Chapter 620

(House Bill 605)

AN ACT concerning

State Student Loan Refinancing Program – Market–Specific Consultant Study

FOR the purpose of requiring the Maryland Health and Higher Educational Facilities Authority to engage an outside consultant within a certain period of time to conduct a market–specific study to make certain determinations related to a State student loan refinancing program; requiring the study to examine certain areas; requiring the consultant to report to the Authority within a certain period of time and requiring the report to include certain elements; requiring the Governor to appropriate a certain amount in a certain fiscal year to fund the study if a certain condition is not met; requiring the Authority to review the consultant's report and to make certain comments or recommendations to certain committees of the General Assembly within a certain period of time; providing for the termination of this Act; and generally relating to a market–specific consultant study for a State student loan refinancing program.

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

(a)   No later than 2 months after receipt of the funding specified in subsection (c) of this section, the Maryland Health and Higher Educational Facilities Authority shall engage an outside consultant to conduct a market–specific study to determine the costs of, demand for, and long–term viability of a State student loan refinancing program in Maryland.

(b)   (1)   The market–specific study conducted by the consultant shall examine all of the areas recommended in the report published in October 2017 entitled "Student Loan Refinancing in Maryland: Findings and Recommendations Related to the Advisability of Establishing a State Student Loan Refinancing Program", including:

(i)   a cost analysis;

(ii)   a demand analysis;

(iii)   an analysis of the competitive landscape of the student loan refinancing marketplace;

(iv)   the potential savings borrowers might realize and the potential economic impact on the State; and

(v)   the financial implications of establishing a direct student loan program in addition to a student loan refinancing program.

(2)   (i)   Not later than 3 months after being engaged by the Maryland Health and Higher Educational Facilities Authority to conduct the market–specific study, the consultant shall report to the Authority on each of the areas the study is required to examine.

(ii)   The consultant's report shall include:

1.   information on and analysis of each of the areas the study is required to examine;

2.   a description of the methodologies used in the study; and

3.   findings and recommendations regarding each of the areas the study is required to examine.

(c)   If the annual budget bill for fiscal year 2019 does not include an appropriation of $250,000 to the Maryland Health and Higher Educational Facilities Authority to fund the market–specific consultant study required under subsection (a) of this section, the Governor shall include in the annual budget bill for fiscal year 2020 an appropriation of $250,000 for that purpose.

(d)   Not later than 30 days after receiving the consultant's report, the Maryland Health and Higher Educational Facilities Authority shall:

(1)   review the consultant's report, including the consultant's analysis, methodology, findings, and recommendations; and

(2)   make comments or recommendations related to the report, including the advisability of establishing a State student loan refinancing program, to the Senate Budget and Taxation Committee ~~and~~, *the Senate Finance Committee,* the House Committee on Ways and Means*, and the House Economic Matters Committee* in accordance with § 2–1246 of the State Government Article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2018. It shall remain effective for a period of 2 years and 1 month and, at the end of June 30, 2020, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.

Approved by the Governor, May 15, 2018.