

## **SUBCOMMITTEE RECOMMENDATION**

### **SB 485**

#### **Relating to student loan servicers**

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To:           Ways and Means Full Committee  
From:        Transportation and Economic Development Subcommittee  
Carrier:     Senator Taylor

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SB 485 establishes a regulatory program for student loan servicers and requires Servicers to obtain a license from the Department of Consumer and Business Services to service a loan. DCBS would have authority to take control of a failing licensee's property, business, and assets, or petition the court for a receiver. DCBS would set the application form and content requirements by rule, including the license and renewal fee, and surety bond requirements. The measure also requires DCBS to designate a student loan ombudsman.

DCBS will hire one Program Analyst 3 to act as the Student Loan Ombudsman and one Financial Examiner 1 to act as a Licensing Specialist and Compliance Examiner. The fiscal impact of SB 486 is \$362,436 Other Funds and 1.34 FTE.

The recommended amendment adds \$362,436 of Other Funds limitation to the DCBS budget for the 2021-23 biennium.

The Transportation and Economic Development Subcommittee recommends SB 485 be amended by the -1 amendment and be reported out do pass, as amended.