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

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

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

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

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

AT A TIME DETERMINED BY THE SCHOOL, BUT NO LATER THAN JULY 1
EACH YEAR:

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

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

(i) The potential total payoff amount of the Federal education loans or other student loans which are disbursed by the institution of higher education incurred or a range of the total payoff amount.

(ii) Monthly repayment amounts that a similarly situated borrower may incur, including principal and interest, for the amount of the Federal education loans or other student loans which are disbursed by the institution of higher education taken out at the time that the information is provided by the student enrolled at the institution of higher education, if the loans were to go into repayment as of the date of the annual notification under this subsection.

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

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

(5) The percentage of the borrowing limit that the student has reached at the time that the information is provided.

(b) The information provided to the student under subsection (a) may include a statement that any estimate or range provided is general in nature and not intended to be a guarantee or promise of an actual projected amount. The statement may include:

(1) A disclaimer that the information provided under...
SUBSECTION (A) PERTAINS ONLY TO FEDERAL LOANS DISBURSED AT THE
INSTITUTION THAT IS PROVIDING THE INFORMATION OR ANY LOANS
DISBURSED DIRECTLY FROM THE INSTITUTION; AND

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

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

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

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

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

(g) (G) The Department of Education shall administer and
enforce the provisions of this section.

(g) (H) As used in this section, the following words and
phrases shall have the meanings given to them in this subsection
unless the context clearly indicates otherwise:
"Institution of higher education." As defined in section
118(c).

"Student." As defined in section 118(c).
Section 2. This act shall take effect in 60 days.