

HOUSE BILL No. 5071

October 10, 2017, Introduced by Reps. Albert, Vaupel, Wentworth and Kahle and referred to the Committee on Education Reform.

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.

1 (b) "Student loan" means a federal loan disbursed to a student
2 to pay for education-related expenses.

3 Sec. 3. (1) Beginning with the 2018-2019 academic year, an
4 institution of higher education that receives student loan
5 information for a student enrolled in that institution shall
6 annually provide to that student all of the following information
7 in print or electronic format:

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

9 (i) The total amount of student loans taken out by the
10 student.

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

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

17 (iv) The percentage of the borrowing limit that the student
18 has reached at the time the information is provided.

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

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

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