



General Assembly

January Session, 2017

**Raised Bill No. 7212**

LCO No. 4605



Referred to Committee on HIGHER EDUCATION AND  
EMPLOYMENT ADVANCEMENT

Introduced by:  
(HED)

**AN ACT CONCERNING THE PROMOTION OF LOAN FORGIVENESS  
PROGRAMS.**

Be it enacted by the Senate and House of Representatives in General  
Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2017*) (a) For purposes of this  
2 section:

3 (1) "Employer" means an organization, agency or entity that is a  
4 public service organization, including, but not limited to, each local  
5 and regional board of education. "Employer" does not include a federal  
6 or tribal nation government organization, agency or entity, or a tribal  
7 nation institution of higher education;

8 (2) "Employment certification form" means the form used by the  
9 United States Department of Education to certify an individual's  
10 employment at a public service organization for the purposes of the  
11 Public Service Loan Forgiveness program;

12 (3) "Public Service Loan Forgiveness program" means the loan  
13 forgiveness program as administered under 34 CFR 685.219, as

14 amended from time to time;

15 (4) "Public service organization" means a public service organization  
16 as defined in 34 CFR 685.219, as amended from time to time;

17 (5) "Teacher Loan Forgiveness program" means a loan forgiveness  
18 program administered under 34 CFR 685.217, as amended from time to  
19 time; and

20 (6) "Student Loan Ombudsman" means the official designated  
21 within the Department of Banking under section 36a-25 of the general  
22 statutes.

23 (b) The Student Loan Ombudsman shall create and distribute  
24 informational materials that increase awareness of the Public Service  
25 Loan Forgiveness program and Teacher Loan Forgiveness program to  
26 state residents whose employer is a public service organization, as  
27 defined in subdivision (1) of subsection (a) of this section.  
28 Informational materials shall include, but need not be limited to, the  
29 following:

30 (1) A standardized letter to (A) notify employees of the eligibility  
31 and participation requirements of the Public Service Loan Forgiveness  
32 program or Teacher Loan Forgiveness program, and (B) recommend  
33 that employees contact a student loan servicer for additional  
34 information regarding such programs;

35 (2) A detailed fact sheet describing the Public Service Loan  
36 Forgiveness program or Teacher Loan Forgiveness program, and  
37 containing the telephone number and electronic mail address for the  
38 Student Loan Ombudsman, which an employee may use to report any  
39 violations of the provisions of subsection (e) of this section; and

40 (3) A document containing frequently asked questions concerning  
41 the Public Service Loan Forgiveness program or Teacher Loan  
42 Forgiveness program and the answers to such questions.

43 (c) The Student Loan Ombudsman may distribute a document  
44 published by a federal agency that meets the requirements of  
45 informational materials set forth in subsection (b) of this section.

46 (d) The Student Loan Ombudsman shall make the informational  
47 materials described in subsection (b) of this section available on the  
48 Department of Banking's Internet web site. Each biennium the Student  
49 Loan Ombudsman shall verify the accuracy of the informational  
50 materials and update any informational materials that are incorrect or  
51 obsolete.

52 (e) An employer shall:

53 (1) Annually provide its employees with the informational materials  
54 described in subsections (b) and (c) of this section, which may be  
55 included with an employees' statement of wages;

56 (2) Provide new employees with the informational materials  
57 described in subsections (b) and (c) of this section two weeks after the  
58 employee's start date by mail, electronic mail or in-person;

59 (3) Provide its employees with a copy of the employment  
60 certification form upon request of an employee; and

61 (4) Conspicuously display the fact sheet, created under subdivision  
62 (2) of subsection (b) of this section, on its premises.

63 (f) (1) All complaints received by the Student Loan Ombudsman  
64 regarding any alleged violations of the provisions of subsection (e) of  
65 this section by an employer shall be (A) investigated not later than  
66 thirty days after the complaint was made, and (B) made publically  
67 available. The Student Loan Ombudsman shall issue a citation to an  
68 employer that has violated this section. An employer may contest a  
69 citation issued under this subdivision not later than fifteen days after  
70 its issuance.

71 (2) Nothing in this section shall be construed to affect the authority

72 of the Attorney General to bring an action in a court of competent  
73 jurisdiction to enforce the provisions of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2017</i>	New section

**Statement of Purpose:**

To promote student loan forgiveness programs.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*