

**SUBSTITUTE FOR
HOUSE BILL NO. 5071**

(as amended November 9, 2017)

A bill to require institutions of higher education to make certain disclosures to students concerning their federal student loans; and to provide for the powers and duties of certain state and local governmental officers and entities.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "federal student loan disclosure act".

3 Sec. 2. As used in this act:

4 (a) "Institution of higher education" means a degree or
5 certificate granting public or private college or university,
6 junior college, or community college in this state.

7 (b) "Student loan" means a federal [direct] loan disbursed to a
8 student
9 to pay for education-related expenses.

9 Sec. 3. (1) Beginning with the 2018-2019 academic year, an

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1 institution of higher education that receives student loan
2 information for [all student loans taken out by] a student
3 enrolled in that institution shall
4 annually provide to that student all of the following information
5 in print or electronic format:

6 (a) An estimate of all of the following:

7 (i) The total amount of student loans taken out by the student
8 for enrollment in an undergraduate or graduate program, whichever
9 is applicable, at [an] institution of higher education.

10 (ii) The potential total payoff amount of the student loans
11 incurred or a range of the total payoff amount.

12 (iii) Monthly repayment amounts based on a standard repayment
13 plan that a similarly situated borrower may incur, including
14 principal and interest, for the amount of the student loans that
15 the student has taken out at the time the information is provided.

16 [

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18 (b) Identification of resources that the student may use to
19 learn more about student loans generally.

20 (c) A statement informing the student that the total amount of
21 the student loans reported under subdivision (a) (i) does not
22 include grants that the student may have received and that grants
23 do not require repayment.

24 (d) Information about any student loan counseling services
25 that the institution of higher education may offer.

26 (e) Identification of resources that the student may use to
27 learn about employment prospects for one who has recently completed
the same or similar course of study as the student is pursuing.

1 (2) The information provided under this section may include a
2 statement that the estimates and ranges provided are general in
3 nature and not meant as a guarantee or promise of the actual
4 projected amounts.

5 (3) An institution of higher education does not incur
6 liability for any representations made under this section.