

**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**
6 **manage financial aid funds for students enrolled in the public or pri-**
7 **vate post-secondary institutions of education.**

8 **“(2) A public or private post-secondary institution of education may**
9 **not enter into a contract with a third-party financial firm to manage**
10 **financial aid funds for students enrolled at the public or private post-**
11 **secondary institution of education, unless the contract:**

12 **“(a) Requires the third-party financial firm to provide a student**
13 **with a clear and concise fee schedule before the student agrees to use**
14 **the third-party financial firm for management of the student’s finan-**
15 **cial aid funds;**

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

20 **“(c) Provides that a student may choose to receive the student’s**
21 **financial aid funds through a paper check, an electronic funds transfer**
22 **from the student’s financial aid account to a bank account of the**

1 student's choice or direct access to the student's financial aid account;
2 “(d) Requires the third-party financial firm to send a paper check
3 to a student or initiate the electronic funds transfer within three
4 business days of the date on which the student requested the funds;
5 and

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

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

12 “SECTION 2. Section 1 of this 2014 Act applies to contracts that a
13 public or private post-secondary institution of education first adver-
14 tises or otherwise solicits or, if the public or private post-secondary
15 institution of education does not advertise or otherwise solicit a con-
16 tract, to a contract into which a public or private post-secondary in-
17 stitution of education first enters on or after the operative date
18 specified in section 3 of this 2014 Act, and applies to existing contracts
19 that the public or private post-secondary institution of education re-
20 news on or after the operative date specified in section 3 of this 2014
21 Act.

22 “SECTION 3. Section 1 of this 2014 Act becomes operative August
23 1, 2014.

24 “SECTION 4. A public or private post-secondary institution of edu-
25 cation may take any action before the operative date specified in sec-
26 tion 3 of this 2014 Act that is necessary for the public or private
27 post-secondary institution of education to exercise, on or after the
28 operative date specified in section 3 of this 2014 Act, all of the duties,
29 functions and powers conferred on the public or private post-secondary
30 institution of education by section 1 of this 2014 Act.

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

4
