

118TH CONGRESS
1ST SESSION

H. R. 4591

To amend the Higher Education Act of 1965 to require the removal of the record of default from credit history upon obtaining a Federal Direct Consolidation Loan that discharges the defaulted loan.

IN THE HOUSE OF REPRESENTATIVES

JULY 12, 2023

Ms. STEVENS (for herself, Ms. ADAMS, Ms. ROSS, and Ms. WILLIAMS of Georgia) introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL

To amend the Higher Education Act of 1965 to require the removal of the record of default from credit history upon obtaining a Federal Direct Consolidation Loan that discharges the defaulted loan.

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 “Clean Slate through
5 Consolidation Act”.

1 **SEC. 2. REMOVAL OF RECORD OF DEFAULT FROM CREDIT**
2 **HISTORY UPON LOAN CONSOLIDATION.**

3 Section 455(g) of the Higher Education Act of 1965
4 (20 U.S.C. 1087e(g)) is amended by adding at the end
5 the following:

6 “(3) CONSUMER REPORTING AGENCIES.—Upon
7 obtaining a Federal Direct Consolidation Loan that
8 discharges the liability on a defaulted loan made, in-
9 sured, or guaranteed under this title, the Secretary,
10 guaranty agency, or other holder of the loan shall
11 request any consumer reporting agency to which the
12 Secretary, guaranty agency or holder, as applicable,
13 reported the default of the loan, to remove any ad-
14 verse item of information relating to such loan from
15 the borrower’s credit history.”.

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