

115TH CONGRESS
1ST SESSION

S. _____

To promote quality student loan servicing by improving the borrower
experience for borrowers of Federal Direct Loans.

IN THE SENATE OF THE UNITED STATES

Mr. BLUNT (for himself, Ms. WARREN, Mr. LANKFORD, and Mrs. SHAHEEN)
introduced the following bill; which was read twice and referred to the
Committee on _____

A BILL

To promote quality student loan servicing by improving the
borrower experience for borrowers of Federal Direct Loans.

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 “Student Loan Servicer
5 Performance Accountability Act”.

6 **SEC. 2. COMPETITION IN STUDENT LOAN SERVICING.**

7 (a) CANCELLATION OF SOLICITATIONS.—The Sec-
8 retary of Education shall cancel the Department of Edu-
9 cation solicitations for the Federal Aid Servicing Solution
10 dated April 4, 2016 and October 26, 2016, including any

1 amendments to those solicitations (Solicitation No. ED–
2 FSA–17–R–0001 et seq).

3 (b) COMPETITION IN STUDENT LOAN SERVICING.—
4 Section 456 of the Higher Education Act of 1965 (20
5 U.S.C. 1087f) is amended by adding at the end the fol-
6 lowing:

7 “(c) COMPETITION IN STUDENT LOAN SERVICING.—

8 “(1) COMPETITION.—As of the date of enact-
9 ment of the Student Loan Servicer Performance Ac-
10 countability Act, in order to promote accountability
11 and high-quality services to borrowers, the Secretary
12 shall not issue any contract solicitation for a new
13 Federal student loan servicing solution unless such
14 a solution—

15 “(A) provides for the participation of mul-
16 tiple student loan servicers that contract di-
17 rectly with the Department of Education; and

18 “(B) allocates student loan borrower ac-
19 counts to eligible student loan servicers based
20 on performance.

21 “(2) PROHIBITION.—The Secretary shall not
22 award a contract to a single servicer to service all
23 Federal Direct Loans.”.