

PRELIMINARY STAFF MEASURE SUMMARY

House Committee On Higher Education, Innovation, and Workforce Development

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

Action Date:

Action:

Meeting Dates: 02/03

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 -3 amendments require Higher Education Coordinating Commission to participate in study. Specify subject of study. Remove specification that loan refinancing program exist within Office of 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.