

OFFICE OF FISCAL ANALYSIS

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<http://www.cga.ct.gov/ofa>

sSB-890

AN ACT CONCERNING STUDENT LOAN SERVICERS.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill has no fiscal impact as it is anticipated that those companies currently licensed to service student loans (both federal and private) will remain licensed to service private student loans. The bill changes the requirement for federal student loan servicers from a license to a registration. The bill maintains the licensing requirement for those student loan servicers who service private student loans.

In FY 21 there are 64 student loan servicer licenses, with an annual fee of \$900, generating \$57,600. Fee revenue is deposited to a non-lapsing account intended to support a Student Loan Ombudsman position.

The Out Years

State Impact: None

Municipal Impact: None

*Sources: Core-CT Financial Accounting System
Department of Banking website*