

The House Committee on Higher Education offers the following substitute to SB 155:

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 change the membership of the Georgia
3 Higher Education Assistance Corporation to accommodate the Fourteenth Congressional
4 District; to change the membership of the Georgia Student Finance Authority; to provide that
5 the Georgia Student Finance Authority shall be authorized to solicit funds for its purposes;
6 to provide that the Georgia Student Finance Authority shall be authorized to incorporate one
7 or more nonprofit corporations for carrying out the purposes of the authority; to provide an
8 effective date; to repeal conflicting laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 style="text-align:center">**SECTION 1.**

11 Article 7 of Chapter 3 of Title 20 of the Official Code of Georgia Annotated, relating to
12 scholarships, loans, and grants, is amended by revising subsection (a) of Code Section
13 20-3-264, relating to functions, composition, organization, and conduct of affairs of the board
14 of directors of the Georgia Higher Education Assistance Corporation, as follows:

15 "(a) **Functions and composition.** The corporation shall be governed and all of its
16 corporate powers, duties, and functions shall be exercised by a board of directors. The
17 board of directors shall be composed of ~~13~~ 14 members, who shall be the same persons
18 who are serving and who shall serve as members of the board of commissioners of the
19 commission pursuant to Code Section 20-3-234. The executive director of the corporation,
20 or president, if designated by such title by the board of directors, shall be an ex officio
21 member of the board of directors. The board of directors provided for by this subsection
22 shall be the successor to and a continuation of, without interruption, the board of directors
23 of the previously existing Georgia Higher Education Assistance Corporation. No director
24 shall be eligible to become an officer or employee of the corporation for a period of one
25 year after expiration of the director's period of service as a director of the corporation."

26 **SECTION 2.**

27 Said article is further amended by revising subsection (a) of Code Section 20-3-314, relating
 28 to functions, composition, organization, and conduct of affairs of the board of directors of
 29 the Georgia Student Finance Authority, as follows:

30 "(a) **Functions and composition.** The authority shall be governed and all of its corporate
 31 powers, duties, and functions shall be exercised by a board of directors. The board of
 32 directors shall be composed of ~~13~~ 14 members, who shall be the same persons who are
 33 serving and who shall serve as members of the board of commissioners of the commission
 34 pursuant to Code Section 20-3-234. The executive director of the authority, or president,
 35 if designated by such title by the board of directors, shall be an ex officio member of the
 36 board of directors. The board of directors provided for by this subsection shall be the
 37 successor to and a continuation of, without interruption, the board of directors of the
 38 previously existing Georgia Higher Education Assistance Authority. No director shall be
 39 eligible to become an officer or employee of the authority for a period of one year after
 40 expiration of the director's period of service as a director of the authority."

41 **SECTION 3.**

42 Said article is further amended by revising subparagraph (O) of paragraph (1) of Code
 43 Section 20-3-316, relating to the powers and duties of the Georgia Student Finance
 44 Authority, as follows:

45 "(O) To solicit, receive, and accept funds from any source, public or private, by gift,
 46 grant, bequest, loan, or otherwise, either absolutely or in trust, and to hold, use,
 47 administer, and expend such funds on its behalf and for any of its corporate purposes;
 48 and to acquire from any source, public or private, by purchase, lease, gift, bequest, or
 49 devise, any property, real, personal, or mixed, either absolutely or in trust, and to hold,
 50 use, administer, and dispose of such property on its behalf and for any of its corporate
 51 purposes;"

52 **SECTION 4.**

53 Said article is further amended by revising paragraph (1) of Code Section 20-3-316, relating
 54 to powers and duties of the Georgia Student Finance Authority, by deleting "and" at the end
 55 of division (1)(W)(iv) and adding a new paragraph to read as follows:

56 "(Y) To incorporate one or more nonprofit corporations to aid the authority in carrying
 57 out any of its powers, duties, and functions. Any such nonprofit corporation created
 58 pursuant to this subparagraph shall be a body corporate and politic and shall be created
 59 pursuant to Chapter 3 of Title 14, the 'Georgia Nonprofit Corporation Code,' and the
 60 Secretary of State shall be authorized to accept such filing. Upon dissolution of any

61 such nonprofit corporation, any assets shall revert to the authority or to any successor
62 to the authority or, failing such succession, to the State of Georgia. The authority shall
63 not be liable for the debts, obligations, or bonds of any such nonprofit corporation or
64 for the actions or omissions to act of any such nonprofit corporation unless the authority
65 expressly so consents;"

66 **SECTION 5.**

67 This Act shall become effective upon its approval by the Governor or upon its becoming law
68 without such approval.

69 **SECTION 6.**

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