

## 1 SENATE BILL NO. 87

2 INTRODUCED BY F. MOORE

3 BY REQUEST OF THE EDUCATION AND LOCAL GOVERNMENT INTERIM COMMITTEE

4  
5 A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING THE STUDENT LOAN ADVISORY COUNCIL;  
6 AMENDING SECTIONS 20-26-103, 20-26-104, 20-26-201, AND 20-26-1101, MCA; REPEALING SECTIONS  
7 2-15-1520 AND 20-26-1104, MCA; AND PROVIDING AN EFFECTIVE DATE."  
8

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
10

11 **Section 1.** Section 20-26-103, MCA, is amended to read:

12 **"20-26-103. Definitions.** As used in parts 1 and 2, the following definitions apply:

13 (1) "Postsecondary institution" includes the units of the university system and any private postsecondary  
14 institution.

15 ~~(2) "Program advisory council" means the student loan advisory council created by 2-15-1520.~~

16 ~~———(3)(2)~~ "Resident student" means a person who was a resident of Montana prior to enrolling and who is  
17 attending a qualified postsecondary institution within Montana."  
18

19 **Section 2.** Section 20-26-104, MCA, is amended to read:

20 **"20-26-104. Resident student financial assistance program created.** There is a resident student  
21 financial assistance program administered by the commissioner of higher education ~~in consultation with the~~  
22 ~~program advisory council.~~"  
23

24 **Section 3.** Section 20-26-201, MCA, is amended to read:

25 **"20-26-201. Duties of commissioner of higher education relative to program.** ~~In consultation with~~  
26 ~~the program advisory council, the~~ The commissioner of higher education shall:

27 (1) adopt rules to administer the resident student financial assistance program, including the  
28 establishment of criteria for student eligibility which shall consider financial need;

29 (2) determine the amount of individual grants;

30 (3) establish procedures for fiscal control, fund accounting, and necessary reports; and

1 (4) apply for, receive, and administer federal and private ~~moneys~~ money."

2

3 **Section 4.** Section 20-26-1101, MCA, is amended to read:

4 **"20-26-1101. Definitions.** As used in this part, unless the context clearly indicates otherwise, the  
5 following definitions apply:

6 (1) "Agency" means the entity designated by the board to administer student loans.

7 (2) "Board" means the board of regents of higher education.

8 ~~(3) "Council" means the student loan advisory council established in 2-15-1520.~~

9 ~~————(4)(3)~~ "Delinquency" means the failure of a debtor to abide by the terms of payment on a promissory note  
10 or other obligation created in return for an educational student loan, which failure has existed for at least 6 months  
11 and has resulted in an arrearage equal to or greater than six monthly payments called for by the note or  
12 obligation.

13 ~~(5)(4)~~ "Eligible educational institution" means any institution approved by the United States secretary of  
14 education as eligible to participate in the student loan program pursuant to Title IV of the Higher Education Act  
15 of 1965, as amended.

16 ~~(6)(5)~~ "Eligible lender" means any lender as defined under Title IV of the Higher Education Act of 1965,  
17 as amended.

18 ~~(7)(6)~~ "License" means a license, certificate, registration, or authorization issued by an agency of the  
19 state of Montana granting a person a right or privilege to engage in a business, occupation, or profession or any  
20 other privilege that is subject to suspension, revocation, forfeiture, or termination by the licensing authority prior  
21 to its date of expiration.

22 ~~(8)(7)~~ "Licensing authority" means any department, division, board, agency, or instrumentality of this  
23 state that issues a license.

24 ~~(9)(8)~~ "Order suspending a license" means an order issued by the agency to suspend a license. The  
25 order must contain the name of the debtor, the type of license, and the social security number of the debtor.

26 ~~(10)(9)~~ "Payment plan" includes but is not limited to a plan approved by the agency that provides  
27 sufficient security to ensure compliance with Title IV of the Higher Education Act of 1965, as amended, and that  
28 incorporates voluntary or involuntary income withholding or a similar plan for periodic payment of the debt  
29 outstanding.

30 ~~(11)(10)~~ "Student loan program" means the program established by the board pursuant to this part."

1  
2 NEW SECTION. **Section 5. Repealer.** The following sections of the Montana Code Annotated are  
3 repealed:  
4 2-15-1520. Student loan advisory council -- terms -- compensation.  
5 20-26-1104. Student loan advisory council -- duties.

6  
7 NEW SECTION. **Section 6. Effective date.** [This act] is effective July 1, 2013.

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