AN ACT CONCERNING THE PROMOTION OF LOAN FORGIVENESS PROGRAMS.

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

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

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

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

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

(4) "Public service organization" means a public service organization as defined in 34 CFR 685.219, as amended from time to time;
(5) "Teacher Loan Forgiveness program" means a loan forgiveness program administered under 34 CFR 685.217, as amended from time to time; and

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

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

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

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

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

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

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

(e) A public service employer shall:

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

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

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

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

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