

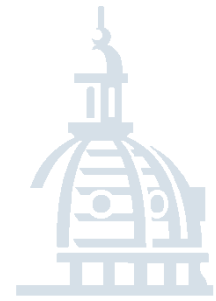


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Fiscal Note

Fiscal Services Division



[SF 539](#) – Student Loan Borrower’s Bill of Rights (LSB1254SV)

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Fiscal Note Version – New

Description

[Senate File 539](#) establishes the Office of Student Loan Ombudsman within the College Student Aid Commission. The Bill sets out the duties of the Ombudsman, which include but are not limited to:

- Receiving complaints from student loan borrowers (borrowers) and reviewing and attempting to resolve those complaints.
- Compiling and analyzing data on borrower complaints.
- Assisting borrowers to understand their rights and responsibilities under the terms of their loans.
- Providing information to the public, agencies, the General Assembly, and others regarding problems and concerns of borrowers, and making recommendations to resolve such problems and concerns.
- Establishing and maintaining a borrower education course.
- Submitting an annual report to the College Student Aid Commission regarding actions taken by the Ombudsman during the previous fiscal year, the effectiveness of the Office, and recommendations for legislative or administrative action to improve the efficacy and responsiveness of the Office.

Assumptions

- The Office of the Student Loan Ombudsman will require the addition of 1.0 full-time equivalent (FTE) position to the staff of the College Student Aid Commission.
- The cost for salary, benefits, and overhead expenses for 1.0 FTE position is \$105,000.

Fiscal Impact

The cost to the State General Fund to establish the Office of Student Loan Ombudsman within the College Student Aid Commission is estimated to be \$105,000 in FY 2020, with annual increases of 2.0% in subsequent years.

Source

College Student Aid Commission

/s/ Holly M. Lyons

March 11, 2019

The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.
