



February 25, 2022

Senator David Thomassoni, Chair  
Higher Education Finance and Policy Committee  
75 Rev. Dr. Martin Luther King Jr. Blvd.  
Capitol, Room 328  
St. Paul, MN 55155

Representative Connie Bernardy, Chair  
Higher Education Finance and Policy Committee  
563 State Office Building  
100 Rev. Dr. Martin Luther King Jr. Blvd.  
St. Paul, MN 55155

Senator Greg Clausen, Ranking Minority Member  
Higher Education Finance and Policy Committee  
95 University Avenue W.  
Minnesota Senate Bldg, Room 2233  
St. Paul, MN 55155

Representative Marion O'Neill, Ranking Minority Member  
Higher Education Finance and Policy Committee  
357 State Office Building  
St. Paul, MN 55155

Dear Senators and Representatives:

This letter is to notify you regarding proposed changes to the SELF Loan program. This is in accordance with Minnesota Statute 136A.1702 which states, "The office shall notify the chairs of the legislative committees with primary jurisdiction over higher education finance of any proposed material change to any of its student loan programs, including loan refinancing under section 136A.1704, prior to making the change."

Listed below are the proposed changes:

- Monthly keep-in-touch payments of \$15 while in-school and for one year after leaving school rather than full-interest payments. This provides students with higher debt levels more flexibility in deferring full interest payments until after school.
- Increased flexibility for the borrower to return to school and pause loan repayment.
- Changing from London Interbank Offered Rate (LIBOR) index to the Secured Overnight Financing Rate (SOFR) index due to elimination of LIBOR in 2023.

We believe these changes will allow more students to utilize the SELF program instead of some of the higher interest rate private loans available in the marketplace.

If you have any questions about this, please contact me at [nekey.oliver@state.mn.us](mailto:nekey.oliver@state.mn.us) or (651) 341-9675.

Sincerely,

A handwritten signature in black ink, appearing to read 'Nekey Oliver', written over a light blue horizontal line.

Nekey Oliver

Director Grants & Government Relations