

HOUSE BILL No. 6346

July 23, 2008, Introduced by Reps. LaJoy, DeRoche, Palmer, Agema, Stahl, Schuitmaker, Elsenheimer, Moolenaar, Pearce and Stakoe and referred to the Committee on Education.

A bill to amend 1960 PA 77, entitled

"An act to create the Michigan higher education assistance authority and to prescribe its powers and duties; to authorize persons, corporations, and associations to make gifts to the authority; to prescribe the powers and duties of certain state officials; to authorize, ratify, and confirm certain guarantees of students' loans and authorize reguarantees; to authorize, ratify, and confirm certain guarantees of loans made to parents of students; to validate certain prior appropriations; and to authorize the transfer of certain appropriations to be transferred to and administered by the authority,"

by amending section 7 (MCL 390.957), as amended by 1990 PA 117.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7. (1) The authority may:

2 (a) Guarantee 100% of the principal and interest of a loan of
3 money, upon the terms and conditions as it prescribes, to a person
4 attending or accepted to attend an eligible postsecondary
5 educational institution to assist the person in meeting his or her
6 expenses of postsecondary education incurred in any academic year
7 or to a parent of a person who meets the requirements for a loan as

1 determined by the authority.

2 (b) Take, hold, and administer real, personal, or mixed
3 property and money, or any interest in property or money, and the
4 income from the property, either absolutely or in trust, for a
5 purpose of this act. The authority may acquire property for this
6 purpose by purchase or lease and by the acceptance of gifts,
7 grants, bequests, devises, money, or loans. An obligation incurred
8 under this act shall not be a debt of the state.

9 (c) Enter into contracts with an eligible lender or with a
10 public or private postsecondary educational institution, upon the
11 terms as may be agreed upon between the authority and an
12 institution, to provide for the administration by an institution of
13 a loan, or guarantee of a loan, made by the authority, including
14 applications for a loan and repayment of a loan.

15 (d) Competitively contract for services, including consulting
16 services as needed to carry out the purposes of this act.

17 (e) Enter into an agreement with a group life insurance
18 carrier to insure each person receiving a guaranteed loan under the
19 program.

20 (f) Require a person receiving a guaranteed loan to remit a
21 fee which may include the payment of a group life insurance
22 premium.

23 (g) Receive state appropriations for the guaranty fund of the
24 loan program to be used to match deposits and to accept
25 contributions received by the authority for this purpose.

26 (h) Administer a state scholarship program according to the
27 law and rules promulgated by the authority.

1 (i) Administer an undergraduate scholar awards program
2 according to the law and rules promulgated by the authority.

3 (j) Receive funds from the federal government to assist in
4 implementing federally supported programs administered under this
5 act.

6 (k) Administer an incentive awards program according to rules
7 promulgated by the authority.

8 (2) THE AUTHORITY SHALL ESTABLISH A USER-FRIENDLY INTERNET
9 WEBSITE THAT SETS FORTH IN A CLEAR, UNDERSTANDABLE MANNER THE
10 FINANCIAL AID PROGRAMS AVAILABLE TO STATE STUDENTS APPLYING FOR
11 ADMISSION OR ATTENDING PUBLIC OR PRIVATE POSTSECONDARY EDUCATIONAL
12 INSTITUTIONS.