

1                                   A bill to be entitled  
 2           An act relating to educational loan marketing; creating s.  
 3           1009.9997, F.S.; creating the Educational Loan Marketing  
 4           Corporation of Florida to provide services as a secondary  
 5           student loan market; providing for a board of directors  
 6           and specifying membership; providing powers and duties of  
 7           the corporation; authorizing the corporation to borrow  
 8           through public bonds and private financial sources;  
 9           providing exemptions from taxation, procurement  
 10          procedures, and administrative procedures; providing an  
 11          effective date.

12  
 13 Be It Enacted by the Legislature of the State of Florida:

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 15           Section 1.   Section 1009.9997, Florida Statutes, is created  
 16           to read:

17           1009.9997 Educational Loan Marketing Corporation of  
 18           Florida.--

19           (1) There is created the Educational Loan Marketing  
 20           Corporation of Florida. The corporation is created pursuant to  
 21           chapter 617 as a not-for-profit entity separate from the state  
 22           to purchase, service, and otherwise provide access and service  
 23           as a secondary market for student loans in the state.

24           (2) The corporation shall be administered by an 11-member  
 25           board of directors composed of five members appointed by the  
 26           Governor, three members appointed by the President of the  
 27           Senate, and three members appointed by the Speaker of the House  
 28           of Representatives. The members shall be appointed through

29 collaboration by the appointing authorities and shall be  
30 confirmed by the Senate. The membership of the board of  
31 directors shall include:

32 (a) Two members who are representatives of lending  
33 institutions that originate student loans in the state and who  
34 have a favorable reputation for skill, knowledge, and experience  
35 in the field of higher education loan finance.

36 (b) Two members who are representatives of state  
37 universities.

38 (c) Two members who are representatives of community  
39 colleges.

40 (d) One member who represents technical schools that are  
41 eligible to receive student loans.

42 (e) One member who represents independent colleges and  
43 universities.

44 (f) Two members who are chosen from a list submitted by  
45 the Chief Financial Officer.

46 (g) One lay citizen who does not derive a majority of his  
47 or her income from education or an education-related field.

48  
49 All members of the board of directors, including the chair,  
50 shall be appointed to serve 3-year terms; however, for the  
51 purpose of providing staggered terms, of the initial  
52 appointments, three members shall be appointed to 1-year terms,  
53 three members shall be appointed to 2-year terms, and five  
54 members shall be appointed to 3-year terms.

55 (3)(a) The board of directors may employ or retain such  
56 persons as are necessary to perform the administrative and

57 financial transactions and responsibilities of the corporation  
 58 and to perform other necessary and proper functions not  
 59 prohibited by law.

60 (b) Members of the board of directors may be reimbursed  
 61 from moneys of the corporation for expenses incurred as members,  
 62 consistent with chapters 112 and 287, but may not otherwise be  
 63 compensated for their services.

64 (c) There shall be no liability on the part of, and no  
 65 cause of action of any nature shall arise against, agents or  
 66 employees of the corporation, members of the board of directors  
 67 of the corporation, or representatives of the state for any act  
 68 or omission of the board of directors in the performance of  
 69 their powers and duties under this section.

70 (d) Meetings of the board of directors are subject to the  
 71 provisions of s. 286.011.

72 (4) The board of directors shall adopt a plan of operation  
 73 and articles, bylaws, and operating rules.

74 (5) The corporation may:

75 (a) Sue or be sued.

76 (b) Borrow through public bonds pursuant to ss. 159.807  
 77 and 159.8083 and private finance sources in order to meet the  
 78 demands of the student loan servicing program.

79 (c) Exercise all powers granted the corporation under  
 80 chapter 617.

81 (6)(a) It is the intent of the Legislature that the tax  
 82 exemptions provided in this subsection will augment the  
 83 financial resources of the corporation to better enable the  
 84 corporation to fulfill its public purposes.

85           (b) The corporation shall not be considered a political  
 86 subdivision of the state, but shall be exempt from the corporate  
 87 income tax. The revenues of the corporation are funds received  
 88 for providing services as a secondary student loan market as  
 89 required by this section and for conducting all other activities  
 90 of the corporation and shall not be considered taxes, fees,  
 91 licenses, or charges for services imposed by the Legislature on  
 92 individuals, businesses, or agencies outside state government.  
 93 Bonds and other debt obligations issued by or on behalf of the  
 94 corporation are not to be considered state bonds within the  
 95 meaning set forth in s. 215.58(8). The corporation is not  
 96 subject to the procurement provisions of chapter 287, and  
 97 policies and decisions of the corporation relating to incurring  
 98 debt, loan procurement, and service under corporation policies,  
 99 and all services relating thereto, are not subject to the  
 100 provisions of chapter 120. Any bonds issued by the corporation,  
 101 their transfer, and the income therefrom, including any profit  
 102 made on the sale thereof, shall at all times be free from  
 103 taxation of every kind by the state and any political  
 104 subdivision or local unit or other instrumentality thereof.  
 105 However, this exemption does not apply to any tax imposed by  
 106 chapter 220 on interest, income, or profits on debt obligations  
 107 owned by corporations other than the Educational Loan Marketing  
 108 Corporation of Florida.

109           Section 2. This act shall take effect upon becoming a law.