

FISCAL IMPACT OF PROPOSED LEGISLATION

79th Oregon Legislative Assembly – 2017 Regular Session
Legislative Fiscal Office

Measure: HB 2929

***Only Impacts on Original or Engrossed
Versions are Considered Official***

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Measure Description:

Directs State Treasurer to establish student loan refinancing guarantee pilot program. Directs the Higher Education Coordinating Commission to develop a student loan counseling program and to certify eligibility for a tax credit for employers that provide education loan repayment assistance for their employees. Expands the tax benefits associated with higher education savings network accounts and allows an individual to take subtraction from income for student loan interest on their personal income tax return.

Government Unit(s) Affected:

Department of Revenue(DOR), Higher Education Coordinating Commission, Oregon State Treasurer

Analysis:

This fiscal impact statement is for the purpose of transmitting the measure from the House Committee on Higher Education and Workforce Development to the House Committee on Revenue. This bill will have a fiscal impact for the State Treasurer and for the Higher Education Coordinating Commission. This bill directs the State Treasurer to establish a student loan refinancing guarantee pilot program. The State Treasurer anticipates requiring a Principal Executive/Manager F to oversee and market the program, an Operations and Policy Analyst 3 to do research and reporting, a half-time Fiscal Analyst 2 to keep track of state funds and manage the setup and management of the expenses of the program, and an Office Specialist 2 to support the program, preparing materials and answering phone calls. The Higher Education Coordinating Commission (HECC) is directed to establish and market a student loan counseling program and certify an employer tax credit. The fiscal impact to HECC for the counseling program is indeterminate because HECC does not have access to the required loan information currently, does not know how many students would take advantage of the program and would likely have to build a comprehensive online system to manage student data, provide information on various loan programs and serve as a platform for counseling. The fiscal impact for certifying the employer tax credit is also indeterminate because is not possible to quantify the number of employers who may take advantage of the tax credit for paying employees student loans and HECC does not have experience currently certifying tax credits. A more complete fiscal analysis on the bill will be prepared as the measure is considered in the Joint Committee on Revenue.

Further Analysis Required

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