

118TH CONGRESS  
1ST SESSION

# H. R. 509

To prevent class-based loan forgiveness for Federal student loans under title IV of the Higher Education Act of 1965 without the explicit appropriation of funds by Congress for such purpose.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 25, 2023

Mr. DAVIDSON (for himself, Mr. BIGGS, Mr. DONALDS, Mr. ROY, Mr. BISHOP of North Carolina, Mrs. LESKO, Mr. GUEST, Mr. CAREY, Mr. NORMAN, Mr. WEBER of Texas, Mr. TIFFANY, and Mr. BALDERSON) introduced the following bill; which was referred to the Committee on Education and the Workforce

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## A BILL

To prevent class-based loan forgiveness for Federal student loans under title IV of the Higher Education Act of 1965 without the explicit appropriation of funds by Congress for such purpose.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Debt Cancellation Ac-  
5 countability Act of 2023”.

1 **SEC. 2. PROHIBITION ON CLASS-BASED LOAN FORGIVE-**  
2 **NESS WITHOUT PROPER APPROVAL.**

3 Part G of title IV of the Higher Education Act of  
4 1965 (20 U.S.C. 1088 et seq.) is amended by adding at  
5 the end the following:

6 **“SEC. 494A. PROHIBITION ON CLASS-BASED LOAN FORGIVE-**  
7 **NESS WITHOUT PROPER APPROVAL.**

8 “(a) DEFINITIONS.—In this section:

9 “(1) CLASS-BASED LOAN FORGIVENESS.—

10 “(A) IN GENERAL.—The term ‘class-based  
11 loan forgiveness’ means the cancellation, waiver,  
12 assumption, discharge, reduction, or other for-  
13 giveness of any obligation due on covered  
14 loans—

15 “(i) on a class-wide basis and for a  
16 class of 2 or more covered loan borrowers;  
17 and

18 “(ii) that totals more than  
19 \$1,000,000.

20 “(B) EXCEPTION FOR EXISTING TAR-  
21 GETED LOAN FORGIVENESS PROGRAMS.—The  
22 term ‘class-based loan forgiveness’ does not in-  
23 clude a targeted program of loan forgiveness ex-  
24 plicitly established under this Act and in effect  
25 before January 1, 2022, if the cancellation,  
26 waiver, assumption, discharge, reduction, or

1 other forgiveness of any obligation due on a  
2 covered loan is—

3 “(i) granted for a single covered loan  
4 borrower; and

5 “(ii) based upon an individualized,  
6 case-by-case determination of the covered  
7 loan borrower’s—

8 “(I) eligibility for the targeted  
9 loan forgiveness; and

10 “(II) satisfaction of all terms and  
11 conditions precedent to receive the  
12 targeted loan forgiveness.

13 “(2) COVERED LOAN.—The term ‘covered loan’  
14 means a loan made, insured, or guaranteed under  
15 part B, D, or E.

16 “(b) LIMITATION ON DEPARTMENT AUTHORITY.—  
17 Notwithstanding any other provision of this Act or any  
18 other law, the Secretary shall have no authority to provide  
19 class-based loan forgiveness unless funds have been spe-  
20 cifically requested and appropriated for the purpose  
21 through the process described in subsection (c).

22 “(c) REQUEST AND APPROPRIATION PROCESS.—

23 “(1) IN GENERAL.—The Secretary shall not  
24 provide any class-based loan forgiveness until—

1           “(A) the Secretary has submitted a request  
2           under paragraph (2); and

3           “(B) funds have been specifically appro-  
4           priated for such request by Congress through  
5           an appropriations Act or other law.

6           “(2) REQUEST.—In any case where the Sec-  
7           retary determines class-based loan forgiveness is  
8           necessary, the Secretary shall submit to the author-  
9           izing committees, the Committee on Appropriations  
10          of the Senate, and the Committee on Appropriations  
11          of the House of Representatives a written request  
12          that describes—

13                 “(A) the number of covered loan borrowers  
14                 in the class and the aggregate amount of the  
15                 covered student loan obligations that will be  
16                 cancelled, waived, assumed, discharged, re-  
17                 duced, or otherwise forgiven through the class-  
18                 based loan forgiveness;

19                 “(B) the particular reason for the class-  
20                 based loan forgiveness;

21                 “(C) the legal authority, including the  
22                 identification of any authorizing statute or rule,  
23                 of the Department to grant such class-based  
24                 loan forgiveness; and

1           “(D) the particular reason the student  
2           loan obligations are being cancelled, waived, as-  
3           sumed, discharged, reduced, or otherwise for-  
4           given on a collective basis, rather than through  
5           a case-by-case assessment.

6           “(3) RESUBMISSION OF REQUEST.—If funds for  
7           a class-based loan forgiveness request submitted  
8           under paragraph (2) are not specifically appro-  
9           priated under an appropriations Act or other law  
10          during the fiscal year for which the request is sub-  
11          mitted—

12                   “(A) the request shall expire; and

13                   “(B) if the Secretary desires the request to  
14                   be reconsidered in a future fiscal year, the Sec-  
15                   retary shall resubmit the request for such fiscal  
16                   year.”.

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