

SECOND REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 967
94TH GENERAL ASSEMBLY

Reported from the Committee on Education, February 28, 2008, with recommendation that the Senate Committee Substitute do pass.

4258S.02C

TERRY L. SPIELER, Secretary.

AN ACT

To repeal section 173.387, RSMo, and to enact in lieu thereof one new section relating to federally guaranteed student loans, with an emergency clause.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 173.387, RSMo, is repealed and one new section
2 enacted in lieu thereof, to be known as section 173.387, to read as follows:

173.387. The authority [shall not, under any circumstances,] **is hereby**
2 **authorized to** be the originator of any federally guaranteed student loan[,
3 except for consolidation of existing student loans, parent loans for undergraduate
4 students (PLUS), and upon designation by the commissioner as lender of last
5 resort]. **Provided, however, with respect to borrowers attending higher**
6 **education institutions in the state of Missouri, the authority's**
7 **origination of Stafford loans under the Federal Family Education Loan**
8 **Program shall not exceed ten percent of the previous year's total**
9 **Missouri Federal Family Education Loan Program volume as**
10 **determined by the Student Marketmeasure report, data from the United**
11 **States Department of Education, or other reputable sources.**

Section B. Because of the ongoing need for financial assistance for
2 students pursuing higher education, section A of this act is deemed necessary for
3 the immediate preservation of the public health, welfare, peace and safety, and
4 is hereby declared to be an emergency act within the meaning of the constitution,
5 and section A of this act shall be in full force and effect upon its passage and
6 approval.

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EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.