§ 653. Powers and duties of the board. In furtherance of the purposes set forth in this article, the board of trustees shall have the following powers and duties:

1. To take, hold and preserve, on behalf of the corporation all moneys appropriated to the corporation or otherwise available to it.

2. a. To submit to the governor, the temporary president of the senate, the speaker of the assembly, the senate finance committee, the assembly ways and means committee and the standing committees of the legislature having jurisdiction of higher education, at such times as the director of the budget may prescribe a student aid and loan budget request for the following state fiscal year. The budget request shall include, but not be limited to estimates of the number and characteristics of students eligible for aid and loans, other than education loans made under the New York higher education loan program pursuant to part V of this article which budget request shall be developed by the president after consultation with the board of regents in order to implement the student financial aid and loan programs, other than education loans made under the New York higher education loan program pursuant to part V of this article provided for in this article. Notwithstanding, the budget request shall also include an estimate of the amounts needed for state operations within the New York higher education loan program account for purposes of the New York higher education loan program established pursuant to part V of this article. A copy of the budget request shall be transmitted to the commissioner for his information. The budget request submitted by the board shall be subject to approval annually as part of the executive budget.

b. At the time and in the format prescribed by the Director of the Budget, the Board shall submit to the Division of the Budget an administrative and operating budget request. This budget request shall be subject to approval annually as part of the executive budget.

c. In order further to assure the payment by the corporation to lending institutions for defaulted loans, other than education loans made under the New York higher education loan program pursuant to part V

of this article in the respective amounts as guaranteed by the corporation pursuant to contract, there shall be annually apportioned and paid to the corporation such estimated amount, if any, as shall be certified by the board to the governor and director of the budget as necessary to provide for the payment of all such defaults for the next ensuing state fiscal year. The board shall, as part of its annual budget request, make and deliver to the governor and director of the budget, its certificate stating the estimated amount, if any, required to pay such defaults for the ensuing state fiscal year, if any, and said sums shall be apportioned and paid to the corporation during such fiscal year.

3. To submit on or before November first of each calendar year an annual report to the board of regents, the governor, the temporary president of the senate, the speaker of the assembly, the senate finance committee, the assembly ways and means committee and the standing committees of the legislature having jurisdiction of higher education.

4. To sue and be sued in the name of the corporation provided, however, a claim for money damages against the corporation, except where such claim is based on an alleged guarantee made by the corporation under the federal guaranteed student loan programs or is for interest or other subsidies payable by the federal government under such programs, shall be made solely under and pursuant to the provisions of the court of claims act including but not limited to service thereunder upon the attorney general. Except in the case where the provisions of the court of claims act apply, process in any action or proceeding may be served upon the secretary of state as agent for the corporation, in the manner provided by section three hundred six of the business corporation law. Provided, however, notwithstanding any inconsistent provision of law, the venue of an action brought by or on behalf of the corporation on any loan made or guaranteed by it which is in default, may be laid in Albany county or any other county otherwise permitted by law and in any action brought against the corporation the venue shall be laid in the county of Albany. Provided further however, that in an action brought by or on behalf of the corporation on any loan made or guaranteed by it which is in default, a defendant shall be entitled, upon motion made in the

county in which venue has been laid and upon a showing of facts sufficient to require a trial of any issue of fact, to a change of venue to any other county permitted by law.

5. To procure a policy or policies of group life insurance to insure the repayment of loans made or guaranteed by the corporation in the event of the death of an individual to whom a loan is made or guaranteed hereunder.

6. To appoint an advisory council to consist of three student financial aid officers from public institutions of higher education, three student financial aid officers from private institutions of higher education, three representatives of banking institutions within the state, and four students, one of whom shall be a student registered in a full time course of study at an institution of the state university, one of whom shall be a student registered in a full time course of study at an institution of the city university of the city of New York, one of whom shall be a student registered in a full time course of study at an independent institution of higher education within the state, and one of whom shall be a student registered in a full time course of study at a community college located outside of the city of New York, to assist the corporation on a regular basis in carrying out its purposes. The four student members shall be appointed after consultation with and recommendations from appropriate student organizations. Appointments shall be for a period of three years, except that of the student members which shall be for one year, and except that of the members first appointed from public institutions of higher education and of the members first appointed from private institutions of higher learning and of the members first appointed from banking institutions, respectively, one shall be appointed for a term of one year beginning July first, nineteen hundred seventy-five and ending June thirtieth, nineteen hundred seventy-six, one shall be appointed for a term of two years beginning July first, nineteen hundred seventy-five and ending June thirtieth, nineteen hundred seventy-seven and one shall be appointed for a term of three years beginning July first, nineteen hundred seventy-five and ending June thirtieth, nineteen hundred seventy-eight. Any members whose employment or student status ceases to conform to the

above requirements shall be required to resign. Vacancies shall be filled for the unexpired term in the same manner as original appointments.

7. To prescribe, with the approval of the comptroller, a system of accounts.

8. To take, hold and administer, on behalf of the corporation and for any of its purposes, real property, personal property and moneys, or any interest therein, and the income therefrom, either absolutely or in trust, for any purpose of the corporation. The board may acquire property or moneys for such purpose by purchase or lease in accordance with the requirements of article eleven of the state finance law and by the acceptance of gifts, grants, bequests, devises or loans; provided, however, that no obligation of the corporation shall be a debt of the state.

9. To perform such other acts as may be necessary or appropriate to carry out the objects and purposes of the corporation as specified in this article including promulgation of rules and regulations, which shall be filed in accordance with section one hundred one-a of the executive law.