



## Ohio Revised Code

### Section 3366.03 Policy guidelines - duties of designated administrator.

Effective: June 8, 2000

Legislation: Senate Bill 161 - 123rd General Assembly

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(A) In furtherance of the public policy and purpose set forth in section 3366.02 of the Revised Code and to implement that purpose, the director of development, with the approval of the issuing authority, shall adopt, amend, or rescind rules, pursuant to Chapter 119. of the Revised Code, establishing such policy guidelines as the director considers necessary or appropriate to provide for creating a secondary market for education loans as authorized by this chapter. The policy guidelines shall include such provisions as the director considers appropriate to further the public policy and purpose set forth in section 3366.02 of the Revised Code.

(B) The director of development or the issuing authority or both may:

(1) Enter into agreements with any designated administrator to provide for the proceeds loan for the purchase of education loans on the secondary market;

(2) Enter into agreements with any designated administrator to provide for stimulating the making of education loans through the the acquisition of such loans, in accordance with the policy guidelines; and

(3) Do all other acts and enter into contracts and execute all instruments necessary or appropriate to carry out the provisions of this chapter.

(C) All expenses and obligations incurred by the issuing authority or the director of development in carrying out duties and in exercising powers under this chapter shall be payable solely from, as appropriate, pledged receipts, moneys from the sale of obligations, or any amounts contributed by the designated administrator. This chapter does not authorize the issuing authority to incur debt or bonded indebtedness of the state, or to obligate or pledge any moneys other than pledged receipts for the payment of any obligations.

(D) The designated administrator, subject to the applicable provisions of this chapter, shall purchase



education loans from eligible lenders directly or indirectly, with moneys loaned or otherwise provided to it under this chapter from the proceeds of obligations, which education loans are used by and for students for paying costs of attendance at eligible institutions.

(E) In accordance with the policy guidelines, the designated administrator shall do all of the following:

(1) Specify the terms of and procedures for making, selling, purchasing, servicing, and collecting those education loans eligible for purchase under the guidelines;

(2) Take such actions as may be necessary or appropriate to establish the terms of, purchase, service or otherwise administer, and collect any education loan;

(3) With respect to those loans acquired pursuant to this chapter, establish the fees including, without limitation, origination and loan fees; charges; rates of interest; times of payment of interest and principal; late charges; aggregate amounts of education loans to be issued per year and in total; eligibility and credit criteria of eligible borrowers; refinancing or consolidation provisions; criteria for participation by eligible lenders; criteria for allocating the distribution of education loans among students attending or planning to attend different eligible institutions; terms of sales and purchases of education loans; and other terms, conditions, and provisions of and security for education loans.

The designated administrator shall not purchase any education loan unless the loan conforms to the policy guidelines.

(F) If the director of development determines that education loans are not being made in the amount or manner anticipated, the designated administrator, with the consent of the director, may enter into special arrangements with certain eligible lenders pursuant to guidelines adopted under this chapter to stimulate the provision of education loans.

(G) The designated administrator may establish additional procedures and set other terms and conditions not inconsistent with the policy guidelines as may be necessary or appropriate in connection with the program authorized under this chapter.



(H) At least annually by a date specified by the director of development, the designated administrator shall provide to the issuing authority and the director of development reports on the use of the proceeds of obligations.

(I) For purposes of this chapter, any designated administrator other than the nonprofit corporation designated under division (D) of section 3351.07 of the Revised Code shall be a person that maintains its principal place of business in the state and that has as its principal business the making, purchasing, holding, or selling of loans made to finance individuals' cost of post-secondary education.