

(a) The purpose of the Corporation is to improve the educational opportunities of residents of this State who attend or plan to attend colleges or vocational schools in this State or elsewhere, by lending or guaranteeing the loan of funds to these individuals or, in the case of a dependent undergraduate, graduate, or professional student, or independent undergraduate student, to the individual's parents to help them meet their educational expenses. Whenever necessary to carry out the provisions of this section, the terms "student", "student borrower", or "borrower" used in this subtitle shall include a "parent borrower" who is eligible to borrow under the program to help meet the educational expenses of a dependent undergraduate, graduate, or professional student or independent undergraduate student.

(b) To carry out its purpose, the Corporation may:

(1) Lend money under this subtitle, on the terms and conditions the Board determines, to residents of this State who have been accepted for enrollment or who are students in good standing at colleges or vocational schools in this State or elsewhere, to help them meet their educational expenses;

(2) Guarantee the loan of money under this subtitle on the terms and conditions the Board determines to residents of this State who have been accepted for enrollment or who are students in good standing at colleges or vocational schools in this State or elsewhere, to help them meet their educational expenses;

(3) Obtain a group life insurance policy to insure the repayment of loans made or guaranteed by the Corporation if a borrower dies;

(4) Pay a service fee of \$40 to any lending institution for the processing, approval, and granting a loan or conversion to a "pay-out" program for an existing loan on behalf of any student who receives a loan under this subtitle;

(5) Acquire by gift, grant, appropriation or purchase, and own, either absolutely or in trust, any interest in or income from property and money for any purpose of the Corporation from any source, and on any terms;

(6) Make contracts with:

(i) Colleges and vocational schools, on any terms agreed on between the Corporation and the college or vocational school, to provide for the administration by the college or school of any loan or guarantee made by the Corporation, including applications for them and repayment of them; and

(ii) The federal government or any private agency approved by the Board, for the purpose of receiving funds or services;

(7) Sue and be sued;

(8) Adopt rules and regulations governing:

(i) The application for and the granting, administration, and repayment of the loans or guarantees it makes;

(ii) The eligibility of students, colleges, vocational schools, and lending institutions to participate in the program; and