

D R A F T

SUMMARY

Requires State Treasurer to conduct study to assess viability of establishing student loan refinancing program within office of State Treasurer.
Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to student loans; and declaring an emergency.

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

SECTION 1. (1) The State Treasurer shall conduct a study to assess the viability of establishing a student loan refinancing program within the office of the State Treasurer. The study must:

(a) Look for and identify portions of the state investment portfolio that yield investment returns that are historically lower than interest rates for current state or federal student loans.

(b) Determine the practicality of using portions of the state investment portfolio identified in paragraph (a) of this subsection to purchase a package of high-interest student loans from lenders with the intention of offering the loans to borrowers residing in Oregon at a reduced interest rate. This determination must consider:

(A) The potential costs of such a program;

(B) The number of Oregon residents who would be affected by such a program;

(C) The amount of long-term savings for Oregon residents as a result of such a program; and

(D) A projected timeline for implementing the program.

1 **(c) Detail any other viable options for lowering interest rates on**
2 **student loans for Oregon residents that are identified by the State**
3 **Treasurer.**

4 **(2) The State Treasurer shall submit a report on the study described**
5 **in subsection (1) of this section to the interim legislative committees**
6 **on higher education no later than September 1, 2016.**

7 **SECTION 2.** **This 2016 Act being necessary for the immediate pres-**
8 **ervation of the public peace, health and safety, an emergency is de-**
9 **clared to exist, and this 2016 Act takes effect on its passage.**

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