

115TH CONGRESS  
1ST SESSION

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

To promote quality student loan servicing by improving the borrower  
experience for borrowers of Federal Direct Loans.

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IN THE SENATE OF THE UNITED STATES

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Mr. BLUNT (for himself, Ms. WARREN, Mr. LANKFORD, and Mrs. SHAHEEN)  
introduced the following bill; which was read twice and referred to the  
Committee on \_\_\_\_\_

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## A BILL

To promote quality student loan servicing by improving the  
borrower experience for borrowers of Federal Direct Loans.

1       *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Student Loan Servicer  
5 Performance Accountability Act”.

6 **SEC. 2. COMPETITION IN STUDENT LOAN SERVICING.**

7       (a) CANCELLATION OF SOLICITATIONS.—The Sec-  
8 retary of Education shall cancel the Department of Edu-  
9 cation solicitations for the Federal Aid Servicing Solution  
10 dated April 4, 2016 and October 26, 2016, including any

1 amendments to those solicitations (Solicitation No. ED-  
2 FSA-17-R-0001 et seq).

3 (b) COMPETITION IN STUDENT LOAN SERVICING.—  
4 Section 456 of the Higher Education Act of 1965 (20  
5 U.S.C. 1087f) is amended by adding at the end the fol-  
6 lowing:

7 “(c) COMPETITION IN STUDENT LOAN SERVICING.—

8 “(1) COMPETITION.—As of the date of enact-  
9 ment of the Student Loan Servicer Performance Ac-  
10 countability Act, in order to promote accountability  
11 and high-quality services to borrowers, the Secretary  
12 shall not issue any contract solicitation for a new  
13 Federal student loan servicing solution unless such  
14 a solution—

15 “(A) provides for the participation of mul-  
16 tiple student loan servicers that contract di-  
17 rectly with the Department of Education; and

18 “(B) allocates student loan borrower ac-  
19 counts to eligible student loan servicers based  
20 on performance.

21 “(2) PROHIBITION.—The Secretary shall not  
22 award a contract to a single servicer to service all  
23 Federal Direct Loans.”.