
413 educational loan assistance from a commercial lender ~~under the Georgia Higher Education~~
414 ~~Loan Program provided for in Part 2 of this article~~; that a need exists to make additional
415 educational loan funds available to students and parents; and that shortages exist within the
416 state in the supply of trained personnel in certain paramedical and other professional and
417 educational fields and other areas, which might possibly be alleviated by providing
418 educational loan assistance to students in those fields and areas together with an option
419 whereby such students can repay such educational loans through services rendered in lieu

420 of cash repayment. The purpose of the General Assembly, as provided for in this subpart,
421 is to enable the authority to make additional educational loans to students and parents and
422 to make service cancelable loans to students in certain fields of study and other areas as
423 provided in this subpart."

424 **SECTION 2-25.**

425 Said title is further amended by repealing and reserving Code Section 20-3-371, relating to
426 definitions relative to educational loans financed by state funds.

427 **SECTION 2-26.**

428 Said title is further amended by revising Code Section 20-3-372, relating to state funded
429 educational loan program authorized and powers of authority, as follows:

430 "20-3-372.

431 The authority is authorized ~~to be a lender in the Georgia Higher Education Loan Program,~~
432 ~~as provided for in Part 2 of this article,~~ and to establish and administer a state direct
433 educational loan program pursuant to this subpart. The authority is authorized to prescribe
434 all rules, regulations, policies, and procedures necessary or convenient for the
435 administration of the program and all terms and conditions applicable to loans made under
436 this subpart; provided, however, that they shall conform with this subpart ~~and with Part 2~~
437 ~~of this article in order that such loans shall be guaranteed by the corporation."~~

438 **SECTION 2-27.**

439 Said title is further amended by revising paragraph (4) and the undesignated text of
440 subsection (a) of Code Section 20-3-373, relating to general loan fund, as follows:

441 "(4) Principal collected on all educational loans held by the authority under this subpart;
442 ~~including the principal portion of payments received from the corporation in discharge~~
443 ~~of its guaranty liability on such loans; and"~~

444 "The authority is authorized to use moneys available in the fund to make guaranteed
445 educational loans to eligible students and parents in accordance with its rules and
446 regulations ~~and Part 2 of this article~~. The authority is further authorized, under such limited
447 circumstances as it may prescribe, to use moneys available in the fund to purchase
448 guaranteed educational loans made by other lenders ~~under Part 2 of this article~~ and to sell
449 guaranteed educational loans made or owned by the authority to eligible lenders."

450 **SECTION 2-28.**

451 Said title is further amended by revising subsection (e) of Code Section 20-3-374, relating
452 to service cancelable loan fund and authorized types of service cancelable educational loans,
453 as follows:

454 ~~"(e) If the corporation, pursuant to Code Section 20-3-273, pays or has paid interest to the~~
455 ~~authority on a service cancelable loan made under this Code section, and if the borrower~~
456 ~~repays all or a portion of the loan through services rendered as provided for in this Code~~
457 ~~section, then the authority shall, in accordance with its regulations and in consideration of~~
458 ~~the services rendered by the borrower, repay to the corporation on behalf of the borrower~~
459 ~~all or a portion of the interest paid to the authority by the corporation under Code Section~~
460 ~~20-3-273. To the extent that this subsection does not apply to all service cancelable loans~~
461 ~~made to a borrower pursuant to this Code section, the authority is authorized, for purposes~~
462 ~~of this subsection, to consider the loans made that are the subject of this subsection as being~~
463 ~~the earlier loans made to the borrower."~~

464 **SECTION 2-29.**

465 Said title is further amended by revising Code Section 20-3-470, relating to regents'
466 opportunity assistance program for graduate and professional degree students authorized, as
467 follows:

468 "20-3-470.
469 The authority is authorized to establish and administer a program of scholarships, grants,
470 or cancelable loans to economically disadvantaged students who are residents of Georgia
471 enrolled in a graduate or professional degree program in a branch of the university system.
472 The eligibility of students and the criteria for the award of such financial aid shall be
473 determined by the board of regents. Such assistance may be awarded to the extent that
474 funds are provided therefor in the annual appropriations Act of the General Assembly. ~~In~~
475 ~~the event such assistance shall be provided in the form of cancelable loans, such loans shall~~
476 ~~be guaranteed by the corporation.~~ As used in this Code section, the term 'resident of
477 Georgia' shall mean any person classified by the board of regents as a resident of Georgia
478 for tuition and matriculation fee purposes."

479 **SECTION 2-30.**

480 Said title is further amended by revising subsection (f) of Code Section 20-3-476, relating
481 to authorization and administration of loan program for attendance at colleges of osteopathic
482 medicine, as follows:

483 ~~"(f) If a loan applicant under this subpart is eligible to receive a guaranteed education loan~~
484 ~~in accordance with the provisions of Part 2 of this article and the federal act, the authority~~
485 ~~is authorized in its discretion to lend all or a portion of the loan amount approved for the~~
486 ~~applicant under this subpart to the applicant as a guaranteed educational loan pursuant to~~
487 ~~Part 2 of this article and the federal act. In such cases, the provisions of Part 2 of this~~
488 ~~article and the federal act shall govern all terms and conditions of the loan; provided,~~
489 ~~however, that the right of the recipient to repay such loan through services rendered to the~~
490 ~~state as provided for in this subpart shall not be diminished. Reserved."~~

491 **SECTION 2-31.**

492 Title 26 of the Official Code of Georgia Annotated, relating to food, drugs, and cosmetics,
493 is amended by revising subsection (k) of Code Section 26-4-60, relating to grounds for
494 suspension, revocation, or refusal to grant licenses relative to pharmacists and pharmacies,
495 as follows:

496 "(k) The board shall not have the power to suspend any license issued under Article 3 of
497 this chapter because such holder ~~is a borrower in default who is not in satisfactory~~
498 ~~repayment status under the Georgia Higher Education Loan Program as determined by the~~
499 ~~Georgia Higher Education Assistance Corporation~~ or who has been certified by any entity
500 of the federal government for nonpayment or default or breach of a repayment or service
501 obligation under any federal educational loan, loan repayment, or service conditional
502 scholarship program. The board shall also not have the power to deny the application for
503 issuance or renewal of a license under Article 3 of this chapter because such applicant is
504 ~~a borrower in default under the Georgia Higher Education Loan Program as determined by~~
505 ~~the Georgia Higher Education Assistance Corporation~~ or has been certified by any entity
506 of the federal government for nonpayment or default or breach of a repayment or service
507 obligation under any federal educational loan, loan repayment, or service conditional
508 scholarship program."

509 **SECTION 2-32.**

510 Title 33 of the Official Code of Georgia Annotated, relating to insurance, is amended by
511 repealing and reserving Code Section 33-11-19, relating to loans guaranteed by Georgia
512 Higher Education Assistance Corporation.

513 **SECTION 2-33.**

514 Said title is further amended by revising paragraph (11) of subsection (a) of Code Section
515 33-11-55, relating to investments eligible for support of outstanding liabilities, as follows:

516 ~~"(11) Loans guaranteed as to principal and interest by the Georgia Higher Education~~
 517 ~~Assistance Corporation, to the extent of such guaranty Reserved;"~~

518 **SECTION 2-34.**

519 Said title is further amended by revising Code Section 33-23-21.1, relating to licensing for
 520 educational borrowers in default, as follows:

521 "33-23-21.1.

522 The Commissioner shall not refuse to issue nor suspend or revoke a license of an applicant
 523 for or holder of a license because he or she ~~is a borrower in default under the Georgia~~
 524 ~~Higher Education Loan Program as determined by the Georgia Higher Education~~
 525 ~~Assistance Corporation~~ or has been certified by any entity of the federal government for
 526 nonpayment or default or breach of a repayment or service obligation under any federal
 527 educational loan, loan repayment, or service conditional scholarship program."

528 **SECTION 2-35.**

529 Title 43 of the Official Code of Georgia Annotated, relating to professions and businesses,
 530 is amended by revising Code Section 43-1-29, relating to suspension of license for
 531 nonpayment of student loans prohibited, as follows:

532 "43-1-29.

533 A professional licensing board shall not suspend the license of a person licensed by that
 534 board because he or she ~~is a borrower in default under the Georgia Higher Education Loan~~
 535 ~~Program as determined by the Georgia Higher Education Assistance Corporation~~ or
 536 ~~because he or she~~ has been certified by any entity of the federal government for
 537 nonpayment or default or breach of a repayment or service obligation under any federal
 538 educational loan, loan repayment, or service conditional scholarship program."

539 **SECTION 2-36.**

540 Said title is further amended by revising subsection (b) of Code Section 43-3-27, relating to
541 notification of conviction, time limit, and suspension relative to accountants, as follows:

542 ~~"(b) The board may not suspend the license of an individual because he or she is a~~
543 ~~borrower in default under the Georgia Higher Education Loan Program as determined by~~
544 ~~the Georgia Higher Education Assistance Corporation or has been certified by any entity~~
545 ~~of the federal government for nonpayment or default or breach of a repayment or service~~
546 ~~obligation under any federal educational loan, loan repayment, or service conditional~~
547 ~~scholarship program."~~

548 **SECTION 2-37.**

549 Said title is further amended by revising subsection (a.1) of Code Section 43-20A-16,
550 relating to cause for disciplinary actions and disciplinary order a final order relative to the
551 regulation of private immigration assistance services, as follows:

552 ~~"(a.1) The Secretary of State shall not order the discipline, denial, suspension, or~~
553 ~~revocation of a license issued pursuant to this chapter because a person has been found by~~
554 ~~the Georgia Higher Education Assistance Corporation to be a borrower in default who is~~
555 ~~not in satisfactory repayment status as defined in Code Section 20-3-295."~~

556 **SECTION 2-38.**

557 Said title is further amended by revising subsection (b.1) of Code Section 43-34-8, relating
558 to authority to refuse license, certificate, or permit or issue discipline, suspension, restoration,
559 investigations, hearings on fitness, immunity, and publication of final disciplinary actions
560 relative to the Georgia Composite Medical Board, as follows:

561 ~~"(b.1) The board shall not suspend the license, certificate, or permit of a person licensed~~
562 ~~by the board because he or she is a borrower in default who is not in satisfactory repayment~~
563 ~~status under the Georgia Higher Education Loan Program as determined by the Georgia~~

564 ~~Higher Education Assistance Corporation or who~~ has been certified by any entity of the
565 federal government for nonpayment or default or breach of a repayment or service
566 obligation under any federal education loan, loan repayment, or service conditional
567 scholarship program."

568 **SECTION 2-39.**

569 Said title is further amended by revising subsection (k) of Code Section 43-39A-14, relating
570 to required conduct of applicants, grounds for refusal of classification, imposition of
571 sanctions, and suspension or revocation of classification relative to real estate appraisers, as
572 follows:

573 "(k) Where an applicant or licensee ~~has been found to be a borrower in default who is not~~
574 ~~in satisfactory repayment status under the Georgia Higher Education Loan Program as~~
575 ~~determined by the Georgia Higher Education Assistance Corporation or who~~ has been
576 certified by any entity of the federal government for nonpayment or default or breach of
577 a repayment or service obligation under any federal educational loan, loan repayment, or
578 service conditional scholarship program, such finding shall not be grounds for refusal of
579 a license or suspension of a license."

580 **SECTION 2-40.**

581 Said title is further amended by revising subsection (l) of Code Section 43-40-15, relating
582 to grant of licenses, grounds for suspension or revocation of license, other sanctions,
583 surrender or lapse, and conviction relative to real estate brokers and salespersons, as follows:

584 "(l) Where an applicant or licensee ~~has been found to be a borrower in default who is not~~
585 ~~in satisfactory repayment status under the Georgia Higher Education Loan Program as~~
586 ~~determined by the Georgia Higher Education Assistance Corporation or who~~ has been
587 certified by any entity of the federal government for nonpayment or default or breach of
588 a repayment or service obligation under any federal educational loan, loan repayment, or

589 service conditional scholarship program, such finding shall not be grounds for refusal of
590 a license or suspension of a license."

591 **SECTION 2-41.**

592 Title 48 of the Official Code of Georgia Annotated, relating to revenue and taxation, is
593 amended by revising subparagraph (C) of paragraph (1) of 48-7-161, relating to definitions
594 relative to setoff debt collection, as follows:

595 ~~"(C) The Georgia Higher Education Assistance Corporation with respect to the~~
596 ~~collection of debts arising under Part 2 of Article 7 of Chapter 3 of Title 20~~ Reserved;"

597 **PART III**

598 **SECTION 3-1.**

599 This Act shall become effective on June 30, 2024.

600 **SECTION 3-2.**

601 All laws and parts of laws in conflict with this Act are repealed.