

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 1968
93RD GENERAL ASSEMBLY

Reported from the Committee on Higher Education April 20, 2006 with recommendation that House Committee Substitute for House Bill No. 1968 Do Pass. Referred to the Committee on Rules pursuant to Rule 25(26)(f).

STEPHEN S. DAVIS, Chief Clerk

5551L.03C

AN ACT

To amend chapter 173, RSMo, by adding thereto one new section relating to the higher education loan authority.

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

Section A. Chapter 173, RSMo, is amended by adding thereto one new section, to be known as section 173.450, to read as follows:

173.450. Prior to any sale, transfer or liquidation of any asset, or agreement to sell, transfer, or liquidate any asset pursuant to a resolution adopted by the Missouri Higher Education Loan Authority on January 31, 2006, and readopted by the authority on March 10, 2006, the authority shall hire an independent firm to conduct an analysis of the financial and legal ramifications of the proposed sale. The financial analysis of the proposed sale shall include an actuarial analysis along with individualized findings as to the effect the proposed sale will have on the authority itself and the effect such sale will have on loan interest rates for current and future student borrowers. The legal analysis shall include findings as to the effect of the proposed sale on the status and securitization of taxable and tax-exempt bonds issued by the authority, the impact of the proposed sale on the holders of such taxable and tax-exempt bonds, and the legality of the use of funds generated from the sale of tax-exempt bonds for purposes other than those for which the bonds were issued.

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EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.