

118TH CONGRESS
1ST SESSION

H. R. 644

To protect borrowers of Federal student loans during the transition period following the end of the COVID–19 student loan repayment pause, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 31, 2023

Ms. BONAMICI (for herself, Mrs. MCBATH, Ms. WILD, Ms. NORTON, Ms. WILSON of Florida, Mr. CARSON, Mr. VARGAS, Mr. CLEAVER, Mr. DAVIS of Illinois, Mr. EVANS, Mr. THOMPSON of California, Ms. TITUS, Mr. TAKANO, Mr. COURTNEY, and Ms. SALINAS) introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL

To protect borrowers of Federal student loans during the transition period following the end of the COVID–19 student loan repayment pause, and for other purposes.

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 “Student Loan Bor-
5 rower Safety Net Act of 2023”.

1 **SEC. 2. EXTENSION OF APPLICATION AND RECERTIFI-**
2 **CATION DEADLINE.**

3 (a) IN GENERAL.—Section 3513 of the CARES Act
4 (20 U.S.C. 1001 note) is amended—

5 (1) by amending subsection (g) to read as fol-
6 lows:

7 “(g) NOTICE TO BORROWERS OF COVERED LOANS
8 RELATING TO TRANSITION PERIOD.—Not later than the
9 date that is 60 days prior to the first day on which a bor-
10 rower’s payment obligations on a covered loan are no
11 longer suspended, as determined by the Secretary, the
12 Secretary shall carry out a program to provide a total of
13 not fewer than 6 notices through a combination of postal
14 mail, telephone, and electronic communication to such a
15 borrower indicating—

16 “(1) when the borrower’s normal payment obli-
17 gations will resume;

18 “(2) that the borrower may be eligible to enroll
19 in income-driven repayment, including a brief de-
20 scription of the most affordable and generous in-
21 come-driven repayment options; and

22 “(3) the options available to a borrower who is
23 in default, including—

24 “(A) the option to participate in the Fresh
25 Start program of the Department of Education;

1 “(B) the option to rehabilitate or consoli-
2 date the borrower’s loans; and

3 “(C) a brief description of the benefits and
4 consequences of each option.”; and

5 (2) by adding at the end the following:

6 “(h) PRIORITY NOTIFICATION.—

7 “(1) IN GENERAL.—In carrying out subsection
8 (g), the Secretary shall give priority in accordance
9 with paragraph (2) to notifying borrowers who—

10 “(A) during the 5-year period preceding
11 March 31, 2020, missed a payment or pay-
12 ments for a period of not less than 60 days
13 with respect to a covered loan; and

14 “(B) in the 5 years preceding March 31,
15 2020—

16 “(i) missed a payment in the first 3
17 months of entering repayment with respect
18 to such a covered loan;

19 “(ii) entered into a non-administrative
20 forbearance or a economic hardship
21 deferment with respect to such a covered
22 loan—

23 “(I) on 2 or more occasions; or

24 “(II) for a period of longer than
25 1 year;

1 “(iii) were enrolled and subsequently
2 unenrolled, or changed to less-than-half-
3 time enrollment status, more than twice
4 after entering repayment with respect to
5 such a covered loan;

6 “(iv) defaulted on such a covered
7 loan; or

8 “(v) on 3 or more occasions, missed
9 two or more consecutive payments with re-
10 spect to such a covered loan.

11 “(2) PRIORITY.—In carrying out paragraph (1),
12 the Secretary shall—

13 “(A) notify borrowers described in such
14 paragraph of the information specified in sub-
15 section (g) through at least 3 additional and
16 subsequent notifications after the initial notifi-
17 cation; or

18 “(B) carry out other evidence-based out-
19 reach activities that are designed to assist
20 struggling borrowers or borrowers who were
21 otherwise at risk for default before the COVID-
22 19 pandemic, and report to Congress on such
23 activities.

24 “(i) APPLICATION OR RECERTIFICATION.—

1 “(1) IN GENERAL.—A borrower of a covered
2 loan may—

3 “(A) during the period beginning on the
4 date of enactment of the Student Loan Bor-
5 rower Safety Net Act of 2023, and ending on
6 the date that is one year after the first day on
7 which a borrower’s payment obligations on such
8 loan are no longer suspended, submit a written,
9 verbal, or electronic application or reapplication
10 for an income-driven repayment plan with re-
11 spect to such loan; and

12 “(B) under an application described in
13 subparagraph (A), self-certify the income and
14 family size of such borrower.

15 “(2) CHANGE OF REPAYMENT PLANS.—With
16 respect to a covered loan, in the case of a borrower
17 of such a loan who opts to change the repayment
18 plan in which such borrower was enrolled on the
19 date of the enactment of this section—

20 “(A) no fee or payment shall be required
21 during the period in which it takes such bor-
22 rower to become enrolled in such repayment
23 plan; and

24 “(B) before the borrower selects a new re-
25 payment plan, the Secretary shall notify the

1 borrower of the most affordable and generous
2 repayment plan available to the borrower.

3 “(3) ECONOMIC HARDSHIP.—

4 “(A) IN GENERAL.—A borrower of a cov-
5 ered loan who, due to an economic hardship, is
6 unable to make payments with respect to such
7 loan on or after the first day on which the bor-
8 rower’s payment obligations on such loan are no
9 longer suspended, may apply to the Secretary
10 for an economic hardship deferment for the pe-
11 riod beginning on the date of enactment of the
12 Student Loan Borrower Safety Net Act of 2023
13 and ending on the date that is one year after
14 the first day on which the borrower’s payment
15 obligations on such loan are no longer sus-
16 pended. To apply for such a deferment, a bor-
17 rower shall submit a written, verbal, or elec-
18 tronic certification of such economic hardship to
19 the Secretary.

20 “(B) NOTIFICATION.—The Secretary and
21 any other servicer of a covered loan shall notify
22 borrowers who miss a payment on such a loan
23 of the availability of—

1 “(i) income-driven repayment plans
2 available in accordance with paragraph (1);
3 and

4 “(ii) an economic hardship deferment
5 under this paragraph.

6 “(C) TREATMENT OF BORROWER WITH
7 ECONOMIC HARDSHIP.—In the case of a bor-
8 rower who submits certification of an economic
9 hardship under subparagraph (A), the Sec-
10 retary shall treat such borrower in the same
11 manner as a borrower with an economic hard-
12 ship under section 435(o) of the Higher Edu-
13 cation Act of 1965 (20 U.S.C. 1085(o)).

14 “(j) MISSED PAYMENTS.—In the case of a borrower
15 of a covered loan who misses a payment or payments on
16 such a loan for the 60-day period beginning on the first
17 day on which the borrower’s payment obligations on such
18 loan are no longer suspended, the Secretary or the holder
19 of a loan described in subsection (k)(2) shall—

20 “(1) hold such loan in administrative forbear-
21 ance for a 90-day period beginning on the date that
22 is 60 days after the first day on which the bor-
23 rower’s payment obligations on such loan are no
24 longer suspended; and

1 “(2) contact such borrower on at least 6 sepa-
2 rate occasions regarding the information included in
3 subsection (g).

4 “(k) COVERED LOAN.—In this section, the term ‘cov-
5 ered loan’ means—

6 “(1) a loan described in subsection (a); or

7 “(2) a loan—

8 “(A) made, insured, or guaranteed under
9 part B of title IV of the Higher Education Act
10 of 1965 (20 U.S.C. 1071 et seq.); and

11 “(B) for which payments were sus-
12 pended—

13 “(i) pursuant to the Higher Education
14 Relief Opportunities for Students Act of
15 2003 (Public Law 108–76; 20 U.S.C. 1070
16 note); and

17 “(ii) during a qualifying emergency.”.

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