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(Original Signature of Member)

116TH CONGRESS  
1ST SESSION

**H. R.** \_\_\_\_\_

To discharge the qualified loan amounts of each individual, and for other purposes.

\_\_\_\_\_  
IN THE HOUSE OF REPRESENTATIVES

Mr. CLYBURN introduced the following bill; which was referred to the Committee on \_\_\_\_\_

\_\_\_\_\_  
**A BILL**

To discharge the qualified loan amounts of each individual, 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.**

4 This Act may be cited as the “Student Loan Debt  
5 Relief Act of 2019”.

6 **SEC. 2. TABLE OF CONTENTS.**

7 The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.

TITLE I—LOAN DISCHARGE AND FORBEARANCE

- Sec. 101. Loan discharge.
- Sec. 102. Automatic administrative forbearance; halting of wage garnishment.
- Sec. 103. Staying and prohibition on commencement of actions for collection.
- Sec. 104. Ineligibility for Treasury Offset.

TITLE II—REFINANCING PROGRAMS

- Sec. 201. Refinancing programs.

TITLE III—DISCHARGEABILITY OF STUDENT LOANS IN BANKRUPTCY

- Sec. 301. Dischargeability of student loans in bankruptcy.

TITLE IV—GENERAL PROVISIONS

- Sec. 401. Report on progress of implementation.
- Sec. 402. Notification to borrowers.
- Sec. 403. Inapplicability of title IV negotiated rulemaking and master calendar exception.
- Sec. 404. Definitions.

1 **TITLE I—LOAN DISCHARGE AND**  
 2 **FORBEARANCE**

3 **SEC. 101. LOAN DISCHARGE.**

4 (a) IN GENERAL.—Subject to subsection (f), not later  
 5 than the date that is 12 months after the date of enact-  
 6 ment of this Act, the Secretary of Education shall dis-  
 7 charge the qualified loan amount of each individual, with-  
 8 out regard to the repayment status of the loan or whether  
 9 the loan is in default.

10 (b) QUALIFIED LOAN AMOUNT.—

11 (1) IN GENERAL.—The qualified loan amount  
 12 of an individual is an amount equal to the lesser  
 13 of—

14 (A) \$50,000, and

15 (B) the aggregate loan obligation on the el-  
 16 igible Federal loans of the taxpayer that is out-

1 standing on the date of enactment of this Act  
2 or, in the case of such loans issued under sec-  
3 tion 460B of the Higher Education Act of  
4 1965, as added by title II of this Act, on the  
5 date on which such loans are issued under such  
6 section 460B.

7 (2) LIMITATION BASED ON ADJUSTED GROSS  
8 INCOME.—The amount discharged under subsection  
9 (a) with respect to an individual shall be reduced  
10 (but not below zero) by \$1 for each \$3 (or fraction  
11 thereof) by which the taxpayer's adjusted gross in-  
12 come exceeds \$100,000 (twice such amount in the  
13 case of a joint return) for the most recent taxable  
14 year ending before the date of the enactment of this  
15 Act.

16 (c) METHOD OF LOAN DISCHARGE.—

17 (1) IN GENERAL.—To provide the loan dis-  
18 charge required under subsection (a), the Secretary  
19 is authorized to carry out a program—

20 (A) through the holder of the loan, to as-  
21 sume the obligation to repay the qualified loan  
22 amount for a loan made, insured, or guaranteed  
23 under part B of title IV of the Higher Edu-  
24 cation Act of 1965 (20 U.S.C. 1071 et seq.);

1 (B) to cancel the qualified loan amount for  
2 a loan made under part D of title IV of the  
3 Higher Education Act of 1965 (20 U.S.C.  
4 1087a et seq.), or assigned, referred, or trans-  
5 ferred to, or purchased by, the Secretary under  
6 such title IV (20 U.S.C. 1070 et seq.), includ-  
7 ing a Federal Direct Stafford Loan issued  
8 under section 460B of the Higher Education  
9 Act of 1965, as added by title II of this Act;  
10 and

11 (C) through the institution of higher edu-  
12 cation that made the loan from its student loan  
13 fund established under part E of such title (20  
14 U.S.C. 1087a et seq.), to assume the obligation  
15 to repay the qualified loan amount for such  
16 loan.

17 (2) ORDER OF LOAN DISCHARGE.—With re-  
18 spect to an individual with at least 2 eligible Federal  
19 loans, the Secretary shall discharge the loans of the  
20 individual as follows (except as otherwise indicated  
21 by the individual):

22 (A) In the case in which the individual has  
23 loans with different rates of interest, the loans  
24 should be discharged in descending order by  
25 rate of interest.

1           (B) In the case in which the individual has  
2           loans with the same rates of interest, the loans  
3           should be discharged in descending order by  
4           amount of outstanding principal.

5           (d) EXCLUSION FROM TAXABLE INCOME.—For pur-  
6           poses of the Internal Revenue Code of 1986, in the case  
7           of an individual, gross income does not include any  
8           amount which (but for this subsection) would be includible  
9           in gross income by reason of the discharge (in whole or  
10          in part) of any loan if such discharge was pursuant to  
11          this title.

12          (e) TAXPAYER INFORMATION.—

13           (1) IN GENERAL.—The Secretary of the Treas-  
14          ury may, upon written request from the Secretary of  
15          Education, disclose to officers and employees of the  
16          Department of Education return information with  
17          respect to a taxpayer who has received eligible Fed-  
18          eral loans that are outstanding on the date described  
19          in subsection (b)(1)(B). Such return information  
20          shall be limited to—

21                   (A) taxpayer identity information with re-  
22                   spect to such taxpayer,

23                   (B) the filing status of such taxpayer, and

24                   (C) the adjusted gross income of such tax-  
25                   payer.

1           (2) RESTRICTION ON USE OF DISCLOSED IN-  
2           FORMATION.—Return information disclosed under  
3           paragraph (1) may be used by officers and employ-  
4           ees of the Department of Education only for the  
5           purposes of, and to the extent necessary in, estab-  
6           lishing the appropriate qualified loan amount of a  
7           taxpayer.

8           (f) LONG-TERM SETTLE AND COMPROMISE DIS-  
9           CHARGE AUTHORITY.—Not later than the date that is 24  
10          months after the date of enactment of this Act, the Sec-  
11          retary of Education may use the authority under sections  
12          432(a)(6) and 468(2) of the Higher Education Act of  
13          1965 (20 U.S.C. 1082(a)(6); 1087hh(2)) to discharge  
14          loans under this section beyond the period described in  
15          subsection (a) for—

16                 (1) an individual who, through an appeals proc-  
17                 ess established by the Secretary, successfully appeals  
18                 a loan discharge determination by the Secretary  
19                 under this section;

20                 (2) an individual who, due to special cir-  
21                 cumstances, misses a deadline established by the  
22                 Secretary in the administration of loan discharges  
23                 under this section; or

24                 (3) an individual (or a group of individuals)  
25                 who the Secretary determines should have received a

1 loan discharge or a discharge amount that is dif-  
2 ferent from the amount of loan discharge received  
3 under this section, except that a loan discharge  
4 amount received under this subsection may not ex-  
5 ceed the qualified loan amount determined for the  
6 individual (or the group of individuals) under sub-  
7 section (b).

8 (g) PRIVATE STUDENT LOAN DISCHARGE.—Not  
9 later than the date that is 3 months after the date of en-  
10 actment of this Act, the Secretary of Education shall, in  
11 coordination with the Secretary of the Treasury and the  
12 Director of the Bureau of Consumer Financial Protection,  
13 shall undertake a campaign to alert borrowers of private  
14 education loans—

15 (1) that such borrowers may be eligible to refi-  
16 nance such private loans as Federal Direct Stafford  
17 Loans under section 460B of the Higher Education  
18 Act of 1965, as added by title II of this Act; and

19 (2) such Federal Direct Stafford Loans may be  
20 eligible for loan discharge under this section.

21 (h) CREDIT REPORTING.—In the case of a borrower  
22 of an eligible Federal loan that was default prior to being  
23 discharged under this section and on which, as a result  
24 of such loan discharge, there is no outstanding balance  
25 of principal or interest, the Secretary, guaranty agency or

1 other holder of the loan shall request any consumer report-  
2 ing agency to which the Secretary, guaranty agency or  
3 holder, as applicable, reported the default of the loan, to  
4 remove the record of the default from the borrower's credit  
5 history.

6 (i) MEMBERS OF CONGRESS.—In this section, the  
7 terms “individual” and “taxpayer” do not include a Mem-  
8 ber of Congress.

9 **SEC. 102. AUTOMATIC ADMINISTRATIVE FORBEARANCE;**  
10 **HALTING OF WAGE GARNISHMENT.**

11 During the period beginning on the date of enactment  
12 of this Act and ending on the date that is 12 months after  
13 such date of enactment, the Secretary of Education—

14 (1) shall place each borrower of an eligible Fed-  
15 eral loan with an outstanding balance, without any  
16 further action required by the borrower (except that  
17 the borrower may opt-out of this section), on an ad-  
18 ministrative forbearance during which periodic in-  
19 stallments of principal need not be paid, and interest  
20 shall not accrue, on such loan; and

21 (2) may not issue an order for wage garnish-  
22 ment or withholding under section 488A of the  
23 Higher Education Act of 1965 (20 U.S.C. 1095a) or  
24 section 3720D of title 31, United States Code, ini-  
25 tiate proceedings to collect debt through deductions



1 from pay under such section 488A or 3720D, or en-  
2 force or otherwise require compliance with a wage  
3 garnishment or withholding order issued under such  
4 section 488A or 3720D before the date of enactment  
5 of this Act (which shall include staying any related  
6 proceedings).

7 **SEC. 103. STAYING AND PROHIBITION ON COMMENCEMENT**  
8 **OF ACTIONS FOR COLLECTION.**

9 Until 12 months after the date of enactment of this  
10 Act, no eligible Federal loan may be referred to the Attor-  
11 ney General for any action seeking collection of any  
12 amount owed on that loan and any action pending as of  
13 the date of enactment of this Act shall be stayed.

14 **SEC. 104. INELIGIBILITY FOR TREASURY OFFSET.**

15 Until 12 months after the date of enactment of this  
16 Act, no claim pertaining to an eligible Federal loan may  
17 be certified under section 3716(c)(1) of title 31, United  
18 States Code.

19 **TITLE II—REFINANCING**  
20 **PROGRAMS**

21 **SEC. 201. REFINANCING PROGRAMS.**

22 (a) PROGRAM AUTHORITY.—Section 451(a) of the  
23 Higher Education Act of 1965 (20 U.S.C. 1087a(a)) is  
24 amended—

1 (1) by striking “and (2)” and inserting “(2)”;

2 and

3 (2) by inserting “; and (3) to make loans under  
4 section 460A and section 460B” after “section  
5 459A”.

6 (b) REFINANCING PROGRAM.—Part D of title IV of  
7 the Higher Education Act of 1965 (20 U.S.C. 1087a et  
8 seq.) is amended by adding at the end the following:

9 **“SEC. 460A. REFINANCING FFEL AND FEDERAL DIRECT**  
10 **LOANS.**

11 “(a) IN GENERAL.—Beginning not later than 12  
12 months after the date of enactment of the Student Loan  
13 Debt Relief Act of 2019, the Secretary shall establish a  
14 program under which the Secretary automatically refi-  
15 nances loans made under this part in accordance with the  
16 provisions of this section, in order to lower the rate of  
17 interest on such loans.

18 “(b) REFINANCING DIRECT LOANS.—

19 “(1) FEDERAL DIRECT LOANS.—With respect  
20 to each Federal Direct Stafford Loan, Federal Di-  
21 rect Unsubsidized Stafford Loan, Federal Direct  
22 PLUS Loan, and Federal Direct Consolidation  
23 Loan, for which the first disbursement was made to  
24 a borrower, or the application for the consolidation  
25 loan was received from a borrower, on or before the

1 date of enactment of the Student Loan Debt Relief  
2 Act of 2019, the Secretary shall, without any further  
3 action by the borrower (other than under subpara-  
4 graph (C))—

5 “(A) discharge the liability on such Fed-  
6 eral Direct Stafford Loan, Federal Direct Un-  
7 subsidized Stafford Loan, Federal Direct PLUS  
8 Loan, or Federal Direct Consolidation Loan;

9 “(B) issue to the borrower a new Federal  
10 Direct Stafford Loan, Federal Direct Unsub-  
11 subsidized Stafford Loan, Federal Direct PLUS  
12 Loan, or Federal Direct Consolidation Loan, re-  
13 spectively—

14 “(i) in an amount equal to the sum of  
15 the unpaid principal, accrued unpaid inter-  
16 est, and late charges of the loan for which  
17 the liability is being discharged under sub-  
18 paragraph (A); and

19 “(ii) which has the same terms and  
20 conditions as the original loan, except that  
21 the rate of interest shall be determined  
22 under subsection (c); and

23 “(C) provide the borrower an opportunity  
24 to opt-out of the refinancing under this para-  
25 graph.

1           “(2) REFINANCING FFEL PROGRAM LOANS AS  
2           REFINANCED FEDERAL DIRECT LOANS.—

3           “(A) IN GENERAL.—With respect to each  
4           loan that was made, insured, or guaranteed  
5           under part B and for which the first disburse-  
6           ment was made to a borrower, or the applica-  
7           tion for the consolidation loan was received  
8           from a borrower, before July 1, 2010, the Sec-  
9           retary shall, without any further action by the  
10          borrower (other than to provide the borrower an  
11          opportunity to opt-out of the refinancing under  
12          this paragraph), issue to the borrower a loan  
13          made under this part—

14                 “(i) in an amount equal to the sum of  
15                 the unpaid principal, accrued unpaid inter-  
16                 est, and late charges of the loan selected to  
17                 be so refinanced;

18                 “(ii) the proceeds of which shall be  
19                 paid to the holder of the loan selected to  
20                 be so refinanced to discharge the liability  
21                 on such loan; and

22                 “(iii) which has a rate of interest de-  
23                 termined under subsection (c).

24           “(B) DESIGNATION OF LOANS.—A loan  
25           issued under this section the proceeds of which

1 is discharging the liability on a loan made, in-  
2 sured, or guaranteed—

3 “(i) under section 428 shall be a Fed-  
4 eral Direct Stafford Loan;

5 “(ii) under section 428B shall be a  
6 Federal Direct PLUS Loan;

7 “(iii) under section 428H shall be a  
8 Federal Direct Unsubsidized Stafford  
9 Loan; and

10 “(iv) under section 428C shall be a  
11 Federal Direct Consolidation Loan.

12 “(c) INTEREST RATES.—

13 “(1) IN GENERAL.—The interest rate for Fed-  
14 eral Direct Stafford Loans, Federal Direct Unsub-  
15 sidized Stafford Loans, Federal Direct PLUS  
16 Loans, and Federal Direct Consolidation Loans  
17 issued under this section, shall be a rate equal to—

18 “(A) in a case in which the original loan  
19 is a loan under section 428 or 428H, a Federal  
20 Direct Stafford loan, or a Federal Direct Un-  
21 subsidized Stafford Loan, that was issued to an  
22 undergraduate student, the rate for Federal Di-  
23 rect Stafford Loans and Federal Direct Unsub-  
24 subsidized Stafford Loans issued to undergraduate

1 students for the 12-month period beginning on  
2 July 1, 2016, and ending on June 30, 2017;

3 “(B) in a case in which the original loan  
4 is a loan under section 428 or 428H, a Federal  
5 Direct Stafford Loan, or a Federal Direct Un-  
6 subsidized Stafford Loan, that was issued to a  
7 graduate or professional student, the rate for  
8 Federal Direct Unsubsidized Stafford Loans  
9 issued to graduate or professional students for  
10 the 12-month period beginning on July 1, 2016,  
11 and ending on June 30, 2017;

12 “(C) in an case in which the original loan  
13 is a loan under section 428B or a Federal Di-  
14 rect PLUS Loan, the rate for Federal Direct  
15 PLUS Loans for the 12-month period begin-  
16 ning on July 1, 2016, and ending on June 30,  
17 2017; and

18 “(D) in a case in which the original loan  
19 is a loan under section 428C or a Federal Di-  
20 rect Consolidation Loan, a rate calculated in ac-  
21 cordance with paragraph (2).

22 “(2) INTEREST RATES FOR CONSOLIDATION  
23 LOANS.—

24 “(A) METHOD OF CALCULATION.—To de-  
25 termine the interest rate for a Federal Direct

1 Federal Consolidation Loan issued under this  
2 section, the Secretary shall—

3 “(i) determine each original loan for  
4 which the liability was discharged by the  
5 proceeds of a loan under section 428C or  
6 a Federal Direct Consolidation Loan, and  
7 calculate the proportion of the unpaid prin-  
8 cipal balance of the loan under section  
9 428C or the Federal Direct Consolidation  
10 Loan that is applicable to each such origi-  
11 nal loan;

12 “(ii) use the proportions determined  
13 in accordance with clause (i) and the inter-  
14 est rate applicable for each original loan,  
15 as determined under subparagraph (B), to  
16 calculate the weighted average of the inter-  
17 est rates on the loans consolidated into the  
18 loan under section 428C or the Federal Di-  
19 rect Consolidation Loan; and

20 “(iii) apply the weighted average cal-  
21 culated under clause (ii) as the interest  
22 rate for the Federal Direct Consolidation  
23 Loan made under this section and for  
24 which the interest rate is being determined  
25 under this paragraph.

1           “(B) INTEREST RATES FOR COMPONENT  
2           LOANS.—The interest rate for each original  
3           loan for which the liability is discharged by the  
4           proceeds of loan made under section 428C or a  
5           Federal Direct Consolidation Loan shall be the  
6           following:

7                   “(i) The interest rate for any such  
8                   original loan made, insured or guaranteed  
9                   under section 428 or 428H, or that is a  
10                  Federal Direct Stafford Loan or Federal  
11                  Direct Unsubsidized Stafford Loan, issued  
12                  to an undergraduate student shall be a  
13                  rate equal to the lesser of—

14                           “(I) the rate for Federal Direct  
15                           Stafford Loans and Federal Direct  
16                           Unsubsidized Stafford Loans issued  
17                           to undergraduate students for the 12-  
18                           month period beginning on July 1,  
19                           2016, and ending on June 30, 2017;  
20                           or

21                           “(II) the interest rate on such  
22                           original loan.

23                           “(ii) The interest rate for any such  
24                           original loan made, insured or guaranteed  
25                           under section 428 or 428H, or that is a



1 Federal Direct Stafford Loan, or Federal  
2 Direct Unsubsidized Stafford Loan, issued  
3 to a graduate or professional student shall  
4 be a rate equal to the lesser of—

5 “(I) the rate for Federal Direct  
6 Unsubsidized Stafford Loans issued  
7 to graduate or professional students  
8 for the 12-month period beginning on  
9 July 1, 2016, and ending on June 30,  
10 2017; or

11 “(II) the interest rate on the  
12 original loan.

13 “(iii) The interest rate for any such  
14 original loan made, insured or guaranteed  
15 under section 428B or that is a Federal  
16 Direct PLUS Loan shall be a rate equal to  
17 the lesser of—

18 “(I) the rate for Federal Direct  
19 PLUS Loans for the 12-month period  
20 beginning on July 1, 2016, and end-  
21 ing on June 30, 2017; or

22 “(II) the interest rate on the  
23 original loan.

24 “(iv) The interest rate for any such  
25 original loan that is a loan under section

1           428C or a Federal Direct Consolidation  
2           Loan shall be the weighted average of the  
3           interest rates determined under this sub-  
4           paragraph for each loan for which the li-  
5           ability is discharged by the proceeds of  
6           such consolidation loan.

7                   “(v) The interest rate for any original  
8           loan for which the liability was discharged  
9           with the proceeds of a loan under made  
10          under section 428C or a Federal Direct  
11          Consolidation Loan and is not described in  
12          clauses (i) through (iv) shall be the inter-  
13          est rate on such original loan.

14                   “(3) FIXED RATE.—The applicable rate of in-  
15          terest determined under paragraph (1) for a loan  
16          issued under this section shall be fixed for the period  
17          of the loan.

18                   “(d) REPAYMENT PERIODS.—A loan issued under  
19          this section shall not result in the extension of the dura-  
20          tion of the repayment period of the original loan, and the  
21          borrower shall retain the same repayment term that was  
22          in effect on the original loan. Nothing in this paragraph  
23          shall be construed to prevent a borrower from electing a  
24          different repayment plan at any time in accordance with  
25          section 455(d)(3).

1       “(e) ORIGINAL LOAN DEFINED.—In this section, the  
2 term ‘original loan’ means a loan for which the liability  
3 is discharged with the proceeds of a loan issued under this  
4 section.

5 **“SEC. 460B. REFINANCING OF PRIVATE EDUCATION LOANS.**

6       “(a) PROGRAM AUTHORIZED.—

7           “(1) IN GENERAL.—During the period begin-  
8 ning on the date that is 6 months after the date of  
9 enactment of the Student Loan Debt Relief Act of  
10 2019, and ending on the date that is 9 months after  
11 such date of enactment, the Secretary, in consulta-  
12 tion with the Secretary of the Treasury, shall carry  
13 out a program under which the Secretary, upon re-  
14 ceiving an application from a borrower who has a  
15 loan obligation on an eligible private education loan,  
16 shall issue such borrower a loan under this section  
17 in accordance with the following:

18           “(A) The loan issued under this section  
19 shall be in an amount equal to the sum of the  
20 unpaid principal, accrued unpaid interest, and  
21 late charges of the private education loan.

22           “(B) The Secretary shall pay the proceeds  
23 of the loan issued under this section to the pri-  
24 vate educational lender (or subsequent holder)  
25 of the private education loan, in order to dis-

1 charge the borrower and any cosigners from  
2 any remaining obligation to the lender with re-  
3 spect to the private education loan.

4 “(C) The Secretary shall require that the  
5 borrower undergo loan counseling that provides  
6 all of the information and counseling required  
7 under clauses (i) through (viii) of section  
8 485(b)(1)(A) before the carrying out subpara-  
9 graphs (A) and (B) with respect to such bor-  
10 rower.

11 “(D) The Secretary shall issue the loan as  
12 a Federal Direct Stafford Loan with a rate of  
13 interest determined under subsection (b).

14 “(b) INTEREST RATE.—

15 “(1) IN GENERAL.—The interest rate for a  
16 Federal Direct Stafford Loan issued under this sec-  
17 tion shall be—

18 “(A) in the case of a Federal Direct Staf-  
19 ford Loan discharging the liability on a private  
20 education loan issued for undergraduate post-  
21 secondary educational expenses, a rate equal to  
22 the rate for Federal Direct Stafford Loans and  
23 Federal Direct Unsubsidized Stafford Loans  
24 issued to undergraduate students for the 12-

1 month period beginning on July 1, 2016, and  
2 ending on June 30, 2017; and

3 “(B) in the case of a Federal Direct Staf-  
4 ford Loan discharging the liability on a private  
5 education loan issued for graduate or profes-  
6 sional degree postsecondary educational ex-  
7 penses, a rate equal to the rate for Federal Di-  
8 rect Unsubsidized Stafford Loans issued to  
9 graduate or professional students for the 12-  
10 month period beginning on July 1, 2016, and  
11 ending on June 30, 2017.

12 “(2) COMBINED UNDERGRADUATE AND GRAD-  
13 UATE STUDY LOANS.—In the case of a Federal Di-  
14 rect Stafford Loan discharging the liability on a pri-  
15 vate education loan issued for both undergraduate  
16 and graduate or professional postsecondary edu-  
17 cational expenses, the interest rate shall be a rate  
18 equal to the rate for Federal Direct PLUS Loans  
19 for the 12-month period beginning on July 1, 2016,  
20 and ending on June 30, 2017.

21 “(3) FIXED RATE.—The applicable rate of in-  
22 terest determined under this subsection for a Fed-  
23 eral Direct Stafford Loan issued under this section  
24 shall be fixed for the period of the loan.

1           “(c) NO INCLUSION IN AGGREGATE LIMITS.—The  
2 amount of a Federal Direct Stafford Loan issued under  
3 this section, or a Federal Direct Consolidated Loan to the  
4 extent such loan is used to repay such a Federal Direct  
5 Stafford Loan, shall not be included in calculating a bor-  
6 rower’s annual or aggregate loan limits under section 428  
7 or 428H.

8           “(d) PRIVATE EDUCATIONAL LENDER REPORTING  
9 REQUIREMENT.—

10           “(1) REPORTING REQUIRED.—Not later than 6  
11 months after the date of enactment of the Student  
12 Loan Debt Relief Act of 2019, the Secretary, in con-  
13 sultation with the Secretary of the Treasury and the  
14 Director of the Bureau of Consumer Financial Pro-  
15 tection, shall establish a requirement that private  
16 educational lenders report the data described in  
17 paragraph (2) to the Secretary, to Congress, to the  
18 Secretary of the Treasury, and to the Director of the  
19 Bureau of Consumer Financial Protection, in order  
20 to allow for an assessment of the private education  
21 loan market.

22           “(2) CONTENTS OF REPORTING.—The data  
23 that private educational lenders shall report in ac-  
24 cordance with paragraph (1) shall include each of  
25 the following about private education loans (as de-

1        fined in section 140(a) of the Truth in Lending Act  
2        (15 U.S.C. 1650(a)):

3                “(A) The total amount of private education  
4        loan debt the lender holds.

5                “(B) The total number of private edu-  
6        cation loan borrowers the lender serves.

7                “(C) The average interest rate on the out-  
8        standing private education loan debt held by the  
9        lender.

10               “(D) The proportion of private education  
11       loan borrowers who are in default on a loan  
12       held by the lender.

13               “(E) The proportion of the outstanding  
14       private education loan volume held by the lend-  
15       er that is in default.

16               “(F) The proportions of outstanding pri-  
17       vate education loan borrowers who are 30, 60,  
18       and 90 days delinquent.

19               “(G) The proportions of outstanding pri-  
20       vate education loan volume that is 30, 60, and  
21       90 days delinquent.

22        “(e) SUNSET.—The authority to issue loans under  
23       this section shall expire on the date that is 8 months after  
24       the date of enactment of the Student Loan Debt Relief  
25       Act of 2019.

1 “(f) DEFINITIONS.—In this section:

2 “(1) PRIVATE EDUCATIONAL LENDER.—The  
3 term ‘private educational lender’ has the meaning  
4 given the term in section 140(a) of the Truth in  
5 Lending Act (15 U.S.C. 1650(a)).

6 “(2) ELIGIBLE PRIVATE EDUCATION LOAN.—  
7 The term ‘eligible private education loan’ means a  
8 private education loan, as defined in section 140(a)  
9 of the Truth in Lending Act (15 U.S.C. 1650(a)),  
10 that—

11 “(A) was disbursed to the borrower on or  
12 before the date of enactment of the Student  
13 Loan Debt Relief Act of 2019; and

14 “(B) was for the borrower’s own postsec-  
15 ondary educational expenses for an eligible pro-  
16 gram at an institution of higher education par-  
17 ticipating in the loan program under this part,  
18 as of the date that the loan was disbursed.”.

19 (c) INCOME-CONTINGENT REPAYMENT.—Section  
20 455(d)(1)(D) of the Higher Education Act of 1965 (20  
21 U.S.C. 1087e(d)(1)(D)) by inserting before the semicolon  
22 at the end the following: “, and in calculating the period  
23 of time during which a borrower of a loan issued under  
24 section 460A has made monthly payments on such loan  
25 for purposes the plan described in this subparagraph, the



1 Secretary shall treat each monthly payment that otherwise  
2 meets the requirements of such plan and that was made  
3 on a loan for which the liability is discharged by the pro-  
4 ceeds of such loan issued under section 460A, as a month-  
5 ly payment made on such loan issued under section  
6 460A”.

7 (d) PUBLIC SERVICE LOAN FORGIVENESS.—Section  
8 455(m) of the Higher Education Act of 1965 (20 U.S.C.  
9 1087e(m)) is amended—

10 (1) by redesignating paragraphs (3) and (4) as  
11 paragraphs (4) and (5), respectively; and

12 (2) by inserting after paragraph (2) the fol-  
13 lowing:

14 “(3) TREATMENT OF LOANS ISSUED UNDER  
15 SECTION 460A.—Notwithstanding paragraph (1), in  
16 determining the number of monthly payments made  
17 under paragraph (1) on an eligible Federal Direct  
18 Loan issued under section 460A the proceeds of  
19 which discharges the liability on a loan made under  
20 this part, the Secretary shall treat each monthly  
21 payment made under paragraph (1) on the loan be-  
22 fore the liability on such loan was so discharged as  
23 a monthly payment made on such eligible Federal  
24 Direct Loan.”;

1 (e) INCOME-BASED REPAYMENT.—Section 493C of  
2 the Higher Education Act of 1965 (20 U.S.C. 1098e) is  
3 amended by adding at the end the following:

4 “(f) TREATMENT OF REFINANCED LOANS.—In cal-  
5 culating the period of time during which a borrower of  
6 a loan issued under section 460A has made monthly pay-  
7 ments on such loan for purposes of subsection (b)(7), the  
8 Secretary shall treat each monthly payment that otherwise  
9 meets the requirements of this section and that was made  
10 on a loan for which the liability is discharged by the pro-  
11 ceeds of such loan issued under section 460A, as a month-  
12 ly payment made on such loan issued under section  
13 460A.”.

14 **TITLE III—DISCHARGEABILITY**  
15 **OF STUDENT LOANS IN BANK-**  
16 **RUPTCY**

17 **SEC. 301. DISCHARGEABILITY OF STUDENT LOANS IN**  
18 **BANKRUPTCY.**

19 (1) EXCEPTION TO DISCHARGE.—Section  
20 523(a) of title 11 of the United States Code is  
21 amended by striking paragraph (8).

22 (2) CONFORMING AMENDMENT.—Section  
23 1328(a)(2) of title 11 of the United States Code is  
24 amended by striking “(8),”.

1                   **TITLE IV—GENERAL**  
2                   **PROVISIONS**

3 **SEC. 401. REPORT ON PROGRESS OF IMPLEMENTATION.**

4           Not later than the date that is 6 months after the  
5 date of enactment of this Act, the Secretary of Education  
6 and the Secretary of the Treasury shall, jointly, submit  
7 to Congress a report on the progress of the implementa-  
8 tion of the provisions of titles I and II.

9 **SEC. 402. NOTIFICATION TO BORROWERS.**

10           (a) **IN GENERAL.**—Not later than the date that is  
11 3 months after the date of enactment of this Act—

12                   (1) the Secretary of Education—

13                           (A) shall take such steps as may be nec-  
14                           essary to notify borrowers of an eligible Federal  
15                           loan of the loan discharge available under title  
16                           I, including the applicable deadlines;

17                           (B) in coordination with the Secretary of  
18                           the Treasury and the Director of the Bureau of  
19                           Consumer Financial Protection, shall undertake  
20                           a campaign to notify borrowers of loans made,  
21                           insured, or guaranteed under part B or D of  
22                           title IV of the Higher Education Act of 1965  
23                           that such borrowers may be eligible to refinance  
24                           such loans at a lower rate of interest under sec-  
25                           tion 460A of the Higher Education Act of

1           1965, as added by title II of this Act, which  
2           campaign shall include—

3                   (i) developing consumer information  
4                   materials about the availability of such re-  
5                   financing; and

6                   (ii) requiring servicers of such loans  
7                   to provide such consumer information to  
8                   borrowers in a manner determined appro-  
9                   priate by the Secretary, in consultation  
10                  with the Director of the Bureau of Con-  
11                  sumer Financial Protection; and

12                  (C) in coordination with the Secretary of  
13                  the Treasury and the Director of the Bureau of  
14                  Consumer Financial Protection, shall undertake  
15                  a campaign to alert borrowers of private edu-  
16                  cation loans—

17                   (i) that such borrowers may be eligible  
18                   to refinance such private loans as Federal  
19                   Direct Stafford Loans under section 460B  
20                   of the Higher Education Act of 1965, as  
21                   added by title II of this Act; and

22                   (ii) such Federal Direct Stafford  
23                   Loans may be eligible for loan discharge  
24                   under title I of this Act; and

1           (2) the Secretary of Health and Human Serv-  
2           ices, in consultation with the Secretary of Edu-  
3           cation, shall take such steps as may be necessary to  
4           inform borrowers of a loan made, insured, or guar-  
5           anteed by the Department of Health and Human  
6           Services that is eligible for consolidation under sec-  
7           tion 455(g) of the Higher Education Act of 1965  
8           (20 U.S.C. 1087e(g)), that the—

9                   (A) borrower may be eligible for a Federal  
10                  Direct Consolidation Loan under such section  
11                  455(g); and

12                   (B) such Federal Direct Consolidation  
13                  Loan may be eligible for loan discharge under  
14                  title I of this Act.

15           (b) NOTIFICATION BY PRIVATE EDUCATION LOAN  
16           HOLDERS.—Each holder of a private education loan shall,  
17           not later than the date that is 3 months after the date  
18           of enactment of this Act, notify the borrower of such pri-  
19           vate education loan that the borrower may be eligible to  
20           refinance the private education loan as a Federal Direct  
21           Stafford Loan under section 460B of the Higher Edu-  
22           cation Act of 1965, and such Federal Direct Stafford  
23           Loan may be eligible for loan discharge under title I of  
24           this Act.

1 **SEC. 403. INAPPLICABILITY OF TITLE IV NEGOTIATED**  
2 **RULEMAKING AND MASTER CALENDAR EX-**  
3 **CEPTION.**

4 Sections 482(c) and 492 of the Higher Education Act  
5 of 1965 (20 U.S.C. 1089(c), 1098a) shall not apply to  
6 this Act or any amendments made by this Act, or to any  
7 regulations promulgated under this Act or under such  
8 amendments.

9 **SEC. 404. DEFINITIONS.**

10 In this Act:

11 (1) **ELIGIBLE FEDERAL LOAN.**—The term “eli-  
12 gible Federal loan” means—

13 (A) a loan made, insured, or guaranteed  
14 under title IV of the Higher Education Act of  
15 1965 (20 U.S.C. 1071 et seq.) (other than a  
16 loan described in subparagraph (B)) on or be-  
17 fore the date of enactment of this Act; or

18 (B) a Federal Direct Stafford Loan issued  
19 under section 460B of the Higher Education  
20 Act of 1965, as added by title II of this Act,  
21 on a date that is not later than 9 months after  
22 the date of enactment of this Act.

23 (2) **PRIVATE EDUCATION LOAN.**—The term  
24 “private education loan” has the meaning given such  
25 term in section 140(a) of the Truth in Lending Act  
26 (15 U.S.C. 1650(a)).

1           (3) SECRETARY.—The term “Secretary” means  
2           the Secretary of Education.

3           (4) TAXPAYER.—The term “taxpayer” has the  
4           meaning given such term in section 7701 of the In-  
5           ternal Revenue Code of 1986.