

117TH CONGRESS  
1ST SESSION

# H. R. 5322

To amend the Consumer Financial Protection Act of 2010 to establish the position of the Assistant Director and Student Loan Borrower Advocate of the Bureau of Consumer Financial Protection, to establish the Office for Students and Young Consumers of the Bureau, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 22, 2021

Ms. BONAMICI (for herself, Ms. PORTER, Ms. DEAN, Ms. TLAIB, Ms. NORTON, and Mr. CASE) introduced the following bill; which was referred to the Committee on Education and Labor, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend the Consumer Financial Protection Act of 2010 to establish the position of the Assistant Director and Student Loan Borrower Advocate of the Bureau of Consumer Financial Protection, to establish the Office for Students and Young Consumers of the Bureau, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Students and Young  
3 Consumers Empowerment Act”.

4 **SEC. 2. ASSISTANT DIRECTOR AND STUDENT LOAN BOR-**  
5 **ROWER ADVOCATE.**

6 (a) IN GENERAL.—Section 1035 of the Consumer Fi-  
7 nancial Protection Act of 2010 (12 U.S.C. 5535) is  
8 amended to read as follows:

9 **“SEC. 1035. ASSISTANT DIRECTOR AND STUDENT LOAN**  
10 **BORROWER ADVOCATE.**

11 “(a) ESTABLISHMENT.—There is established the po-  
12 sition of Assistant Director and Student Loan Borrower  
13 Advocate, who shall be appointed by the Director.

14 “(b) DUTIES.—The Assistant Director and Student  
15 Loan Borrower Advocate shall—

16 “(1) serve as the head of the Office for Stu-  
17 dents and Young Consumers established under sub-  
18 section (e);

19 “(2) not later than the end of the 60-day period  
20 beginning on the date of enactment of this section,  
21 enter into a memorandum of understanding with the  
22 Secretary of Education, the Chief Operating Officer  
23 appointed under section 141(d) of the Higher Edu-  
24 cation Act of 1965 (20 U.S.C. 1018(d)), and the  
25 Student Loan Ombudsman appointed under section

1       141(f) of the Higher Education Act of 1965 (20  
2       U.S.C. 1018(f)) that—

3               “(A) ensures coordination in providing as-  
4               sistance to and serving borrowers seeking to re-  
5               solve complaints related to their private edu-  
6               cation or Federal student loans; and

7               “(B) authorizes the Bureau to access all  
8               relevant Department of Education information  
9               systems, records, and data, including any rel-  
10              evant information systems, records, or data  
11              maintained by contractors of the Department of  
12              Education;

13              “(3) accept and attempt to resolve complaints  
14              from borrowers with both private education loans  
15              and Federal student loans, including complaints  
16              against lenders, servicers, and debt collectors; and

17              “(4) carry out such other duties as the Director  
18              may determine appropriate.

19              “(c) NOTIFICATION TO CONGRESS.—The Director  
20              shall provide written notice and an explanation to the ap-  
21              propriate congressional committees, if—

22              “(1) the position of the Assistant Director and  
23              Student Loan Borrower Advocate has been vacant  
24              for a period of 60 days or more; or

1           “(2) the memorandum of understanding re-  
2           quired under subsection (b)(2) has lapsed for a pe-  
3           riod of 60 days or more.

4           “(d) REPORTS.—

5           “(1) ANNUAL REPORT ON THE STUDENT LOAN  
6           MARKETPLACE.—The Assistant Director and Stu-  
7           dent Loan Borrower Advocate shall—

8                   “(A) compile and analyze complaints from  
9                   borrowers with Federal student loans or private  
10                  education loans;

11                  “(B) not less than once per year, submit a  
12                  report to Congress summarizing the activities of  
13                  the Assistant Director and Student Loan Bor-  
14                  rower Advocate in the previous year and includ-  
15                  ing an independent evaluation of risks to con-  
16                  sumers posed by policies and practices in the  
17                  student loan marketplace; and

18                  “(C) as part of each report submitted in  
19                  accordance with subparagraph (B), and any  
20                  other time deemed prudent by the Student  
21                  Loan Borrower Advocate, make recommenda-  
22                  tions to the Director, the Secretary of the  
23                  Treasury, the Secretary of Education, and the  
24                  appropriate congressional committees to ad-

1 dress risk to student loan borrowers and  
2 strengthen the student loan marketplace.

3 “(2) ANNUAL REPORT ON CAMPUS BANKING.—

4 Not less than once per year, the Assistant Director  
5 and Student Loan Borrower Advocate shall issue a  
6 report to the appropriate congressional committees  
7 analyzing the use of consumer financial products  
8 and services by students enrolled at institutions of  
9 higher education, including an evaluation of con-  
10 tracts and other financial arrangements between in-  
11 stitutions of higher education and providers of con-  
12 sumer financial products and services, including an  
13 evaluation of revenue sharing provisions, marketing  
14 provisions, and fees assessed to students who use  
15 such products and services.

16 “(3) REPORT ON RISKS TO YOUNG CON-  
17 SUMERS.—Not less than once per year, the Assistant  
18 Director and Student Loan Borrower Advocate shall  
19 issue a report to the appropriate congressional com-  
20 mittees containing an analysis of complaints sub-  
21 mitted to the Bureau by young consumers during  
22 the previous year and offering an independent eval-  
23 uation of risks to consumers posed by policies and  
24 practices in the marketplace for consumer financial  
25 products and services.

1       “(e) OFFICE FOR STUDENTS AND YOUNG CON-  
2 SUMERS.—There is established an Office for Students and  
3 Young Consumers, which shall be responsible for devel-  
4 oping and implementing initiatives for students, young  
5 consumers, and their families intended to—

6               “(1) educate and empower students, young con-  
7 sumers, and their families to make better informed  
8 decisions regarding consumer financial products and  
9 services; and

10              “(2) coordinate efforts among Federal and  
11 State agencies, as appropriate, regarding consumer  
12 protection measures relating to consumer financial  
13 products and services offered to, or used by, stu-  
14 dents, young consumers, and their families.

15       “(f) COLLECTION OF INFORMATION; MARKET MONI-  
16 TORING.—

17              “(1) IN GENERAL.—In carrying out this sec-  
18 tion, the Assistant Director and Student Loan Bor-  
19 rower Advocate shall have the authority to gather in-  
20 formation from time to time regarding the organiza-  
21 tion, business conduct, markets, and activities of  
22 covered persons and service providers.

23              “(2) SOURCES OF INFORMATION.—In gathering  
24 information described under paragraph (1), the As-  
25 sistant Director and Student Loan Borrower Advo-

1 cate may gather and compile information from a va-  
2 riety of sources, including examination reports con-  
3 cerning covered persons or service providers, con-  
4 sumer complaints, voluntary surveys and voluntary  
5 interviews of consumers, surveys and interviews with  
6 covered persons and service providers, and review of  
7 available databases.

8 “(3) AUTHORITY TO REQUIRE REPORTS AND  
9 OTHER INFORMATION.—The Director shall, upon the  
10 recommendation of the Assistant Director and Stu-  
11 dent Loan Borrower Advocate, require covered per-  
12 sons and service providers participating in consumer  
13 financial services markets to file with the Bureau,  
14 under oath or otherwise, in such form and within  
15 such reasonable period of time as the Bureau may  
16 prescribe by rule or order, annual or special reports,  
17 answers in writing to specific questions, or other in-  
18 formation described under section 1022(c)(4).

19 “(4) LIMITATION.—The Bureau may not use  
20 its authorities under this subsection to obtain  
21 records from covered persons and service providers  
22 participating in consumer financial services markets  
23 for purposes of gathering or analyzing the personally  
24 identifiable financial information of consumers.

25 “(g) DEFINITIONS.—For purposes of this section:

1           “(1) APPROPRIATE CONGRESSIONAL COMMIT-  
2           TEES.—The term ‘appropriate congressional com-  
3           mittees’ means the Committees on Education and  
4           Labor and Financial Services of the House of Rep-  
5           resentatives and the Committees on Banking, Hous-  
6           ing, and Urban Affairs and Health, Education,  
7           Labor, and Pensions of the Senate.

8           “(2) TRUTH IN LENDING ACT TERMS.—The  
9           terms ‘private education loan’ and ‘institution of  
10          higher education’ have the meanings given those  
11          terms, respectively, under section 140 of the Truth  
12          in Lending Act (15 U.S.C. 1650).”.

13          (b) CLERICAL AMENDMENT.—The table of contents  
14          under section 1(b) of the Dodd-Frank Wall Street Reform  
15          and Consumer Protection Act is amended, in the item re-  
16          lating to section 1035, by striking “Private Education  
17          Loan Ombudsman” and inserting “Assistant Director and  
18          Student Loan Borrower Advocate”.

19       **SEC. 3. DUTIES OF THE DEPARTMENT OF EDUCATION.**

20          Part D of title I of the Higher Education Act of 1965  
21          (20 U.S.C. 1018 et seq.) is amended by adding at the end  
22          the following:



1 **“SEC. 144. MEMORANDUM OF UNDERSTANDING WITH THE**  
2 **ASSISTANT DIRECTOR AND STUDENT LOAN**  
3 **BORROWER ADVOCATE.**

4 “Not later than the end of the 60-day period begin-  
5 ning on the date of enactment of this section, the Sec-  
6 retary of Education, the Chief Operating Officer ap-  
7 pointed under section 141(d), and the Student Loan Om-  
8 budsman appointed under section 141(f) shall enter into  
9 a memorandum of understanding with the Assistant Di-  
10 rector and Student Loan Borrower Advocate of the Bu-  
11 reau of Consumer Financial Protection that—

12 “(1) ensures coordination in providing assist-  
13 ance to and serving borrowers seeking to resolve  
14 complaints related to their private education loans or  
15 loans made, insured, or guaranteed under title IV;  
16 and

17 “(2) authorizes the Bureau to access all rel-  
18 evant Department information systems, records, and  
19 data, including any relevant information systems,  
20 records, or data maintained by contractors of the  
21 Department.”.

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