

State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 3216

03/16/2016 Authored by Kahn, Carlson and Johnson, S.,
The bill was read for the first time and referred to the Committee on Higher Education Policy and Finance

A bill for an act

relating to higher education; modifying securities transaction fees; appropriating money for student loan refinancing; amending Minnesota Statutes 2014, sections 80A.65, subdivision 1; 136A.1704.

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

Section 1. Minnesota Statutes 2014, section 80A.65, subdivision 1, is amended to read:

Subdivision 1. **Registration or notice filing fee.** (a) There shall be a filing fee of \$100 for every application for registration or notice filing. There shall be an additional fee of one-tenth of one percent of the maximum aggregate offering price at which the securities are to be offered in this state, and the maximum combined fees shall not exceed \$300.

(b) When an application for registration is withdrawn before the effective date or a preeffective stop order is entered under section 80A.54, all but the \$100 filing fee shall be returned. If an application to register securities is denied, the total of all fees received shall be retained.

(c) Where a filing is made in connection with a federal covered security under section 18(b)(2) of the Securities Act of 1933, there is a fee of \$100 for every initial filing. If the filing is made in connection with redeemable securities issued by an open end management company or unit investment trust, as defined in the Investment Company Act of 1940, there is an additional annual fee of 1/20 of one percent of the maximum aggregate offering price at which the securities are to be offered in this state during the notice filing period. The fee must be paid at the time of the initial filing and thereafter in connection with each renewal no later than July 1 of each year and must be sufficient to cover the shares the issuer expects to sell in this state over the next 12 months. If during a current notice filing the issuer determines it is likely to sell shares in excess of the shares for which fees have been paid

to the administrator, the issuer shall submit an amended notice filing to the administrator under section 80A.50, together with a fee of ~~1/20~~ 1/10 of one percent of the maximum aggregate offering price of the additional shares. Shares for which a fee has been paid, but which have not been sold at the time of expiration of the notice filing, may not be sold unless an additional fee to cover the shares has been paid to the administrator as provided in this section and section 80A.50. If the filing is made in connection with redeemable securities issued by such a company or trust, there is no maximum fee for securities filings made according to this paragraph. If the filing is made in connection with any other federal covered security under Section 18(b)(2) of the Securities Act of 1933, there is an additional fee of one-tenth of one percent of the maximum aggregate offering price at which the securities are to be offered in this state, and the combined fees shall not exceed \$300. Fees collected under this subdivision are exempted under section 16A.1285, subdivision 2.

Sec. 2. Minnesota Statutes 2014, section 136A.1704, is amended to read:

136A.1704 STUDENT LOAN REFINANCING.

The office may refinance student and parent loans as provided by this section and on other terms and conditions the office prescribes. The office may establish credit requirements for borrowers and determine what types of student and parent loans will be eligible for refinancing. The refinanced loan need not have been made through a loan program administered by the office. Loans shall be made with available funds in the loan capital fund under section 136A.1785. The maximum amount of outstanding loans refinanced under this section may not exceed ~~\$100,000,000~~ \$125,000,000. The maximum loan under this section may not exceed \$70,000.

Sec. 3. **APPROPRIATION; STUDENT LOAN REFINANCING.**

\$25,000,000 in fiscal year 2017 is appropriated from the general fund to the commissioner of higher education. The commissioner of higher education must use the funds appropriated under this section to expand the refinancing program under Minnesota Statutes, section 136A.1704, to borrowers who do not currently qualify. To the extent that the commissioner can do so without raising interest rates for borrowers who refinance, the commissioner must reduce the credit score or debt-to-income ratio required to participate in the program. If it is necessary to implement the requirements of this section, the commissioner may transfer the funds appropriated in this section to the commissioner's bad debt reserve account.