

CHAPTER 64

H.B. No. 1026

An Act relating to the authority of the Texas Guaranteed Student Loan Corporation to act as a lender of last resort.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 57.41, Education Code, is amended by adding Subsection (c) to read as follows:

(c) The corporation shall, to the extent funds are available, make loans to eligible students, as a lender of last resort, under the following conditions:

(1) the borrower certifies and provides evidence to the corporation that he/she has made an application to at least two qualified lenders and was unable to obtain a guaranteed student loan from a commercial lender and is not aware of any eligible lender in this state that is willing to make a guaranteed student loan;

(2) the borrower also certifies to the corporation that he/she was unable to obtain a guaranteed student loan from the Coordinating Board, Texas College and University System;

(3) the corporation certifies that it is not aware of any eligible lender in this state that is willing to make a guaranteed student loan; and

(4) the corporation must, to the extent a market is available, sell loans made as last resort loans within a reasonable period of time of the date of loan origination. This provision will not apply to any loans that cannot be sold at par. The corporation shall maintain a separate file showing the name and address of the student receiving such a loan and the name and address of the involved educational institution.

SECTION 2. This Act takes effect on September 1, 1985.

SECTION 3. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force according to its terms, and it is so enacted.

Passed by the House on April 1, 1985, by a non-record vote; passed by the Senate on April 18, 1985, by the following vote: Yeas 31, Nays 0.

Approved: April 30, 1985

Effective: September 1, 1985