

116TH CONGRESS  
1ST SESSION

# H. R. 4395

To amend the Higher Education Act of 1965 to require the removal of the record of default from credit history upon obtaining a Federal Direct Consolidation Loan that discharges the defaulted loan.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 19, 2019

Ms. STEVENS (for herself and Ms. MUCARSEL-POWELL) introduced the following bill; which was referred to the Committee on Education and Labor

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## A BILL

To amend the Higher Education Act of 1965 to require the removal of the record of default from credit history upon obtaining a Federal Direct Consolidation Loan that discharges the defaulted loan.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Clean Slate through  
5 Consolidation Act”.

1 **SEC. 2. REMOVAL OF RECORD OF DEFAULT FROM CREDIT**  
2 **HISTORY UPON LOAN CONSOLIDATION.**

3 Section 455(g) of the Higher Education Act of 1965  
4 (20 U.S.C. 1087e(g)) is amended—

5 (1) by striking “A borrower” and inserting the  
6 following:

7 “(1) IN GENERAL.—A borrower”; and

8 (2) by adding at the end the following:

9 “(2) CONSUMER REPORTING AGENCIES.—Upon  
10 obtaining a Federal Direct Consolidation Loan that  
11 discharges the liability on a defaulted loan made, in-  
12 sured, or guaranteed under this title, the Secretary,  
13 guaranty agency, or other holder of the loan shall  
14 request any consumer reporting agency to which the  
15 Secretary, guaranty agency or holder, as applicable,  
16 reported the default of the loan, to remove the  
17 record of the default from the borrower’s credit his-  
18 tory.”.

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