

116TH CONGRESS
1ST SESSION

H. R. 3519

To direct the Secretary of Education to develop a common manual for loan servicers to ensure quality of practice and increase borrower satisfaction.

IN THE HOUSE OF REPRESENTATIVES

JUNE 26, 2019

Ms. SCHRIER (for herself, Mr. ALLRED, Mr. CASTEN of Illinois, and Ms. KENDRA S. HORN of Oklahoma) introduced the following bill; which was referred to the Committee on Education and Labor

A BILL

To direct the Secretary of Education to develop a common manual for loan servicers to ensure quality of practice and increase borrower satisfaction.

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 “Better Service to Bor-
5 rowers Act of 2019”.

6 **SEC. 2. REQUIRING A COMMON MANUAL FOR SERVICERS.**

7 (a) IN GENERAL.—Part G of title IV of the Higher
8 Education Act of 1965 (20 U.S.C. 1088 et seq.) is amend-
9 ed by adding at the end the following:

1 **“SEC. 493E. REQUIRING A COMMON MANUAL FOR LOAN**
2 **SERVICERS.**

3 “(a) IN GENERAL.—Not later than 1 year after the
4 date of enactment of the Better Service to Borrowers of
5 2019, the Secretary shall develop a manual of common
6 procedures and policies for entities with which the Sec-
7 retary enters into contracts for the origination, servicing,
8 and collection of covered loans to standardize procedures
9 to ensure consistency of quality and practice across loan
10 servicers, and a minimum standard of quality and practice
11 to ensure that borrowers are well-served.

12 “(b) UPDATES.—The Secretary shall update the
13 manual under subsection (a) as frequently as may be nec-
14 essary, but not less frequently than every 5 years.

15 “(c) COVERED LOANS DEFINED.—The term ‘covered
16 loans’ means—

17 “(1) loans sold or assigned to the Secretary
18 under part B;

19 “(2) loans made or purchased under part D;
20 and

21 “(3) loans referred, transferred, or assigned to
22 the Secretary under part E.”.

23 (b) PART D LOANS.—Section 456(a)(2) of the High-
24 er Education Act of 1965 (20 U.S.C. 1087f(a)(2)) is
25 amended in the first sentence by inserting before the pe-
26 riod at the end the following: “, including the applicable

- 1 procedures and policies described in the manual developed
- 2 under section 493E”.

