

HOUSE BILL 1015

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By: **Delegates Kaiser, Angel, Atterbeary, Barkley, B. Barnes, Barve, Branch, Brooks, Busch, Chang, Cullison, Ebersole, Fennell, Frick, Frush, Gutierrez, Haynes, Healey, Hettleman, Hill, Hixson, Holmes, Hornberger, Jackson, Jalisi, Jones, Korman, Krimm, Lafferty, Lierman, Lisanti, Luedtke, McIntosh, McMillan, A. Miller, Moon, Morhaim, Pena-Melnyk, Pendergrass, Platt, Reznik, B. Robinson, Sanchez, Smith, Sophocleus, Stein, Valderrama, Valentino-Smith, Waldstreicher, M. Washington, and K. Young**

Introduced and read first time: February 10, 2016

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Study of Student Loan Refinancing in Maryland**

3 FOR the purpose of requiring the Maryland Higher Education Commission and the
4 Maryland Health and Higher Educational Facilities Authority, in consultation with
5 the Department of Legislative Services and any other appropriate agencies, to study
6 the expansion or creation of an appropriate bonding authority for the refinancing of
7 student loans in Maryland; requiring the study to examine certain matters and to
8 make findings and recommendations regarding certain matters; requiring the
9 Maryland Higher Education Commission and the Maryland Health and Higher
10 Educational Facilities Authority to report its findings and recommendations to the
11 Governor and the General Assembly on or before a certain date; providing for the
12 termination of this Act; and generally relating to the study of student loan
13 refinancing in Maryland.

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
15 That:

16 (a) The Maryland Higher Education Commission and the Maryland Health and
17 Higher Educational Facilities Authority, in consultation with the Department of
18 Legislative Services and any other appropriate agencies, shall study the expansion or
19 creation of an appropriate bonding authority for the refinancing of student loans in
20 Maryland.

21 (b) The study shall examine:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (1) whether there are any entities in the State that have bonding authority
2 and currently have the capability and the capacity to offer a student loan refinancing
3 program;

4 (2) whether there are any entities in the State that have bonding authority
5 and do not currently have the capability and the capacity to offer a student loan refinancing
6 program, but might be a viable option to offer the program if certain changes were made to
7 the entity;

8 (3) student loan refinancing programs offered in other states, including
9 eligibility requirements, essential program characteristics, and start-up and operational
10 costs; and

11 (4) the role of counties or jurisdictions in offering student loan refinancing
12 programs.

13 (c) The study shall make findings and recommendations on:

14 (1) the entities in the State that are best suited to offer a student loan
15 refinancing program and whether any statutory changes would be necessary to enable
16 those entities to offer a program;

17 (2) program characteristics that are essential for a successful student loan
18 refinancing program in Maryland;

19 (3) the projected start-up and operational costs for a successful student
20 loan refinancing program in Maryland;

21 (4) best practices and lessons learned from the review of other states'
22 student loan refinancing programs; and

23 (5) the role of counties or jurisdictions in offering student loan refinancing
24 programs.

25 (d) On or before September 30, 2017, the Maryland Higher Education
26 Commission and the Maryland Health and Higher Educational Facilities Authority shall
27 report its findings and recommendations to the Governor and, in accordance with § 2-1246
28 of the State Government Article, the General Assembly.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
30 1, 2016. It shall remain effective for a period of 2 years and, at the end of May 31, 2018,
31 with no further action required by the General Assembly, this Act shall be abrogated and
32 of no further force and effect.