

**Proposed Substitute
Bill No. 5569**

LCO No. 3101

**AN ACT CONCERNING THE STUDENT LOAN OMBUDSMAN,
STUDENT LOAN SERVICES AND STUDENT DEBT.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2016*) The Banking
2 Commissioner shall set service standards for student loan servicers, as
3 defined in section 36a-846 of the general statutes. On or before July 1,
4 2017, the commissioner shall post such service standards on the
5 Department of Banking's Internet web site.

6 Sec. 2. (*Effective October 1, 2016*) The student loan ombudsman may
7 evaluate how the state can move toward debt-free education. On or
8 before July 1, 2017, the student loan ombudsman may submit a report,
9 in accordance with the provisions of section 11-4a of the general
10 statutes, to the joint standing committee of the General Assembly
11 having cognizance of matters relating to banking concerning its
12 recommendations for debt-free higher education.

13 Sec. 3. Section 36a-849 of the 2016 supplement to the general statutes
14 is repealed and the following is substituted in lieu thereof (*Effective*
15 *October 1, 2016*):

16 (a) Each student loan servicer licensee [and persons exempt from
17 licensure pursuant to subdivision (2) of subsection (a) of section 36a-

18 847] shall maintain adequate records of each student education loan
19 transaction for not less than two years following the final payment on
20 such student education loan or the assignment of such student
21 education loan, whichever occurs first, or such longer period as may be
22 required by any other provision of law.

23 (b) If requested by the commissioner, each student loan servicer
24 licensee shall make such records available or send such records to the
25 commissioner by registered or certified mail, return receipt requested,
26 or by any express delivery carrier that provides a dated delivery
27 receipt, not later than five business days after requested by the
28 commissioner to do so. Upon request, the commissioner may grant a
29 licensee additional time to make such records available or send the
30 records to the commissioner.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2016</i>	New section
Sec. 2	<i>October 1, 2016</i>	New section
Sec. 3	<i>October 1, 2016</i>	36a-849