

Office of the Illinois State Treasurer
Michael W. Frerichs

Request for Proposals
Illinois Student Investment Account
Outside Legal Counsel
370-700-21-004

Addendum 1
December 11, 2020

Below are the questions received by the Office of the Illinois State Treasurer (“Treasurer”) and the Treasurer’s responses. The questions listed herein are intended to be accurate representations of the questions received; as such, any errors in usage or spelling have not been corrected. Any capitalized terms that are not defined herein have the meaning set forth in the Request for Proposals Illinois Student Investment Account Outside Legal Counsel 370-700-21-004 (“RFP”) published by the Treasurer on November 18, 2020.

1. Can you confirm that an Illinois presence for the bidder is not required?

No, per RFP Section VI.A.4 on page 14, an Illinois presence is a mandatory requirement.

2. Some states (such as Iowa, Kentucky, and Vermont) have established state-sponsored non-profit corporations to make loans to borrowers with a nexus to a particular state. Does Illinois intend to create such an entity to act as a student loan lender?

The information requested in this question is not necessary to respond to the questions as outlined in Section IV.B. of RFP. However, all interested parties are welcome and encouraged to review the information published on the Treasurer’s website, found here: https://illinoistreasurer.gov/Individuals/Student_Loans.

3. If Illinois will not create a state-sponsored lender, how will the state provide financing to the intended borrowers? Will the state, for example, create a secondary market that will buy loans that private sector lenders make pursuant to a state loan program?

Please see answer to Question 2.

4. In either case, has Illinois considered the potential impact of Illinois’ current consumer loan regulatory and statutory architecture on the lender and the loan program?

Yes.

5. The RFP suggests that Illinois wants the successful bidder to draft the consumer-facing documentation necessary to support a private education loan or ISA program. The

content of that documentation, to some degree, depends on the identity of the lender. Would Illinois expect the successful bidder to draft alternative document sets?

The Treasurer would expect the successful bidder to assist with drafting the consumer-facing documentation, among other responsibilities.