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HOUSE BILL NO. 165

Offered January 10, 2018

Prefiled December 21, 2017

A *BILL to amend and reenact § 23.1-619 of the Code of Virginia, relating to public institutions of higher education; loans to students; collection.*

Patron—Yancey

Referred to Committee on Education

Be it enacted by the General Assembly of Virginia:**1. That § 23.1-619 of the Code of Virginia is amended and reenacted as follows:****§ 23.1-619. Collection of loans.**Each institution shall ~~make~~:

1. *Include in loan documents for each loan an individual plan for the repayment of principal and interest and the payment of any late fees and clear and detailed information about the collection process for such loan pursuant to the Virginia Debt Collection Act (§ 2.2-4801 et seq.), including information about the agency or entity that is responsible for collection;*

2. *Establish a process for notifying each student or, in the case of an undergraduate student and as appropriate, the student's parent of any loan payment that is past due no later than (i) 30 days after the payments becomes past due and (ii) if necessary, the end of the academic term during which such payment becomes past due; and*

3. *Make every effort to collect each loan made from its fund and comply with the Virginia Debt Collection Act (§ 2.2-4801 et seq.) with regard to the collection of such loans, provided that, notwithstanding §§ 2.2-4805 and 2.2-4806, the institution may modify the terms of any loan for which payments are past due to provide for repayment forbearance on such loan and repayment to commence on an agreed-upon date in the future with a percentage increase in the interest rate that is less than or equal to the inflation-adjusted annual percentage increase in the Average Consumer Price Index for all items, all urban consumers (CPI-U), as published by the Bureau of Labor Statistics of the U.S. Department of Labor, for the year immediately preceding such future date.*

INTRODUCED

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