

## HR 1216

Know Before You Owe Federal Student Loan Act of 2023

**Congress:** 118 (2023–2025, Ended)

**Chamber:** House

**Policy Area:** Education

**Introduced:** Feb 27, 2023

**Current Status:** Sponsor introductory remarks on measure. (CR H976)

**Latest Action:** Sponsor introductory remarks on measure. (CR H976) (Mar 1, 2023)

**Official Text:** <https://www.congress.gov/bill/118th-congress/house-bill/1216>

### Sponsor

**Name:** Rep. Miller-Meeks, Mariannette [R-IA-1]

**Party:** Republican • **State:** IA • **Chamber:** House

### Cosponsors (7 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Feenstra, Randy [R-IA-4]	R · IA		Feb 27, 2023
Rep. Guest, Michael [R-MS-3]	R · MS		Feb 27, 2023
Rep. Hinson, Ashley [R-IA-2]	R · IA		Feb 27, 2023
Rep. Nunn, Zachary [R-IA-3]	R · IA		Feb 27, 2023
Rep. Cline, Ben [R-VA-6]	R · VA		May 11, 2023
Rep. Houchin, Erin [R-IN-9]	R · IN		Sep 5, 2023
Rep. Lawler, Michael [R-NY-17]	R · NY		Apr 5, 2024

### Committee Activity

Committee	Chamber	Activity	Date
Education and Workforce Committee	House	Referred To	Feb 27, 2023

### Subjects & Policy Tags

#### Policy Area:

Education

### Related Bills

Bill	Relationship	Last Action
118 S 530	Identical bill	Feb 27, 2023: Read twice and referred to the Committee on Health, Education, Labor, and Pensions.

## **Know Before You Owe Federal Student Loan Act of 2023**

This bill expands lender disclosure requirements and revises loan counseling requirements.

First, the bill requires a lender to provide a quarterly statement to a Federal Family Education Loan or Direct Loan borrower during a period when loan payments are not required. The statement must include specified information on the loan and interest amounts and explain the option to pay accrued interest while in deferment or forbearance.

In addition, the bill requires an institution of higher education (IHE) that participates in federal student-aid programs to provide pre-loan counseling to a student borrower of a federal student loan upon or prior to the first disbursement of each new loan. Currently, an IHE must provide one-time entrance counseling to a student who is a first-time federal student loan borrower.

The bill also revises and expands required elements of pre-loan counseling to include an estimate of the borrower's monthly payment amount compared to the borrower's estimated monthly income after taxes and other expenses, a statement to borrow the minimum necessary amount, a warning that a high debt-to-income ratio makes repayment more difficult, options to reduce borrowing, and an explanation of the importance of on-time graduation.

Prior to certifying a Federal Direct Loan disbursement to a student, an IHE must ensure that the student manually enters the exact dollar amount of the loan.

### **Actions Timeline**

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- **Mar 1, 2023:** Sponsor introductory remarks on measure. (CR H976)
- **Feb 27, 2023:** Introduced in House
- **Feb 27, 2023:** Referred to the House Committee on Education and the Workforce.