

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                               STATE OF OKLAHOMA

3                               2nd Session of the 58th Legislature (2022)

4   HOUSE BILL 3505

                              By: Provenzano of the House

5   and

6   **Montgomery** of the Senate

7  
8  
9                               AS INTRODUCED

10           An Act relating to student loans; amending 24 O.S.  
11           2021, Section 172, which relates to the Oklahoma  
12           Student Borrower's Bill of Rights Act; prohibiting  
13           student loan servicer from failing to provide certain  
14           loan forgiveness information; and providing an  
15           effective date.

16   BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

17           SECTION 1.        AMENDATORY        24 O.S. 2021, Section 172, is  
18           amended to read as follows:

19           Section 172.   A.   The Attorney General shall prepare a written  
20           statement that includes an "Oklahoma Student Borrower's Bill of  
21           Rights" for a student loan borrower who takes out a student  
22           education loan that is serviced by a student loan servicer. The  
23           statement shall incorporate all items from subsection B of this  
24           section and be made available to the public and written in plain

1 language designed to be easily understood by the average student  
2 loan borrower.

3 B. No student loan servicer shall:

4 1. Directly or indirectly employ any scheme, device or artifice  
5 to defraud or mislead student loan borrowers;

6 2. Engage in any unfair or deceptive practice toward any person  
7 or misrepresent or omit any material information in connection with  
8 the servicing of a student education loan including, but not limited  
9 to, misrepresenting the amount, nature or terms of any fee or  
10 payment due or claimed to be due on a student education loan, the  
11 terms and conditions of the loan agreement or the borrower's  
12 obligations under the loan;

13 3. Obtain property by fraud or misrepresentation;

14 4. Incorrectly apply or fail to apply student education loan  
15 payments to the outstanding balance of a student education loan;

16 5. Provide inaccurate information to a credit bureau, thereby  
17 harming a student loan borrower's creditworthiness;

18 6. Fail to report both the favorable and unfavorable payment  
19 history of the student loan borrower to a nationally recognized  
20 consumer credit bureau at least annually if the student loan  
21 servicer regularly reports information to a credit bureau, except in  
22 the case of loan rehabilitation;

23 7. Refuse to communicate with an authorized representative of  
24 the student loan borrower who provides a written authorization

1 signed by the student loan borrower, provided the student loan  
2 servicer may adopt procedures reasonably related to verifying that  
3 the representative is in fact authorized to act on behalf of the  
4 student loan borrower;

5 8. Make any false statement or misrepresentation by omission of  
6 a material fact in connection with any information or reports filed  
7 with a governmental agency or in connection with any investigation  
8 conducted by a governmental agency;

9 9. Fail to inform borrowers of the federal income repayment  
10 options before offering deferment or forbearance as an option; or

11 10. ~~Inform~~ Fail to inform student loan ~~borrower~~ borrowers if  
12 their type of loan does not qualify for loan forgiveness programs.

13 SECTION 2. This act shall become effective November 1, 2022.

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15 COMMITTEE REPORT BY: COMMITTEE ON BANKING, FINANCIAL SERVICES AND  
16 PENSIONS, dated 02/22/2022 - DO PASS, As Coauthored.