

## S 2184

### Know Before You Owe Private Education Loan Act of 2019

**Congress:** 116 (2019–2021, Ended)

**Chamber:** Senate

**Policy Area:** Education

**Introduced:** Jul 18, 2019

**Current Status:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (text: CR S4952-495

**Latest Action:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (text: CR S4952-4953) (Jul 18, 2019)

**Official Text:** <https://www.congress.gov/bill/116th-congress/senate-bill/2184>

### Sponsor

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

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

### Cosponsors (5 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Baldwin, Tammy [D-WI]	D · WI		Jul 18, 2019
Sen. Brown, Sherrod [D-OH]	D · OH		Jul 18, 2019
Sen. Cardin, Benjamin L. [D-MD]	D · MD		Jul 18, 2019
Sen. Reed, Jack [D-RI]	D · RI		Jul 18, 2019
Sen. Smith, Tina [D-MN]	D · MN		Jul 18, 2019

### Committee Activity

Committee	Chamber	Activity	Date
Banking, Housing, and Urban Affairs Committee	Senate	Referred To	Jul 18, 2019

### Subjects & Policy Tags

#### Policy Area:

Education

### Related Bills

Bill	Relationship	Last Action
116 S 1354	Related bill	<b>May 7, 2019:</b> Read twice and referred to the Committee on Health, Education, Labor, and Pensions.

## **Know Before You Owe Private Education Loan Act of 2019**

This bill expands requirements for lenders and institutions of higher education (IHEs) with respect to the certification of private education loans.

Specifically, the bill revises requirements for disclosures in private education loan applications. Before issuing a private education loan for a student attending an IHE, lenders must obtain the IHE's certification of the student's enrollment status, the student's cost of attendance, and the difference between that cost and the student's estimated financial assistance.

Lenders must (1) send loan statements to borrowers at least once every three months a student is enrolled at an IHE, (2) notify the relevant IHE of the loan amount and the student to whom it applies no later than the date funds are issued, and (3) submit an annual report to the Consumer Financial Protection Bureau (CFPB) containing information the CFPB requires concerning private student loans.

The bill requires IHEs, before providing lenders with certifications, to determine whether students have exhausted their options for federal financial aid assistance and notify borrowers of (1) the availability of assistance, (2) their ability to choose their own private educational lender, (3) the impact of the proposed private education loan on their eligibility for other financial assistance, and (4) their right to accept or reject a private education loan within 30 days of the lender's approval of their application and to cancel the loan within 3 business days of its consummation.

## **Actions Timeline**

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- **Jul 18, 2019:** Introduced in Senate
- **Jul 18, 2019:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (text: CR S4952-4953)