



AT A GLANCE: TACKLING STUDENT LOAN DEBT

More than 44 million Americans currently owe roughly \$1.5 trillion in student loan debt. *The College Affordability Act (H.R.4674)* will provide relief to existing student borrowers while reducing the cost of student loans for future borrowers.

For students and families who borrow money to pay for college, the *College Affordability Act* makes student loans cheaper to take out, simpler to understand, and easier to pay off. The bill...

- Eliminates the hidden fees that students and families pay to take out federal student loans.
- Replaces the confusing array of current repayment plans with one fixed repayment plan and one income-based repayment plan, using more generous repayment terms for low- and middle-income borrowers than any option available today.
- Makes Parent Plus loans eligible for the new, more generous income-based repayment plan.
- Requires colleges to counsel students on the cost of borrowing, including the monthly repayment rates they can expect after they graduate.
- Streamlines the burdensome process for taking out and paying off student loans by simplifying the Free Application for Federal Student Aid (FAFSA) and allows borrowers in income-based repayment plans to automatically recertify rather than filling out paperwork every year.
- Requires the FAFSA application to be translated into more than 11 languages.

***The College Affordability Act* provides relief to the 44 million Americans who already have student loans. The bill...**

- Allows borrowers to lower monthly and total payments by switching into the newly created, more generous repayment plans and refinancing old debt at today's interest rates.
- Automatically places distressed borrowers who are more than 120 days behind on their payments into an income-based repayment plan.
- Allows a borrower's default to be removed from their credit report once the loan is consolidated or completely paid off.
- Directs the Secretary of Education to strengthen oversight of loan servicing to ensure loan services are providing students with accurate information and responsible guidance.

***The College Affordability Act* improves and expands the Public Service Loan Forgiveness (PSLF) program to keep the promises made to students and continue incentivizing people to enter careers in public service. The bill...**

- Allows borrowers who were in the wrong repayment plan to count original monthly payments toward the total required for loan forgiveness.
- Improves access to loan forgiveness for America's teachers by ensuring that all of their loan payments are counted towards their eligibility for PSLF.
- Requires the Department of Education to create an appeal process to help borrowers dispute denied PSLF applications.