

S 1354

Student Loan Borrower Bill of Rights

Congress: 116 (2019–2021, Ended)

Chamber: Senate

Policy Area: Education

Introduced: May 7, 2019

Current Status: Read twice and referred to the Committee on Health, Education, Labor, and Pensions.

Latest Action: Read twice and referred to the Committee on Health, Education, Labor, and Pensions. (May 7, 2019)

Official Text: <https://www.congress.gov/bill/116th-congress/senate-bill/1354>

Sponsor

Name: Sen. Durbin, Richard J. [D-IL]

Party: Democratic • **State:** IL • **Chamber:** Senate

Cosponsors (9 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Reed, Jack [D-RI]	D · RI		May 7, 2019
Sen. Warren, Elizabeth [D-MA]	D · MA		May 7, 2019
Sen. Brown, Sherrod [D-OH]	D · OH		May 9, 2019
Sen. Harris, Kamala D. [D-CA]	D · CA		Jun 10, 2019
Sen. Merkley, Jeff [D-OR]	D · OR		Jun 10, 2019
Sen. Blumenthal, Richard [D-CT]	D · CT		Jun 11, 2019
Sen. Klobuchar, Amy [D-MN]	D · MN		Jun 18, 2019
Sen. Duckworth, Tammy [D-IL]	D · IL		Jul 8, 2019
Sen. Smith, Tina [D-MN]	D · MN		Dec 3, 2019

Committee Activity

Committee	Chamber	Activity	Date
Health, Education, Labor, and Pensions Committee	Senate	Referred To	May 7, 2019

Subjects & Policy Tags

Policy Area:

Education

Related Bills

Bill	Relationship	Last Action
116 HR 5294	Related bill	Dec 11, 2019: Ordered to be Reported (Amended) by the Yeas and Nays: 32 - 26.
116 S 2184	Related bill	Jul 18, 2019: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (text: CR S4952-4953)

Student Loan Borrower Bill of Rights

This bill places additional requirements on postsecondary educational lenders and servicers and provides certain consumer protections to borrowers.

Specifically, postsecondary educational lenders and servicers must provide borrowers with additional disclosures (1) before their first fully amortized payment is due, (2) when the borrower is identified as at risk of default, (3) when the borrower is delinquent on payments or has difficulty making payments, and (4) when a loan is transferred or sold.

Further, servicers and lenders must (1) respond to borrower inquiries, (2) establish repayment specialists to assist borrowers who are at risk of default, (3) designate a service member and veterans liaison, and (4) make borrower loan information available in a secure electronic form. Servicers and lenders are prohibited from using mandatory arbitration clauses or class action restrictions.

The bill also (1) standardizes the application and allocation of payments among multiple loans, and (2) limits when borrowers may be subject to late fees.

Additionally, institutions of higher education must certify private education loans prior to a lender consummating a loan with a borrower.

The bill directs the Department of Education to (1) establish a student loan servicing interagency working group, which must make recommendations and develop policy direction related to servicing contracts; and (2) establish a centralized point of access for all borrowers, which must include account information and payment processing.

The Consumer Financial Protection Bureau must develop and issue model forms to allow borrowers to compare alternative repayment options, forbearance, and deferment options.

Actions Timeline

- **May 7, 2019:** Introduced in Senate
- **May 7, 2019:** Read twice and referred to the Committee on Health, Education, Labor, and Pensions.