

VIRGINIA ACTS OF ASSEMBLY -- 2018 SESSION

CHAPTER 786

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

[H 165]

Approved April 6, 2018

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~~ For each loan made from its fund, 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 (§ 2.2-4800 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 become 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~~ 2.2-4800 et seq.) with regard to the collection of such loans, *provided that, notwithstanding §§ 2.2-4805 and 2.2-4806, the institution may, with the consent of the borrower, 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 a mutually agreed-upon date in the future. Prior to entering into any such agreement, the institution shall provide the borrower with information regarding the effect of a forbearance on the loan amount, including (i) the amount of any additional accumulated principal and interest and (ii) the estimated total amount to be owed upon recommenced payments.*