

117TH CONGRESS
1ST SESSION

S. 995

To amend the Stop Student Debt Relief Scams Act of 2019 to make technical corrections.

IN THE SENATE OF THE UNITED STATES

MARCH 25, 2021

Ms. BALDWIN introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To amend the Stop Student Debt Relief Scams Act of 2019 to make technical corrections.

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 “Stop Student Debt
5 Relief Scams Technical Corrections Act”.

6 **SEC. 2. GUIDANCE ON CRIMINAL PENALTIES.**

7 The Stop Student Debt Relief Scams Act of 2019
8 (Public Law 116–251) is amended in section 2(b) by strik-
9 ing “The Secretary” and inserting “Not later than July
10 1, 2021, the Secretary”.

1 **SEC. 3. REQUIREMENTS FOR THIRD-PARTY DATA SYSTEM**
 2 **ACCESS.**

3 (a) AMENDMENTS.—Subsection (e) of section 485B
 4 of the Higher Education Act of 1965, as added by section
 5 4(3) of the Stop Student Debt Relief Scams Act of 2019
 6 (Public Law 116–251), is amended—

7 (1) in paragraph (1), in the matter preceding
 8 subparagraph (A), by inserting “, at the discretion
 9 of the Secretary,” after “may”;

10 (2) in paragraph (2)—

11 (A) in the matter preceding subparagraph
 12 (A), by striking “means—” and inserting
 13 “means either of the following.”;

14 (B) in subparagraph (A)—

15 (i) by striking “a guaranty agency”
 16 the first place such term appears and in-
 17 serting “A guaranty agency”; and

18 (ii) by striking “; or” and inserting a
 19 period; and

20 (C) by striking subparagraph (B) and in-
 21 serting the following:

22 “(B)(i) An attorney, government, agency,
 23 or organization described in any of subclauses
 24 (I) through (IV) of clause (ii), who or that—

1 “(I) is providing financial or student
2 loan repayment services or counseling to a
3 student, borrower, or parent;

4 “(II) has not engaged in unfair, de-
5 ceptive, or abusive practices (including an
6 entity that is owned or operated by a per-
7 son or entity that engaged in such prac-
8 tices), as determined by the Secretary;

9 “(III) accesses the system only
10 through a separate point of entry; and

11 “(IV) has consent from the relevant
12 student, borrower, or parent to access the
13 system.

14 “(ii)(I) A licensed attorney representing a
15 student, borrower, or parent.

16 “(II) A Federal, State, local, or Tribal gov-
17 ernment or agency.

18 “(III) A nonprofit organization.

19 “(IV) A for-profit organization—

20 “(aa) authorized as a public benefit
21 corporation to provide a public benefit of
22 objective and accurate financial or student
23 loan repayment services or counseling;

1 “(bb) that is approved by the Sec-
 2 retary in accordance with paragraphs (3)
 3 and (4); and

4 “(cc) that does not charge the stu-
 5 dent, borrower, or parent a fee or any
 6 other monetary charge for financial or stu-
 7 dent loan repayment services or counseling
 8 or any other services at any point.”; and

9 (3) by adding at the end the following:

10 “(3) DISCRETION TO APPROVE APPLICA-
 11 TIONS.—Approval of applications from authorized
 12 persons or entities for third-party data access shall
 13 be at the discretion of the Secretary after consider-
 14 ation of such applications as the Secretary may pre-
 15 scribe. Authorized access shall be for periods as the
 16 Secretary may determine and may be terminated at
 17 the discretion of the Secretary.

18 “(4) CONSIDERATION FOR FOR-PROFIT ORGANI-
 19 ZATION APPROVAL TO ACCESS THE SYSTEM.—In
 20 considering applications for approval for third-party
 21 data system access in accordance with this sub-
 22 section by a for-profit organization described in
 23 paragraph (2)(B)(ii)(IV), the Secretary shall—

24 “(A) consider how the no fee service or
 25 counseling to the student, borrower, or parent

1 is funded and determine whether the organiza-
2 tion provides financial or student loan repay-
3 ment services or counseling in the best interest
4 of students, borrowers, or parents, in consulta-
5 tion with the Private Education Loan Ombuds-
6 man of the Consumer Financial Protection Bu-
7 reau (designated pursuant to section 1035 of
8 the Consumer Financial Protection Act of 2010
9 Act (12 U.S.C. 5535)); and

10 “(B) respond in writing, which may in-
11 clude electronic communication, to such organi-
12 zation regarding such application not later than
13 180 days after the date of submission of the ap-
14 plication.”.

15 (b) EFFECTIVE DATE.—The amendments made in
16 this section shall take effect as if included in the Stop Stu-
17 dent Debt Relief Scams Act of 2019 (Public Law 116–
18 251) and in accordance with section 6 of such Act.

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