

114TH CONGRESS
2D SESSION

H. R. 5481

To amend the Higher Education Act of 1965 to authorize institutions of higher education to provide additional loan counseling, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 14, 2016

Mr. SALMON (for himself and Mr. GROTHMAN) 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 authorize institutions of higher education to provide additional loan counseling, and for other purposes.

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 “Ensure Responsible
5 Borrowing Act”.

6 **SEC. 2. ENTRANCE COUNSELING FOR BORROWERS.**

7 Section 485(l) of the Higher Education Act of 1965
8 (20 U.S.C. 1092(l)) is amended by adding at the end the
9 following:

1 “(3) ADDITIONAL COUNSELING.—In addition to
2 the entrance counseling under paragraph (1), an eli-
3 gible institution may require any borrower, at or
4 prior to the time of a disbursement to the borrower
5 of a loan made under part D (other than a Federal
6 Direct Consolidation Loan or a Federal Direct
7 PLUS loan made on behalf of a student), to receive
8 the information described in paragraph (2) with re-
9 spect to such loan, or any other financial counseling,
10 including financial literacy counseling.

11 “(4) ANNUAL LOAN ACCEPTANCE.—Prior to
12 making the first disbursement of a loan made under
13 part D (other than a Federal Direct Consolidation
14 Loan) to a borrower for an award year, an eligible
15 institution, shall ensure that after receiving the ap-
16 plicable counseling under paragraph (2) or (3), the
17 borrower accepts the loan for such award year by—

18 “(A) signing the master promissory note
19 for the loan;

20 “(B) signing and returning to the institu-
21 tion a separate written statement that affirma-
22 tively states that the borrower accepts the loan;

23 or

1 “(C) electronically signing an electronic
2 version of the statement described in subpara-
3 graph (B).”.

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