

117TH CONGRESS
1ST SESSION

H. R. 5890

To protect borrowers of Federal student loans during the transition period following the end of the COVID–19 student loan repayment pause, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 5, 2021

Ms. BONAMICI (for herself, Mrs. MCBATH, Ms. WILD, Mr. CLEAVER, Mr. DANNY K. DAVIS of Illinois, and Mr. LOWENTHAL) introduced the following bill; which was referred to the Committee on Education and Labor

A BILL

To protect borrowers of Federal student loans during the transition period following the end of the COVID–19 student loan repayment pause, 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 Bor-
5 rower Safety Net Act of 2021”.

6 **SEC. 2. EXTENSION OF APPLICATION AND RECERTIFI-**
7 **CATION DEADLINE.**

8 (a) IN GENERAL.—Section 3513 of the CARES Act
9 (20 U.S.C. 1001 note) is amended—

1 (1) by amending subsection (g) to read as fol-
2 lows:

3 “(g) NOTICE TO BORROWERS OF COVERED LOANS
4 RELATING TO TRANSITION PERIOD.—Not later than the
5 date that is 60 days prior to the first day on which a bor-
6 rower’s payment obligations on a covered loan are no
7 longer suspended, as determined by the Secretary, the
8 Secretary shall carry out a program to provide not less
9 than 6 notices by postal mail, telephone, or electronic com-
10 munication to such a borrower indicating—

11 “(1) when the borrower’s normal payment obli-
12 gations will resume;

13 “(2) that the borrower may be eligible to enroll
14 in income-driven repayment, including a brief de-
15 scription of available income-driven repayment op-
16 tions; and

17 “(3) the options, including a brief description of
18 the benefits and consequences of these options, to
19 rehabilitate or consolidate the loans of a borrower
20 who is in default.”; and

21 (2) by adding at the end the following:

22 “(h) PRIORITY NOTIFICATION.—

23 “(1) IN GENERAL.—In carrying out subsection
24 (g), the Secretary shall give priority in accordance
25 with paragraph (2) to notifying borrowers who—

1 “(A) during the 5-year period preceding
2 March 31, 2020, missed a payment or pay-
3 ments for a period of not less than 60 days
4 with respect to a covered loan; and

5 “(B) in the 5 years preceding March 31,
6 2020—

7 “(i) missed a payment in the first 3
8 months of entering repayment with respect
9 to such a covered loan;

10 “(ii) entered into a non-administrative
11 forbearance or a economic hardship
12 deferment with respect to such a covered
13 loan—

14 “(I) on 2 or more occasions; or

15 “(II) for a period of longer than
16 1 year;

17 “(iii) were enrolled and subsequently
18 unenrolled, or changed to less-than-half-
19 time enrollment status, more than twice
20 after entering repayment with respect to
21 such a covered loan;

22 “(iv) defaulted on such a covered
23 loan; or

1 “(v) on 3 or more occasions, missed
2 two or more consecutive payments with re-
3 spect to such a covered loan.

4 “(2) PRIORITY.—In carrying out paragraph (1),
5 the Secretary shall—

6 “(A) notify borrowers described in such
7 paragraph of the information specified in sub-
8 section (g) through at least 3 additional and
9 subsequent notifications after the initial notifi-
10 cation; or

11 “(B) carry out other evidence-based out-
12 reach activities that are designed to assist
13 struggling borrowers or borrowers who were
14 otherwise at risk for default before the COVID–
15 19 pandemic, and report to Congress on such
16 activities.

17 “(i) APPLICATION OR RECERTIFICATION.—

18 “(1) IN GENERAL.—A borrower of a covered
19 loan may—

20 “(A) during the period beginning on the
21 date of enactment of the Student Loan Bor-
22 rower Safety Net Act of 2021, and ending on
23 the date that is one year after the first day on
24 which a borrower’s payment obligations on such
25 loan are no longer suspended, submit a written,

1 verbal, or electronic application or reapplication
2 for an income-contingent or income-based re-
3 payment plan with respect to such loan; and

4 “(B) under an application described in
5 subparagraph (A), self-certify the income and
6 family size of such borrower.

7 “(2) CHANGE OF REPAYMENT PLANS.—With
8 respect to a covered loan, in the case of a borrower
9 of such a loan who opts to change the repayment
10 plan in which such borrower was enrolled on the
11 date of the enactment of this section, no fee or pay-
12 ment shall be required during the period in which it
13 takes such borrower to become enrolled in such re-
14 payment plan.

15 “(3) ECONOMIC HARDSHIP.—

16 “(A) IN GENERAL.—A borrower of a cov-
17 ered loan who, due to an economic hardship, is
18 unable to make payments with respect to such
19 loan on or after the first day on which the bor-
20 rower’s payment obligations on such loan are no
21 longer suspended, may apply to the Secretary
22 for an economic hardship deferment for the pe-
23 riod beginning on the date of enactment of the
24 Student Loan Borrower Safety Net Act of 2021
25 and ending on the date that is one year after

1 the first day on which the borrower’s payment
2 obligations on such loan are no longer sus-
3 pended. To apply for such a deferment, a bor-
4 rower shall submit a written, verbal, or elec-
5 tronic certification of such economic hardship to
6 the Secretary.

7 “(B) NOTIFICATION.—The Secretary and
8 any other servicer of a covered loan shall notify
9 borrowers who miss a payment on such a loan
10 of the availability of—

11 “(i) income-based and income-conti-
12 gent repayment plans available in accord-
13 ance with paragraph (1); and

14 “(ii) an economic hardship deferment
15 under this paragraph.

16 “(C) TREATMENT OF BORROWER WITH
17 ECONOMIC HARDSHIP.—In the case of a bor-
18 rower who submits certification of an economic
19 hardship under subparagraph (A), the Sec-
20 retary shall treat such borrower in the same
21 manner as a borrower with an economic hard-
22 ship under section 435(o) of the Higher Edu-
23 cation Act of 1965 (20 U.S.C. 1085(o)).

24 “(j) MISSED PAYMENTS.—In the case of a borrower
25 of a covered loan who misses a payment or payments on

1 such a loan for the 60-day period beginning on the first
2 day on which the borrower's payment obligations on such
3 loan are no longer suspended, the Secretary or the holder
4 of a loan described in subsection (k)(2) shall—

5 “(1) hold such loan in administrative forbear-
6 ance for a 90-day period beginning on the date that
7 is 60 days after the first day on which the bor-
8 rower's payment obligations on such loan are no
9 longer suspended; and

10 “(2) contact such borrower on at least 6 sepa-
11 rate occasions regarding the information included in
12 subsection (g).

13 “(k) COVERED LOAN.—In this section, the term ‘cov-
14 ered loan’ means—

15 “(1) a loan described in subsection (a); or

16 “(2) a loan—

17 “(A) made, insured, or guaranteed under
18 part B of title IV of the Higher Education Act
19 of 1965 (20 U.S.C. 1071 et seq.); and

20 “(B) for which payments were sus-
21 pended—

22 “(i) pursuant to the Higher Education
23 Relief Opportunities for Students Act of
24 2003 (Public Law 108–76; 20 U.S.C. 1070
25 note); and

“(ii) during a qualifying emergency.”.

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