



General Assembly

Substitute Bill No. 7212

January Session, 2017

* _____HB07212HED____032117_____*

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

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

13 (3) "Public Service Loan Forgiveness program" means the loan
14 forgiveness program as administered under 34 CFR 685.219, as
15 amended from time to time;

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

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

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

24 (b) The Student Loan Ombudsman shall create and distribute
25 informational materials that increase awareness of the Public Service
26 Loan Forgiveness program and Teacher Loan Forgiveness program to
27 public service employers. Such informational materials shall include,
28 but need not be limited to, the following:

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

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

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

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

45 (d) The Student Loan Ombudsman shall make the informational
46 materials described in subsection (b) or (c) of this section available on
47 the Department of Banking's Internet web site. Each biennium the

48 Student Loan Ombudsman shall verify the accuracy of the
49 informational materials and update any informational materials that
50 are incorrect or obsolete.

51 (e) A public service employer shall:

52 (1) Provide new employees with the informational materials
53 described in subsection (b) or (c) of this section two weeks after the
54 employee's start date by mail, electronic mail or in-person;

55 (2) Provide its employees with a copy of the employment
56 certification form upon request of an employee; and

57 (3) Conspicuously display the fact sheet, described in subdivision
58 (2) of subsection (b) of this section, on its premises.

59 (f) (1) All complaints received by the Student Loan Ombudsman
60 regarding any alleged violations of the provisions of subsection (e) of
61 this section by a public service employer shall be (A) investigated not
62 later than thirty days after the complaint was made, and (B) made
63 publically available. The Student Loan Ombudsman shall order
64 corrective actions to a public service employer that has violated this
65 section. A public service employer may contest such corrective actions
66 ordered under this subdivision not later than fifteen days after its
67 issuance.

68 (2) Nothing in this section shall be construed to affect the authority
69 of the Attorney General to bring an action in a court of competent
70 jurisdiction to enforce the provisions of this section.

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

HED *Joint Favorable Subst.*