

Senate Bill 438

Sponsored by Senator FERRIOLI (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires entity that provides educational loans to annually provide institution of higher education with fact sheet for each enrolled student receiving loan from entity that details estimates of educational loans student received, total amount of educational loans student will owe at graduation, amount student will have to pay each month to service loans, number of monthly payments needed to service loans and date on which educational loans will be serviced in full.

Requires institution to provide student with copy of fact sheet on annual basis during student orientation.

A BILL FOR AN ACT

1
2 Relating to transparency of student loans.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. Section 2 of this 2017 Act is added to and made a part of ORS chapter 348.**

5 **SECTION 2. (1) As used in this section:**

6 (a) "Educational loan" has the meaning given that term in ORS 348.105.

7 (b) "Institution of higher education" has the meaning given that term in ORS 348.582.

8 (2) Each entity that provides educational loan information to an institution of higher
9 education shall annually provide the institution with a fact sheet for each student who:

10 (a) Is enrolled in the institution; and

11 (b) Receives an educational loan from the entity.

12 (3) The fact sheet required under subsection (2) of this section must contain:

13 (a) An estimate of the total amount of educational loans received by the student at the
14 time the fact sheet is provided;

15 (b) An estimate of the total amount, or a range of likely amounts, of educational loans
16 the student will owe upon graduating from the institution of higher education;

17 (c) An estimate of the amount, including interest, that the student will have to pay each
18 month to service the loan amount set forth in paragraph (a) of this subsection;

19 (d) An estimate of the total number of monthly payments the student will have to make
20 to service in full the loan amount set forth in paragraph (a) of this subsection; and

21 (e) An estimate of the date on which the loan amount set forth in paragraph (a) of this
22 subsection will be serviced in full.

23 (4) On an annual basis during student orientation, each institution of higher education
24 shall provide a copy of the fact sheet to each student enrolled at the institution for whom
25 the institution received a fact sheet under subsection (2) of this section.

26 (5) Entities that provide fact sheets under this section and institutions of higher educa-
27 tion are not liable for any representations made under this section.

28 **SECTION 3. Section 2 of this 2017 Act first applies to the 2018-2019 academic year.**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

