

118TH CONGRESS
1ST SESSION

S. 3404

To require certain protections for student loan borrowers, and for other purposes.

IN THE SENATE OF THE UNITED STATES

DECEMBER 5, 2023

Mr. DURBIN (for himself, Ms. KLOBUCHAR, Mr. REED, Ms. SMITH, Mr. WELCH, Ms. DUCKWORTH, and Ms. WARREN) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To require certain protections for student loan borrowers,
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 Bill of Rights”.

6 **SEC. 2. HIGHER EDUCATION ACT OF 1965 AMENDMENTS.**

7 (a) STUDENT LOAN INFORMATION BY ELIGIBLE
8 LENDERS.—Section 433 of the Higher Education Act of
9 1965 (20 U.S.C. 1083) is amended—

1 (1) in subsection (b)—

2 (A) in paragraph (12), by striking “and”
3 after the semicolon;

4 (B) in paragraph (13), by striking the pe-
5 riod at the end and inserting “; and”; and

6 (C) by adding at the end the following:

7 “(14) a statement that—

8 “(A) the borrower may be entitled to serv-
9 icemember and veteran benefits under the
10 Servicemembers Civil Relief Act (50 U.S.C.
11 3901 et seq.) and other Federal or State laws;
12 and

13 “(B) a Servicemember and Veterans Liai-
14 son designated under section 128(e)(16)(K)(i)
15 of the Truth in Lending Act (15 U.S.C.
16 1638(e)(16)(K)(i)) is available to answer in-
17 quiries about servicemember and veteran bene-
18 fits, including the toll-free telephone number
19 and email address to contact the Liaison pursu-
20 ant to such section.”; and

21 (2) in subsection (e)—

22 (A) in paragraph (2), by adding at the end
23 the following:

24 “(D) A statement that—

1 “(i) the borrower may be entitled to
2 servicemember and veteran benefits under
3 the Servicemembers Civil Relief Act (50
4 U.S.C. 3901 et seq.) and other Federal or
5 State laws; and

6 “(ii) a Servicemember and Veterans
7 Liaison designated under section
8 128(e)(16)(K)(i) of the Truth in Lending
9 Act (15 U.S.C. 1638(e)(16)(K)(i)) is avail-
10 able to answer inquiries about servicemem-
11 ber and veteran benefits, including the toll-
12 free telephone number and email address
13 to contact the Liaison pursuant to such
14 section.

15 “(E) A statement that a repayment spe-
16 cialist office or unit designated under section
17 128(e)(16)(J)(i) of the Truth in Lending Act
18 (15 U.S.C. 1638(e)(16)(J)(i)) is available to
19 answer inquiries related to alternative repay-
20 ment options, including the toll-free telephone
21 number and email address to contact the spe-
22 cialist pursuant to section 128(e)(16)(J)(iii) of
23 such Act.”; and

24 (B) in paragraph (3), by adding at the end
25 the following:

1 “(F) A statement that—

2 “(i) the borrower may be entitled to
3 servicemember and veteran benefits under
4 the Servicemembers Civil Relief Act (50
5 U.S.C. 3901 et seq.) and other Federal or
6 State laws; and

7 “(ii) a Servicemember and Veterans
8 Liaison designated under section
9 128(e)(16)(K)(i) of the Truth in Lending
10 Act (15 U.S.C. 1638(e)(16)(K)(i)) is avail-
11 able to answer inquiries about servicemem-
12 ber and veteran benefits, including the toll-
13 free telephone number and email address
14 to contact the Liaison pursuant to such
15 section.

16 “(G) A statement that a repayment spe-
17 cialist office or unit designated under section
18 128(e)(16)(J)(i) of the Truth in Lending Act
19 (15 U.S.C. 1638(e)(16)(J)(i)) is available to
20 answer inquiries related to alternative repay-
21 ment options, including the toll-free telephone
22 number and email address to contact the spe-
23 cialist pursuant to section 128(e)(16)(J)(iii) of
24 such Act.”.

1 (b) TERMS AND CONDITIONS OF LOANS.—Section
2 455 of the Higher Education Act of 1965 (20 U.S.C.
3 1087e) is amended by adding at the end the following:

4 “(r) PREPAYMENT, PAYMENT APPLICATION, AND
5 PAYMENT ALLOCATION.—

6 “(1) IN GENERAL.—A borrower may prepay all
7 or part of a loan made under this part at any time
8 without penalty.

9 “(2) PREPAYMENT.—

10 “(A) IN GENERAL.—If a borrower pays
11 any amount in excess of the amount due for a
12 loan made under this part, the excess amount
13 shall be a prepayment.

14 “(B) APPLICATION OF PREPAYMENT.—If a
15 borrower makes a prepayment, the Secretary
16 shall—

17 “(i) apply the prepaid amount accord-
18 ing to the terms of the promissory note
19 signed by the borrower;

20 “(ii) upon request of the borrower,
21 apply the prepaid amount to the out-
22 standing loan principal; or

23 “(iii) upon request of the borrower,
24 advance the due date of the next payment

1 and notify the borrower of any revised due
2 date for the next payment.

3 “(3) PAYMENT ALLOCATION.—If a borrower
4 has more than 1 loan made under this part, the Sec-
5 retary shall allocate any prepayment or other partial
6 payment in the same manner as amounts are allo-
7 cated under section 128(e)(16)(G)(i) of the Truth in
8 Lending Act (15 U.S.C. 1638(e)(16)(G)(i)).”.

9 (c) CONTRACTS.—Section 456 of the Higher Edu-
10 cation Act of 1965 (20 U.S.C. 1087f) is amended—

11 (1) in subsection (a), by striking paragraph (3)
12 and inserting the following:

13 “(3) RULES OF CONSTRUCTION.—

14 “(A) CONSORTIA.—Nothing in this section
15 shall be construed as a limitation of the author-
16 ity of any State agency to enter into an agree-
17 ment for the purposes of this section as a mem-
18 ber of a consortium of State agencies.

19 “(B) COMPLIANCE WITH STATE AND FED-
20 ERAL LAWS.—Nothing in this section shall be
21 construed as altering, limiting, or affecting any
22 obligation by an entity with which the Secretary
23 enters into a contract under this section to
24 comply with any applicable Federal or State
25 law, including any Federal consumer financial

1 law, as defined in section 1002(14) of the Con-
 2 sumer Financial Protection Act of 2010 (12
 3 U.S.C. 5481(14)).

4 “(C) AUTHORITIES.—Nothing in this sec-
 5 tion shall be construed as altering, limiting, or
 6 affecting the authority of a State attorney gen-
 7 eral or any other State regulatory or enforce-
 8 ment agency or authority to bring an action or
 9 other regulatory proceeding arising solely under
 10 the law of such State.”; and

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

12 “(c) APPLICABILITY OF PROVISIONS UNDER THE
 13 CONSUMER FINANCIAL PROTECTION ACT OF 2010.—

14 “(1) CONSUMER FINANCIAL PRODUCT OR SERV-
 15 ICE.—A consumer financial product or service of-
 16 fered by an entity with which the Secretary enters
 17 into a contract under this section for origination,
 18 servicing, or collection described in subsection (b), as
 19 part of such contract, shall have the meaning given
 20 the term in section 1002 of the Consumer Financial
 21 Protection Act of 2010 (12 U.S.C. 5481).

22 “(2) COVERED PERSON.—Any entity with which
 23 the Secretary enters into a contract under this sec-
 24 tion for origination, servicing, or collection described
 25 in subsection (b) shall be considered a ‘covered per-

1 son' (as defined in section 1002 of the Consumer Fi-
2 nancial Protection Act of 2010 (12 U.S.C. 5481))
3 and subject to the provisions of the Consumer Fi-
4 nancial Protection Act of 2010 (12 U.S.C. 5481 et
5 seq.).

6 “(3) POSTSECONDARY EDUCATIONAL LENDER
7 OR SERVICER.—Any entity with which the Secretary
8 enters into a contract under this section for origina-
9 tion, servicing, or collection, as described in sub-
10 section (b), and is engaged in the provision of, or of-
11 fering, servicing shall be considered a ‘postsecondary
12 educational lender or servicer’ (as defined in section
13 128(e) of the Truth in Lending Act (15 U.S.C.
14 1638(e)), and subject to the provisions of section
15 128(e) of the Truth in Lending Act (12 U.S.C.
16 1638(e)).

17 “(d) COMPLAINTS FROM STUDENT LOAN BOR-
18 ROWERS.—In awarding any contract under this section for
19 origination, servicing, or collection described in subsection
20 (b), the Secretary shall require, as part of such contract,
21 any entity receiving such an award—

22 “(1) to respond to consumer complaints sub-
23 mitted to any Federal, State, or local agency that
24 accepts complaints from student loan borrowers, in-
25 cluding the Bureau of Consumer Financial Protec-

1 tion, by borrowers who owe loans made under this
2 part; and

3 “(2) to share information about consumer com-
4 plaints with the Secretary, the Bureau of Consumer
5 Financial Protection, the Federal Trade Commis-
6 sion, the Department of Veterans Affairs, any State
7 attorney general, or any other Federal or State reg-
8 ulatory or enforcement agency that compiles infor-
9 mation about such complaints.

10 “(e) LIMITATIONS ON CONTRACTS.—Any entity with
11 which the Secretary enters into a contract under this sec-
12 tion shall be prohibited, as part of such contract, from
13 marketing to the borrower of a loan made, insured, or
14 guaranteed under this title a financial product or serv-
15 ice—

16 “(1) using data obtained as a result of the con-
17 tract or the relationship with the borrower stemming
18 from the contract;

19 “(2) during any outreach or contact with the
20 borrower resulting from the contract or the relation-
21 ship with the borrower stemming from the contract;
22 or

23 “(3) on any platform or through any method
24 resulting from the contract or the relationship with
25 the borrower stemming from the contract.

1 “(f) STUDENT LOAN SERVICING INTERAGENCY
2 WORKING GROUP.—

3 “(1) IN GENERAL.—Not later than 30 days
4 after the date of enactment of the Student Loan
5 Borrower Bill of Rights, the Secretary shall establish
6 a student loan servicing interagency working group
7 co-chaired by the Secretary and the Director of the
8 Bureau of Consumer Financial Protection and in-
9 cluding the Chief Operating Officer of the Office of
10 Federal Student Aid, the Director of the Office of
11 Management and Budget, the Secretary of the
12 Treasury, and the heads of any other relevant Fed-
13 eral departments or agencies.

14 “(2) ADVISORY REPORT ON RULEMAKING.—

15 “(A) IN GENERAL.—Not later than 120
16 days after the date the working group under
17 paragraph (1) is established, the working group
18 shall publish an advisory report making rec-
19 ommendations to the Director of the Bureau of
20 Consumer Financial Protection related to the
21 promulgation of regulations under section
22 128(e)(17)(A) of the Truth in Lending Act (15
23 U.S.C. 1638(e)(17)(A)) with respect to entities
24 with which the Secretary has entered into a
25 contract under this section.

1 “(B) PUBLIC FEEDBACK.—Following the
2 publication of the advisory report required
3 under subparagraph (A), the Secretary shall ac-
4 cept, for not less than 60 days, from the public
5 specific feedback on the recommendations in-
6 cluded in the report.

7 “(3) PUBLICATION OF FINAL RECOMMENDA-
8 TIONS.—Not later than 30 days following the con-
9 clusion of the public feedback process described in
10 paragraph (2)(B), the Secretary shall publish final
11 recommendations for the Director of the Bureau of
12 Consumer Financial Protection related to the pro-
13 mulgation of regulations under section
14 128(e)(17)(A) of the Truth in Lending Act (15
15 U.S.C. 1638(e)(17)(A)).

16 “(4) POLICY DIRECTION TO FEDERAL STUDENT
17 AID.—The working group shall develop policy direc-
18 tion for the Office of Federal Student Aid to incor-
19 porate, into contracts awarded under this section,
20 applicable requirements and standards promulgated
21 under section 128(e)(17)(A) of the Truth in Lending
22 Act (15 U.S.C. 1638(e)(17)(A)) or described in sec-
23 tion 128(e)(17)(B)(i)(II) of such Act.

24 “(5) MEETINGS.—After the Secretary publishes
25 final recommendations under paragraph (3), the

1 working group shall meet not less often than once
2 per year including to—

3 “(A) evaluate the application of regulations
4 promulgated under section 128(e)(17)(A) of the
5 Truth in Lending Act (15 U.S.C.
6 1638(e)(17)(A)) on entities with which the Sec-
7 retary has entered into a contract under this
8 section;

9 “(B) evaluate the Office of Federal Stu-
10 dent Aid’s implementation of policy direction
11 developed pursuant to paragraph (4);

12 “(C) develop and implement an oversight
13 plan to ensure compliance by entities with
14 which the Secretary has entered into a contract
15 under this section with policy direction devel-
16 oped under paragraph (4) and regulations pro-
17 mulgated under section 128(e)(17)(A) of the
18 Truth in Lending Act (15 U.S.C.
19 1638(e)(17)(A)) or described in section
20 128(e)(17)(B)(i)(II) of such Act; and

21 “(D) undertake other activities to improve
22 coordination among the members of the work-
23 ing group as it relates to the Secretary’s admin-
24 istration of loans made, insured, or guaranteed
25 under this title.

1 “(6) INVESTIGATIONS.—In order to carry out
2 its duties under this subsection, the working group
3 may engage in investigations of entities with which
4 the Secretary has entered into a contract under this
5 section.

6 “(7) RULE OF CONSTRUCTION.—Nothing in
7 this subsection shall be considered to alter, limit, or
8 restrict the Bureau of Consumer Financial Protec-
9 tion’s obligations under chapter 5 of title 5, United
10 States Code (commonly known as the ‘Administra-
11 tive Procedures Act’), including the Director’s obli-
12 gation to provide notice, solicit public comment, and
13 respond to such comment when issuing regula-
14 tions.”.

15 (d) REMOVAL OF RECORD OF DEFAULT.—Part G of
16 title IV of the Higher Education Act of 1965 (20 U.S.C.
17 1088 et seq.) is amended by adding at the end the fol-
18 lowing:

19 **“SEC. 494. REMOVAL OF RECORD OF DEFAULT.**

20 “Upon repaying in full the amount due on a defaulted
21 loan made, insured, or guaranteed under this title, the
22 Secretary, guaranty agency, or other holder of the loan
23 shall request any consumer reporting agency to which the
24 Secretary, guaranty agency, or holder, as applicable, re-
25 ported the default of the loan, to remove any adverse item

1 of information relating to such loan from the borrower’s
2 credit history.”.

3 (e) REMOVAL OF RECORD OF DEFAULT FROM CRED-
4 IT HISTORY.—Section 455(g) of the Higher Education
5 Act of 1965 (20 U.S.C. 1087e(g)) is amended by adding
6 at the end the following:

7 “(3) CONSUMER REPORTING AGENCIES.—Upon
8 obtaining a Federal Direct Consolidation Loan that
9 discharges the liability on a defaulted loan made, in-
10 sured, or guaranteed under this title, the Secretary,
11 guaranty agency, or other holder of the loan shall
12 request any consumer reporting agency to which the
13 Secretary, guaranty agency or holder, as applicable,
14 reported the default of the loan, to remove any ad-
15 verse item of information relating to such loan from
16 the borrower’s credit history.”.

17 (f) DEFAULT REDUCTION PROGRAM.—Section
18 428F(a)(1)(C) of the Higher Education Act of 1965 (20
19 U.S.C. 1078–6(a)(1)(C)) is amended by striking “to re-
20 move the record of the default from the borrower’s credit
21 history” and inserting “to remove any adverse item of in-
22 formation relating to such loan from the borrower’s credit
23 history”.

1 **SEC. 3. TRUTH IN LENDING ACT AMENDMENTS.**

2 (a) IN GENERAL.—The Truth in Lending Act (15
3 U.S.C. 1601 et seq.) is amended—

4 (1) in section 128 (15 U.S.C. 1638)—

5 (A) in subsection (e)—

6 (i) in the subsection heading, by strik-
7 ing “PRIVATE”;

8 (ii) in paragraph (1)(O), by striking
9 “paragraph (6)” and inserting “paragraph
10 (10)”;

11 (iii) in paragraph (2)(L), by striking
12 “paragraph (6)” and inserting “paragraph
13 (10)”;

14 (iv) in paragraph (4)(C), by striking
15 “paragraph (7)” and inserting “paragraph
16 (11)”;

17 (v) by redesignating paragraphs (5)
18 through (11) as paragraphs (9) through
19 (15), respectively;

20 (vi) by inserting after paragraph (4)
21 the following:

22 “(5) DISCLOSURES BEFORE FIRST FULLY AM-
23 ORTIZED PAYMENT.—Not fewer than 30 days and
24 not more than 150 days before the first fully amor-
25 tized payment on a postsecondary education loan is
26 due from the borrower, the postsecondary edu-

1 cational lender or servicer shall disclose to the bor-
2 rower, clearly and conspicuously—

3 “(A) the information described in—

4 “(i) paragraph (2)(A) (adjusted, as
5 necessary, for the rate of interest in effect
6 on the date the first fully amortized pay-
7 ment on a postsecondary education loan is
8 due);

9 “(ii) subparagraphs (B) through (G)
10 of paragraph (2);

11 “(iii) paragraph (2)(H) (adjusted, as
12 necessary, for the rate of interest in effect
13 on the date the first fully amortized pay-
14 ment on a postsecondary education loan is
15 due);

16 “(iv) paragraph (2)(K); and

17 “(v) subparagraphs (O) and (P) of
18 paragraph (2);

19 “(B) the scheduled date upon which the
20 first fully amortized payment is due;

21 “(C) the name of the postsecondary edu-
22 cational lender and servicer, and the address to
23 which communications and payments should be
24 sent including a telephone number, email ad-

1 dress, and website where the borrower may ob-
2 tain additional information;

3 “(D) a description of all alternative repay-
4 ment options, including applicable repayment
5 plans and options for loan consolidation, loan
6 forgiveness, and loan repayment; and

7 “(E) a statement that a Servicemember
8 and Veterans Liaison designated under para-
9 graph (16)(K) is available to answer inquiries
10 about servicemember and veteran benefits re-
11 lated to postsecondary education loans, includ-
12 ing the toll-free telephone number and email
13 address to contact the Liaison pursuant to
14 paragraph (16)(K).

15 “(6) DISCLOSURES WHEN BORROWER IS AT-
16 RISK.—

17 “(A) IN GENERAL.—Not more than 5 days
18 after a postsecondary educational lender or
19 servicer determines that a borrower meets the
20 criteria established in paragraph (16)(J)(i), the
21 postsecondary educational lender or servicer
22 shall—

23 “(i) disclose to the borrower, in writ-
24 ing, clearly and conspicuously that a repay-
25 ment specialist office or unit is available to

1 discuss alternative repayment options and
2 answer borrower inquiries related to their
3 postsecondary educational loan, including
4 the toll-free number to contact the office or
5 unit pursuant to paragraph (16)(J)(iii);
6 and

7 “(ii) inform the borrower, in writing,
8 of the existence of discharge programs, the
9 criteria required to qualify for discharge
10 under each of such programs, and how to
11 apply.

12 “(B) OUTREACH TO AT-RISK BOR-
13 ROWERS.—The Director, in accordance with
14 paragraph (17)(A), shall promulgate rules to
15 establish a timeline for additional live outreach
16 by the repayment specialist office or unit to at-
17 risk borrowers.

18 “(7) ACTIONS WHEN BORROWER IS 30 DAYS DE-
19 LINQUENT.—

20 “(A) IN GENERAL.—Not more than 5 days
21 after a borrower becomes 30 days delinquent on
22 a postsecondary education loan, the repayment
23 specialist office or unit designated under para-
24 graph (16)(J) shall—

1 “(i) make a good faith effort to estab-
2 lish live contact with the borrower to dis-
3 cuss alternative repayment options and
4 other options available to avoid default;
5 and

6 “(ii) disclose to the borrower, in writ-
7 ing, clearly and conspicuously—

8 “(I) of the availability of income-
9 driven repayment plans under sections
10 455 and 493C of the Higher Edu-
11 cation Act of 1965 (20 U.S.C. 1087e
12 and 1098e) and the public service
13 loan forgiveness program under sec-
14 tion 455(m) of the Higher Education
15 Act of 1965 (20 U.S.C. 1087e(m))
16 and how to apply;

17 “(II) the minimum payment that
18 the borrower must make to bring the
19 loan current;

20 “(III) a statement, related to po-
21 tential charge off (as defined in para-
22 graph (16)(A)) or assignment to col-
23 lections as appropriate, to include—

24 “(aa) the date on which the
25 loan will be charged-off or as-

1 signed to collections if no pay-
2 ment is made or the minimum
3 payment required to be disclosed
4 pursuant to item (bb) is not
5 made;

6 “(bb) the minimum payment
7 that must be made to avoid the
8 loan being charged off or as-
9 signed to collection; and

10 “(cc) the consequences to
11 the borrower of charge off or as-
12 signment to collections;

13 “(IV) a statement that a Service-
14 member and Veterans Liaison des-
15 ignated under paragraph (16)(K) is
16 available to answer inquiries about
17 servicemember and veteran benefits
18 related to postsecondary education
19 loans, including the toll-free telephone
20 number and email address to contact
21 the Liaison pursuant to paragraph
22 (16)(K); and

23 “(V) a statement that a repay-
24 ment specialist office or unit des-
25 ignated under paragraph (16)(J) is

1 available to answer inquiries related to
2 alternative repayment options, includ-
3 ing the toll-free telephone number and
4 email address to contact the specialist
5 pursuant to paragraph (16)(J)(iii).

6 “(B) MODIFICATIONS.—The disclosures
7 described in subparagraph (A)(ii) may be modi-
8 fied subject to regulations promulgated by the
9 Director, based on consumer testing and in ac-
10 cordance with paragraph (17)(A).

11 “(8) ACTIONS WHEN BORROWER IS HAVING
12 DIFFICULTY MAKING PAYMENT OR IS 60 DAYS DE-
13 LINQUENT.—

14 “(A) IN GENERAL.—Not more than 5 days
15 after a borrower notifies a postsecondary edu-
16 cational lender or servicer that the borrower is
17 having difficulty making payment or a borrower
18 becomes 60 days delinquent on a postsecondary
19 education loan, the repayment specialist office
20 or unit designated under paragraph (16)(J)
21 shall—

22 “(i) complete a full review of the bor-
23 rower’s postsecondary education loan and
24 make a reasonable effort to obtain the in-
25 formation necessary to determine—

1 “(I) if the borrower is eligible for
2 any alternative repayment option, in-
3 cluding Federal Direct Consolidation
4 Loans under part D of title IV of the
5 Higher Education Act of 1965 (20
6 U.S.C. 1087a et seq.), as applicable,
7 or the public service loan forgiveness
8 program under section 455(m) of the
9 Higher Education Act of 1965 (20
10 U.S.C. 1087e(m));

11 “(II) if the borrower is eligible
12 for servicemember or veteran benefits
13 under the Servicemembers Civil Relief
14 Act (50 U.S.C. 3901 et seq.) or other
15 Federal or State law related to post-
16 secondary education loans; and

17 “(III) if the postsecondary edu-
18 cation loan, if a loan made, insured,
19 or guaranteed under part B, D, or E
20 of title IV of the Higher Education
21 Act of 1965 (20 U.S.C. 1071 et seq.,
22 1087a et seq., and 1087aa et seq.), is
23 eligible for discharge by the Secretary;

24 “(ii) make a good faith effort to es-
25 tablish live contact with the borrower to

1 provide the borrower information about al-
2 ternative repayment options and benefits
3 for which the borrower is eligible, including
4 all terms, conditions, and fees or costs as-
5 sociated with such repayment plan, pursu-
6 ant to paragraph (9)(D);

7 “(iii) provide to the borrower in writ-
8 ing, in simple and understandable terms,
9 such information required by clause (ii);

10 “(iv) allow the borrower a reasonable
11 amount of time to apply for an alternative
12 repayment option or benefits, if eligible,
13 before the loan is placed in default;

14 “(v) notify the borrower that a Serv-
15 icemember and Veterans Liaison des-
16 ignated under paragraph (16)(K) is avail-
17 able to answer inquiries about servicemem-
18 ber and veteran benefits related to postsec-
19 ondary education loans, including the toll-
20 free telephone number and email address
21 to contact the Liaison pursuant to para-
22 graph (16)(K); and

23 “(vi) notify the borrower that a repay-
24 ment specialist office or unit designated
25 under paragraph (16)(J) is available to an-

1 swer inquiries related to alternative repay-
2 ment options, including the toll-free tele-
3 phone number and email address to con-
4 tact the specialist pursuant to paragraph
5 (16)(J)(iii).

6 “(B) FORBEARANCE OR DEFERMENT.—If,
7 after receiving information about alternative re-
8 payment options from the repayment specialist,
9 a borrower notifies the postsecondary edu-
10 cational lender or servicer that a long-term al-
11 ternative repayment option is not appropriate,
12 the postsecondary educational lender or servicer
13 may comply with this paragraph by providing
14 the borrower, in writing, in simple and under-
15 standable terms, information about short-term
16 options to address an anticipated short-term
17 difficulty in making payments, such as forbear-
18 ance or deferment options, including all terms,
19 conditions, and fees or costs associated with
20 such options pursuant to paragraph (9)(D).

21 “(C) NOTIFICATION PROCESS.—

22 “(i) IN GENERAL.—Each postsec-
23 ondary educational lender or servicer shall
24 establish a process, in accordance with

1 subparagraph (A), for a borrower to notify
2 the lender that—

3 “(I) the borrower is having dif-
4 ficulty making payments on a postsec-
5 ondary education loan; and

6 “(II) a long-term alternative re-
7 payment option is not appropriate.

8 “(ii) CONSUMER FINANCIAL PROTEC-
9 TION BUREAU REQUIREMENTS.—The Di-
10 rector shall, based on consumer testing,
11 and in accordance with paragraph (17)(A),
12 promulgate rules establishing minimum
13 standards for postsecondary educational
14 lender or servicers in carrying out the re-
15 quirements of this paragraph and a model
16 form for borrowers to notify postsecondary
17 educational lender or servicers of the infor-
18 mation under this paragraph.”;

19 (vii) in paragraph (9), as redesignated
20 by clause (v), by adding at the end the fol-
21 lowing:

22 “(D) MODEL DISCLOSURE FORM FOR AL-
23 TERNATIVE REPAYMENT OPTIONS, FORBEAR-
24 ANCE, AND DEFERMENT OPTIONS.—Not later
25 than 2 years after the date of enactment of the

1 Student Loan Borrower Bill of Rights, the Di-
2 rector shall, based on consumer testing and
3 through regulations promulgated in accordance
4 with paragraph (17)(A), develop and issue
5 model forms to allow borrowers to compare al-
6 ternative repayment options, forbearance, and
7 deferment options with the borrower’s existing
8 repayment plan with respect to a postsecondary
9 education loan. In developing such forms, the
10 Director shall consider and evaluate the fol-
11 lowing for inclusion:

12 “(i) The total amount to be paid over
13 the life of the loan.

14 “(ii) The total amount in interest to
15 be paid over the life of the loan.

16 “(iii) The monthly payment amount.

17 “(iv) The expected pay-off date.

18 “(v) Other related fees and costs, as
19 applicable.

20 “(vi) Eligibility requirements, and
21 how the borrower can apply for an alter-
22 native repayment option, forbearance, or
23 deferment option.

24 “(vii) Any relevant consequences due
25 to action or inaction, such as default, in-

1 cluding any actions that would result in
 2 the loss of eligibility for alternative repay-
 3 ment options, forbearance, deferment, or
 4 discharge options.”;

5 (viii) in paragraph (12), as redesignig-
 6 nated by clause (v), by striking “paragraph
 7 (7)” and inserting “paragraph (11)”;

8 (ix) by striking paragraph (14), as re-
 9 designated by clause (v), and inserting the
 10 following:

11 “(14) DEFINITIONS.—In this subsection—

12 “(A) the terms ‘covered educational insti-
 13 tution’, ‘private educational lender’, and ‘pri-
 14 vate education loan’ have the same meanings as
 15 in section 140;

16 “(B) the term ‘postsecondary education
 17 loan’ means—

18 “(i) a private education loan;

19 “(ii) a loan made, insured, or guaran-
 20 teed under part B, D, or E of title IV of
 21 the Higher Education Act of 1965 (20
 22 U.S.C. 1071 et seq., 1087a et seq., and
 23 1087aa et seq.); or

24 “(iii) a loan made, insured, or guaran-
 25 teed under title VII or title VIII of the

1 Public Health Service Act (42 U.S.C. 292
2 et seq. and 296 et seq.);

3 “(C) the term ‘postsecondary educational
4 lender or servicer’ means—

5 “(i) an eligible lender of a loan made,
6 insured, or guaranteed under part B of the
7 Higher Education Act of 1965 (20 U.S.C.
8 1071 et seq.);

9 “(ii) any entity with which the Sec-
10 retary enters into a contract under section
11 456 of the Higher Education Act of 1965
12 (20 U.S.C. 1087f) for origination, serv-
13 icing, or collection described in subsection
14 (b) of such section 456 and is engaged in
15 the provision of, or offering, servicing, as
16 defined in paragraph (16)(A)(iv), or collec-
17 tions regardless of whether the Secretary
18 identifies the entity as a ‘servicer’ in such
19 contract;

20 “(iii) a private educational lender;

21 “(iv) any other person or entity en-
22 gaged in the business of securing, making,
23 or extending postsecondary education loans
24 on behalf of a person or entity described in
25 clause (i) or (iii); or

1 “(v) any other holder of a postsec-
2 ondary education loan other than the Sec-
3 retary;

4 “(D) the term ‘Director’ means the Direc-
5 tor of the Bureau; and

6 “(E) the term ‘Secretary’ means the Sec-
7 retary of Education.”;

8 (x) in paragraph (15), as redesignated
9 by clause (v), by striking “paragraph (5)”
10 and inserting “paragraph (9)”; and

11 (xi) by adding at the end the fol-
12 lowing:

13 “(16) STUDENT LOAN BORROWER BILL OF
14 RIGHTS.—

15 “(A) DEFINITIONS.—In this paragraph:

16 “(i) BORROWER.—The term ‘bor-
17 rower’ means the person to whom a post-
18 secondary education loan is extended.

19 “(ii) CHARGE OFF.—The term ‘charge
20 off’ means charge to profit and loss, or
21 subject to any similar action.

22 “(iii) QUALIFIED WRITTEN RE-
23 QUEST.—

24 “(I) IN GENERAL.—The term
25 ‘qualified written request’ means a

1 written correspondence of a borrower
2 (other than notice on a payment me-
3 dium supplied by the postsecondary
4 educational lender or servicer) trans-
5 mitted by mail, facsimile, or electroni-
6 cally through an email address or
7 website designated by the postsec-
8 ondary educational lender or servicer
9 to receive communications from bor-
10 rowers that—

11 “(aa) includes, or otherwise
12 enables the postsecondary edu-
13 cational lender or servicer to
14 identify, the name and account of
15 the borrower; and

16 “(bb) includes, to the extent
17 applicable—

18 “(AA) sufficient detail
19 regarding the information
20 sought by the borrower; or

21 “(BB) a statement of
22 the reasons for the belief of
23 the borrower that there is
24 an error regarding the ac-
25 count of the borrower.

1 “(II) CORRESPONDENCE DELIV-
2 ERED TO OTHER ADDRESSES.—

3 “(aa) IN GENERAL.—A writ-
4 ten correspondence of a borrower
5 is a qualified written request if
6 the written correspondence is
7 transmitted to and received by a
8 postsecondary educational lender
9 or servicer at a mailing address,
10 facsimile number, email address,
11 or website address other than the
12 address or number designated by
13 that postsecondary educational
14 lender or servicer to receive com-
15 munications from borrowers but
16 the written correspondence meets
17 the requirements under items
18 (aa) and (bb) of subclause (I).

19 “(bb) DUTY TO TRANS-
20 FER.—A postsecondary edu-
21 cational lender or servicer shall,
22 within a reasonable period of
23 time, transfer a written cor-
24 respondence of a borrower re-
25 ceived by the postsecondary edu-

1 educational lender or servicer at a
2 mailing address, facsimile num-
3 ber, email address, or website ad-
4 dress other than the address or
5 number designated by that post-
6 secondary educational lender or
7 servicer to receive communica-
8 tions from borrowers to the cor-
9 rect address or appropriate office
10 or other unit of the postsec-
11 ondary educational lender or
12 servicer.

13 “(cc) DATE OF RECEIPT.—A
14 written correspondence of a bor-
15 rower transferred in accordance
16 with item (bb) shall be deemed to
17 be received by the postsecondary
18 educational lender or servicer on
19 the date on which the written
20 correspondence is transferred to
21 the correct address or appro-
22 priate office or other unit of the
23 postsecondary educational lender
24 or servicer.

1 “(iv) SERVICING.—The term ‘serv-
2 icing’ means 1 or more of the following:

3 “(I) Receiving any scheduled
4 periodic payments from a borrower or
5 notification of such payments pursu-
6 ant to the terms of a postsecondary
7 education loan or contract governing
8 the servicing.

9 “(II) Applying payments to the
10 borrower’s account pursuant to the
11 terms of the postsecondary education
12 loan or the contract governing the
13 servicing.

14 “(III) Maintaining account
15 records for a postsecondary education
16 loan.

17 “(IV) Communicating with a bor-
18 rower regarding a postsecondary edu-
19 cation loan on behalf of the postsec-
20 ondary educational lender or servicer.

21 “(V) Interactions with a bor-
22 rower, including activities to help pre-
23 vent default on obligations arising
24 from postsecondary education loans,
25 conducted to facilitate the activities

1 described in subclause (I) or (II) on
2 behalf of the postsecondary edu-
3 cational lender or servicer.

4 “(B) SALE, TRANSFER, OR ASSIGNMENT.—

5 If the sale, other transfer, assignment, or trans-
6 fer of servicing obligations of a postsecondary
7 education loan results in a change in the iden-
8 tity of the party to whom the borrower must
9 send subsequent payments or direct any com-
10 munications concerning the loan—

11 “(i) the transferor shall—

12 “(I) notify the borrower, in writ-
13 ing, in simple and understandable
14 terms, not fewer than 45 days before
15 transferring a legally enforceable right
16 to receive payment from the borrower
17 on such loan, of—

18 “(aa) the sale or other
19 transfer, assignment, or transfer
20 of servicing obligations;

21 “(bb) the identity of the
22 transferee;

23 “(cc) the name and address
24 of the party to whom subsequent

1 payments or communications
2 must be sent;

3 “(dd) the telephone num-
4 bers, email address, and websites
5 of both the transferor and the
6 transferee;

7 “(ee) the effective date of
8 the sale, transfer, or assignment;

9 “(ff) the date on which the
10 transferor will stop accepting
11 payment; and

12 “(gg) the date on which the
13 transferee will begin accepting
14 payment; and

15 “(II) forward any payment from
16 a borrower with respect to such post-
17 secondary education loan to the trans-
18 feree, immediately upon receiving such
19 payment, during the 60-day period be-
20 ginning on the date on which the
21 transferor stops accepting payment of
22 such postsecondary education loan;
23 and

24 “(III) provide to the transferee
25 all borrower information and complete

1 payment history information for any
2 such postsecondary education loan, in-
3 cluding—

4 “(aa) an identification of the
5 repayment plan under which pay-
6 ments were made;

7 “(bb) the number of months
8 qualifying toward a loan forgive-
9 ness program and identifying
10 such program;

11 “(cc) the date of enrollment
12 into any income-driven repay-
13 ment plan under section 455 or
14 493C of the Higher Education
15 Act of 1965 (20 U.S.C. 1087e
16 and 1098e);

17 “(dd) the dates of any for-
18 bearance or deferment; and

19 “(ee) any application for ad-
20 ministrative relief submitted to
21 the transferor; and

22 “(ii) the transferee shall—

23 “(I) notify the borrower, in writ-
24 ing, in simple and understandable
25 terms, not fewer than 45 days before

1 acquiring a legally enforceable right to
2 receive payment from the borrower on
3 such loan, of—

4 “(aa) the sale or other
5 transfer, assignment, or transfer
6 of servicing obligations;

7 “(bb) the identity of the
8 transferor:

9 “(cc) the name and address
10 of the party to whom subsequent
11 payments or communications
12 must be sent;

13 “(dd) the telephone num-
14 bers, email address, and websites
15 of both the transferor and the
16 transferee;

17 “(ee) the effective date of
18 the sale, transfer, assignment, or
19 transfer of servicing obligations;

20 “(ff) the date on which the
21 transferor will stop accepting
22 payment; and

23 “(gg) the date on which the
24 transferee will begin accepting
25 payment;

1 “(II) accept as on-time and may
2 not impose any late fee or finance
3 charge for any payment from a bor-
4 rower with respect to such postsec-
5 ondary education loan that is for-
6 warded from the transferor during the
7 90-day period beginning on the date
8 on which the transferor stops accept-
9 ing payment, if the transferor receives
10 such payment on or before the appli-
11 cable due date, including any grace
12 period;

13 “(III) provide borrowers a sim-
14 ple, online process for transferring ex-
15 isting electronic fund transfer author-
16 ity; and

17 “(IV) honor any promotion or
18 benefit available or granted to the
19 borrower or advertised by the previous
20 owner or transferor of such postsec-
21 ondary education loan.

22 “(C) MATERIAL CHANGE IN MAILING AD-
23 DRESS OR PROCEDURE FOR HANDLING PAY-
24 MENTS.—

1 “(i) IN GENERAL.—If a postsecondary
2 educational lender or servicer makes a
3 change in the mailing address, office, or
4 procedures for handling payments with re-
5 spect to any postsecondary education loan,
6 the postsecondary educational lender or
7 servicer shall notify the borrower in writing
8 and through the borrower’s preferred or
9 designated method of communication not
10 less than 45 calendar days in advance of
11 such change.

12 “(ii) BORROWER PROTECTION WIN-
13 DOW.—If a change described in clause (i)
14 causes a delay in the crediting of the ac-
15 count of the borrower made during the 90-
16 day period following the date on which
17 such change took effect, the postsecondary
18 educational lender or servicer may not im-
19 pose on the borrower any negative con-
20 sequences, including negative credit report-
21 ing, lost eligibility in borrower benefits,
22 late fees, interest capitalization, or other
23 financial injury.

1 “(D) INTEREST RATE AND TERM CHANGES
2 FOR CERTAIN POSTSECONDARY EDUCATION
3 LOANS.—

4 “(i) NOTIFICATION REQUIREMENTS.—

5 “(I) IN GENERAL.—Except as
6 provided in clause (iii), a postsec-
7 ondary educational lender or servicer
8 shall provide written notice, in a clear
9 and conspicuous manner, to a bor-
10 rower of any material change in the
11 terms of the postsecondary education
12 loan, including an increase in the in-
13 terest rate, not later than 45 days be-
14 fore the effective date of the change
15 or increase.

16 “(II) MATERIAL CHANGES IN
17 TERMS.—The Director shall, by regu-
18 lation, establish guidelines for deter-
19 mining which changes in terms are
20 material under subclause (I).

21 “(ii) LIMITS ON INTEREST RATE AND
22 FEE INCREASES APPLICABLE TO OUT-
23 STANDING BALANCE.—Except as provided
24 in clause (iii), a postsecondary educational
25 lender or servicer may not increase the in-

1 terest rate or other fee applicable to an
2 outstanding balance on a postsecondary
3 education loan.

4 “(iii) EXCEPTIONS.—The require-
5 ments under clauses (i) and (ii) shall not
6 apply to—

7 “(I) an increase based on an ap-
8 plicable variable interest rate incor-
9 porated in the terms of a postsec-
10 ondary education loan that provides
11 for changes in the interest rate ac-
12 cording to operation of an index that
13 is not under the control of the post-
14 secondary educational lender or
15 servicer and is published for viewing
16 by the general public;

17 “(II) an increase in interest rate
18 due to the completion of a workout or
19 temporary hardship arrangement by
20 the borrower or the failure of the bor-
21 rower to comply with the terms of a
22 workout or temporary hardship ar-
23 rangement if—

24 “(aa) the interest rate appli-
25 cable to a category of trans-

1 actions following any such in-
2 crease does not exceed the rate
3 or fee that applied to that cat-
4 egory of transactions prior to
5 commencement of the arrange-
6 ment; and

7 “(bb) the postsecondary edu-
8 cational lender or servicer has
9 provided the borrower, prior to
10 the commencement of such ar-
11 rangement, with clear and con-
12 spicuous disclosure of the terms
13 of the arrangement (including
14 any increases due to such com-
15 pletion or failure); and

16 “(III) an increase in interest rate
17 due to a provision included within the
18 terms of a postsecondary education
19 loan that provides for a lower interest
20 rate based on the borrower’s agree-
21 ment to a prearranged plan that au-
22 thorizes recurring electronic funds
23 transfers if—

24 “(aa) the borrower with-
25 draws the borrower’s authoriza-

1 tion of the prearranged recurring
2 electronic funds transfer plan;
3 and

4 “(bb) after withdrawal of
5 the borrower’s authorization and
6 prior to increasing the interest
7 rate, the postsecondary edu-
8 cational lender or servicer has
9 provided the borrower with clear
10 and conspicuous disclosure of the
11 impending change in borrower’s
12 interest rate and a reasonable op-
13 portunity to reauthorize the pre-
14 arranged electronic funds trans-
15 fers plan.

16 “(E) PAYMENT INFORMATION.—

17 “(i) STATEMENT REQUIRED WITH
18 EACH BILLING CYCLE.—A postsecondary
19 educational lender or servicer for each bor-
20 rower’s account that is being serviced by
21 the postsecondary educational lender or
22 servicer and that includes a postsecondary
23 education loan shall transmit to the bor-
24 rower, for each billing cycle during which
25 there is an outstanding balance in that ac-

1 count, a clearly and conspicuously written
2 statement that includes—

3 “(I) the interest rate, principal
4 balance, minimum monthly payment,
5 and payment due date for each loan;

6 “(II) the outstanding balance in
7 the account and each loan at the be-
8 ginning of the billing cycle;

9 “(III) the total amount credited
10 to the account and each loan during
11 the billing cycle;

12 “(IV) the total amount of unpaid
13 interest for the account and each loan;

14 “(V) the amount of any fee
15 added to the account during the bill-
16 ing cycle, itemized to show each indi-
17 vidual fee amount and reason for each
18 fee;

19 “(VI) the address and phone
20 number of the postsecondary edu-
21 cational lender or servicer to which
22 the borrower may direct billing inquir-
23 ies;

24 “(VII) the amount of any pay-
25 ments or other credits during the bill-

1 ing cycle that was applied respectively
2 to the principal and to interest for
3 each loan;

4 “(VIII) the manner, pursuant to
5 subparagraph (G), in which payments
6 will be allocated among multiple loans
7 if the borrower does not provide spe-
8 cific payment instructions;

9 “(IX) whether each loan is in
10 deferment or forbearance;

11 “(X) information on how to file a
12 complaint with the Bureau and with
13 the ombudsman designated pursuant
14 to section 1035 of the Consumer Fi-
15 nancial Protection Act of 2010 (12
16 U.S.C. 5535) and the Department of
17 Education;

18 “(XI) for any borrower consid-
19 ered to be at-risk, as described in sub-
20 paragraph (J)(i), a statement that a
21 repayment specialist office or unit
22 designated under subparagraph (J) is
23 available to answer inquiries related to
24 alternative repayment options, includ-
25 ing the toll-free telephone number and

1 email address to contact the specialist
2 pursuant to subparagraph (J)(iii);
3 and

4 “(XII) any other information de-
5 termined appropriate by the Director
6 through regulations promulgated,
7 based on consumer testing and in ac-
8 cordance with paragraph (17)(A).

9 “(ii) DISCLOSURE OF PAYMENT DEAD-
10 LINES.—In the case of a postsecondary
11 education loan account under which a late
12 fee or charge may be imposed due to the
13 failure of the borrower to make payment
14 on or before the due date for such pay-
15 ment, the billing statement required under
16 clause (i) with respect to the account shall
17 include, in a conspicuous location on the
18 billing statement and in clear and plain
19 language, the date on which the payment
20 is due or, if different, the date on which a
21 late fee will be charged, together with the
22 amount of the late fee to be imposed if
23 payment is made after that date.

24 “(F) APPLICATION OF PAYMENTS.—

1 “(i) APPLY PAYMENT ON DATE RE-
2 CEIVED.—Unless otherwise directed by the
3 borrower, a postsecondary educational
4 lender or servicer shall apply payments to
5 a borrower’s account on the date the pay-
6 ment is received.

7 “(ii) PROMULGATION OF RULES.—
8 The Director, in accordance with para-
9 graph (17)(A), may promulgate rules for
10 the application of postsecondary education
11 loan payments that—

12 “(I) implements the requirements
13 in this section;

14 “(II) minimizes the amount of
15 fees and interest incurred by the bor-
16 rower and the total loan amount paid
17 by the borrower;

18 “(III) minimizes delinquencies,
19 assignments to collection, and charge-
20 offs;

21 “(IV) requires postsecondary
22 educational lenders or servicers to
23 apply payments on the date received;
24 and

1 “(V) allows the borrower to in-
2 struct the postsecondary educational
3 lender or servicer to apply payments
4 in a manner preferred by the bor-
5 rower.

6 “(iii) METHOD THAT BEST BENEFITS
7 BORROWER.—In promulgating the rules
8 under clause (ii), the Director shall choose
9 the allocation method that best benefits the
10 borrower and is compatible with existing
11 repayment options.

12 “(G) ALLOCATION OF PAYMENTS AMONG
13 MULTIPLE LOANS.—

14 “(i) ALLOCATION OF UNDERPAY-
15 MENTS.—Unless otherwise directed by the
16 borrower, upon receipt of a payment that
17 does not satisfy the full amount due for
18 each postsecondary education loan, the
19 postsecondary educational lender or
20 servicer shall allocate amounts in a manner
21 that minimizes negative consequences, in-
22 cluding negative credit reporting and late
23 fees, and, where multiple loans share an
24 equal stage of delinquency, the postsec-
25 ondary educational lender or servicer shall

1 first allocate payment to the postsecondary
2 education loan with the smallest monthly
3 payment, and then, after satisfying that
4 monthly payment, to each successive loan
5 bearing the next highest monthly payment,
6 until the payment is exhausted. A borrower
7 may instruct or expressly authorize a post-
8 secondary educational lender or servicer to
9 allocate payments in a different manner.

10 “(ii) ALLOCATION OF EXCESS
11 AMOUNTS.—Unless otherwise directed by
12 the borrower, upon receipt of a payment
13 exceeding the total amount due among all
14 the borrower’s postsecondary education
15 loans, the postsecondary educational lender
16 or servicer shall satisfy the amounts due
17 for each loan, and then allocate amounts in
18 excess of the minimum payment amount
19 first to the postsecondary education loan
20 balance bearing the highest annual per-
21 centage rate, and then, once that loan is
22 repaid, to each successive postsecondary
23 education loan bearing the next highest an-
24 nual percentage rate, until the payment is
25 exhausted. A borrower may instruct or ex-

1 pressly authorize a postsecondary edu-
2 cational lender or servicer to allocate such
3 excess payments in a different manner.

4 “(iii) ALLOCATION OF EXACT PAY-
5 MENTS.—Unless otherwise directed by the
6 borrower upon receipt of a payment that
7 exactly satisfies the monthly payments for
8 each loan, the postsecondary educational
9 lender or servicer shall allocate payments
10 to satisfy each monthly payment.

11 “(iv) PROMULGATION OF RULES.—
12 The Director, in accordance with para-
13 graph (17)(A), may promulgate rules for
14 the allocation of payments among multiple
15 postsecondary education loans that—

16 “(I) implements the requirements
17 in this section;

18 “(II) minimizes the amount of
19 fees and interest incurred by the bor-
20 rower and the total loan amount paid
21 by the borrower;

22 “(III) minimizes delinquencies,
23 assignments to collection, and charge-
24 offs;

1 “(IV) requires postsecondary
2 educational lenders or servicers to
3 apply payments on the date received;
4 and

5 “(V) allows the borrower to in-
6 struct postsecondary educational lend-
7 ers or servicers to apply payments in
8 a manner preferred by the borrower,
9 including excess payments.

10 “(v) METHOD THAT BEST BENEFITS
11 BORROWER.—In promulgating the rules
12 under clause (iv), the Director shall choose
13 the allocation method that best benefits the
14 borrower and is compatible with existing
15 repayment options.

16 “(H) LATE FEES.—

17 “(i) IN GENERAL.—A late fee may not
18 be charged to a borrower for a postsec-
19 ondary education loan under any of the fol-
20 lowing circumstances, either individually or
21 in combination:

22 “(I) On a per-loan basis when a
23 borrower has multiple postsecondary
24 education loans.

1 “(II) In an amount greater than
2 4 percent of the amount of the pay-
3 ment past due.

4 “(III) Before the end of the 15-
5 day period beginning on the date the
6 payment is due.

7 “(IV) More than once with re-
8 spect to a single late payment.

9 “(V) The borrower fails to make
10 a singular, non-successive regularly-
11 scheduled payment on the postsec-
12 ondary education loan.

13 “(ii) COORDINATION WITH SUBSE-
14 QUENT LATE FEES.—No late fee may be
15 charged to a borrower for a postsecondary
16 education loan relating to an insufficient
17 payment if the payment is made on or be-
18 fore the due date of the payment, or within
19 any applicable grace period for the pay-
20 ment, if the insufficiency is attributable
21 only to a late fee relating to an earlier pay-
22 ment, and the payment is otherwise a full
23 payment for the applicable period.

24 “(iii) PAYMENTS AT LOCAL
25 BRANCHES.—If the loan holder, in the case

1 of a postsecondary education loan account
2 referred to in subparagraph (A), is a fi-
3 nancial institution that maintains a branch
4 or office at which payments on any such
5 account are accepted from the borrower in
6 person, the date on which the borrower
7 makes a payment on the account at such
8 branch or office shall be considered to be
9 the date on which the payment is made for
10 purposes of determining whether a late fee
11 may be imposed due to the failure of the
12 borrower to make payment on or before
13 the due date for such payment.

14 “(I) BORROWER INQUIRIES.—

15 “(i) DUTY OF POSTSECONDARY EDU-
16 CATIONAL LENDERS OR SERVICERS TO RE-
17 SPOND TO BORROWER INQUIRIES.—

18 “(I) NOTICE OF RECEIPT OF RE-
19 QUEST.—If a borrower submits a
20 qualified written request to the post-
21 secondary educational lender or
22 servicer for information relating to the
23 servicing of the postsecondary edu-
24 cation loan, the postsecondary edu-
25 cational lender or servicer shall pro-

1 vide a written response acknowledging
2 receipt of the qualified written request
3 within 5 business days unless any ac-
4 tion requested by the borrower is
5 taken within such period.

6 “(II) ACTION WITH RESPECT TO
7 INQUIRY.—Not later than 30 business
8 days after the receipt from a borrower
9 of a qualified written request under
10 subclause (I) and, if applicable, before
11 taking any action with respect to the
12 qualified written request of the bor-
13 rower, the postsecondary educational
14 lender or servicer shall—

15 “(aa) make appropriate cor-
16 rections in the account of the
17 borrower, including the crediting
18 of any late fees, and transmit to
19 the borrower a written notifica-
20 tion of such correction (which
21 shall include the name and toll-
22 free or collect-call telephone num-
23 ber and email address of a rep-
24 resentative of the postsecondary
25 educational lender or servicer

1 who can provide assistance to the
2 borrower);

3 “(bb) after conducting an
4 investigation, provide the bor-
5 rower with a written explanation
6 or clarification that includes—

7 “(AA) to the extent ap-
8 plicable, a statement of the
9 reasons for which the post-
10 secondary educational lender
11 or servicer believes the ac-
12 count of the borrower is cor-
13 rect as determined by the
14 postsecondary educational
15 lender or servicer; and

16 “(BB) the name and
17 toll-free or collect-call tele-
18 phone number and email ad-
19 dress of an individual em-
20 ployed by, or the office or
21 department of, the postsec-
22 ondary educational lender or
23 servicer who can provide as-
24 sistance to the borrower; or

1 “(cc) after conducting an in-
2 vestigation, provide the borrower
3 with a written explanation or
4 clarification that includes—

5 “(AA) information re-
6 quested by the borrower or
7 explanation of why the infor-
8 mation requested is unavail-
9 able or cannot be obtained
10 by the postsecondary edu-
11 cational lender or servicer;
12 and

13 “(BB) the name and
14 toll-free or collect-call tele-
15 phone number and email ad-
16 dress of an individual em-
17 ployed by, or the office or
18 department of, the postsec-
19 ondary educational lender or
20 servicer who can provide as-
21 sistance to the borrower.

22 “(III) LIMITED EXTENSION OF
23 RESPONSE TIME.—

24 “(aa) IN GENERAL.—There
25 may be 1 extension of the 30-day

1 period described in subclause (II)
2 of not more than 15 days if, be-
3 fore the end of such 30-day pe-
4 riod, the postsecondary edu-
5 cational lender or servicer noti-
6 fies the borrower of the extension
7 and the reasons for the delay in
8 responding.

9 “(bb) REPORTS TO BU-
10 REAU.—Each postsecondary edu-
11 cational lender or servicer shall,
12 on an annual basis, report to the
13 Bureau the aggregate number of
14 extensions sought by the such
15 postsecondary educational lender
16 or servicer under item (aa).

17 “(ii) PROTECTION AGAINST NEGATIVE
18 CONSEQUENCES.—During the 60-day pe-
19 riod beginning on the date on which a
20 postsecondary educational lender or
21 servicer receives a qualified written request
22 from a borrower relating to a dispute re-
23 garding payments by the borrower, a post-
24 secondary educational lender or servicer
25 may not impose any negative consequences

1 on the borrower relating to the subject of
 2 the qualified written request or to such pe-
 3 riod, including—

4 “(I) engaging in debt collection
 5 efforts, including under chapter 37 of
 6 title 31, United States Code;

7 “(II) providing negative credit in-
 8 formation to any consumer reporting
 9 agency (as defined in section 603 of
 10 the Fair Credit Reporting Act (15
 11 U.S.C. 1681a));

12 “(III) lost eligibility for a bor-
 13 rower benefit;

14 “(IV) late fees;

15 “(V) interest capitalization; or

16 “(VI) other financial injury.

17 “(J) REPAYMENT SPECIALISTS FOR AT-
 18 RISK BORROWERS.—

19 “(i) AT-RISK BORROWERS.—A post-
 20 secondary educational lender or servicer
 21 shall designate an office or other unit to
 22 act as a repayment specialist regarding
 23 postsecondary education loans for—

24 “(I) any borrower who—

1 “(aa) becomes 30 calendar
2 days or more delinquent under
3 the postsecondary education loan;
4 or

5 “(bb) notifies the postsec-
6 ondary educational lender or
7 servicer pursuant to paragraph
8 (8)(C) that the borrower is hav-
9 ing difficulty making payment;

10 “(II) any borrower who requests
11 information related to options to re-
12 duce or suspend the borrower’s
13 monthly payment, or otherwise indi-
14 cates that the borrower is experi-
15 encing or is about to experience finan-
16 cial hardship or distress;

17 “(III) any borrower who has not
18 completed the program of study for
19 which the borrower received the loans;

20 “(IV) any borrower who is en-
21 rolled in discretionary forbearance for
22 more than 9 of the previous 12
23 months;

24 “(V) any borrower who has reha-
25 bilitated or consolidated 1 or more

1 postsecondary education loans out of
2 default within the prior 24 months;

3 “(VI) a borrower who seeks in-
4 formation regarding, seeks to enter an
5 agreement for, or seeks to resolve an
6 issue under a repayment option that
7 requires subsequent submission of
8 supporting documentation;

9 “(VII) a borrower who seeks to
10 modify the terms of the repayment of
11 the postsecondary education loan be-
12 cause of hardship; and

13 “(VIII) any borrower or segment
14 of borrowers determined by the Direc-
15 tor or the Secretary to be at-risk.

16 “(ii) TRAINING.—Staff of the repay-
17 ment specialist office or unit designated
18 under clause (i) shall—

19 “(I) receive rigorous, ongoing
20 training related to available repay-
21 ment plans, loan forgiveness, and can-
22 cellation and discharge options; and

23 “(II) be trained to—

24 “(aa) assess the borrower’s
25 long-term and short-term finan-

1 cial situation in discussing alter-
2 native repayment options with
3 borrowers;

4 “(bb) inform borrowers,
5 when there is sufficient informa-
6 tion to determine that a borrower
7 may be eligible, about closed-
8 school discharge, discharge under
9 defense to repayment, or total
10 and permanent disability dis-
11 charge prior to informing the
12 borrower about any other options
13 for repayment; and

14 “(cc) inform borrowers
15 about alternative repayment op-
16 tions, prior to discussing forbear-
17 ance and deferment.

18 “(iii) TOLL-FREE TELEPHONE NUM-
19 BER AND EMAIL ADDRESS.—Each postsec-
20 ondary educational lender or servicer shall
21 maintain—

22 “(I) a toll-free telephone number
23 that shall—

1 “(aa) connect directly to the
2 repayment specialist office or
3 unit designated under clause (i);

4 “(bb) be made available on
5 the primary internet website of
6 the postsecondary educational
7 lender or servicer, on monthly
8 billing statements, and any dis-
9 closures required by paragraph
10 (6); and

11 “(cc) not subject borrowers
12 to unreasonable call wait times;
13 and

14 “(II) an email address that
15 shall—

16 “(aa) connect directly to the
17 repayment specialist office or
18 unit designated under clause (i);

19 “(bb) be made available on
20 the primary internet website of
21 the postsecondary educational
22 lender or servicer, on monthly
23 billing statements, and any dis-
24 closures required by paragraph
25 (6); and

1 “(cc) be monitored on a reg-
2 ular basis.

3 “(iv) COMPENSATION.—Staff of the
4 repayment specialist office or unit des-
5 ignated under clause (i) shall not be com-
6 pensated on the basis of the volume of
7 calls or accounts handled, dollar amounts
8 collected, brevity of calls, or in any other
9 manner that may encourage undue haste
10 and lack of diligence or quality customer
11 service.

12 “(K) SERVICEMEMBERS, VETERANS, AND
13 POSTSECONDARY EDUCATION LOANS.—

14 “(i) SERVICEMEMBER AND VETERANS
15 LIAISON.—Each postsecondary educational
16 lender or servicer shall designate an em-
17 ployee to act as the servicemember and
18 veterans liaison who is responsible for an-
19 swering inquiries from servicemembers,
20 veterans, and their immediate family mem-
21 bers, and is specially trained on service-
22 member and veteran benefits under the
23 Servicemembers Civil Relief Act (50 U.S.C.
24 3901 et seq.) and other Federal or State

1 laws related to postsecondary education
2 loans.

3 “(ii) TOLL-FREE TELEPHONE NUM-
4 BER AND EMAIL ADDRESS.—Each postsec-
5 ondary educational lender or servicer shall
6 maintain—

7 “(I) a toll-free telephone number
8 that shall—

9 “(aa) connect directly to the
10 servicemember and veterans liai-
11 son designated under clause (i);

12 “(bb) be made available on
13 the primary internet website of
14 postsecondary educational lender
15 or servicer and on monthly billing
16 statements; and

17 “(cc) not subject borrowers
18 to unreasonable call wait times;
19 and

20 “(II) an email address that
21 shall—

22 “(aa) connect directly to the
23 servicemember and veterans liai-
24 son designated under clause (i);

1 “(bb) be made available on
2 the primary internet website of
3 the postsecondary educational
4 lender or servicer and on monthly
5 billing statements; and

6 “(cc) be monitored on a reg-
7 ular basis.

8 “(iii) PROHIBITION ON CHARGE OFFS
9 AND DEFAULT.—A postsecondary edu-
10 cational lender or servicer may not charge
11 off or report a postsecondary education
12 loan as delinquent, assigned to collection
13 (internally or by referral to a third party),
14 in default, or charged-off to a credit re-
15 porting agency if the borrower is on active
16 duty in the Armed Forces (as defined in
17 section 101(d)(1) of title 10, United States
18 Code) serving in a combat zone (as des-
19 ignated by the President under section
20 112(e) of the Internal Revenue Code of
21 1986).

22 “(iv) ADDITIONAL LIAISONS.—The
23 Director, in consultation with the Sec-
24 retary, shall determine additional entities
25 with whom borrowers interact, including

1 guaranty agencies, that shall designate an
2 employee to act as the servicemember and
3 veterans liaison who is responsible for an-
4 swering inquiries from servicemembers,
5 veterans, and their immediate family mem-
6 bers, and is specially trained on
7 servicemembers and veteran benefits and
8 option under the Servicemembers Civil Re-
9 lief Act (50 U.S.C. 3901 et seq.).

10 “(L) BORROWER’S LOAN HISTORY.—

11 “(i) IN GENERAL.—A postsecondary
12 educational lender or servicer shall make
13 available in a secure electronic form usable
14 by borrowers, or in writing upon request,
15 the loan history of each borrower for each
16 postsecondary education loan, separately
17 designating—

18 “(I) history of information on the
19 loan before any consolidation or trans-
20 fer of such loan;

21 “(II) payment history, including
22 repayment plan and payments—

23 “(aa) made on such loan to
24 previous postsecondary edu-
25 cational lenders or servicers; and

1 “(bb) qualifying toward a
2 loan forgiveness program and
3 designating such program;

4 “(III) loan history, including any
5 forbearances, deferrals, delinquencies,
6 assignment to collection, and charge
7 offs;

8 “(IV) annual percentage rate his-
9 tory;

10 “(V) key loan terms, including
11 application of payments to interest,
12 principal, and fees, origination date,
13 principal, capitalized interest, annual
14 percentage rate, including any cap,
15 loan term, and any contractual incen-
16 tives;

17 “(VI) amount due to pay off the
18 outstanding balance; and

19 “(VII) any other items deter-
20 mined by the Director through regula-
21 tions promulgated in accordance with
22 paragraph (17)(A).

23 “(ii) ORIGINAL DOCUMENTATION.—A
24 postsecondary educational lender or
25 servicer shall make available to the bor-

1 rower, if requested, at no charge, copies of
2 the original loan documents and the prom-
3 issory note for each postsecondary edu-
4 cation loan.

5 “(M) ERROR RESOLUTION.—The Director,
6 in consultation with the Secretary, shall pro-
7 mulgate rules requiring postsecondary edu-
8 cational lenders or servicers to establish error
9 resolution procedures to allow borrowers to in-
10 quire about errors related to their postsec-
11 ondary education loans and obtain timely reso-
12 lution of such errors.

13 “(N) ADDITIONAL SERVICING STAND-
14 ARDS.—

15 “(i) PROHIBITIONS.—A postsecondary
16 educational lender or servicer may not—

17 “(I) charge a fee for responding
18 to a qualified written request under
19 this paragraph;

20 “(II) fail to take timely action to
21 respond to a qualified written request
22 from a borrower to correct an error
23 relating to an allocation of payment or
24 the payoff amount of the postsec-
25 ondary education loan;

1 “(III) fail to take reasonable
2 steps to avail the borrower of all pos-
3 sible alternative repayment arrange-
4 ments to avoid default;

5 “(IV) fail to perform the obliga-
6 tions required under title IV of the
7 Higher Education Act of 1965 (20
8 U.S.C. 1070 et seq.);

9 “(V) fail to respond within 10
10 business days to a request from a bor-
11 rower to provide the name, address,
12 and other relevant contact information
13 of the loan holder of the borrower’s
14 postsecondary education loan or, for a
15 Federal Direct Loan or a Federal
16 Perkins Loan, the Secretary of Edu-
17 cation, or the institution of higher
18 education who made the loan, respec-
19 tively;

20 “(VI) fail to comply with any ap-
21 plicable requirement of the
22 Servicemembers Civil Relief Act (50
23 U.S.C. 3901 et seq.);

24 “(VII) charge a convenience,
25 processing, or any other fee for pay-

1 ments made electronically or by tele-
2 phone;

3 “(VIII) fail to comply with any
4 other obligation that the Bureau, by
5 regulation, has determined to be ap-
6 propriate to carry out the consumer
7 protection purposes of this paragraph;

8 “(IX) fail to perform other
9 standard servicing duties and func-
10 tions; or

11 “(X) engage in any unfair, de-
12 ceptive, or abusive acts or practices,
13 as those terms are described in sec-
14 tion 1031 of the Consumer Financial
15 Protection Act of 2010 (12 U.S.C.
16 5531).

17 “(ii) BUSINESS HOURS.—Postsec-
18 ondary educational lenders or servicers
19 shall be open for borrower inquiries and
20 outreach during and after normal business
21 hours, including availability after 5:00 pm
22 in all continental United States time zones
23 and some weekend hours.

24 “(iii) ADDITIONAL STANDARDS.—The
25 Director may promulgate regulations, in

1 accordance with paragraph (17)(A), estab-
2 lishing additional servicing standards to re-
3 duce delinquencies, assignment to collec-
4 tions, defaults, and charge-offs, and to en-
5 sure borrowers understand their rights and
6 obligations related to their postsecondary
7 education loans.

8 “(O) PROHIBITION ON LIMITING BOR-
9 ROWER LEGAL ACTION BY POSTSECONDARY
10 EDUCATIONAL LENDERS AND SERVICERS.—

11 “(i) WAIVER OF RIGHTS AND REM-
12 EDIES.—Notwithstanding chapter 1 of title
13 9, United States Code (commonly known
14 as the ‘Federal Arbitration Act’), any
15 rights and remedies available to borrowers
16 against postsecondary educational lenders
17 or servicers may not be waived by any
18 agreement, policy, or form, including by a
19 mandatory predispute arbitration agree-
20 ment or class action waiver.

21 “(ii) PREDISPUTE ARBITRATION
22 AGREEMENTS.—Notwithstanding chapter 1
23 of title 9, United States Code (commonly
24 known as the ‘Federal Arbitration Act’),
25 no limitation or restriction on the ability of

1 a borrower to pursue a claim in court with
2 respect to a postsecondary education loan,
3 including mandatory predispute arbitration
4 agreements and class action waivers, shall
5 be valid or enforceable by a postsecondary
6 educational lender or servicer, including as
7 a third-party beneficiary or by estoppel.

8 “(P) PREEMPTION.—Nothing in this para-
9 graph may be construed to preempt any provi-
10 sion of State law regarding postsecondary edu-
11 cation loans where the State law provides
12 stronger consumer protections.

13 “(Q) CIVIL LIABILITY.—A postsecondary
14 educational lender or servicer that fails to com-
15 ply with any requirement imposed under this
16 paragraph shall be deemed a creditor that has
17 failed to comply with a requirement under this
18 chapter for purposes of liability under section
19 130 and such postsecondary educational lender
20 or servicer shall be subject to the liability provi-
21 sions under such section, including the provi-
22 sions under paragraphs (1), (2)(A)(i), (2)(B),
23 and (3) of section 130(a).

24 “(R) ELIGIBILITY FOR DISCHARGE.—The
25 Director, in accordance with paragraph (17)(A),

1 shall promulgate rules requiring postsecondary
2 educational lenders and servicers to—

3 “(i) identify and contact borrowers
4 who may be eligible for—

5 “(I) student loan discharge by
6 the Secretary, including under section
7 437 of the Higher Education Act of
8 1965 (20 U.S.C. 1087); and

9 “(II) special and time-limited dis-
10 charge opportunities, including bor-
11 rowers who may become eligible for
12 such discharge upon taking one or
13 more actions; and

14 “(ii) provide the borrower, in writing,
15 in simple and understandable terms, com-
16 plete and accurate information about ob-
17 taining such discharge, including any ac-
18 tion that must be taken in order to become
19 eligible for discharge; and

20 “(iii) provide the information de-
21 scribed under clause (ii) to any borrower of
22 the postsecondary educational lender or
23 servicer who contacts the lender or servicer
24 and inquires about loan affordability or
25 discharge opportunities.

1 “(S) FORBEARANCE UPON REQUEST.—A
 2 postsecondary educational lender or servicer
 3 shall grant a borrower forbearance on a private
 4 education loan, renewable at 12-month inter-
 5 vals, if—

6 “(i) the borrower requests forbear-
 7 ance; and

8 “(ii) the borrower is described in any
 9 of subclauses (I) through (IV) of section
 10 428(c)(3)(A)(i) of the Higher Education
 11 Act of 1965 (20 U.S.C. 1078(c)(3)(A)(i)).

12 “(17) CONSUMER FINANCIAL PROTECTION BU-
 13 REAU REQUIREMENTS.—

14 “(A) RULEMAKING.—The Director shall,
 15 based on consumer testing (as appropriate) and
 16 upon consideration of any final recommenda-
 17 tions published by the Secretary under section
 18 456(f)(3) of the Higher Education Act of 1965
 19 (20 U.S.C. 1087f(g)(3)), promulgate regula-
 20 tions in consultation with the Secretary, to
 21 carry out the requirements of this subsection.

22 “(B) COMPLIANCE FOR CERTAIN ENTI-
 23 TIES.—

24 “(i) IN GENERAL.—The Director may
 25 promulgate regulations under subpara-

1 graph (A) to require an entity or class of
2 entities with which the Secretary has en-
3 tered into a contract under section 456 of
4 the Higher Education Act of 1965 (20
5 U.S.C. 1087f) to comply with an alter-
6 native requirement or standard promul-
7 gated by the Director in lieu of compliance
8 with any requirement or standard under
9 this subsection if the Director determines
10 that—

11 “(I) such entity or class of enti-
12 ties are not required by the Secretary
13 pursuant to the contract to perform a
14 servicing function governed by the re-
15 quirement or standard, and where
16 such function is required by the Sec-
17 retary, to be performed by another en-
18 tity or class of entities; or

19 “(II) the Secretary, in consulta-
20 tion with the Chief Operating Officer
21 of Federal Student Aid, has promul-
22 gated regulations to establish an alter-
23 native requirement or standard with
24 respect to such entity or class of enti-
25 ties that better benefits or protects

1 borrowers and the Director incor-
2 porates such requirement or standard
3 that better benefits or protects bor-
4 rowers into regulations promulgated
5 under subparagraph (A).

6 “(ii) REPORTS.—The Director shall
7 report to the Committee on Banking,
8 Housing, and Urban Affairs of the Senate,
9 the Committee on Health, Education,
10 Labor, and Pensions of the Senate, the
11 Committee on Financial Services of the
12 House of Representatives, and the Com-
13 mittee on Education and the Workforce of
14 the House of Representatives on any regu-
15 lations promulgated under clause (i).

16 “(18) POSTSECONDARY EDUCATIONAL LEND-
17 ERS OR SERVICERS AND CONTRACTS OR SUB-
18 CONTRACTS.—

19 “(A) IN GENERAL.—Any person or entity
20 that enters into a contract or subcontract with
21 a postsecondary educational lender or servicer
22 to perform the servicing of a postsecondary
23 educational loan may fulfill the obligations of
24 the postsecondary educational lender or servicer
25 under this subsection.

1 “(B) JOINT AND SEVERAL LIABILITY FOR
 2 SERVICE PROVIDERS.—Any entity or person de-
 3 scribed in subparagraph (A) shall be jointly and
 4 severally liable for the actions of the entity or
 5 person in fulfilling the obligations of the post-
 6 secondary educational lender or servicer under
 7 this subsection.”; and

8 (B) by adding at the end the following:

9 “(g) INFORMATION TO BE AVAILABLE AT NO
 10 CHARGE.—The information required to be disclosed under
 11 this section shall be made available at no charge to the
 12 borrower.”; and

13 (2) in section 130(a)—

14 (A) in paragraph (3), by striking
 15 “128(e)(7)” and inserting “128(e)(11)”; and

16 (B) in the flush matter at the end, by
 17 striking “or paragraph (4)(C), (6), (7), or (8)
 18 of section 128(e),” and inserting “or paragraph
 19 (4)(C), (10), (11), or (12) of section 128(e),”.

20 (b) EFFECTIVE DATE.—

21 (1) IN GENERAL.—The amendments made
 22 under subsection (a) shall be effective 180 days after
 23 the date of enactment of this Act.

24 (2) DELAY.—The Director of the Bureau of
 25 Consumer Financial Protection shall delay the effec-

1 tive date of the amendments made under subsection
2 (a) for not more than 1 additional year with respect
3 to entities engaged in servicing pursuant to a con-
4 tract awarded under section 456 of the Higher Edu-
5 cation Act of 1965 (20 U.S.C. 1087f) pending the
6 Secretary of Education’s final recommendations re-
7 quired under section 456(f) of such Act related to
8 the promulgation of regulations by the Director
9 under section 128(e)(17) of the Truth in Lending
10 Act (15 U.S.C. 1638(e)(17)).

11 **SEC. 4. REHABILITATION OF PRIVATE EDUCATION LOANS.**

12 Section 623(a)(1)(E) of the Fair Credit Reporting
13 Act (15 U.S.C. 1681s-2(a)(1)(E)) is amended to read as
14 follows:

15 “(E) REHABILITATION OF PRIVATE EDU-
16 CATION LOANS.—

17 “(i) IN GENERAL.—If a borrower of a
18 private education loan rehabilitates such
19 loan in accordance with section 128(e)(23)
20 of the Truth in Lending Act (15 U.S.C.
21 1638(e)(23)), the private educational lend-
22 er or entity engaged in servicing such loan
23 shall request that any consumer reporting
24 agency to which the charge-off was re-
25 ported remove the delinquency that led to

1 the charge-off and the charge-off from the
2 borrower's credit history.

3 “(ii) BANKING AGENCIES.—

4 “(I) IN GENERAL.—If a private
5 educational lender is supervised by a
6 Federal banking agency, the private
7 educational lender shall seek written
8 approval from the Federal banking
9 agency that the terms and conditions
10 of the loan rehabilitation program of
11 the lender meet the requirements of
12 section 128(e)(23) of the Truth in
13 Lending Act (15 U.S.C. 1638(e)(23)).

14 “(II) FEEDBACK.—An appro-
15 priate Federal banking agency shall
16 provide feedback to a private edu-
17 cational lender within 120 days of a
18 request for approval under subclause
19 (I).

20 “(iii) DEFINITIONS.—For purposes of
21 this subparagraph—

22 “(I) the term ‘appropriate Fed-
23 eral banking agency’ has the meaning
24 given the term in section 3 of the

1 Federal Deposit Insurance Act (12
2 U.S.C. 1813); and

3 “(II) the term ‘private education
4 loan’ has the meaning given the term
5 in section 140(a) of the Truth in
6 Lending Act (15 U.S.C. 1650(a)).”.

7 **SEC. 5. IMPROVED CONSUMER PROTECTIONS FOR PRIVATE**
8 **EDUCATION LOANS.**

9 Section 128(e) of the Truth in Lending Act (15
10 U.S.C. 1638(e)), as amended by section 3, is further
11 amended—

12 (1) by adding at the end the following:

13 “(19) DISCHARGE OF PRIVATE EDUCATION
14 LOANS IN THE EVENT OF DEATH OR DISABILITY OF
15 THE BORROWER.—Each private education loan shall
16 include terms that provide that the liability to repay
17 the loan shall be cancelled—

18 “(A) upon the death of the borrower;

19 “(B) if the borrower becomes permanently
20 and totally disabled, as determined under sec-
21 tion 437(a)(1) of the Higher Education Act of
22 1965 (20 U.S.C. 1087(a)(1)) and the regula-
23 tions promulgated by the Secretary under that
24 section; or

1 “(C) if the Secretary of Veterans Affairs
2 or the Secretary of Defense determines that the
3 borrower is unemployable due to a service-con-
4 nected condition or disability, in accordance
5 with the requirements of section 437(a)(2) of
6 such Act and the regulations promulgated by
7 the Secretary under that section.

8 “(20) TERMS FOR CO-BORROWERS.—Each pri-
9 vate education loan shall include terms that clearly
10 define the requirements to release a co-borrower
11 from the obligation.

12 “(21) PROHIBITION OF ACCELERATION OF PAY-
13 MENTS ON PRIVATE EDUCATION LOANS.—

14 “(A) IN GENERAL.—Except as provided in
15 subparagraph (B), a private education loan exe-
16 cuted after the date of enactment of this para-
17 graph may not include a provision that permits
18 the private educational lender, loan holder, or
19 entity engaged in servicing such loan to accel-
20 erate, in whole or in part, payments on the pri-
21 vate education loan.

22 “(B) ACCELERATION CAUSED BY A PAY-
23 MENT DEFAULT.—A private education loan may
24 include a provision that permits acceleration of
25 the loan in cases of payment default.

1 “(22) PROHIBITION ON DENIAL OF CREDIT DUE
2 TO ELIGIBILITY FOR PROTECTION UNDER
3 SERVICEMEMBERS CIVIL RELIEF ACT.—A private
4 educational lender may not deny or refuse credit to
5 an individual who is entitled to any right or protec-
6 tion provided under the Servicemembers Civil Relief
7 Act (50 U.S.C. 3901 et seq.) or subject, solely by
8 reason of such entitlement, such individual to any
9 other action described in paragraphs (1) through (6)
10 of section 108 of such Act.

11 “(23) REHABILITATION OF PRIVATE EDU-
12 CATION LOANS.—

13 “(A) IN GENERAL.—If a borrower of a pri-
14 vate education loan successfully and voluntarily
15 makes 9 payments within 20 days of the due
16 date during 10 consecutive months of amounts
17 owed on the private education loan, or other-
18 wise brings the private education loan current
19 after the loan is charged-off, the loan shall be
20 considered rehabilitated, and the lender or enti-
21 ty engaged in servicing such loan shall request
22 that any consumer reporting agency to which
23 the charge-off was reported remove the delin-
24 quency that led to the charge-off and the
25 charge-off from the borrower’s credit history.

1 “(B) TERMS.—No private educational
2 lender shall offer a borrower rehabilitation of
3 loans where the payment required to rehabili-
4 tate a defaulted private education loan is less
5 than the monthly payment amount required
6 upon completion of rehabilitation.”;

7 (2) in paragraph (1)—

8 (A) by striking subparagraph (D) and in-
9 serting the following:

10 “(D) requirements for a co-borrower, in-
11 cluding—

12 “(i) any changes in the applicable in-
13 terest rates without a co-borrower; and

14 “(ii) any conditions the borrower is
15 required meet in order to release a co-bor-
16 rower from the private education loan obli-
17 gation;”;

18 (B) by redesignating subparagraphs (O),
19 (P), (Q), and (R) as subparagraphs (P), (Q),
20 (R), and (S), respectively; and

21 (C) by inserting after subparagraph (N)
22 the following:

23 “(O) in the case of a refinancing of edu-
24 cation loans that include a Federal student loan
25 made, insured, or guaranteed under title IV of

1 the Higher Education Act of 1965 (20 U.S.C.
2 1070 et seq.)—

3 “(i) a list containing each loan to be
4 refinanced, which shall identify whether
5 the loan is—

6 “(I) a private education loan;

7 “(II) a Federal student loan
8 made, insured, or guaranteed under
9 title IV of the Higher Education Act
10 of 1965 (20 U.S.C. 1070 et seq.); or

11 “(III) a loan made, insured, or
12 guaranteed under title VII or title
13 VIII of the Public Health Service Act
14 (42 U.S.C. 292 et seq. and 296 et
15 seq.); and

16 “(ii) benefits that the borrower may
17 be forfeiting, including income-driven re-
18 payment options, opportunities for loan
19 forgiveness, forbearance or deferment op-
20 tions, interest subsidies, and tax benefits;”;
21 and

22 (3) in paragraph (2)—

23 (A) by redesignating subparagraphs (O)
24 and (P) as subparagraphs (P) and (Q), respec-
25 tively; and

1 (B) by inserting after subparagraph (N)
2 the following:

3 “(O) in the case of a refinancing of edu-
4 cation loans that include a Federal student loan
5 made, insured, or guaranteed under title IV of
6 the Higher Education Act of 1965 (20 U.S.C.
7 1070 et seq.)—

8 “(i) a list containing each loan to be
9 refinanced, which shall identify whether
10 the loan is—

11 “(I) a private education loan;

12 “(II) a Federal student loan
13 made, insured, or guaranteed under
14 title IV of the Higher Education Act
15 of 1965 (20 U.S.C. 1070 et seq.); or

16 “(III) a loan made, insured, or
17 guaranteed under title VII or title
18 VIII of the Public Health Service Act
19 (42 U.S.C. 292 et seq. and 296 et
20 seq.); and

21 “(ii) benefits that the borrower may
22 be forfeiting, including income-driven re-
23 payment options, opportunities for loan
24 forgiveness, forbearance or deferment op-
25 tions, interest subsidies, and tax benefits;”.

1 **SEC. 6. KNOW BEFORE YOU OWE.**

2 (a) AMENDMENTS TO THE TRUTH IN LENDING
3 ACT.—

4 (1) IN GENERAL.—Section 128(e) of the Truth
5 in Lending Act (15 U.S.C. 1638(e)), as amended by
6 sections 3 and 5, is further amended—

7 (A) by striking paragraph (3) and insert-
8 ing the following:

9 “(3) INSTITUTIONAL CERTIFICATION RE-
10 QUIRED.—

11 “(A) IN GENERAL.—Except as provided in
12 subparagraph (B), before a creditor may issue
13 any funds with respect to an extension of credit
14 described in this subsection, the creditor shall
15 obtain from the relevant covered educational in-
16 stitution where such loan is to be used for a
17 student, such institution’s certification of—

18 “(i) the enrollment status of the stu-
19 dent;

20 “(ii) the student’s cost of attendance
21 at the institution as determined by the in-
22 stitution under part F of title IV of the
23 Higher Education Act of 1965 (20 U.S.C.
24 1087kk et seq.); and

25 “(iii) the difference between—

26 “(I) such cost of attendance; and

1 “(II) the student’s estimated fi-
2 nancial assistance, including such as-
3 sistance received under title IV of the
4 Higher Education Act of 1965 (20
5 U.S.C. 1070 et seq.) (except for Fed-
6 eral Direct PLUS Loans made on be-
7 half of the student) and other finan-
8 cial assistance known to the institu-
9 tion, as applicable (except for loans
10 made under the Public Health Service
11 Act (42 U.S.C. 201 et seq.)).

12 “(B) EXCEPTION.—Notwithstanding sub-
13 paragraph (A), a creditor may issue funds, not
14 to exceed the amount described in subpara-
15 graph (A)(iii), with respect to an extension of
16 credit described in this subsection without ob-
17 taining from the relevant covered educational
18 institution such institution’s certification if such
19 institution fails to provide within 15 business
20 days of the creditor’s request for such certifi-
21 cation—

22 “(i) notification of the institution’s re-
23 fusal to certify the request; or

24 “(ii) notification that the institution
25 has received the request for certification

1 and will need additional time to comply
2 with the certification request.

3 “(C) LOANS DISBURSED WITHOUT CER-
4 TIFICATION.—If a creditor issues funds without
5 obtaining a certification, as described in sub-
6 paragraph (B), such creditor shall report the
7 issuance of such funds in a manner determined
8 by the Director.”; and

9 (B) by adding at the end the following:

10 “(24) PROVISION OF INFORMATION.—

11 “(A) PROVISION OF INFORMATION TO STU-
12 DENTS.—

13 “(i) LOAN STATEMENT.—A creditor
14 that issues any funds with respect to an
15 extension of credit described in this sub-
16 section shall send loan statements, where
17 such loan is to be used for a student, to
18 borrowers of such funds not less than once
19 every 3 months during the time that such
20 student is enrolled at a covered educational
21 institution.

22 “(ii) CONTENTS OF LOAN STATE-
23 MENT.—Each statement described in
24 clause (i) shall—

1 “(I) report the borrower’s total
2 remaining debt to the creditor, includ-
3 ing accrued but unpaid interest and
4 capitalized interest;

5 “(II) report any debt increases
6 since the last statement; and

7 “(III) list the current interest
8 rate for each loan.

9 “(B) NOTIFICATION OF LOANS DISBURSED
10 WITHOUT CERTIFICATION.—On or before the
11 date a creditor issues any funds with respect to
12 an extension of credit described in this sub-
13 section, the creditor shall notify the relevant
14 covered educational institution, in writing, of
15 the amount of the extension of credit and the
16 student on whose behalf credit is extended. The
17 form of such written notification shall be sub-
18 ject to the regulations of the Bureau of Con-
19 sumer Financial Protection.

20 “(C) ANNUAL REPORT.—A creditor that
21 issues funds with respect to an extension of
22 credit described in this subsection shall prepare
23 and submit an annual report to the Bureau of
24 Consumer Financial Protection containing the
25 required information about private student

1 loans to be determined by the Bureau of Con-
2 sumer Financial Protection, in consultation
3 with the Secretary.

4 “(25) UNLAWFUL CONDUCT.—An extension of
5 credit described in this subsection shall be void if
6 made to a student to attend—

7 “(A) a covered educational institution that,
8 at the time of the execution of such extension
9 of credit, was not lawfully authorized to operate
10 in the State in which the student resided at the
11 time; or

12 “(B) a covered educational institution that
13 engaged in any unfair, deceptive, or abusive
14 acts or practices, as those terms are described
15 in section 1031 of the Consumer Financial Pro-
16 tection Act of 2010 (12 U.S.C. 5531), related
17 to the student’s recruitment, enrollment, in-
18 struction, job placement, or other interactions
19 with the covered educational institution or its
20 agents.”.

21 (2) DEFINITION OF PRIVATE EDUCATION
22 LOAN.—Section 140(a)(8) of the Truth in Lending
23 Act (15 U.S.C. 1650(a)(8)) is amended—

24 (A) in subparagraph (A)—

1 (i) by redesignating clause (ii) as
2 clause (iii);

3 (ii) in clause (i), by striking “and”
4 after the semicolon;

5 (iii) by adding after clause (i) the fol-
6 lowing:

7 “(ii) is not made, insured, or guaran-
8 teed under title VII or title VIII of the
9 Public Health Service Act (42 U.S.C. 292
10 et seq. and 296 et seq.); and”;

11 (iv) in clause (iii), as redesignated by
12 clause (i), by striking “regardless of” and
13 all that follows through “educational lend-
14 er” and inserting the following: “regardless
15 of—

16 “(I) whether the loan is provided
17 through the institution or provider of
18 postsecondary education that the sub-
19 ject student attends or directly to the
20 borrower from the private educational
21 lender; or

22 “(II) whether some or all of the
23 postsecondary education financed by
24 the private education loan has already
25 been provided;”;

1 (B) by striking subparagraph (B) and in-
2 serting the following:

3 “(B) does not include—

4 “(i) an extension of credit under an
5 open-end consumer credit plan, unless such
6 open-end credit is extended expressly for
7 postsecondary education expenses;

8 “(ii) a reverse mortgage transaction;

9 “(iii) a residential mortgage trans-
10 action; or

11 “(iv) any other loan that is secured by
12 real property or a dwelling; and”.

13 (3) REGULATIONS.—Not later than 365 days
14 after the date of enactment of this Act, the Director
15 of the Bureau of Consumer Financial Protection
16 shall issue regulations in final form to implement
17 paragraphs (3), (24), and (25) of section 128(e) of
18 the Truth in Lending Act (15 U.S.C. 1638(e)), as
19 amended by paragraph (1). Such regulations shall
20 become effective not later than 6 months after their
21 date of issuance.

22 (b) AMENDMENTS TO THE HIGHER EDUCATION ACT
23 OF 1965.—

24 (1) PROGRAM PARTICIPATION AGREEMENTS.—
25 Section 487(a) of the Higher Education Act of 1965

1 (20 U.S.C. 1094(a)) is amended by striking para-
2 graph (28) and inserting the following:

3 “(28)(A) Upon the request of a private edu-
4 cational lender, acting in connection with an applica-
5 tion initiated by a borrower for a private education
6 loan in accordance with section 128(e)(3) of the
7 Truth in Lending Act (15 U.S.C. 1638(e)(3)), the
8 institution shall within 15 days of receipt of a cer-
9 tification request—

10 “(i) provide such certification to such pri-
11 vate educational lender—

12 “(I) that the student who initiated the
13 application for the private education loan,
14 or on whose behalf the application was ini-
15 tiated, is enrolled or is scheduled to enroll
16 at the institution;

17 “(II) of such student’s cost of attend-
18 ance at the institution as determined under
19 part F of this title; and

20 “(III) of the difference between—

21 “(aa) the cost of attendance at
22 the institution; and

23 “(bb) the student’s estimated fi-
24 nancial assistance received under this
25 title (except for Federal Direct PLUS

1 Loans made on behalf of the student)
2 and other assistance known to the in-
3 stitution, as applicable (except for
4 loans made under the Public Health
5 Service Act (42 U.S.C. 201 et seq.));

6 “(ii) notify the creditor that the institution
7 has received the request for certification and
8 will need additional time to comply with the
9 certification request; or

10 “(iii) provide notice to the private edu-
11 cational lender of the institution’s refusal to
12 certify the private education loan under sub-
13 paragraph (D).

14 “(B) With respect to a certification request de-
15 scribed in subparagraph (A), and prior to providing
16 such certification under subparagraph (A)(i) or pro-
17 viding notice of the refusal to provide certification
18 under subparagraph (A)(iii), the institution shall—

19 “(i) determine whether the student who
20 initiated the application for the private edu-
21 cation loan, or on whose behalf the application
22 was initiated, has applied for and exhausted the
23 Federal financial assistance available to such
24 student under this title and inform the student
25 accordingly; and

1 “(ii) provide the borrower whose loan ap-
2 plication has prompted the certification request
3 by a private educational lender, as described in
4 subparagraph (A)(i), with the following infor-
5 mation and disclosures:

6 “(I) The availability of, and the bor-
7 rower’s potential eligibility for, Federal fi-
8 nancial assistance under this title, includ-
9 ing disclosing the terms, conditions, inter-
10 est rates, and repayment options and pro-
11 grams of Federal student loans.

12 “(II) The borrower’s ability to select a
13 private educational lender of the bor-
14 rower’s choice.

15 “(III) The impact of a proposed pri-
16 vate education loan on the borrower’s po-
17 tential eligibility for other financial assist-
18 ance, including Federal financial assistance
19 under this title.

20 “(IV) The borrower’s right to accept
21 or reject a private education loan within
22 the 30-day period following a private edu-
23 cational lender’s approval of a borrower’s
24 application and about a borrower’s 3-day
25 right to cancel period.

1 “(C) For purposes of this paragraph, the terms
2 ‘private educational lender’ and ‘private education
3 loan’ have the meanings given such terms in section
4 140 of the Truth in Lending Act (15 U.S.C. 1650).

5 “(D)(i) An institution shall not provide a cer-
6 tification with respect to a private education loan
7 under this paragraph unless the private education
8 loan includes terms that provide—

9 “(I) the borrower alternative repayment
10 options, including loan consolidation or refi-
11 nancing; and

12 “(II) for the discharge of the borrower and
13 co-borrower’s, if applicable, liability to repay
14 the loan pursuant to paragraphs (19) and (20)
15 of section 128(e) of the Truth in Lending Act
16 (15 U.S.C. 1638(e)).

17 “(ii) In this paragraph, the term ‘disability’
18 means a permanent and total disability, as deter-
19 mined in accordance with the regulations of the Sec-
20 retary of Education, or a determination by the Sec-
21 retary of Veterans Affairs that the borrower is un-
22 employable due to a service connected-disability.”.

23 (2) EFFECTIVE DATE.—The amendment made
24 by paragraph (1) shall take effect on the effective

1 date of the regulations described in subsection
2 (a)(3).

3 (3) PREFERRED LENDER ARRANGEMENT.—Sec-
4 tion 151(8)(A)(ii) of the Higher Education Act of
5 1965 (20 U.S.C. 1019(8)(A)(ii)) is amended by in-
6 serting “certifying,” after “promoting,”.

7 (c) REPORT.—

8 (1) IN GENERAL.—Not later than 24 months
9 after the issuance of regulations under subsection
10 (a)(3), the Director of the Bureau of Consumer Fi-
11 nancial Protection and the Secretary of Education
12 shall jointly submit to Congress a report on the com-
13 pliance of—

14 (A) private educational lenders with sec-
15 tion 128(e)(3) of the Truth in Lending Act (15
16 U.S.C. 1638(e)), as amended by subsection (a);
17 and

18 (B) institutions of higher education with
19 section 487(a)(28) of the Higher Education Act
20 of 1965 (20 U.S.C. 1094(a)), as amended by
21 subsection (b).

22 (2) CONTENTS.—The report under paragraph
23 (1) shall include information about the degree to
24 which specific institutions utilize certifications in ef-
25 fectively—

1 (A) encouraging the exhaustion of Federal
 2 student loan eligibility by borrowers prior to
 3 taking on private education loan debt; and

4 (B) lowering student private education
 5 loan debt by borrowers.

6 **SEC. 7. CENTRALIZED POINT OF ACCESS.**

7 Part G of title IV of the Higher Education Act of
 8 1965 (20 U.S.C. 1088 et seq.) is amended by adding at
 9 the end the following:

10 **“SEC. 493E. CENTRALIZED POINT OF ACCESS.**

11 “Not later than 2 years after the date of enactment
 12 of the Student Loan Borrower Bill of Rights, the Sec-
 13 retary shall establish a centralized point of access for all
 14 borrowers of loans that are made, insured, or guaranteed
 15 under this title that are in repayment, including a central
 16 location for account information and payment processing
 17 for such loan servicing, regardless of the specific entity
 18 engaged in servicing.”.

19 **SEC. 8. EDUCATION LOAN OMBUDSMAN.**

20 Section 1035 of the Consumer Financial Protection
 21 Act of 2010 (12 U.S.C. 5535) is amended—

22 (1) in the section heading, by striking “**PRI-**
 23 **VATE**”;

24 (2) in subsection (a)—

1 (A) by striking “a Private” and inserting
2 “an”; and

3 (B) by striking “private”;

4 (3) in subsection (b), by striking “private edu-
5 cation student loan” and inserting “postsecondary
6 education loan”;

7 (4) in subsection (c)—

8 (A) in the matter preceding paragraph (1),
9 by striking “subsection” and inserting “sec-
10 tion”;

11 (B) in paragraph (1), by striking “pri-
12 vate”;

13 (C) by striking paragraph (2) and insert-
14 ing the following:

15 “(2) coordinate with the unit of the Bureau es-
16 tablished under section 1013(b)(3), in order to mon-
17 itor complaints by borrowers and responses to those
18 complaints by the Bureau or other appropriate Fed-
19 eral or State agency;” and

20 (D) in paragraph (3), by striking “pri-
21 vate”;

22 (5) in subsection (d)—

23 (A) in paragraph (2)—

24 (i) by striking “on the same day an-
25 nually”; and

1 (ii) by inserting “and be made avail-
2 able to the public” after “Representa-
3 tives”; and

4 (B) by adding at the end the following:

5 “(3) CONTENTS.—The report required under
6 paragraph (1) shall include information on the num-
7 ber, nature, and resolution of complaints received,
8 disaggregated by postsecondary educational lender
9 or servicer, region, State, and institution of higher
10 education.”; and

11 (6) by striking subsection (e) and inserting the
12 following:

13 “(e) DEFINITIONS.—In this section:

14 “(1) BORROWER.—The term ‘borrower’ means
15 a borrower of a postsecondary education loan.

16 “(2) INSTITUTION OF HIGHER EDUCATION.—
17 The term ‘institution of higher education’ has the
18 meaning given the term in section 140 of the Truth
19 in Lending Act (15 U.S.C. 1650).

20 “(3) POSTSECONDARY EDUCATION LOAN.—The
21 term ‘postsecondary education loan’ means—

22 “(A) a private education loan, as defined
23 in section 140 of the Truth in Lending Act (15
24 U.S.C. 1650);

1 “(B) a loan made, insured, or guaranteed
2 under part B, D, or E of title IV of the Higher
3 Education Act of 1965 (20 U.S.C. 1071 et seq.,
4 1087a et seq., and 1087aa et seq.); or

5 “(C) a loan made, insured, or guaranteed
6 under title VII or title VIII of the Public
7 Health Service Act (42 U.S.C. 292 et seq. and
8 296 et seq.).”.

9 **SEC. 9. REPORT ON PRIVATE EDUCATION LOANS AND PRI-**
10 **VATE EDUCATIONAL LENDERS.**

11 (a) IN GENERAL.—Not later than 2 years after the
12 date of enactment of this Act, the Director of the Bureau
13 of Consumer Financial Protection and the Secretary of
14 Education, in consultation with the Commissioners of the
15 Federal Trade Commission and the Attorney General of
16 the United States, shall submit a report to the Committee
17 on Banking, Housing, and Urban Affairs of the Senate,
18 the Committee on Health, Education, Labor, and Pen-
19 sions of the Senate, the Committee on Financial Services
20 of the House of Representatives, and the Committee on
21 Education and the Workforce of the House of Representa-
22 tives on private education loans (as that term is defined
23 in section 140 of the Truth in Lending Act (15 U.S.C.
24 1650)) and private educational lenders (as that term is
25 defined in such section).

1 (b) CONTENTS.—The report required by this section
2 shall examine, at a minimum—

3 (1) the growth and changes of the private edu-
4 cation loan market in the United States;

5 (2) factors influencing such growth and
6 changes;

7 (3) the extent to which students and parents of
8 students rely on private education loans to finance
9 postsecondary education and the private education
10 loan indebtedness of borrowers;

11 (4) the characteristics of private education loan
12 borrowers, including—

13 (A) the types of institutions of higher edu-
14 cation that they attend;

15 (B) socioeconomic characteristics (includ-
16 ing income and education levels, racial charac-
17 teristics, geographical background, age, and
18 gender);

19 (C) what other forms of financing bor-
20 rowers use to pay for education;

21 (D) whether they exhaust their Federal
22 loan options before taking out a private edu-
23 cation loan;

24 (E) whether such borrowers are dependent
25 or independent students (as determined under

1 part F of title IV of the Higher Education Act
2 of 1965 (20 U.S.C. 1087kk et seq.) or parents
3 of such students;

4 (F) whether such borrowers are students
5 enrolled in a program leading to a certificate, li-
6 cense, or credential other than a degree, an as-
7 sociate degree, a baccalaureate degree, or a
8 graduate or professional degree; and

9 (G) if practicable, employment and repay-
10 ment behaviors;

11 (5) the characteristics of private educational
12 lenders, including whether such creditors are for-
13 profit, non-profit, or institutions of higher education;

14 (6) the underwriting criteria used by private
15 educational lenders, including the use of cohort de-
16 fault rate (as such term is defined in section 435(m)
17 of the Higher Education Act of 1965 (20 U.S.C.
18 1085(m));

19 (7) the terms, conditions, and pricing of private
20 education loans;

21 (8) the consumer protections available to pri-
22 vate education loan borrowers, including the effec-
23 tiveness of existing disclosures and requirements and
24 borrowers' awareness and understanding about
25 terms and conditions of various financial products;

1 (1) any legislative recommendations to improve
2 servicing standards; and

3 (2) information on proactive early intervention
4 methods by postsecondary educational lenders or
5 servicers to help distressed postsecondary education
6 loan borrowers enroll in any eligible repayment
7 plans.

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