

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2124 Session of
2018

INTRODUCED BY C. QUINN, ELLIS, RYAN, DRISCOLL, YOUNGBLOOD, MURT,
MOUL, ZIMMERMAN, WATSON, ROZZI, KORTZ, ENGLISH, BARBIN, DAVIS
AND PASHINSKI, MARCH 6, 2018

AS AMENDED ON THIRD CONSIDERATION, IN SENATE, OCTOBER 16, 2018

AN ACT

1 Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An
2 act relating to the public school system, including certain
3 provisions applicable as well to private and parochial
4 schools; amending, revising, consolidating and changing the
5 laws relating thereto," in preliminary provisions, providing
6 for information regarding education loans.

7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

9 Section 1. The act of March 10, 1949 (P.L.30, No.14), known
10 as the Public School Code of 1949, is amended by adding a
11 section to read:

12 Section 127. Information Regarding Education Loans.--(a) An
13 institution of higher education that receives Federal education
14 loan information or other student loan information regarding a
15 student enrolled at the institution of higher education shall
16 provide the following to the student on an annual basis prior to <--
17 the student's acceptance of the Federal education loan or other
18 student loan disbursed by the institution of higher education:

19 AT A TIME DETERMINED BY THE SCHOOL, BUT NO LATER THAN JULY 1 <--

1 EACH YEAR:

2 (1) An estimate of the total amount of Federal education
3 loans or other student loans which are disbursed by the
4 institution of higher education taken out by the student.

5 (2) Subject to subsection (b), an estimate of the following: <--

6 (i) ~~The potential~~ total payoff amount of the Federal
7 education loans or other student loans which are disbursed by
8 the institution of higher education incurred ~~or a range of the~~ <--
9 total payoff amount.

10 (ii) ~~Monthly repayment amounts that a similarly situated~~
11 borrower may incur, including principal and interest, for the
12 amount of the Federal education loans or other student loans
13 which are disbursed by the institution of higher education taken
14 out at the time that the information is provided. BY THE STUDENT <--
15 ENROLLED AT THE INSTITUTION OF HIGHER EDUCATION, IF THE LOANS
16 WERE TO GO INTO REPAYMENT AS OF THE DATE OF THE ANNUAL
17 NOTIFICATION UNDER THIS SUBSECTION.

18 (3) The number of years used in determining the potential
19 total payoff amount.

20 (4) Information on how the student can access online
21 repayment calculators.

22 (5) ~~The percentage of the borrowing limit that the student~~ <--
23 has reached at the time that the information is provided.

24 (b) The information provided to the student under subsection
25 (a) may include a statement that any estimate or range provided
26 is general in nature and not intended to be a guarantee or
27 promise of an actual projected amount. ~~THE STATEMENT MAY INCLUDE <--~~
28 PROMISE OF AN ACTUAL PROJECTED AMOUNT. THE STATEMENT SHALL <--
29 INCLUDE:

30 (1) A DISCLAIMER THAT THE INFORMATION PROVIDED UNDER

1 SUBSECTION (A) PERTAINS ONLY TO FEDERAL LOANS DISBURSED AT THE
2 INSTITUTION THAT IS PROVIDING THE INFORMATION OR ANY LOANS
3 DISBURSED DIRECTLY FROM THE INSTITUTION-; AND <--

4 (2) A LINK TO A FEDERAL ONLINE AID COUNSELING TOOL AND A
5 REPAYMENT ESTIMATOR THAT HAVE BEEN APPROVED BY THE DEPARTMENT OF
6 EDUCATION IN CONSULTATION WITH THE PENNSYLVANIA HIGHER EDUCATION
7 ASSISTANCE AGENCY.

8 (c) An institution of higher education shall not incur
9 liability for any representation made under this section.

10 (d) An institution of higher education shall provide the
11 information required under this section annually beginning in
12 September 2019.

13 (e) An institution of higher education shall provide the
14 information to students through first class mail, electronic
15 mail or other communication protocol established by the
16 institution of higher education.

17 (F) AN INSTITUTION OF HIGHER EDUCATION THAT CONTRACTS WITH A <--
18 STUDENT LOAN SERVICER, INCLUDING THE PENNSYLVANIA HIGHER
19 EDUCATION ASSISTANCE AGENCY, TO PROVIDE THE INFORMATION REQUIRED
20 UNDER SUBSECTION (A) TO ITS STUDENTS IN THE MANNER REQUIRED
21 UNDER SUBSECTION (E) SHALL BE DEEMED TO HAVE COMPLIED WITH THE
22 PROVISIONS OF THIS SECTION.

23 ~~(f)~~ (G) The Department of Education shall administer and <--
24 enforce the provisions of this section.

25 ~~(g)~~ (H) As used in this section, the following words and <--
26 phrases shall have the meanings given to them in this subsection
27 unless the context clearly indicates otherwise:

28 "Institution of higher education." As defined in section
29 118(c).

30 "Student." As defined in section 118(c).

1 Section 2. This act shall take effect in 60 days.