

117TH CONGRESS  
2D SESSION

**S.** \_\_\_\_\_

To amend the Higher Education Act of 1965 in order to increase usage of the Federal student loan income-based repayment plan and improve repayment options for borrowers, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

Mr. MERKLEY (for himself, Ms. HASSAN, Ms. CORTEZ MASTO, Mr. SCHATZ, Mr. WYDEN, Mr. VAN HOLLEN, Ms. BALDWIN, Mr. BLUMENTHAL, Mr. CARDIN, and Mr. BOOKER) introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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**A BILL**

To amend the Higher Education Act of 1965 in order to increase usage of the Federal student loan income-based repayment plan and improve repayment options for 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Affordable Loans for Any Student Act”.

6 (b) TABLE OF CONTENTS.—The table of contents for  
7 this Act is as follows:

## 2

- Sec. 1. Short title; table of contents.  
 Sec. 2. References in Act.

## TITLE I—SIMPLIFYING REPAYMENT PLANS

- Sec. 101. Income-based repayment plan.  
 Sec. 102. Fixed repayment plan.  
 Sec. 103. Termination of certain repayment plan options.  
 Sec. 104. Providing incentives to switch into simplified repayment plans.  
 Sec. 105. Study and procedures on determining family size.

## TITLE II—ENDING INTEREST CAPITALIZATION AND ORIGINATION FEES

- Sec. 201. Ending interest capitalization for federal direct loans.  
 Sec. 202. Elimination of origination fees for federal direct loans.

TITLE III—PROVIDING ASSISTANCE IN SITUATIONS OF  
BORROWER DISTRESS

- Sec. 301. Limits on seizing income for debt.  
 Sec. 302. Allowing for multiple loan rehabilitations.  
 Sec. 303. Pause payment process.  
 Sec. 304. Automatic enrollment into income-based repayment for borrowers who are delinquent on loans and for borrowers who rehabilitate defaulted loans.  
 Sec. 305. Separating joint consolidation loans.  
 Sec. 306. Removing the collection cost requirement.

## TITLE IV—IMPROVING LOAN INFORMATION AND COUNSELING

- Sec. 401. Student loan contract; simplifying loan disclosures.  
 Sec. 402. Pre-loan information and counseling requirements.  
 Sec. 403. Exit counseling.  
 Sec. 404. Online counseling tools.  
 Sec. 405. Private education loan certification and information.

## TITLE V—EFFECTIVE DATE; TRANSITION; IMPLEMENTATION

- Sec. 501. Effective date; rulemaking regarding termination of certain repayment termination of certain repayment plans; implementation.

1 **SEC. 2. REFERENCES IN ACT.**

2       Except as otherwise expressly provided in this Act,  
 3 wherever an amendment or repeal is expressed in terms  
 4 of an amendment to or repeal of a section or other provi-  
 5 sion, the reference shall be considered to be made to that  
 6 section or other provision of the Higher Education Act of  
 7 1965 (20 U.S.C. 1001 et seq.).

1                   **TITLE I—SIMPLIFYING**  
2                   **REPAYMENT PLANS**

3   **SEC. 101. INCOME-BASED REPAYMENT PLAN.**

4           Section 493C (20 U.S.C. 1098e) is amended to read  
5 as follows:

6   **“SEC. 493C. INCOME-BASED REPAYMENT.**

7           “(a) **DEFINITIONS.**—In this section:

8                   “(1) **EXCEPTED PLUS LOAN.**—The term ‘ex-  
9           cepted PLUS loan’ means a loan under section  
10           428B, or a Federal Direct PLUS Loan, that is  
11           made, insured, or guaranteed on behalf of a depend-  
12           ent student.

13                   “(2) **EXCEPTED CONSOLIDATION LOAN.**—The  
14           term ‘excepted consolidation loan’ means a consoli-  
15           dation loan under section 428C, or a Federal Direct  
16           Consolidation Loan, if the proceeds of such loan  
17           were used to the discharge the liability on an ex-  
18           cepted PLUS loan.

19                   “(3) **PARTIAL FINANCIAL HARDSHIP.**—The  
20           term ‘partial financial hardship’, when used with re-  
21           spect to a borrower, means that for such borrower—

22                           “(A) the annual amount due on the total  
23                           amount of loans made, insured, or guaranteed  
24                           under part B or D (other than an excepted  
25                           PLUS loan or excepted consolidation loan) to a

1 borrower as calculated under the standard re-  
2 payment plan under section 428(b)(9)(A)(i) or  
3 455(d)(1)(A), based on a 10-year repayment  
4 period; exceeds

5 “(B) 15 percent of the result obtained by  
6 calculating, on at least an annual basis, the  
7 amount by which—

8 “(i) the borrower’s, and the bor-  
9 rower’s spouse’s (if applicable), adjusted  
10 gross income; exceeds

11 “(ii) 150 percent of the poverty line  
12 applicable to the borrower’s family size as  
13 determined under section 673(2) of the  
14 Community Services Block Grant Act (42  
15 U.S.C. 9902(2)).

16 “(b) INCOME-BASED REPAYMENT PROGRAM FOR  
17 BORROWERS WHO ENTER INCOME-BASED REPAYMENT  
18 BEFORE JULY 1, 2022.—Notwithstanding any other pro-  
19 vision of this Act, the Secretary shall carry out a program  
20 under which—

21 “(1) a borrower of any loan made, insured, or  
22 guaranteed under part B or D (other than an ex-  
23 cepted PLUS loan or excepted consolidation loan)  
24 who has a partial financial hardship (whether or not  
25 the borrower’s loan has been submitted to a guar-

1       anty agency for default aversion or had been in de-  
2       fault) may elect, during any period the borrower has  
3       the partial financial hardship, to have the borrower's  
4       aggregate monthly payment for all such loans not  
5       exceed the result described in subsection (a)(3)(B)  
6       divided by 12;

7               “(2) the holder of such a loan shall apply the  
8       borrower's monthly payment under this subsection  
9       first toward interest due on the loan, next toward  
10      any fees due on the loan, and then toward the prin-  
11      cipal of the loan;

12              “(3) any interest due and not paid under para-  
13      graph (2)—

14              “(A) shall, on subsidized loans, be paid by  
15      the Secretary for a period of not more than 3  
16      years after the date of the borrower's election  
17      under paragraph (1); and

18              “(B) beginning on the effective date of the  
19      Affordable Loans for Any Student Act, for an  
20      eligible loan made, insured, or guaranteed  
21      under this title, shall not be capitalized and  
22      shall be added to the balance of interest due for  
23      the loan;

24              “(4) any principal due and not paid under  
25      paragraph (2) shall be deferred;

1           “(5) the amount of time the borrower makes  
2           monthly payments under paragraph (1) may exceed  
3           10 years;

4           “(6) if the borrower no longer has a partial fi-  
5           nancial hardship or no longer wishes to continue the  
6           election under this subsection, then—

7                   “(A) the maximum monthly payment re-  
8                   quired to be paid for all loans made to the bor-  
9                   rower under part B or D (other than an ex-  
10                  cepted PLUS loan or excepted consolidation  
11                  loan) shall not exceed the monthly amount cal-  
12                  culated under section 428(b)(9)(A)(i) or  
13                  455(d)(1)(A), based on a 10-year repayment  
14                  period, when the borrower first made the elec-  
15                  tion described in this subsection; and

16                   “(B) the amount of time the borrower is  
17                   permitted to repay such loans may exceed 10  
18                   years;

19           “(7) the Secretary shall repay or cancel any  
20           outstanding balance of principal and interest due on  
21           all loans made under part B or D (other than a loan  
22           under section 428B or a Federal Direct PLUS  
23           Loan) to a borrower who—

1           “(A) at any time, elected to participate in  
2 income-based repayment under paragraph (1);  
3 and

4           “(B) for a period of time prescribed by the  
5 Secretary, not to exceed 25 years, meets 1 or  
6 more of the following requirements—

7           “(i) has made reduced monthly pay-  
8 ments under paragraph (1) or paragraph  
9 (6);

10           “(ii) has made monthly payments of  
11 not less than the monthly amount cal-  
12 culated under section 428(b)(9)(A)(i) or  
13 455(d)(1)(A), based on a 10-year repay-  
14 ment period, when the borrower first made  
15 the election described in this subsection;

16           “(iii) has made payments of not less  
17 than the payments required under a stand-  
18 ard repayment plan under section  
19 428(b)(9)(A)(i) or 455(d)(1)(A) with a re-  
20 payment period of 10 years;

21           “(iv) has made payments under an in-  
22 come-contingent repayment plan under sec-  
23 tion 455(d)(1)(D); or

1                   “(v) has been in deferment due to an  
2                   economic hardship described in section  
3                   435(o);

4                   “(8) a borrower who is repaying a loan made  
5                   under part B or D pursuant to income-based repay-  
6                   ment may elect, at any time, to terminate repayment  
7                   pursuant to income-based repayment and repay such  
8                   loan under the fixed repayment plan under section  
9                   493E; and

10                  “(9) the special allowance payment to a lender  
11                  calculated under section 438(b)(2)(I), when cal-  
12                  culated for a loan in repayment under this section,  
13                  shall be calculated on the principal balance of the  
14                  loan and on any accrued interest unpaid by the bor-  
15                  rower in accordance with this section.

16                  “(c) INCOME-BASED REPAYMENT PROGRAM FOR  
17 BORROWERS WHO ENTER INCOME-BASED REPAYMENT  
18 ON OR AFTER JULY 1, 2022.—

19                  “(1) IN GENERAL.—Notwithstanding any other  
20                  provision of this section, the provisions of this sub-  
21                  section shall apply—

22                         “(A) with respect to any loan made, in-  
23                         sured, or guaranteed under this title for which  
24                         the borrower enters repayment on or after July  
25                         1, 2022, and for which the borrower elects the



1 income-based repayment plan under this sec-  
2 tion; and

3 “(B) with respect to any loan made, in-  
4 sured, or guaranteed under this title for which  
5 the borrower enrolled in an income-based repay-  
6 ment plan before July 1, 2022, if such borrower  
7 elects to enter the income-based repayment plan  
8 under this subsection, in accordance with para-  
9 graph (3).

10 “(2) SPECIAL TERMS.—With respect to a loan  
11 described in paragraph (1), the following terms shall  
12 apply to the income-based repayment plan carried  
13 out under this section:

14 “(A)(i) Notwithstanding subsection  
15 (a)(3)(B), (b), or (e)—

16 “(I) the annual repayment amount  
17 under this subsection—

18 “(aa) with respect to a borrower  
19 whose (and whose spouse’s, if applica-  
20 ble) adjusted gross income equals or  
21 exceeds 1,300 percent of the poverty  
22 line that is applicable to the bor-  
23 rower’s family size as determined  
24 under section 673(2) of the Commu-  
25 nity Services Block Grant Act (42

1 U.S.C. 9902(2)) shall be an amount  
2 equal to 10 percent of such adjusted  
3 gross income;

4 “(bb) with respect to a borrower  
5 whose (and whose spouse’s, if applica-  
6 ble) adjusted gross income equals or  
7 exceeds 800 percent of the poverty  
8 line but is less than 1,300 percent of  
9 the poverty line that is applicable to  
10 the borrower’s family size as deter-  
11 mined under section 673(2) of the  
12 Community Services Block Grant Act  
13 (42 U.S.C. 9902(2)) shall be equal to  
14 the amount determined under clause  
15 (ii)(I);

16 “(cc) with respect to a borrower  
17 whose (and whose spouse’s, if applica-  
18 ble) adjusted gross income exceeds  
19 250 percent of the poverty line but is  
20 less than 800 percent of the poverty  
21 line that is applicable to the bor-  
22 rower’s family size as determined  
23 under section 673(2) of the Commu-  
24 nity Services Block Grant Act (42  
25 U.S.C. 9902(2)) shall be equal to the

1 amount determined under clause  
2 (ii)(II); and

3 “(dd) with respect to a borrower  
4 whose (and whose spouse’s, if applica-  
5 ble) adjusted gross income equals or  
6 is less than 250 percent of the poverty  
7 line that is applicable to the bor-  
8 rower’s family size as determined  
9 under section 673(2) of the Commu-  
10 nity Services Block Grant Act (42  
11 U.S.C. 9902(2)) shall be an amount  
12 equal to 0 percent of such adjusted  
13 gross income; and

14 “(II) a borrower’s monthly payment  
15 shall be determined in accordance with  
16 subclause (I) divided by 12, which amount  
17 may exceed the monthly repayment  
18 amount under a standard 10-year repay-  
19 ment plan or a fixed repayment plan de-  
20 scribed in section 493E.

21 “(ii)(I)(aa) For purposes of clause  
22 (i)(I)(bb), the annual repayment amount for  
23 borrowers described in such clause shall be an  
24 amount equal to 10 percent of the result ob-

1           tained by calculating, on at least an annual  
2           basis, the amount by which—

3                   “(AA) the borrower’s, and the bor-  
4                   rower’s spouse’s (if applicable), adjusted  
5                   gross income; exceeds

6                   “(BB) the percent determined under  
7                   item (bb) of the poverty line that is appli-  
8                   cable to the borrower’s family size as de-  
9                   termined under section 673(2) of the Com-  
10                  munity Services Block Grant Act (42  
11                  U.S.C. 9902(2)).

12                  “(bb) The percent shall be determined  
13                  under this item as follows:

14                   “(AA) If the borrower’s, and the bor-  
15                   rower’s spouse’s (if applicable), adjusted  
16                   gross income equals 800 percent of the  
17                   poverty line that is applicable to the bor-  
18                   rower’s family size as determined under  
19                   section 673(2) of the Community Services  
20                   Block Grant Act (42 U.S.C. 9902(2)), the  
21                   percent shall be equal to 250 percent.

22                   “(BB) If the borrower’s, and the bor-  
23                   rower’s spouse’s (if applicable), adjusted  
24                   gross income exceeds 800 percent of the  
25                   poverty line but is less than 1,300 percent

1 of the poverty line that is applicable to the  
2 borrower's family size as determined under  
3 section 673(2) of the Community Services  
4 Block Grant Act (42 U.S.C. 9902(2)), the  
5 percent shall be equal to 250 percent re-  
6 duced by 0.5 percentage points for every 1  
7 percentage point increase in the bor-  
8 rower's, and the borrower's spouse's (if ap-  
9 plicable), adjusted gross income that is  
10 more than 800 percent.

11 “(II) For purposes of clause (i)(I)(cc), the an-  
12 nual repayment amount for borrowers described in  
13 such clause shall be an amount equal to 10 percent  
14 of the result obtained by calculating, on at least an  
15 annual basis, the amount by which—

16 “(aa) the borrower's, and the borrower's  
17 spouse's (if applicable), adjusted gross income;  
18 exceeds

19 “(bb) 250 percent of the poverty line that  
20 is applicable to the borrower's family size as de-  
21 termined under section 673(2) of the Commu-  
22 nity Services Block Grant Act (42 U.S.C.  
23 9902(2)).

1           “(B) Notwithstanding subsection (e)(2), sub-  
2           section (b)(7)(B) shall be applied by substituting ‘20  
3           years’ for ‘25 years’.

4           “(C) Notwithstanding subparagraph (A) of sub-  
5           section (b)(6), a borrower of such a loan shall not  
6           be required to have a partial financial hardship and  
7           may elect, and remain enrolled in, the income-based  
8           repayment plan under this section regardless of in-  
9           come level, with the repayment amount calculated  
10          under subparagraph (A).

11          “(D) Notwithstanding subsection (b), a bor-  
12          rower of an excepted PLUS loan or excepted consoli-  
13          dation loan may elect the income-based repayment  
14          plan under this subsection for the excepted PLUS  
15          loan or excepted consolidation loan, and the Sec-  
16          retary shall treat such loan, only for the purposes of  
17          the repayment terms, as a Federal Direct PLUS  
18          Loan issued to a student borrower. The Secretary  
19          may issue rules and regulations, as the Secretary de-  
20          termines necessary, regarding the treatment of ex-  
21          cepted PLUS loans or excepted consolidation loans  
22          that are to be repaid under an income- based repay-  
23          ment plan under this subsection.

24          “(3) RULE FOR BORROWERS IN INCOME-BASED  
25          REPAYMENT BEFORE JULY 1, 2022.—A borrower of

1 a loan made, insured, or guaranteed under this title  
2 who enrolled in an income-based repayment plan be-  
3 fore July 1, 2022, may choose to retain such repay-  
4 ment plan or elect to enter an income-based repay-  
5 ment plan under this subsection or a fixed repay-  
6 ment plan described in section 493E, as provided in  
7 section 428(b)(1)(D)(ii) or section 455(d)(7) (as ap-  
8 plicable).

9 “(4) INTEREST ACCRUAL.—Notwithstanding  
10 any other provision of this Act, if a borrower’s  
11 monthly payment for a loan under an income-based  
12 repayment plan under this subsection is insufficient  
13 to pay the accrued interest on the borrower’s loan  
14 for such month, any interest due and not paid on  
15 the loan for that month shall be paid or forgiven by  
16 the Secretary.

17 “(5) WRITTEN, ELECTRONIC, OR VERBAL EN-  
18 ROLLMENT IN INCOME-BASED REPAYMENT.—

19 “(A) IN GENERAL.—A borrower of a loan  
20 made under this part may elect to repay such  
21 loan under the income-based repayment plan  
22 under this subsection by providing written, elec-  
23 tronic, or verbal notice to the Secretary of the  
24 borrower’s desire to make such election, subject  
25 to subparagraph (C).

1 “(B) USE OF INFORMATION.—

2 “(i) IN GENERAL.—The estimated  
3 monthly payment amount under this sec-  
4 tion for a loan for a borrower who makes  
5 an election described in subparagraph (A)  
6 shall be immediately calculated using the  
7 income and family size information pro-  
8 vided through the borrower’s written, elec-  
9 tronic, or verbal statement.

10 “(ii) VERIFICATION.—The informa-  
11 tion described in clause (i) shall be verified  
12 by the Secretary not later than 90 days  
13 after the date the borrower states such in-  
14 come and family size information. If the  
15 Secretary is unable to verify the informa-  
16 tion by the end of the 90-day period, the  
17 borrower’s payment after such 90-day pe-  
18 riod will be the amount applicable under  
19 the fixed repayment plan under section  
20 493E.

21 “(iii) ADJUSTMENT IF NECESSARY.—  
22 Upon verification by the Secretary under  
23 clause (ii), the Secretary shall adjust the  
24 estimated monthly payment described in  
25 clause (i) based on the verified income and



1 family size information of the borrower, if  
2 necessary. Any adjusted monthly payment  
3 shall take effect beginning with the pay-  
4 ment due not less than 60 days after the  
5 Secretary notifies the borrower of the ad-  
6 justed amount. The Secretary shall con-  
7 sider any payments made prior to the ad-  
8 justed monthly payment as having satisfied  
9 the amount due to qualify toward loan can-  
10 cellation or forgiveness options under this  
11 title.

12 “(C) LIMITATION.—The Secretary shall  
13 permit a borrower to make an election of in-  
14 come-based repayment in the written, elec-  
15 tronic, or verbal manner described in subpara-  
16 graph (A) only in connection with the first in-  
17 stance of each of the following:

18 “(i) The borrower’s selection of a re-  
19 payment plan during the grace period for  
20 such loan.

21 “(ii) The borrower changing from the  
22 fixed repayment plan under section 493E  
23 to income-based repayment.

1                   “(iii) The borrower’s failure to com-  
2                   plete the verification process described in  
3                   subparagraph (B)(ii).

4                   “(iv) The borrower’s failure to recer-  
5                   tify enrollment in income-based repayment  
6                   under this subsection.

7           “(d) CALCULATION OF ADJUSTED GROSS INCOME  
8 FOR MARRIED BORROWERS.—The Secretary shall cal-  
9 culate the adjusted gross income of a married borrower  
10 under this section—

11                   “(1) in the case of a married borrower and  
12                   spouse who jointly file a Federal income tax return,  
13                   based on the adjusted gross income of the borrower  
14                   and spouse as reported on the Federal income tax  
15                   return; and

16                   “(2) in the case of a married borrower who files  
17                   a Federal income tax return separately from the  
18                   borrower’s spouse, based on the sum of the adjusted  
19                   gross income of the borrower and the spouse, as re-  
20                   ported on the applicable Federal income tax returns,  
21                   unless the borrower certifies, on a form approved by  
22                   the Secretary, that the borrower is—

23                   “(A) separated from the borrower’s spouse;

24                   or

1                   “(B) unable to reasonably access the in-  
2                   come information of the borrower’s spouse.

3                   “(e) SPECIAL TERMS FOR NEW BORROWERS ON AND  
4 AFTER JULY 1, 2014.—With respect to any loan made  
5 to a new borrower on or after July 1, 2014—

6                   “(1) subsection (a)(3)(B) shall be applied by  
7 substituting ‘10 percent’ for ‘15 percent’; and

8                   “(2) subsection (b)(7)(B) shall be applied by  
9 substituting ‘20 years’ for ‘25 years’.

10                  “(f) ELIGIBILITY DETERMINATIONS AND AUTOMATIC  
11 RECERTIFICATION.—

12                  “(1) IN GENERAL.—Beginning as soon as the  
13 Secretary determines practicable after the Secretary  
14 finalizes the procedures under section 105 of the Af-  
15 fordable Loans for Any Student Act, the Secretary  
16 shall establish and implement, with respect to any  
17 borrower described in paragraph (2), procedures  
18 to—

19                  “(A) obtain (for each year of repayment  
20 and without further action by the borrower)  
21 such information as is reasonably necessary re-  
22 garding the income of such borrower (and the  
23 borrower’s spouse, if applicable), for the pur-  
24 pose of determining the repayment obligation of  
25 the borrower for such year, including informa-

1           tion with respect to the borrower’s family size  
2           in accordance with the procedures under such  
3           section 105, subject to subparagraph (B);

4           “(B) allow the borrower, at any time, to  
5           opt out of subparagraph (A) and prevent the  
6           Secretary from obtaining information under  
7           such subparagraph without further action by  
8           the borrower;

9           “(C) provide the borrower with an oppor-  
10          tunity to update the information obtained under  
11          subparagraph (A) before the determination of  
12          the annual repayment obligation of the bor-  
13          rower; and

14          “(D) in the case of a borrower for whom  
15          adjusted gross income can be obtained under  
16          this subsection and meets the qualifications of  
17          a payment amount of \$0, ensure that the bor-  
18          rower will not be required to provide the Sec-  
19          retary with other documentation of income and  
20          provide the borrower with a calculated monthly  
21          payment of \$0.

22          “(2) APPLICABILITY.—

23          “(A) IN GENERAL.—Paragraph (1) shall  
24          apply to each borrower of a loan made under  
25          this part who, on or after the date on which the

1 Secretary establishes procedures under such  
2 paragraph—

3 “(i) selects, or for whom the Secretary  
4 selected under subparagraphs (C) or (D)  
5 of paragraph (8), or paragraph (9), of sub-  
6 section (d), or section 428(m)(1), an in-  
7 come-based repayment plan; or

8 “(ii) recertifies income and family size  
9 under such plan.

10 “(B) ELIGIBILITY EXCEPTION.—A bor-  
11 rower for whom adjusted gross income is un-  
12 available because the borrower has been granted  
13 an extension on filing the borrower’s income  
14 taxes or is undergoing an audit or examination  
15 by the Internal Revenue Service shall not auto-  
16 matically be eligible for the calculated monthly  
17 payment of \$0 in accordance with paragraph  
18 (1)(D) during such period. When the extension,  
19 audit, or examination is completed, the Sec-  
20 retary shall resume consideration of the bor-  
21 rower for automatic recertification under the  
22 procedures described in paragraph (1), includ-  
23 ing subparagraph (D) of such paragraph (if ap-  
24 plicable).

1           “(3) AVAILABILITY OF RETURNS AND RETURN  
2           INFORMATION.—Returns and return information (as  
3           defined in section 6103 of the Internal Revenue  
4           Code of 1986) may be obtained under paragraph  
5           (1)(A) only to the extent authorized by section  
6           6103(l)(13) of such Code.”.

7   **SEC. 102. FIXED REPAYMENT PLAN.**

8           Part G of title IV (20 U.S.C. 1088 et seq.) is amend-  
9           ed by adding at the end the following:

10   **“SEC. 493E. FIXED REPAYMENT PLAN.**

11           “(a) IN GENERAL.—A borrower of a loan made under  
12           part D on or after July 1, 2022, and a borrower who is  
13           in repayment on a loan made, insured, or guaranteed  
14           under part B or D before July 1, 2022, may elect to repay  
15           such loan under the fixed repayment plan described in this  
16           section.

17           “(b) FIXED REPAYMENT PLAN.—Under the fixed re-  
18           payment plan, a borrower shall repay each loan described  
19           in subsection (a) with a fixed monthly repayment amount  
20           paid over a period of 10 years, subject to subsection (c).

21           “(c) SPECIAL RULES.—

22           “(1) MINIMUM.—If a borrower’s monthly pay-  
23           ment under this section (except for the final pay-  
24           ment on the loan) is less than \$25, the Secretary

1 shall establish the borrower’s monthly payment as  
2 \$25.

3 “(2) ALTERNATIVE MINIMUM PAYMENTS.—Not-  
4 withstanding paragraph (1), the Secretary may ac-  
5 cept an alternative minimum payment amount,  
6 which may include an amount of less than \$25, to  
7 account for a borrower’s exceptional cir-  
8 cumstances.”.

9 **SEC. 103. TERMINATION OF CERTAIN REPAYMENT PLAN**  
10 **OPTIONS.**

11 (a) FFEL PROGRAM REPAYMENT PLAN OPTIONS.—  
12 Section 428(b) (20 U.S.C. 1078(b)) is amended—

13 (1) in paragraph (1)—

14 (A) in subparagraph (D)—

15 (i) in clause (ii), by striking “may an-  
16 nually change the selection of a repayment  
17 plan under this part,” and inserting “may  
18 at any time on or after July 1, 2022,  
19 change the selection of a repayment plan  
20 under this part or part G to one of the 2  
21 repayment plans described in paragraph  
22 (9)(C),”; and

23 (ii) in clause (iii), by inserting “or, in  
24 the case of a default that occurs on or  
25 after July 1, 2022, be subject to income-

1 based repayment in accordance with sec-  
2 tion 493C(c)” before the semicolon at the  
3 end;

4 (B) in subparagraph (E)(i), by striking  
5 “the option of repaying the loan in accordance  
6 with a standard, graduated, income-sensitive, or  
7 extended repayment schedule (as described in  
8 paragraph (9)) established by the lender in ac-  
9 cordance with regulations of the Secretary;  
10 and” and inserting “the option of repaying the  
11 loan in accordance with an applicable repay-  
12 ment plan described in paragraph (9)(C)”;

13 (C) by striking subparagraph (L); and

14 (2) in paragraph (9)—

15 (A) in subparagraph (A)—

16 (i) in the subparagraph heading, by  
17 inserting “BEFORE JULY 1, 2022” after  
18 “SELECTION”; and

19 (ii) in the matter preceding clause

20 (i)—

21 (I) by inserting “or subparagraph  
22 (C), as applicable,” after “this sub-  
23 paragraph”; and



1 (II) by striking “The borrower”  
2 and inserting “Before July 1, 2022,  
3 the borrower”;

4 (B) in subparagraph (B), by inserting be-  
5 fore the period at the end “or, for a borrower  
6 entering repayment on or after July 1, 2022,  
7 the lender shall provide the borrower with the  
8 fixed repayment plan described in section  
9 493E”; and

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

11 “(C) SELECTION OF REPAYMENT PLANS  
12 ON AND AFTER JULY 1, 2022.—Notwithstanding  
13 any other provision of law, and in accordance  
14 with regulations promulgated, beginning on  
15 July 1, 2022, a lender shall offer a borrower of  
16 a loan made, insured, or guaranteed under this  
17 part the opportunity to change repayment plans  
18 at any time on or after July 1, 2022, and then  
19 not more than once per calendar year there-  
20 after. The borrower may choose between the  
21 following repayment plans:

22 “(i) A fixed repayment plan described  
23 in section 493E.

24 “(ii) The income-based repayment  
25 plan under section 493C(c).”.

1 (b) FEDERAL DIRECT LOAN PROGRAM REPAYMENT  
2 PLAN OPTIONS.—Section 455(d) (20 U.S.C.1087e(d)) is  
3 amended—

4 (1) by redesignating paragraphs (2) through  
5 (5) as paragraphs (3) through (6), respectively;

6 (2) in paragraph (1)—

7 (A) in the paragraph heading, by inserting  
8 “BEFORE JULY 1, 2022” after “SELECTION”;  
9 and

10 (B) in the matter preceding subparagraph  
11 (A), by inserting “that enters repayment before  
12 July 1, 2022,” before “a variety”;

13 (3) by inserting after paragraph (1) the fol-  
14 lowing:

15 “(2) DESIGN AND SELECTION BEGINNING JULY  
16 1, 2022.—

17 “(A) IN GENERAL.—Notwithstanding para-  
18 graph (1), for any borrower of a loan made  
19 under this part that enters repayment on or  
20 after July 1, 2022, and for any borrower sub-  
21 ject to paragraph (7), the Secretary shall offer  
22 the borrower a choice between the following 2  
23 plans for repayment of such loan, including  
24 principal and interest on the loan. The borrower  
25 may choose—

1                   “(i) a fixed repayment plan described  
2                   in section 493E; or

3                   “(ii) an income-based repayment plan  
4                   under section 493C(c).

5                   “(B) ACCELERATION.—A borrower in re-  
6                   payment shall be entitled to accelerate, without  
7                   penalty, repayment on the borrower’s loans  
8                   under this part.

9                   “(C) SELECTION BY THE SECRETARY.—If  
10                  a borrower of a loan made under this part that  
11                  enters repayment on or after July 1, 2022, does  
12                  not select a repayment plan described in sub-  
13                  paragraph (A) before the first payment on such  
14                  loan is due, the Secretary shall provide the bor-  
15                  rower with a fixed repayment plan described in  
16                  section 493E.

17                  “(D) CHANGES IN SELECTIONS.—A bor-  
18                  rower of a loan made under this part that en-  
19                  ters repayment or on after July 1, 2022, may  
20                  change the borrower’s selection of a repayment  
21                  plan in accordance with subparagraphs (B) and  
22                  (C) of paragraph (7).

23                  “(E) BORROWER IN DEFAULT.—Beginning  
24                  on July 1, 2022, in lieu of the requirements of  
25                  paragraph (6), the Secretary may require any

1 borrower who has defaulted on a loan made  
2 under this part on or after July 1, 2022, to  
3 repay the loan pursuant to an income-based re-  
4 payment plan under section 493C(c).”; and  
5 (4) by adding at the end the following:

6 “(7) BORROWERS OF LOANS MADE BEFORE  
7 JULY 1, 2022.—A borrower who is in repayment on  
8 a loan made under this part before July 1, 2022—

9 “(A) may choose to retain the repayment  
10 plan that the borrower was enrolled in on the  
11 day before such date;

12 “(B) may elect to—

13 “(i) enter an income-based repayment  
14 plan under section 493C(c);

15 “(ii) enter a fixed repayment plan de-  
16 scribed in section 493E; or

17 “(iii) switch between the repayment  
18 plans described in clauses (i) and (ii);

19 “(C) after switching to a repayment plan  
20 described in clause (i) or (ii) of subparagraph  
21 (B), shall not be permitted to select a repay-  
22 ment plan not described in subparagraph (B)  
23 for the loan; and

24 “(D) shall retain, for purposes of repay-  
25 ment or cancellation of any outstanding balance

1 of principal and interest due on a loan (as de-  
2 scribed in section 493C(b)(7)), any payments  
3 on such loan under another income-based or in-  
4 come contingent repayment plan under this title  
5 that would otherwise be qualifying.”.

6 (c) CONFORMING AMENDMENT.—Section  
7 433(b)(7)(B) (20 U.S.C. 1083(b)(7)(B)) is amended by  
8 striking “on a standard repayment plan” and inserting “,  
9 in the case of a borrower who has not selected a repayment  
10 plan, on the repayment plan designated under subpara-  
11 graph (B) of section 428(b)(9)”.

12 **SEC. 104. PROVIDING INCENTIVES TO SWITCH INTO SIM-**  
13 **PLIFIED REPAYMENT PLANS.**

14 (a) ENABLING CONSOLIDATION IN ORDER TO SIM-  
15 PLIFY REPAYMENT.—Section 455(g) (20 U.S.C.  
16 1087e(g)) is amended—

17 (1) by striking “A borrower of” and inserting  
18 the following:

19 “(1) IN GENERAL.—A borrower of”;

20 (2) by striking the second sentence; and

21 (3) by adding at the end the following:

22 “(2) ELIGIBILITY.—To be eligible for a Federal  
23 Direct Consolidation Loan under this part, a bor-  
24 rower shall meet the eligibility criteria set forth in  
25 section 428C(a)(3), except that, notwithstanding

1 section 428C(a)(3)(B), a borrower may obtain a  
2 Federal Direct Consolidation Loan if the borrower—

3 “(A) obtains the Federal Direct Consolida-  
4 tion Loan for the purpose of—

5 “(i) selecting the income-based repay-  
6 ment plan under section 493C(c) or fixed-  
7 income repayment plan under section  
8 495E; or

9 “(ii) participating in the pause pay-  
10 ment process under section 460B; and

11 “(B) meets the requirements of section  
12 428C(a)(3)(A).”.

13 (b) INCENTIVES FOR SIMPLIFIED REPAYMENT  
14 PLANS.—Part G of title IV (20 U.S.C. 1088 et seq.), as  
15 amended by section 102, is further amended by adding  
16 at the end the following:

17 **“SEC. 493F. INCENTIVES FOR SIMPLIFIED REPAYMENT**  
18 **PLANS.**

19 “(a) IN GENERAL.—To facilitate the transition of  
20 borrowers to simplified repayment plan options, the Sec-  
21 retary shall reduce the interest rate applicable under sec-  
22 tion 455(b) or 427A to a loan under part B or D held  
23 by a borrower as of July 1, 2022 by 100 basis points (or  
24 the equivalent), if the borrower of the loan, after the effec-  
25 tive date of the Affordable Loans for Any Student Act—

1           “(1) changes from a repayment plan described  
2           in subparagraphs (A) through (E) of section  
3           455(d)(1) for such loan to an income-based repay-  
4           ment plan under section 493C(c) or a fixed repay-  
5           ment plan under section 493E; or

6           “(2) consolidates 1 or more loans under this  
7           title, or described in section 428C(a)(4), that were  
8           under a repayment plan described in subparagraphs  
9           (A) through (E) of section 455(d)(1), or clauses (i)  
10          through (v) of section 428(b)(9), into a Federal Di-  
11          rect Consolidation Loan and selects an income-based  
12          repayment plan under section 493C(c) or a fixed re-  
13          payment plan under section 493E for the loan.

14          “(b) LIMITATION.—The interest rate for a loan eligi-  
15          ble for the incentive under subsection (a) may be reduced  
16          only once under this section.

17          “(c) RULES AND WAIVERS.—The Secretary shall pro-  
18          mulgate rules carrying out the incentive program estab-  
19          lished under this section. In promulgating such rules, the  
20          Secretary may waive the application of—

21                 “(1) subchapter I of chapter 35 of title 44,  
22                 United States Code (commonly known as the ‘Paper-  
23                 work Reduction Act’);

24                 “(2) the master calendar requirements under  
25                 section 482;

1           “(3) negotiated rulemaking under section 492;  
2           and

3           “(4) the requirement to publish the notices re-  
4           lated to the system of records of the agency before  
5           implementation required under paragraphs (4) and  
6           (11) of section 552a(e) of title 5, United States  
7           Code (commonly known as the ‘Privacy Act of  
8           1974’), except that the notices shall be published not  
9           later than 180 days after the date of implementation  
10          of this Act.”.

11 **SEC. 105. STUDY AND PROCEDURES ON DETERMINING FAM-**  
12 **ILY SIZE.**

13           (a) IN GENERAL.—The Secretary of Education, act-  
14          ing jointly with the Secretary of the Treasury, shall—

15           (1) not later than 1 year after the date of en-  
16          actment of this Act, publish, in the Federal Register,  
17          notice of the Secretary’s intent to conduct a study  
18          on the effect of using data from the Internal Rev-  
19          enue Service such as personal exemptions, filing sta-  
20          tus, or child tax credits, as proxies for family size  
21          in an income-driven repayment plan, and invite pub-  
22          lic comment regarding the study;

23           (2) after reviewing any public comments pro-  
24          vided under paragraph (1), conduct the study and



1 publish the results of the study in the Federal Reg-  
2 ister;

3 (3) use the results of the study conducted under  
4 paragraph (1) to develop procedures for determining  
5 family size for the automatic recertification of in-  
6 come for an income-driven repayment plan in a man-  
7 ner that minimizes burdens and unintended harm to  
8 borrowers;

9 (4) publish the procedures developed under  
10 paragraph (3) in the Federal Register; and

11 (5) after a notice and comment period on such  
12 procedures, use such comments to finalize the proce-  
13 dures.

14 (b) SPECIFICATIONS.—The study conducted under  
15 subsection (a) shall—

16 (1) be completed, with the results published  
17 pursuant to subsection (a)(2), not later than 3 years  
18 after the date of enactment of this Act;

19 (2) determine how closely personal exemptions,  
20 filing status, or child tax credits match the family  
21 size that borrowers report on their income-driven re-  
22 payment plan request form;

23 (3) compare the borrower's actual monthly pay-  
24 ment amount with the monthly payment amount

1 borrowers would have using family size information  
2 derived from tax returns;

3 (4) include data from tax year 2018 or later tax  
4 years; and

5 (5) use data from more than one year, where  
6 possible, to analyze how much family size changes  
7 over time.

8 (c) DEFINITION.—The term “income-driven repay-  
9 ment plan” means any of the following authorized under  
10 the Higher Education Act of 1965 (20 U.S.C. 1001 et  
11 seq.):

12 (1) The income-contingent repayment plan.

13 (2) The income-based repayment plan.

14 (3) The PAYE repayment plan.

15 (4) The REPAYE repayment plan.

16 **TITLE II—ENDING INTEREST**  
17 **CAPITALIZATION AND ORIGI-**  
18 **NATION FEES**

19 **SEC. 201. ENDING INTEREST CAPITALIZATION FOR FED-**  
20 **ERAL DIRECT LOANS.**

21 Section 455 (20 U.S.C. 1087e) is amended—

22 (1) in subsection (b)—

23 (A) in the subsection heading, by inserting  
24 “and Practices” after “Rate”; and

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

1           “(11) INTEREST PRACTICES.—

2                   “(A) IN GENERAL.—Beginning on the ef-  
3           fective date of the Affordable Loans for Any  
4           Student Act, interest on a loan made under this  
5           part shall accrue and only be added to the bal-  
6           ance of interest due on the loan, and shall not  
7           ever be capitalized.

8                   “(B) NO CAPITALIZATION OF INTEREST  
9           DURING IN-SCHOOL OR GRACE PERIODS.—

10                   “(i) IN GENERAL.—Beginning on the  
11           effective date of the Affordable Loans for  
12           Any Student Act, interest on loans made  
13           under this part for which payments of  
14           principal are not required during the in-  
15           school and grace periods or for which pay-  
16           ments are deferred in accordance with sec-  
17           tions 427(a)(2)(C) and 428(b)(1)(M) shall  
18           accrue and be added to the balance of in-  
19           terest due from the borrower when the  
20           loan enters repayment, but shall not ever  
21           be capitalized.

22                   “(ii) NOTICE REQUIREMENT.—The  
23           Secretary shall adjust any forbearance no-  
24           tice required in accordance with section  
25           428(a)(3)(A)(iii) to reflect the availability

1 of the pause payment process pursuant to  
2 section 460B and the treatment of interest  
3 under such section.

4 “(C) LIMITED RETROACTIVITY.—For a  
5 borrower of a loan made under this part on or  
6 before the effective date of the Affordable  
7 Loans for Any Student Act that is in a status,  
8 on the day before such effective date, that in-  
9 volves interest capitalization, such loan shall  
10 have capitalization pro-rated to the effective  
11 date of such Act, but shall not be subject to  
12 further capitalization after the effective date of  
13 such Act.”; and

14 (2) in subsection (e)(5)—

15 (A) by inserting “(which, beginning after  
16 the effective date of the Affordable Loans for  
17 Any Student Act, shall not be capitalized)”  
18 after “accrued interest”; and

19 (B) by striking the second sentence.

20 **SEC. 202. ELIMINATION OF ORIGINATION FEES FOR FED-**  
21 **ERAL DIRECT LOANS.**

22 (a) REPEAL OF ORIGINATION FEES.—Subsection (c)  
23 of section 455 (20 U.S.C. 1087e(c)) is repealed.

24 (b) EFFECTIVE DATE.—The amendment made by  
25 subsection (a) shall apply with respect to loans made

1 under part D of title IV of the Higher Education Act of  
2 1965 (20 U.S.C. 1087a et seq.) for which the first dis-  
3 bursement of principal is made on or after July 1, 2022.

4 **TITLE III—PROVIDING ASSIST-**  
5 **ANCE IN SITUATIONS OF BOR-**  
6 **ROWER DISTRESS**

7 **SEC. 301. LIMITS ON SEIZING INCOME FOR DEBT.**

8 Part D of title IV (20 U.S.C. 1087a et seq.) is  
9 amended by adding at the end the following:

10 **“SEC. 460A. LIMITS ON SEIZING INCOME FOR DEBT RELAT-**  
11 **ING TO FEDERAL STUDENT LOANS.**

12 “(a) DEFINITIONS.—In this section—

13 “(1) the term ‘adjusted gross income’ has the  
14 meaning given the term in section 62 of the Internal  
15 Revenue Code of 1986; and

16 “(2) the term ‘poverty line’ means the poverty  
17 line (as defined by the Office of Management and  
18 Budget and revised annually in accordance with sec-  
19 tion 673(2) of the Community Services Block Grant  
20 Act (42 U.S.C. 9902(2)) applicable to a family of  
21 the size involved.

22 “(b) LIMITATION ON COLLECTION.—

23 “(1) IN GENERAL.—Notwithstanding any other  
24 provision of law, any entity engaged in the collection  
25 of debts relating to loans made under this title may

1 not take any action to cause, or seek to cause, the  
2 collection of such a debt that is taken from the  
3 wages, Federal benefits, or other amounts due to a  
4 borrower through garnishment, deduction, offset, or  
5 seizure in an amount on a monthly basis that is  
6 more than the amount described in paragraph (2).

7 “(2) CALCULATION.—The amount described in  
8 this paragraph is the amount obtained by calculating  
9 what the monthly repayment amount would be for  
10 loans made under this title, with respect to the bor-  
11 rower, under the income-based repayment plan  
12 under section 493C(c).

13 “(3) PRESUMPTION.—For purposes of this sec-  
14 tion, if an entity described in paragraph (1) is un-  
15 able to determine the family size of a borrower after  
16 taking reasonable steps to collect the information  
17 necessary to do so, that person shall presume that  
18 the family size of the borrower is 1 individual.

19 “(c) COMMUNICATIONS.—Any communication by an  
20 entity described in subsection (b)(1) that is for the pur-  
21 pose of seizing income of a consumer for debt that relates  
22 to a loan made under this title shall—

23 “(1) be considered—

24 “(A) an attempt to collect a debt; and

1           “(B) conduct in connection with the collec-  
2           tion of a debt for the purposes of this title; and

3           “(2) contain a notice to the borrower that, con-  
4           sistent with the procedures for rehabilitating a loan  
5           pursuant to section 428F(a) or consolidating loans  
6           out of default as described in section  
7           428C(a)(3)(B)(i)(V), the borrower may exit default  
8           and reenter current repayment status (as defined in  
9           section 428(l)(2)(C)) with a similar monthly pay-  
10          ment amount on an income-based repayment plan  
11          under section 493C(e) and thereby obtain the full  
12          flexibility and benefits of such status, including the  
13          ability to adjust family size and make qualifying  
14          payments for purposes of repayment or cancellation  
15          of any outstanding balance of principal and interest  
16          due on a loan (as described in section 493C(b)(7)).

17          “(d) REMEDIES.—

18                 “(1) FIRST TIER.—The Secretary may impose a  
19                 civil penalty on an entity for a violation of this sec-  
20                 tion not to exceed \$5,000 for each day during which  
21                 such violation continues.

22                 “(2) SECOND TIER.—Notwithstanding para-  
23                 graph (1), the Secretary may impose a civil penalty  
24                 on an entity that recklessly engages in a violation of

1 this section not to exceed \$25,000 for each day dur-  
2 ing which such violation continues.

3 “(3) THIRD TIER.—Notwithstanding para-  
4 graphs (1) and (2), the Secretary may impose a civil  
5 penalty on an entity that knowingly violates this sec-  
6 tion not to exceed \$1,000,000 for each day during  
7 which such violation continues.

8 “(4) NO EXEMPLARY OR PUNITIVE DAMAGES.—  
9 Nothing in this subsection shall be construed as au-  
10 thorizing the imposition of exemplary or punitive  
11 damages.

12 “(5) ENTITIES SUBJECT TO PENALTY.—An en-  
13 tity subject to a penalty under this subsection may  
14 include a contractor or agent of the Department.”.

15 **SEC. 302. ALLOWING FOR MULTIPLE LOAN REHABILI-**  
16 **TATIONS.**

17 (a) FFEL LOANS.—Section 428F(a)(5) (20 U.S.C.  
18 1078–6(a)(5)) is amended by striking “one time per loan”  
19 and inserting “2 times per loan”.

20 (b) DIRECT LOANS.—Section 455(d) (20 U.S.C.  
21 1087e(d)), as amended by section 103, is further amended  
22 by adding at the end the following:

23 “(8) LOAN REHABILITATION.—In carrying out  
24 the process for loan rehabilitation described in sec-  
25 tion 428F(a)(5) with respect to loans made under



1       this part and in accordance with subsection (a), the  
2       Secretary shall allow a borrower to obtain the bene-  
3       fits available under such section not more than 2  
4       times per loan.”.

5       **SEC. 303. PAUSE PAYMENT PROCESS.**

6       (a) ESTABLISHMENT OF PAUSE PAYMENT PROC-  
7       ESS.—Part D of title IV (20 U.S.C. 1087a et seq.), as  
8       amended by section 301, is further amended by adding  
9       at the end the following:

10      **“SEC. 460B. PAUSE PAYMENT PROCESS.**

11      “(a) IN GENERAL.—The Secretary shall establish a  
12      single, streamlined pause payment process available in a  
13      single application with respect to loans made under this  
14      part that replaces the deferment and forbearance options  
15      and their respective applications that are available to bor-  
16      rowers before the effective date of the Affordable Loans  
17      for Any Student Act and provides temporary relief from  
18      repayment of such loans in accordance with this section.

19      “(b) APPLICATION FOR RELIEF.—Notwithstanding  
20      any other provision of this Act, a borrower of a loan made  
21      under this part that desires to receive temporary relief  
22      from repayment with respect to such loan shall request  
23      relief in accordance with the pause payment process estab-  
24      lished by the Secretary under subsection (a), which shall  
25      include the options to select a temporary cessation of pay-

1 ments and to make smaller payments than the monthly  
2 payments required under the borrower's repayment plan.

3 “(c) PAUSE PAYMENT.—

4 “(1) IN GENERAL.—A borrower of a loan made  
5 under this part who meets the requirements de-  
6 scribed in paragraph (2) shall be eligible for a pause  
7 payment, during which periodic installments of prin-  
8 cipal need not be paid, and interest—

9 “(A) shall not accrue, in the case of a—

10 “(i) Federal Direct Stafford Loan; or

11 “(ii) a Federal Direct Consolidation  
12 Loan that consolidated only Federal Direct  
13 Stafford Loans, or a combination of such  
14 loans and Federal Stafford Loans for  
15 which the student borrower received an in-  
16 terest subsidy under section 428; or

17 “(B) shall accrue and be added to the bal-  
18 ance of interest due but not be capitalized, or  
19 be paid by the borrower, in the case of a Fed-  
20 eral Direct PLUS Loan, a Federal Direct Un-  
21 subsidized Stafford Loan, or a Federal Direct  
22 Consolidation Loan not described in subpara-  
23 graph (A)(ii).

1           “(2) ELIGIBILITY.—A borrower of a loan made  
2 under this part shall be eligible for a pause payment  
3 during any period—

4           “(A) during which—

5           “(i) the borrower is carrying at least  
6 one-half the normal full-time work load for  
7 the course of study that the borrower is  
8 pursuing, as determined by the eligible in-  
9 stitution (as such term is defined in sec-  
10 tion 435(a)) the student is attending; or

11           “(ii) in the case of a parent borrower,  
12 the borrower or the student on whose be-  
13 half the loan was borrowed is carrying at  
14 least one-half the normal full-time work  
15 load, in accordance with clause (i);

16           “(B) during which the borrower is pur-  
17 suing a course of study pursuant to a graduate  
18 fellowship program approved by the Secretary;

19           “(C) during which the borrower is serving  
20 in a medical or dental internship or residency  
21 program;

22           “(D) during which the borrower is in a re-  
23 habilitation training program for individuals  
24 with disabilities approved by the Secretary;

25           “(E) during which the borrower—

1           “(i) is serving on active duty during a  
2           war or other military operation or national  
3           emergency and for the 180-day period fol-  
4           lowing the demobilization date for the serv-  
5           ice; or

6           “(ii) qualifies for partial repayment of  
7           the borrower’s loans under a provision of  
8           chapter 109 or 1609 of title 10, United  
9           States Code;

10          “(F) during which the borrower is per-  
11          forming qualifying National Guard duty during  
12          a war or other military operation or national  
13          emergency and for the 180-day period following  
14          the demobilization date for the service;

15          “(G) during which the borrower is serving  
16          in—

17                 “(i) an approved national service posi-  
18                 tion (as defined in section 101 of the Na-  
19                 tional and Community Service Act of 1990  
20                 (42 U.S.C. 12511)) in an Americorps pro-  
21                 gram (defined for purposes of this sub-  
22                 paragraph as a program carried out under  
23                 subtitle C or E of title I of the National  
24                 and Community Service Act of 1990 (42  
25                 U.S.C. 12571 et seq., 12611 et seq.) or

1 title I of the Domestic Volunteer Service  
2 Act of 1973 (42 U.S.C. 4951 et seq.);

3 “(ii) in the Peace Corps; or

4 “(iii) in a teaching position that would  
5 qualify for teacher loan forgiveness under  
6 section 428J or 460;

7 “(H) not in excess of a total period of 3  
8 years of repayment of a loan during which the  
9 Secretary determines, in accordance with regu-  
10 lations prescribed under section 435(o), that  
11 the borrower has experienced or will experience  
12 an economic hardship, such as experiencing fi-  
13 nancial difficulties, having unexpected or sig-  
14 nificant medical expenses, or being unable to  
15 find full-time employment;

16 “(I) during which a borrower’s ability to  
17 make payments, as determined by the Sec-  
18 retary, has been adversely affected by—

19 “(i) any major disaster or emergency  
20 declared by the President under section  
21 401 or 501, respectively, of the Robert T.  
22 Stafford Disaster Relief and Emergency 34  
23 Assistance Act (42 U.S.C. 5170, 5191);

24 “(ii) a local emergency, as declared by  
25 the appropriate government agency; or

1 “(iii) a military mobilization;

2 “(J) during which the borrower is awaiting  
3 a determination by the Secretary of the bor-  
4 rower’s request for a pause payment, change in  
5 repayment plan, loan forgiveness or cancella-  
6 tion, or consolidation loan; or

7 “(K) during which the borrower is experi-  
8 encing other exceptional circumstances for  
9 which pause payment under this section is in  
10 the best interest of the borrower, as determined  
11 by the Secretary through regulation.”.

12 (b) CONFORMING AMENDMENTS.—Section 455 (20  
13 U.S.C. 1087e) is amended—

14 (1) in subsection (e)(7)(B)(i), by striking “is in  
15 deferment” and inserting “is under pause payment  
16 pursuant to section 460B”;

17 (2) by striking subsection (f) and inserting the  
18 following:

19 “(f) **reserved**”; and

20 (3) in subsection (l)—

21 (A) by striking “**PROGRAM.—**” and all  
22 that follows through “Using funds” and insert-  
23 ing the following: “**PROGRAM.—USING**  
24 **FUNDS**”; and

25 (B) by striking paragraph (2).

1 **SEC. 304. AUTOMATIC ENROLLMENT INTO INCOME-BASED**  
2 **REPAYMENT FOR BORROWERS WHO ARE DE-**  
3 **LINQUENT ON LOANS AND FOR BORROWERS**  
4 **WHO REHABILITATE DEFAULTED LOANS.**

5 (a) NOTIFICATION AND AUTOMATIC ENROLLMENT  
6 PROCEDURES.—Section 455(d) (20 U.S.C. 1087e(d)), as  
7 amended by section 103 and 302, is further amended by  
8 adding at the end the following:

9 “(9) NOTIFICATION AND AUTOMATIC ENROLL-  
10 MENT PROCEDURES FOR BORROWERS WHO ARE DE-  
11 LINQUENT ON LOANS.—

12 “(A) AUTHORITY TO OBTAIN INCOME IN-  
13 FORMATION.—

14 “(i) IN GENERAL.—In the case of any  
15 borrower who is at least 60 days delin-  
16 quent on a loan made under this part, the  
17 Secretary may obtain such information as  
18 is reasonably necessary regarding the in-  
19 come and family size of the borrower (and  
20 the borrower’s spouse, if applicable).

21 “(ii) AVAILABILITY OF RETURNS AND  
22 RETURN INFORMATION.—Returns and re-  
23 turn information (as defined in section  
24 6103 of the Internal Revenue Code of may  
25 be obtained under this subparagraph only

1 to the extent authorized by section  
2 6103(l)(13) of such Code.

3 “(B) BORROWER NOTIFICATION.—With re-  
4 spect to each borrower of a loan made under  
5 this part who is at least 60 days delinquent on  
6 such loan and who has not been subject to the  
7 procedures under this paragraph for such loan  
8 in the preceding 120 days, the Secretary shall,  
9 as soon as practicable after such 60-day delin-  
10 quency, provide to the borrower the following:

11 “(i) Notification that the borrower is  
12 at least 60 days delinquent on at least 1  
13 loan under this part, and a description of  
14 all delinquent loans under this part, and  
15 nondelinquent loans under this part, of the  
16 borrower.

17 “(ii) A brief description of the repay-  
18 ment plans for which the borrower is eligi-  
19 ble and the borrower’s loans made under  
20 this part, and loans made, insured, or  
21 guaranteed under part B or E, that may  
22 be eligible for such plans, based on infor-  
23 mation available to the Secretary.

24 “(iii) Clear and simple instructions on  
25 how to select the repayment plans.



1           “(iv) The amount of monthly pay-  
2           ments for the loans made under this part,  
3           and any loans made, insured, or guaran-  
4           teed under part B or E, under the repay-  
5           ment plans for which the borrower is eligi-  
6           ble, based on information available to the  
7           Secretary, including, if the income infor-  
8           mation of the borrower is available to the  
9           Secretary under subparagraph (A)—

10                   “(I) the amount of the monthly  
11                   payment under the income-based re-  
12                   payment plan under section 493C(c)  
13                   for which the borrower is eligible for  
14                   the borrower’s loans made under this  
15                   part, based on such income informa-  
16                   tion; and

17                   “(II) the income, family size, tax  
18                   filing status, and tax year information  
19                   on which each the monthly payment is  
20                   based.

21           “(v) An explanation that the Sec-  
22           retary shall take the actions under sub-  
23           paragraph (C) with respect to such bor-  
24           rower, if—

1                   “(I) the borrower is 120 days de-  
2                   linquent on one or more loans under  
3                   this part and has not selected a new  
4                   repayment plan for the borrower’s  
5                   loans under this part; and

6                   “(II) in the case of such a bor-  
7                   rower whose repayment plan for any  
8                   loans made under this part is not an  
9                   income-based repayment plan under  
10                  section 493C(c), the monthly pay-  
11                  ments under such repayment plan are  
12                  higher than such monthly payments  
13                  would be under an income-based re-  
14                  payment plan for such loans.

15                  “(vi) Instructions on updating the in-  
16                  formation of the borrower obtained under  
17                  subparagraph (A).

18                  “(C) SECRETARY’S INITIAL SELECTION OF  
19                  PLAN.—With respect to each borrower de-  
20                  scribed in subparagraph (B) who has a repay-  
21                  ment plan for loans made under this part that  
22                  meets the requirements of clause (v)(II) of sub-  
23                  paragraph (B), who has not selected a new re-  
24                  payment plan for such loans in accordance with  
25                  the notice received under such subparagraph,

1 and who is at least 120 days delinquent on such  
2 a loan, the Secretary shall, as soon as prac-  
3 ticable—

4 “(i) in a case in which any of the bor-  
5 rower’s loans made under part B or E are  
6 eligible for an income-based repayment  
7 plan under section 493C(c), provide the  
8 borrower with the income-based repayment  
9 plan; and

10 “(ii) in a case in which none of the  
11 borrower’s loans made under part B or E  
12 are eligible for an income-based repayment  
13 plan under section 493C(c), notify the bor-  
14 rower of the actions, if any, the borrower  
15 may take for such loans to become eligible  
16 for such a plan.

17 “(D) SECRETARY’S ADDITIONAL SELEC-  
18 TION OF PLAN.—

19 “(i) IN GENERAL.—With respect to  
20 each borrower of a loan made under this  
21 part who selects a new repayment plan in  
22 accordance with the notice received under  
23 subparagraph (B) and who continues to be  
24 delinquent on such loan for a period de-  
25 scribed in clause (ii), the Secretary shall,

1 as soon as practicable after such period,  
2 carry out the procedures described in sub-  
3 paragraph (C) for the borrower's loans  
4 made under this part, if such procedures  
5 would result in lower monthly repayment  
6 amounts on such loan.

7 “(ii) DESCRIPTION OF PERIOD.—The  
8 duration of the period described in clause  
9 shall be the amount of time that the Sec-  
10 retary determines is sufficient to indicate  
11 that the borrower may benefit from repay-  
12 ing such loan under a new repayment plan,  
13 but in no case shall such period be less  
14 than 60 days.

15 “(E) OPT-OUT.—A borrower of a loan  
16 made under this part shall have the right to opt  
17 out of the procedures under this paragraph.

18 “(F) PROCEDURES.—The Secretary shall  
19 establish procedures as are necessary to effec-  
20 tively implement this paragraph.

21 “(10) NOTIFICATION AND AUTOMATIC ENROLL-  
22 MENT PROCEDURES FOR BORROWERS WHO ARE RE-  
23 HABILITATING DEFAULTED LOANS.—

24 “(A) AUTHORITY TO OBTAIN INCOME IN-  
25 FORMATION.—

1                   “(i) IN GENERAL.—In the case of any  
2                   borrower who is rehabilitating a loan made  
3                   under this part pursuant to section  
4                   428F(a), the Secretary may obtain such  
5                   information as is reasonably necessary re-  
6                   garding the income and family size of the  
7                   borrower (and the borrower’s spouse, if ap-  
8                   plicable).

9                   “(ii) AVAILABILITY OF RETURNS AND  
10                  RETURN INFORMATION.—Returns and re-  
11                  turn information (as defined in section  
12                  6103 of the Internal Revenue Code of may  
13                  be obtained under this subparagraph only  
14                  to the extent authorized by section  
15                  6103(l)(13) of such Code.

16                  “(B) BORROWER NOTIFICATION.—Not  
17                  later than 30 days after a borrower makes the  
18                  6th payment required for the loan rehabilitation  
19                  described in subparagraph (A), the Secretary  
20                  shall notify the borrower of the process under  
21                  subparagraph (C) with respect to such loan.

22                  “(C) SECRETARY’S AUTOMATIC ENROLL-  
23                  MENT.—With respect to each borrower who has  
24                  made the 9th payment required for the loan re-  
25                  habilitation described in subparagraph (A) and

1 is eligible for the income-based repayment plan  
2 under section 493C(c), the Secretary shall, as  
3 soon as practicable after such payment, provide  
4 the borrower with the income-based repayment  
5 plan.

6 “(D) OPT-OUT.—A borrower of a loan  
7 made under this part shall have the right to opt  
8 out of the procedures for enrollment in an in-  
9 come-based repayment plan under this para-  
10 graph.

11 “(E) PROCEDURES.—The Secretary shall  
12 establish procedures as are necessary to effec-  
13 tively implement this paragraph.”.

14 (b) EFFECTIVE DATE.—The amendments made by  
15 subsection (a) shall—

16 (1) take effect as soon as the Secretary of Edu-  
17 cation determines practicable after the Secretary fi-  
18 nalizes the procedures under section 105; and

19 (2) apply to all borrowers of loans made under  
20 part D of title IV of the Higher Education Act of  
21 1965 (20 U.S.C. 1087a et seq.).

22 **SEC. 305. SEPARATING JOINT CONSOLIDATION LOANS.**

23 (a) IN GENERAL.—Section 455(g) (20 U.S.C.  
24 1087e(g)), as amended by section 104, is further amended  
25 by adding at the end the following:



1           rower for whom such separate  
2           consolidation loan is being made;  
3           and

4                     “(bb) any other loans de-  
5           scribed in section 428C(a)(4)  
6           that such individual borrower se-  
7           lects for consolidation under this  
8           part; or

9           “(II) be equal to the sum of—

10                    “(aa) the unpaid principal  
11           and accrued unpaid interest of  
12           the percentage of the joint con-  
13           solidation loan that, as of the  
14           date of application under this  
15           paragraph, the married couple  
16           (or previously married couple)  
17           agrees shall be considered attrib-  
18           utable to the loans of the indi-  
19           vidual borrower for whom such  
20           separate consolidation loan is  
21           being made; and

22                    “(bb) any other loans de-  
23           scribed in section 428C(a)(4)  
24           that such individual borrower se-



1                   lects for consolidation under this  
2                   part;

3                   “(ii) the proceeds of which shall be  
4                   paid by the Secretary to the holder or  
5                   holders—

6                   “(I) of the joint consolidation  
7                   loan for the purpose of discharging  
8                   the liability on the percentage of such  
9                   joint consolidation loan described in  
10                  subclause (I)(aa) or (II)(aa) of clause  
11                  (i); and

12                  “(II) of the loans selected for  
13                  consolidation under subclause (I)(bb)  
14                  or of clause (i) for the purpose of dis-  
15                  charging the liability on such loans;

16                  “(iii) except as otherwise provided in  
17                  this paragraph, that has the same terms  
18                  and conditions, and rate of interest as the  
19                  joint consolidation loan, except if other  
20                  loans are included in such Federal Direct  
21                  Consolidation Loan after the date the Fed-  
22                  eral Direct Consolidation Loan is first  
23                  made under this paragraph;

24                  “(iv) for which any payment made  
25                  under subsection (m)(1)(A) on the joint

1 consolidation loan during a period in which  
2 the individual borrower for whom such sep-  
3 arate consolidation loan is being made was  
4 employed in a public service job described  
5 in subsection (m)(1)(B) shall be treated as  
6 if such payment were made on such sepa-  
7 rate consolidation loan; and

8 “(v) for which any payment made  
9 under an income contingent repayment  
10 plan under subsection (d)(1)(D), or an in-  
11 come-based repayment plan under para-  
12 graph (1)(E) or (2)(A)(ii) of subsection  
13 (d), on the joint consolidation loan shall be  
14 treated as if such payment were made on  
15 such separate consolidation loan.

16 “(B) APPLICATION FOR SEPARATE DIRECT  
17 CONSOLIDATION LOANS.—

18 “(i) JOINT APPLICATION.—Except as  
19 provided in clause (ii), to receive separate  
20 consolidation loans under subparagraph  
21 (A), both individual borrowers in a married  
22 couple (or previously married couple) shall  
23 jointly apply under such subparagraph.

24 “(ii) SEPARATE APPLICATION.—An  
25 individual borrower in a married couple (or

1 previously married couple) may apply for a  
2 separate consolidation loan under subpara-  
3 graph (A) separately and without regard to  
4 whether or when the other individual bor-  
5 rower in the married couple (or previously  
6 married couple) applies under such sub-  
7 paragraph, and shall be relieved of any re-  
8 maining liability for the joint consolidation  
9 loan, in a case in which—

10 “(I) the individual borrower has  
11 experienced from the other individual  
12 borrower—

13 “(aa) domestic violence (as  
14 defined in section 40002(a) of  
15 the Violence Against Women Act  
16 of 1994 (34 U.S.C. 12291(a));

17 “(bb) economic abuse (in-  
18 cluding behaviors that control  
19 such borrower’s ability to ac-  
20 quire, use, and maintain access  
21 to money, credit, or the joint fi-  
22 nancial obligations of both bor-  
23 rowers); or



1 “(dd) for the purpose of sep-  
2 arating a joint consolidation loan  
3 into 2 separate Federal Direct  
4 Consolidation Loans under sec-  
5 tion 455(g)(3).”.

6 **SEC. 306. REMOVING THE COLLECTION COST REQUIRE-**  
7 **MENT.**

8 (a) **REMOVAL OF REQUIREMENT.**—Section  
9 484A(b)(1) (20 U.S.C. 1091a(b)(1)) is amended by strik-  
10 ing “shall be required to pay, in addition to other charges  
11 specified in this title, reasonable collection costs” and in-  
12 serting “shall not be required to pay collection costs”.

13 (b) **REPAYMENT AFTER DEFAULT.**—Section  
14 455(d)(6) (20 U.S.C. 1087e(d)(6)), as redesignated under  
15 section 103(b), is amended by striking “to—” and all that  
16 follows through the period at the end and inserting “to  
17 repay the loan pursuant to an income-based repayment  
18 plan under section 493C(c).”.

1 **TITLE IV—IMPROVING LOAN IN-**  
2 **FORMATION AND COUN-**  
3 **SELING**

4 **SEC. 401. STUDENT LOAN CONTRACT; SIMPLIFYING LOAN**  
5 **DISCLOSURES.**

6 (a) STUDENT LOAN CONTRACT.—Section 455 (20  
7 U.S.C. 1087e), as amended by section 202, is further  
8 amended by inserting after subsection (b) the following:

9 “(c) STUDENT LOAN CONTRACT; SIMPLIFYING LOAN  
10 DISCLOSURES.—

11 “(1) STUDENT LOAN CONTRACT.—

12 “(A) IN GENERAL.—Any master promis-  
13 sory note form described in section  
14 432(m)(1)(D) that is developed or used for cov-  
15 ered loans shall be referred to as a ‘student  
16 loan contract’.

17 “(B) CLARIFICATION ON USE.—Notwith-  
18 standing section 432(m)(1)(D)(i), each student  
19 loan contract for a covered loan shall—

20 “(i) not be entered into by a student  
21 unless the student has completed all re-  
22 quired counseling related to such loan, in-  
23 cluding counseling required under section  
24 485(l);

1           “(ii) be signed by the student entering  
2 such student loan contract after completion  
3 of such counseling;

4           “(iii) be signed by the student during  
5 the first award year of such student’s en-  
6 rollment at an institution;

7           “(iv) be valid for each award year  
8 after the award year described in clause  
9 (iii) in which the student remains enrolled  
10 at the same institution; and

11           “(v) include options for the student to  
12 enter both the student’s current contact in-  
13 formation and permanent contact informa-  
14 tion that is likely to remain valid upon the  
15 student’s exit from the institution.

16           “(C) COVERED LOAN.—

17           “(i) IN GENERAL.—In this subsection,  
18 the term ‘covered loan’ means a loan made  
19 under this part on or after the effective  
20 date of the Affordable Loans for Any Stu-  
21 dent Act, except with respect to a borrower  
22 described in clause (ii).

23           “(ii) EXCEPTION.—A borrower is de-  
24 scribed in this clause if the loan made  
25 under this part on or after the effective

1 date of the Affordable Loans for Any Stu-  
2 dent Act with respect to such borrower is  
3 for the award year during which the Af-  
4 fordable Loans for Any Student Act is en-  
5 acted and the borrower has already taken  
6 out a loan under this part (other than a  
7 Federal Direct Consolidation Loan) for  
8 such award year (including any such loan  
9 for attendance at another institution from  
10 which the student transferred or in which  
11 the student had previously enrolled).

12 “(2) LOAN DISCLOSURES.—For loans made  
13 under this part for periods of enrollment beginning  
14 on or after the effective date of the Affordable  
15 Loans for Any Student Act, the Secretary shall take  
16 such steps as are necessary to streamline the stu-  
17 dent loan disclosure requirements under this Act.  
18 The Secretary shall ensure that information required  
19 to be disclosed to a student who is applying for, re-  
20 ceiving, or preparing to repay a loan under this part  
21 shall be consumer-tested and delivered in a manner  
22 that—

23 “(A) reduces and simplifies the paperwork  
24 students are required to complete;



1           “(B) limits the number of times a student  
2 is presented with disclosures by incorporating  
3 the streamlined disclosures into required stu-  
4 dent loan counseling under section 485(1), the  
5 student loan contract under this subsection, or  
6 both; and

7           “(C) is effective in helping the student un-  
8 derstand the student’s rights and obligations as  
9 a Federal student loan borrower.

10           “(3) LOAN ACCEPTANCE.—Prior to making the  
11 first disbursement of a covered loan (other than a  
12 Federal Direct Consolidation Loan) to a borrower,  
13 the eligible institution shall ensure that the bor-  
14 rower—

15           “(A) has completed the applicable coun-  
16 seling under paragraph (2) or (3) of section  
17 485(1); and

18           “(B) after completing such counseling, ac-  
19 cepts the loan by—

20           “(i) signing and returning to the insti-  
21 tution the student loan contract described  
22 in section 455(c)(1) that affirmatively  
23 states that the borrower accepts the loan;  
24 or

1                   “(ii) electronically signing an elec-  
2                   tronic version of such student loan con-  
3                   tract, which may be done through the on-  
4                   line counseling tool in accordance with sec-  
5                   tion 485(n)(1)(B).”.

6           (b) CONFORMING AMENDMENT.—Section 487(a)(7)  
7 (20 U.S.C. 1094(a)(7)) is amended by striking “section  
8 485” and inserting “sections 455(c)(3) and 485”.

9   **SEC. 402. PRE-LOAN INFORMATION AND COUNSELING RE-**  
10                   **QUIREMENTS.**

11           Section 485(l) (20 U.S.C. 1092(l)) is amended to  
12 read as follows:

13           “(l) STUDENT LOAN ENTRANCE COUNSELING.—

14                   “(1) STUDENT LOAN ENTRANCE COUNSELING  
15                   REQUIREMENT FOR INSTITUTIONS.—

16                           “(A) IN GENERAL.—Each eligible institu-  
17                           tion shall ensure that, prior to the date of the  
18                           disbursement of a loan for a period of enroll-  
19                           ment at such institution, each individual for  
20                           whom the institution has knowledge that the in-  
21                           dividual has accepted, or will accept, 1 or more  
22                           student loans under part D (including any such  
23                           loans for attendance at another institution from  
24                           which the student transferred or in which the  
25                           student had previously enrolled, other than a

1 Federal Direct Consolidation Loan) for such pe-  
2 riod of enrollment, receives comprehensive in-  
3 formation on the terms and conditions of such  
4 loans and the responsibilities the individual has  
5 with respect to such loans. Such information  
6 shall be provided in a simple, understandable,  
7 and consumer-friendly manner during a coun-  
8 seling session conducted—

9 “(i) in person;

10 “(ii) online, with the individual ac-  
11 knowledging receipt of the information; or

12 “(iii) through the use of the online  
13 counseling tool described in subsection  
14 (n)(1)(B).

15 “(B) USE OF INTERACTIVE PROGRAMS.—

16 In the case of institutions not using the online  
17 counseling tool described in subsection  
18 (n)(1)(B), the Secretary shall require such in-  
19 stitutions to carry out the requirements of sub-  
20 paragraph (A) through the use of interactive  
21 programs, during a counseling session that is  
22 in-person or online, that test the individual’s  
23 understanding of the terms and conditions of  
24 the loan awarded to the individual, using simple

1           and understandable language and clear for-  
2           matting.

3           “(2) LOAN COUNSELING FOR BORROWERS RE-  
4           CEIVING LOANS MADE UNDER PART D OTHER THAN  
5           PARENT PLUS LOANS).—The information to be pro-  
6           vided under paragraph (1)(A) to a borrower of a  
7           loan made under part D (other than a Federal Di-  
8           rect PLUS Loan made on behalf of a dependent stu-  
9           dent) shall include the following:

10                   “(A) A notification that some students  
11                   may qualify for other financial aid that does not  
12                   need to be repaid, and an explanation that the  
13                   borrower should consider accepting any such  
14                   grant, scholarship, military tuition assistance,  
15                   veterans benefits, Federal or State work-study,  
16                   or other programs for which the borrower is eli-  
17                   gible, prior to accepting student loans.

18                   “(B) An explanation of the use of the stu-  
19                   dent loan contract referred to in section 455(c).

20                   “(C) A recommendation to the borrower to  
21                   exhaust the borrower’s Federal student loan op-  
22                   tions prior to taking out private education  
23                   loans, an explanation that Federal student  
24                   loans typically offer better terms and conditions  
25                   than private education loans, an explanation

1 that Federal student loans offer consumer pro-  
2 tections typically not available in the private  
3 education loan market, an explanation of treat-  
4 ment of loans made under part D and private  
5 education loans in bankruptcy, and an expla-  
6 nation that if a borrower decides to take out a  
7 private education loan—

8 “(i) the borrower has the ability to se-  
9 lect a private educational lender of the bor-  
10 rower’s choice;

11 “(ii) the proposed private education  
12 loan may impact the borrower’s potential  
13 eligibility for other financial assistance, in-  
14 cluding Federal financial assistance under  
15 this title; and

16 “(iii) the borrower has a right—

17 “(I) to accept the terms of the  
18 private education loan within 30 cal-  
19 endar days following the date on  
20 which the application for such loan is  
21 approved and the borrower receives  
22 the required disclosure documents,  
23 pursuant to section 128(e) of the  
24 Truth in Lending Act (15 U.S.C.  
25 1638(e)); and

1                                   “(II) to cancel such loan within 3  
2                                   business days of the date on which the  
3                                   loan is consummated, pursuant to sec-  
4                                   tion 128(e)(7) of such Act (15 U.S.C.  
5                                   33 1638(e)(7)).

6                                   “(D) An explanation of the importance of  
7                                   contacting the appropriate offices at the institu-  
8                                   tion of higher education if the student with-  
9                                   draws prior to completing a program of study  
10                                  so that the institution can provide exit coun-  
11                                  seling, including information regarding the bor-  
12                                  rower’s repayment options and loan consolida-  
13                                  tion.

14                                  “(E) A general description of the terms  
15                                  and conditions under which the student may ob-  
16                                  tain forgiveness or cancellation of any principal  
17                                  and interest of a loan issued under this title.

18                                  “(F) Information as to how the borrower  
19                                  can access their loan records and the contact  
20                                  information for inquiries regarding repaying the  
21                                  loan.

22                                  “(G) The contact information for the fi-  
23                                  nancial aid office, or other appropriate office, at  
24                                  the institution that the borrower may contact if  
25                                  the borrower has any questions about the bor-

1           rower’s rights and responsibilities or the terms  
2           and conditions of the loan.

3           “(H) An explanation that the borrower has  
4           the right to annually request a copy of the cred-  
5           it report of the borrower from a consumer re-  
6           porting agency pursuant to section 612(a) of  
7           the Fair Credit Reporting Act (15 U.S.C.  
8           1681j(a)).

9           “(I) An explanation that—

10           “(i) the borrower may be contacted  
11           during the repayment period by a third-  
12           party student debt relief company;

13           “(ii) the borrower should use caution  
14           when dealing with such a company; and

15           “(iii) the services that such a com-  
16           pany typically provides are offered to bor-  
17           rowers free of charge through the Depart-  
18           ment or the borrower’s servicer.

19           “(3) BORROWERS RECEIVING PARENT PLUS  
20           LOANS FOR DEPENDENT STUDENTS.—The informa-  
21           tion to be provided under paragraph (1)(A) to a bor-  
22           rower of a Federal Direct PLUS Loan made on be-  
23           half of a dependent student shall include the fol-  
24           lowing:

1           “(A) A notification that some students  
2           may qualify for other financial aid and an ex-  
3           planation that the student for whom the bor-  
4           rower is taking out the loan should consider ac-  
5           cepting any such grant, scholarship, military  
6           tuition assistance, veterans benefits, Federal or  
7           State work-study jobs, or other programs for  
8           which the student for whom the borrower is  
9           taking out the loan is eligible, prior to bor-  
10          rowing any Federal Direct PLUS Loan on be-  
11          half of a dependent student.

12           “(B) The information described in sub-  
13          paragraphs (B) through (I) of paragraph (2),  
14          as applicable.

15           “(C) The circumstances under which a  
16          borrower of a Federal Direct PLUS Loan made  
17          on behalf of a dependent student may transfer  
18          such loan to the student for whom the loan was  
19          taken out.”.

20 **SEC. 403. EXIT COUNSELING.**

21          Section 485(b) (20 U.S.C. 1092(b)) is amended to  
22          read as follows:

23          “(b) STUDENT LOAN EXIT COUNSELING.—

24                 “(1) IN GENERAL.—



1           “(A) COUNSELING INCLUDED.—Each eligi-  
2           ble institution shall provide counseling to bor-  
3           rowers of loans made under part D (including  
4           any such loans for attendance at another insti-  
5           tution from which the student transferred or in  
6           which the student had previously enrolled, other  
7           than a Federal Direct Consolidation Loan)  
8           prior to the completion of the course of study  
9           for which the borrower enrolled at the institu-  
10          tion or at the time of departure from such insti-  
11          tution. The counseling required by this sub-  
12          section shall be provided through the use of an  
13          interactive program, during an exit counseling  
14          session that is in-person or online, or through  
15          the use of the online counseling tool described  
16          in subsection (n)(1)(A), and shall include—

17                   “(i) an explanation of the grace period  
18                   preceding repayment and the expected date  
19                   that the borrower will enter repayment;

20                   “(ii) an explanation that the borrower  
21                   has the option to pay any interest that has  
22                   accrued while the borrower was in school  
23                   or that may accrue during the grace period  
24                   preceding repayment or during an author-  
25                   ized period of pause payment;

1           “(iii) the outstanding balance of prin-  
2           cipal and interest owed by the borrower at  
3           the time of such counseling on loans made,  
4           insured, or guaranteed to the borrower  
5           under this title;

6           “(iv) information on the repayment  
7           plans available, including a description of  
8           the different features of each plan and  
9           sample information showing the average  
10          anticipated monthly payments, and the dif-  
11          ference in interest paid and total pay-  
12          ments, under each plan;

13          “(v) a description of the borrower’s  
14          options for pause payment under section  
15          460B;

16          “(vi) a description of the Federal tax  
17          benefits that may be available for repaying  
18          loans made under this title;

19          “(vii) a description of the terms and  
20          conditions under which the student may  
21          obtain forgiveness or cancellation of any  
22          principal and interest of a loan made  
23          under this title;

24          “(viii) an explanation that the bor-  
25          rower has the option to prepay each loan,

1 pay each loan on a shorter schedule, and  
2 change repayment plans;

3 “(ix) the implications of, and options  
4 to get out of, default on a loan;

5 “(x) information as to how the stu-  
6 dent borrower can access their loan  
7 records;

8 “(xi) an explanation that—

9 “(I) the borrower may be con-  
10 tacted during the repayment period by  
11 a third-party student debt relief com-  
12 pany;

13 “(II) the borrower should use  
14 caution when dealing with such a  
15 company; and

16 “(III) the services that such a  
17 company typically provides are offered  
18 to borrowers free of charge through  
19 the Department or the borrower’s  
20 servicer; and

21 “(xii) an explanation that the bor-  
22 rower has the right to annually request a  
23 copy of the credit report of the borrower  
24 from a consumer reporting agency pursu-

1 ant to section 612(a) of the Fair Credit  
2 Reporting Act (15 U.S.C. 1681j(a)).

3 “(B) STUDENTS LEAVING WITHOUT PRIOR  
4 NOTICE TO THE INSTITUTION.—In the case of  
5 borrower who leaves an institution without the  
6 prior knowledge of the institution, the institu-  
7 tion shall attempt to provide the information  
8 described in subparagraph (A) to the borrower  
9 in online or in writing, except that in the case  
10 of an institution using the online counseling  
11 tool described in subsection (n)(1)(A), the Sec-  
12 retary shall attempt to provide such information  
13 to the borrower in the manner described in sub-  
14 section (n)(3)(C).

15 “(2) INFORMATION TO BE SUBMITTED BY BOR-  
16 ROWER.—

17 “(A) IN GENERAL.—Each eligible institu-  
18 tion shall require that the borrower of a loan  
19 made under part D submit to the institution,  
20 during the exit counseling required by this sub-  
21 section—

22 “(i) the borrower’s expected perma-  
23 nent address after leaving the institution;

24 “(ii) the borrower’s most recent con-  
25 tact information; and

1                   “(iii) any corrections in the institu-  
2                   tion’s records relating the borrower’s  
3                   name, social security number, and driver’s  
4                   license number, as applicable.

5                   “(B) INFORMATION TO BE PROVIDED TO  
6                   THE SECRETARY.—Each eligible institution  
7                   shall, not later than 60 days after the date of  
8                   collection of the information described in sub-  
9                   paragraph (A), forward the information re-  
10                  ceived from the borrower to the Secretary.

11                  “(C) RULE OF CONSTRUCTION.—Nothing  
12                  in this subsection shall be construed to prohibit  
13                  an institution of higher education from utilizing  
14                  electronic means to provide personalized exit  
15                  counseling.”.

16 **SEC. 404. ONLINE COUNSELING TOOLS.**

17                  Section 485 (20 U.S.C. 1092), as amended by this  
18                  Act, is further amended by adding at the end the fol-  
19                  lowing:

20                  “(n) ONLINE COUNSELING TOOLS.—

21                  “(1) IN GENERAL.—Beginning not later than 1  
22                  year after the date of enactment of the Affordable  
23                  Loans for Any Student Act, the Secretary shall  
24                  maintain—

1           “(A) an online counseling tool that pro-  
2           vides the exit counseling required under sub-  
3           section (b) and meets the applicable require-  
4           ments of this subsection; and

5           “(B) an online counseling tool that pro-  
6           vides the counseling required under subsection  
7           (1), enables a borrower to electronically sign and  
8           accept the borrower’s student loan contract,  
9           and meets the applicable requirements of this  
10          subsection.

11          “(2) REQUIREMENTS OF TOOLS.—In maintain-  
12          ing the online counseling tools described in para-  
13          graph (1), the Secretary shall ensure that each such  
14          tool, and its underlying content—

15                 “(A) are consumer tested, in consultation  
16                 with other relevant Federal agencies, students,  
17                 borrowers, institutions of higher education, sec-  
18                 ondary school and postsecondary counselors,  
19                 and consumer advocacy organizations, to ensure  
20                 that the tool is effective in helping individuals  
21                 understand their rights and obligations with re-  
22                 spect to borrowing a loan made under part D;

23                 “(B) are understandable to borrowers of  
24                 loans made under part D;

1           “(C) are freely available to all eligible in-  
2           stitutions; and

3           “(D) integrate applicable loan data from  
4           the National Student Loan Data System or a  
5           successor system, including data regarding  
6           loans made, insured, or guaranteed under this  
7           title and data regarding private education  
8           loans, pursuant to section 485B(i).

9           “(3) RECORD OF COUNSELING COMPLETION.—

10          The Secretary shall—

11           “(A) use each online counseling tool de-  
12           scribed in paragraph (1) to—

13           “(i) keep a record of which individuals  
14           have received counseling using the tool;  
15           and

16           “(ii) notify the applicable institutions  
17           of the individual’s completion of such coun-  
18           seling;

19           “(B) in the case of a borrower who re-  
20           ceives counseling for a loan made under part D  
21           using the tool described in paragraph (1)(B)—

22           “(i) enable the borrower to accept and  
23           electronically sign the student loan con-  
24           tract as required under section  
25           455(c)(3)(B)(ii), and notify the applicable

1 institutions that the individual completed  
2 the counseling and electronically signed the  
3 contract; and

4 “(ii) if the borrower chooses not to  
5 sign the student loan contract through the  
6 online counseling tool—

7 “(I) inform the borrower,  
8 through the online counseling tool, of  
9 the date by when the borrower should  
10 accept and sign the student loan con-  
11 tract for which the borrower has re-  
12 ceived such counseling; and

13 “(II) notify the applicable insti-  
14 tution that the borrower completed  
15 the counseling but did not sign the  
16 student loan contract; and

17 “(C) in the case of a borrower described in  
18 subsection (b)(1)(B) at an institution that uses  
19 the online counseling tool described in para-  
20 graph (1)(A) of this subsection, attempt to pro-  
21 vide the information described in subsection  
22 (b)(1)(A) to the borrower through such tool.”.



1 **SEC. 405. PRIVATE EDUCATION LOAN CERTIFICATION AND**  
2 **INFORMATION.**

3 (a) AMENDMENTS TO THE HIGHER EDUCATION ACT  
4 OF 1965.—

5 (1) IN GENERAL.—Section 487(a) (20 U.S.C.  
6 1094(a)) is amended by striking paragraph (28) and  
7 inserting the following:

8 “(28)(A) The institution shall—

9 “(i) upon the request of a private edu-  
10 cational lender, acting in connection with an ap-  
11 plication initiated by a borrower for a private  
12 education loan in accordance with section  
13 128(e)(3) of the Truth in Lending Act, provide  
14 certification to such private educational lend-  
15 er—

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

21 “(II) of such student’s cost of attend-  
22 ance at the institution as determined under  
23 part F; and

24 “(III) of the difference between—

25 “(aa) the cost of attendance at  
26 the institution; and

1                   “(bb) the student’s estimated fi-  
2                   nancial assistance received under this  
3                   title and other assistance known to  
4                   the institution, as applicable; and

5                   “(ii) provide the certification described in  
6                   clause (i), or notify the private educational  
7                   lender that the institution has received the re-  
8                   quest for certification and will need additional  
9                   time to comply with the certification request—

10                   “(I) within 15 business days of receipt  
11                   of such certification request; and

12                   “(II) only after the institution has  
13                   completed the activities described in sub-  
14                   paragraph (B).

15                   “(B) The institution shall, upon receipt of a  
16                   certification request described in subparagraph  
17                   (A)(i), and prior to providing such certification—

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

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

6                   “(I) If the borrower has not yet ex-  
7                   hausted the financial assistance available  
8                   to the borrower under this title, the  
9                   amount of additional Federal student as-  
10                  sistance for which the borrower is eligible  
11                  and the potential advantages of Federal  
12                  loans under this title, including disclosure  
13                  of—

14                           “(aa) the fixed interest rates and  
15                           pause payment processes;

16                           “(bb) the option for and terms of  
17                           income-based repayment, loan forgive-  
18                           ness programs, and additional protec-  
19                           tions; and

20                           “(cc) the higher student loan lim-  
21                           its for dependent students whose par-  
22                           ents are not eligible for a Federal Di-  
23                           rect PLUS Loan.

1                   “(II) The borrower’s ability to select a  
2                   private educational lender of the bor-  
3                   rower’s choice.

4                   “(III) The impact of a proposed pri-  
5                   vate education loan on the borrower’s po-  
6                   tential eligibility for other financial assist-  
7                   ance, including Federal financial assistance  
8                   under this title.

9                   “(IV) The borrower’s right to accept  
10                  or reject a private education loan within  
11                  the 30-day period following a private edu-  
12                  cational lender’s approval of a borrower’s  
13                  application, and a borrower’s 3-day right  
14                  to cancel period under section 128(e)(7) of  
15                  the Truth in Lending Act (15 U.S.C.  
16                  1650(e)(7)).

17                  “(C) For purposes of this paragraph, the terms  
18                  ‘private educational lender’ and ‘private education  
19                  loan’ have the meanings given such terms in section  
20                  140 of the Truth in Lending Act (15 U.S.C.  
21                  1650).”.

22                  (2) NATIONAL STUDENT LOAN DATA SYSTEM.—  
23                  Section 485B (20 U.S.C. 1092b) is amended—

24                         (A) in subsection (a), by striking “and  
25                         loans made under parts D and E” and insert-

1           ing “, loans made under parts D and E, and  
2           private education loans (in accordance with sub-  
3           section (i))”;

4                   (B) in subsection (g), in the subsection  
5           heading, by inserting “FOR FEDERAL LOANS”  
6           after “DATA REPORTING”; and

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

8           “(j) PRIVATE EDUCATION LOAN REPORTING.—The  
9           Secretary shall include in the National Student Loan Data  
10          System the information regarding private education loans  
11          that the Director of the Consumer Financial Protection  
12          Bureau, in coordination with the Secretary, determines  
13          necessary to be included pursuant to section  
14          128(e)(9)(B)(ii) of the Truth in Lending Act (15 U.S.C.  
15          31 1638(e)(9)(B)(ii)).”.

16                   (3) EFFECTIVE DATE.—The amendments made  
17          by paragraphs (1) and (2) shall take effect on the  
18          effective date of the regulations described in sub-  
19          section (b)(3).

20          (b) AMENDMENTS TO THE TRUTH IN LENDING  
21          ACT.—

22                   (1) IN GENERAL.—Section 128(e) of the Truth  
23          in Lending Act (15 U.S.C. 1638(e)) is amended—

24                           (A) by striking paragraph (3) and insert-  
25          ing the following:

1           “(3) INSTITUTIONAL CERTIFICATION RE-  
2           QUIRED.—

3           “(A) IN GENERAL.—Except as provided in  
4           subparagraph (B), before a private educational  
5           lender may issue any funds with respect to a  
6           private education loan, the private educational  
7           lender shall obtain, from the relevant institution  
8           of higher education where such loan is to be  
9           used for a student, a certification in accordance  
10          with section 485(a)(28)(A) of the Higher Edu-  
11          cation Act of 1965 (20 U.S.C.  
12          1094(a)(28)(A))—

13                 “(i) confirming that the student is en-  
14                 rolled or is scheduled to be enrolled at the  
15                 institution; and

16                 “(ii) stating—

17                         “(I) the student’s cost of attend-  
18                         ance at the institution, as determined  
19                         by the institution under part F of title  
20                         IV of the Higher Education Act of  
21                         1965 (20 U.S.C. 1087kk et seq.); and

22                         “(II) the difference between—

23                                 “(aa) such cost of attend-  
24                                 ance; and

1                   “(bb) the student’s esti-  
2                   mated financial assistance, in-  
3                   cluding such assistance received  
4                   under title IV of the Higher Edu-  
5                   cation Act of 1965 (20 U.S.C.  
6                   1070 et seq.) and other financial  
7                   assistance known to the institu-  
8                   tion, as applicable.

9                   “(B) TIMING.—Pursuant to section  
10                  485(a)(28)(A) of the Higher Education Act of  
11                  1965 (20 U.S.C. 1094(a)(28)(A)), a private  
12                  education lender shall receive the certification  
13                  described in subparagraph (A) within 15 days  
14                  of a request by the private education lender,  
15                  unless the institution of higher education noti-  
16                  fies the private educational lender pursuant to  
17                  section 485(a)(28)(A)(ii) of such Act that addi-  
18                  tional time is needed.

19                  “(C) ADDITIONAL REQUIREMENTS.—Upon  
20                  receiving the certification described in subpara-  
21                  graph (A) for a private education loan, the pri-  
22                  vate educational lender—

23                         “(i) may proceed to issue funds with  
24                         respect to the private education loan; and

1                   “(ii) after issuing the private edu-  
2                   cation loan, shall—

3                   “(I) notify the institution of  
4                   higher education involved that the pri-  
5                   vate education loan has been issued to  
6                   the borrower, and the amount of such  
7                   loan; and

8                   “(II) provide the Director of the  
9                   Consumer Financial Protection Bu-  
10                  reau and the Secretary of Education  
11                  with the information described in  
12                  paragraph (9)(B).”.

13                  (B) by redesignating paragraphs (9), (10),  
14                  and (11), as paragraphs (10), (11), and (12),  
15                  respectively; and

16                  (C) by inserting after paragraph (8) the  
17                  following:

18                  “(9) PROVISION OF INFORMATION.—

19                  “(A) PROVISION OF INFORMATION TO BOR-  
20                  ROWERS.—

21                  “(i) LOAN STATEMENTS.—A private  
22                  educational lender that issues any funds  
23                  with respect to a private education loan  
24                  shall—



1                   “(I) send loan statements, if the  
2                   loan is to be used for a student, to  
3                   borrowers of the funds not less than  
4                   once every 3 months during the time  
5                   that the student is enrolled at an in-  
6                   stitution of higher education; and

7                   “(II) in the case of a private edu-  
8                   cation loan that includes a cosigner,  
9                   annually send a loan statement to the  
10                  borrower’s cosigner, notifying the co-  
11                  signer of the terms, conditions, and  
12                  status of such private education loan.

13                  “(ii) CONTENTS OF LOAN STATE-  
14                  MENT.—Each statement described in  
15                  clause (i) shall—

16                   “(I) report the borrower’s total  
17                   remaining debt to the private edu-  
18                   cational lender, including acerued but  
19                   unpaid interest and capitalized inter-  
20                   est;

21                   “(II) report any debt increases  
22                   since the last statement; and

23                   “(III) list the current interest  
24                   rate for each loan.



1 coordination with the Secretary of Edu-  
2 cation, shall promulgate regulations re-  
3 garding the private education loan infor-  
4 mation required to be submitted under  
5 clause (i), including the content, method,  
6 and format for submission. The informa-  
7 tion required for inclusion in the National  
8 Student Loan Data System shall include—

9 “(I) information identifying the  
10 borrower, including the borrower’s  
11 name and social security number;

12 “(II) the name of the institution  
13 of higher education that has certified  
14 the private education loan;

15 “(III) the name of the lender;

16 “(IV) the amount of the private  
17 education loan;

18 “(V) the term, or other enroll-  
19 ment period, for which the private  
20 education loan is issued; and

21 “(VI) whether a cosigner was re-  
22 quired as a condition of the private  
23 education loan.”.

1           (2) DEFINITION OF PRIVATE EDUCATION  
2           LOAN.—Section 140(a)(8)(A) of the Truth in Lend-  
3           ing Act (15 U.S.C. 1650(a)(8)(A)) is amended—

4                   (A) by redesignating clause (ii) as clause  
5           (iii);

6                   (B) in clause (i), by striking “and” after  
7           the semicolon; and

8                   (C) by adding after clause (i) the following:

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

13           (3) REGULATIONS.—

14                   (A) IN GENERAL.—Not later than 1 year  
15           after the date of enactment of this Act, the Di-  
16           rector of the Consumer Financial Protection  
17           Bureau, in coordination with the Secretary of  
18           Education, shall promulgate regulations to im-  
19           plement paragraphs (3) and (9) of section  
20           128(e) of the Truth in Lending Act (15 U.S.C.  
21           1638(e)), as amended by paragraph (1) of this  
22           subsection.

23                   (B) EFFECTIVE DATE.—The regulations  
24           promulgated under subparagraph (A) shall take

1 effect on the date that is 180 days after the  
2 date on which the regulations are promulgated.

3 **TITLE V—EFFECTIVE DATE;**  
4 **TRANSITION; IMPLEMENTATION**

5 **SEC. 501. EFFECTIVE DATE; RULEMAKING REGARDING TER-**  
6 **MINATION OF CERTAIN REPAYMENT PLANS;**  
7 **IMPLEMENTATION.**

8 (a) EFFECTIVE DATE.—Except as otherwise specifi-  
9 cally provided, this Act, and the amendments made by this  
10 Act, shall take effect on July 1, 2022.

11 (b) APPLICABILITY WITH RESPECT TO FORBEAR-  
12 ANCE AND DEFERMENT FOR DIRECT LOAN BOR-  
13 ROWERS.—With respect to any borrower of a loan under  
14 part D of title IV of the Higher Education Act of 1965  
15 (20 U.S.C. 1087a et seq.) that is, or has been, in forbear-  
16 ance or deferment as of the day before the effective date  
17 described in subsection (a), the Secretary shall take such  
18 steps as are necessary—

19 (1) to transfer a borrower with a loan in for-  
20 bearance or deferment as of such day automatically  
21 into relief provided under the pause payment process  
22 established under section 460B of such Act (as  
23 amended by this Act); and

24 (2) to ensure that the period of time for which  
25 a borrower is eligible for pause payment under such

1 section 460B for a loan is appropriately reduced to  
2 account for any time the loan was previously in for-  
3 bearance or deferment.

4 (c) REGULATIONS.—Before the effective date de-  
5 scribed in subsection (a), the Secretary of Education shall  
6 carry out a plan to end all eligibility for repayment plans  
7 other than a fixed repayment plan described in section  
8 493E of the Higher Education Act of 1965, as added by  
9 this Act, and an income-based repayment plan under sec-  
10 tion 493C(c) of such Act (20 U.S.C. 1098e(f)) for loans  
11 made under part B or D of title IV of such Act, unless  
12 the borrower is enrolled in another repayment plan before  
13 such effective date, in accordance with the amendments  
14 made by this Act.

15 (d) IMPLEMENTATION.—In carrying out the amend-  
16 ments made by this Act, or any regulations promulgated  
17 under this Act, the Secretary of Education may waive the  
18 application of—

19 (1) subchapter I of chapter 35 of title 44,  
20 United States Code (commonly known as the “Pa-  
21 perwork Reduction Act”);

22 (2) the master calendar requirements under  
23 section 482 of the Higher Education Act of 1965  
24 (20 U.S.C. 1089);

1           (3) negotiated rulemaking under section 492 of  
2           the Higher Education Act of 1965 (20 U.S.C.  
3           1098a); and

4           (4) the requirement to publish the notices re-  
5           lated to the system of records of the agency before  
6           implementation required under paragraphs (4) and  
7           (11) of section 552a(e) of title 5, United States  
8           Code (commonly known as the “Privacy Act of  
9           1974”).