

House Bill 985

By: Representatives Martin of the 49th and Gambill of the 15th

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.

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SECTION 1-2.

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

"(d) As of June 30, 2024:

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

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

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

PART II**SECTION 2-1.**

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

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

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

SECTION 2-2.

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

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

SECTION 2-3.

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

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

SECTION 2-4.

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

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

SECTION 2-5.

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

"12-6-49.2.

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

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

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

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

(4) ~~'Satisfactory repayment status' means the borrower has agreed to repay the defaulted loan to the agency and has made a payment in the most recent prior 60 days.~~

~~(b)~~(a) The board shall not suspend the license of any registered forester because he or she is a borrower in default who is not in satisfactory repayment status as determined by the agency or who has been certified by any entity of the federal government for nonpayment or default or breach of a repayment or service obligation under any federal educational loan, loan repayment, or service conditional scholarship program.

~~(c)~~(b) The board shall not deny the application for renewal of any applicant or licensee because he or she is a borrower in default who is not in satisfactory repayment status as determined by the agency or who has been certified by any entity of the federal government for nonpayment or default or breach of a repayment or service obligation under any federal educational loan, loan repayment, or service conditional scholarship program."

SECTION 2-6.

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

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

SECTION 2-7.

Said title is further amended by revising subsection (a) of Code Section 20-3-231, relating to legislative findings and purpose of the Georgia Student Finance Commission, as follows:

"(a) **Legislative findings.** ~~The General Assembly has determined that it is a valid public purpose to promote the educational level of achievement of citizens and persons in this state by creating the Georgia Higher Education Assistance Corporation, a public authority, as provided for in Part 2 of this article, for the purpose of establishing and administering an educational loan program in this state in such a manner as not to pledge the faith and credit of the state to the payment of such educational loans as may be guaranteed by the corporation.~~ The General Assembly has determined that it is a valid public purpose to promote further the educational level of achievement of citizens and persons in this state by creating the Georgia Student Finance Authority, a public authority, as provided for in Part 3 of this article, for the purpose of providing educational scholarship, grant, and loan assistance to citizens and persons in this state, in large part by educational loans to be funded through the issuance of revenue bonds and other obligations by the authority in such a manner as not to pledge the faith and credit of the state to the payment of such bonds and obligations and to use further such bond funds to provide a form of secondary market for lenders in further support of the educational loan program of the state. The General Assembly finds that it is desirable and cost efficient and will permit greater coordination of state student aid programs; maximum utilization of available student aid funds; simplification of procedures for students, parents, and educational institutions; and possible prevention of frauds and abuses, and thereby better serve the public interests of the state if a maximum degree of centralization in the management and administration of the functions of ~~the corporation~~ and the authority is provided for; and, further, that although public moneys may within the provisions of the Constitution of Georgia be appropriated for use ~~by the corporation~~ and by the authority for prescribed student aid purposes, such moneys may not be lawfully appropriated directly to ~~the corporation nor~~ the authority but

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

SECTION 2-8.

Said title is further amended by repealing paragraph (4) of Code Section 20-3-232, relating to definitions relative to the Georgia Student Finance Commission.

SECTION 2-9.

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

"(5) **Legal services.** Legal services shall be provided to the commission; ~~the corporation;~~ and the authority by the Attorney General as provided for by state law, or by private attorneys designated by the Attorney General, or, if authorized by the Attorney General, by private attorneys selected and retained or employed by the commission; ~~the corporation;~~ or the authority for the purposes authorized by the Attorney General. The commission is authorized to provide for paying from funds available to the commission; ~~the corporation;~~ or the authority all legal costs incurred, including, without limitation, attorneys' fees, court costs, and all other costs and expenses incurred incident to the retention of legal services and in respect of legal proceedings."

SECTION 2-10.

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

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

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

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

~~(3)~~(2) The officers of the commission shall serve in the same capacity as officers of the ~~corporation and~~ as officers of the authority, ~~respectively~~, pursuant to this paragraph and ~~Parts 2 and~~ Part 3 of this article, ~~respectively~~. Nothing contained in this part, however, shall be construed to mean or require that ~~the officers of the board of directors of the corporation and the officers of the board of directors of the authority shall be the same persons or that they~~ shall be the same persons who are serving as officers of the board of commissioners under this part;

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

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

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

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

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

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

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

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

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

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

(G) To enter into agreements with the United States government for the purpose of securing the benefits of any federal law which provides federal funds for any student financial aid purpose or for any activity related to student financial aid, including, without limitation, activities such as research activities, the collection and reporting of data, the administration of any activity related to student financial aid, and dissemination of information and services to the public; to comply with the provisions

of such federal law; to adopt such rules, regulations, resolutions, and procedures as may be necessary to secure such federal funds; and to provide matching funds as may be required from funds available to the commission;

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

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

SECTION 2-11.

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

SECTION 2-12.

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

"20-3-238.

The commission shall maintain a system of accounts in accordance with generally acceptable accounting procedures and standard accounting procedures and systems established by the state, where applicable, which shall, among other things, properly identify and account for all funds received by the commission ~~from the corporation and~~

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

254 **SECTION 2-13.**

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

257 "20-3-240.

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

264 **SECTION 2-14.**

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

SECTION 2-15.

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

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

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

SECTION 2-16.

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

"20-3-317.

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

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

SECTION 2-17.

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

"20-3-318.

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

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

320 **SECTION 2-18.**

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

323 **SECTION 2-19.**

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

327 "20-3-340.

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

338 **SECTION 2-20.**

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

SECTION 2-21.

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

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

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

SECTION 2-22.

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

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

SECTION 2-23.

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

"20-3-345.

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

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

SECTION 2-24.

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

"20-3-370.

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

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

422 **SECTION 2-25.**

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

425 **SECTION 2-26.**

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

428 "20-3-372.

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

436 **SECTION 2-27.**

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

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

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

SECTION 2-28.

Said title is further amended by repealing subsection (e) of Code Section 20-3-374, relating to service cancelable loan fund and authorized types of service cancelable educational loans.

SECTION 2-29.

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

"20-3-470.

The authority is authorized to establish and administer a program of scholarships, grants, or cancelable loans to economically disadvantaged students who are residents of Georgia enrolled in a graduate or professional degree program in a branch of the university system.

The eligibility of students and the criteria for the award of such financial aid shall be determined by the board of regents. Such assistance may be awarded to the extent that funds are provided therefor in the annual appropriations Act of the General Assembly. ~~In the event such assistance shall be provided in the form of cancelable loans, such loans shall be guaranteed by the corporation.~~ As used in this Code section, the term 'resident of Georgia' shall mean any person classified by the board of regents as a resident of Georgia for tuition and matriculation fee purposes."

SECTION 2-30.

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

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

SECTION 2-31.

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

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

492 ~~the Georgia Higher Education Assistance Corporation~~ or has been certified by any entity
493 of the federal government for nonpayment or default or breach of a repayment or service
494 obligation under any federal educational loan, loan repayment, or service conditional
495 scholarship program."

496 **SECTION 2-32.**

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

500 **SECTION 2-33.**

501 Said title is further amended by revising paragraph (11) of subsection (a) of Code Section
502 33-11-55, relating to investments eligible for support of outstanding liabilities, as follows:

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

505 **SECTION 2-34.**

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

508 "33-23-21.1.

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

515 **SECTION 2-35.**

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

519 "43-1-29.

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

526 **SECTION 2-36.**

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

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

535 **SECTION 2-37.**

536 Said title is further amended by repealing subsection (a.1) of Code Section 43-20A-16,
537 relating to cause for disciplinary actions and disciplinary order a final order relative to the
538 regulation of private immigration assistance services.

SECTION 2-38.

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

"(b.1) The board shall not suspend the license, certificate, or permit of a person licensed by the board because he or she is ~~a borrower in default who is not in satisfactory repayment status under the Georgia Higher Education Loan Program as determined by the Georgia Higher Education Assistance Corporation~~ or who has been certified by any entity of the federal government for nonpayment or default or breach of a repayment or service obligation under any federal education loan, loan repayment, or service conditional scholarship program."

SECTION 2-39.

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

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

SECTION 2-40.

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

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

SECTION 2-41.

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

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

PART III**SECTION 3-1.**

This Act shall become effective on June 30, 2024.

SECTION 3-2.

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