

**PRELIMINARY STAFF MEASURE SUMMARY**

**House Committee On Higher Education, Innovation, and Workforce Development**

<b>Fiscal:</b>	May have fiscal impact, but no statement yet issued	<b>Sub. Referrals:</b>	Joint Committee On Ways and Means
<b>Revenue:</b>	May have revenue impact, but no statement yet issued		

---

**Action Date:**

**Action:**

**Meeting Dates:**

**Prepared By:** Victoria Cox, Committee Administrator

---

**WHAT THE MEASURE DOES:**

Requires State Treasurer to conduct study to assess viability of establishing student loan refinancing program. Declares emergency, effective on passage

**ISSUES DISCUSSED:**

**EFFECT OF COMMITTEE AMENDMENT:**

Proposed -2 amendments direct Higher Education Coordinating Commission and Office of Student Access and Completion to participate in study. Amendments also remove specification that loan refinancing program exist within Office of the State Treasurer. Change reporting date from Sept. 1, 2016 to Dec. 1, 2016.

**BACKGROUND:**

The potential economic impact of student loan debt has received significant media attention recently. Many recent graduates have deferred buying homes and starting families as student loan debt has exceeded \$1.3 trillion (with more than 7.3 million borrowers at least 90 days delinquent). Unlike other consumer debt, in many cases student loans may not be refinanced to reflect current low interest rates.

Connecticut recently passed legislation directing the Connecticut Higher Education Student Loan Authority to refinance student loans for residents of the state, regardless of where they attended college. House Bill 4021 requires the State Treasurer to conduct a study to determine the feasibility of offering a similar program to Oregonians.