

SENATE
STATE OF MINNESOTA
EIGHTY-NINTH SESSION

S.F. No. 2544

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DATE	D-PG	OFFICIAL STATUS
03/10/2016	4959	Introduction and first reading Referred to Higher Education and Workforce Development
03/21/2016		Comm report: To pass as amended Second reading

1.1 A bill for an act
 1.2 relating to higher education; eliminating an unworkable requirement from a
 1.3 student loan counseling program; amending Laws 2015, chapter 69, article 3,
 1.4 section 24, subdivision 1.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Laws 2015, chapter 69, article 3, section 24, subdivision 1, is amended to
 1.7 read:

1.8 Subdivision 1. **Pilot program created.** The commissioner of the Office of Higher
 1.9 Education shall make a grant to a nonprofit qualified debt counseling organization to
 1.10 provide individual student loan debt repayment counseling to borrowers who are Minnesota
 1.11 residents concerning loans obtained to attend a Minnesota postsecondary institution. ~~The~~
 1.12 ~~counseling shall be provided to borrowers who are 30 to 60 days delinquent when they~~
 1.13 ~~are referred to or otherwise identified by the organization as candidates for counseling.~~
 1.14 The number of individuals receiving counseling may be limited to those capable of being
 1.15 served with available appropriations for that purpose. A goal of the counseling program is
 1.16 to provide two counseling sessions to at least 75 percent of borrowers receiving counseling.

1.17 The purpose of the counseling is to assist borrowers to:

- 1.18 (1) understand their loan and repayment options;
 1.19 (2) manage loan repayment; and
 1.20 (3) develop a workable budget based on the borrower's full financial situation
 1.21 regarding income, expenses, and other debt.

1.22 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2015.