

**PROPOSED AMENDMENTS TO  
HOUSE BILL 4102**

1 On page 1 of the printed bill, delete lines 4 through 30 and delete page  
2 2 and insert:

3 **“SECTION 1. (1) As used in this section, ‘third-party financial**  
4 **firm’ means a company, business or other organization that contracts**  
5 **with public or private post-secondary institutions of education to pro-**  
6 **vide disbursement and management services of financial aid funds for**  
7 **students enrolled in the public or private post-secondary institutions**  
8 **of education.**

9 **“(2) A public or private post-secondary institution of education may**  
10 **not enter into a contract with a third-party financial firm to provide**  
11 **disbursement and management services of financial aid funds for stu-**  
12 **dents enrolled at the public or private post-secondary institution of**  
13 **education, unless the contract:**

14 **“(a) Requires the third-party financial firm to provide a student**  
15 **with a clear and concise fee schedule before the student agrees to open**  
16 **an account offered by the third-party financial firm for disbursement**  
17 **and management of the student’s financial aid funds;**

18 **“(b) Requires the third-party financial firm to clearly explain to a**  
19 **student, at the time the fee schedule described in paragraph (a) of this**  
20 **subsection is provided to the student, all methods of access to finan-**  
21 **cial aid funds that the student may choose;**

22 **“(c) Provides that a student may choose to receive the student’s**

1 financial aid funds through a paper check, an electronic funds transfer  
2 to a bank account of the student's choice or through an account of-  
3 fered by the third-party financial firm;

4 “(d) Requires the public or private post-secondary institution of  
5 education or third-party financial firm to send a paper check to a  
6 student or initiate the electronic funds transfer within three business  
7 days of the date on which the student requested the funds;

8 “(e) Prohibits the third-party financial firm from charging a stu-  
9 dent a fee or other charge to receive the student's financial aid funds  
10 through a paper check or an electronic funds transfer;

11 “(f) Prohibits the third-party financial firm from charging a student  
12 a fee per transaction for making a debit or similar transaction by us-  
13 ing a debit or similar card that is attached to the student's account  
14 offered by the third-party financial firm; and

15 “(g) Prohibits the parties from revenue sharing, including but not  
16 limited to payments from the third-party financial firm to the public  
17 or private post-secondary institution of education based on the bal-  
18 ances or account activity of any student accounts offered by the  
19 third-party financial firm.

20 “(3) If a contract offers wire transfers as a method of access to  
21 student financial aid funds, the contract may provide for a reasonable  
22 fee charged to a student for the wire transfer.

23 “SECTION 2. Section 1 of this 2014 Act applies to contracts that a  
24 public or private post-secondary institution of education first adver-  
25 tises or otherwise solicits or, if the public or private post-secondary  
26 institution of education does not advertise or otherwise solicit a con-  
27 tract, to a contract into which a public or private post-secondary in-  
28 stitution of education first enters on or after the operative date  
29 specified in section 3 of this 2014 Act, and applies to existing contracts  
30 that the public or private post-secondary institution of education re-

1 news on or after the operative date specified in section 3 of this 2014  
2 Act.

3 **“SECTION 3. Section 1 of this 2014 Act becomes operative August  
4 1, 2014.**

5 **“SECTION 4. A public or private post-secondary institution of edu-  
6 cation may take any action before the operative date specified in sec-  
7 tion 3 of this 2014 Act that is necessary for the public or private  
8 post-secondary institution of education to exercise, on or after the  
9 operative date specified in section 3 of this 2014 Act, all of the duties,  
10 functions and powers conferred on the public or private post-secondary  
11 institution of education by section 1 of this 2014 Act.**

12 **“SECTION 5. This 2014 Act being necessary for the immediate  
13 preservation of the public peace, health and safety, an emergency is  
14 declared to exist, and this 2014 Act takes effect on its passage.”.**

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