

116TH CONGRESS
1ST SESSION

H. R. 4544

To amend the Truth in Lending Act to prohibit predispute arbitration agreements that force arbitration of disputes arising from private education loans, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 27, 2019

Ms. DEAN introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To amend the Truth in Lending Act to prohibit predispute arbitration agreements that force arbitration of disputes arising from private education loans, and for other purposes.

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 “Ensuring Fair Legal
5 Recourse for Private Student Loan Borrowers Act”.

1 **SEC. 2. ARBITRATION OF PRIVATE EDUCATION LOAN DIS-**
2 **PUTES.**

3 (a) IN GENERAL.—Section 140 of the Truth in Lend-
4 ing Act (15 U.S.C. 1650) is amended by adding at the
5 end the following:

6 “(h) ARBITRATION OF PRIVATE EDUCATION LOAN
7 DISPUTES.—

8 “(1) NO VALIDITY OR ENFORCEABILITY.—No
9 predispute arbitration agreement or predispute joint-
10 action waiver shall be valid or enforceable with re-
11 spect to a dispute relating to a private education
12 loan.

13 “(2) DEFINITIONS.—In this subsection:

14 “(A) PREDISPUTE ARBITRATION AGREE-
15 MENT.—The term ‘predispute arbitration agree-
16 ment’ means an agreement to arbitrate a dis-
17 pute that has not yet arisen at the time of the
18 making of the agreement.

19 “(B) PREDISPUTE JOINT-ACTION WAIV-
20 ER.—The term ‘predispute joint-action waiver’
21 means an agreement, whether or not part of a
22 predispute arbitration agreement, that would
23 prohibit, or waive the right of, one of the par-
24 ties to the agreement to participate in a joint,
25 class, or collective action in a judicial, arbitral,
26 administrative, or other forum, concerning a

1 dispute that has not yet arisen at the time of
2 the making of the agreement.”.

3 (b) **EFFECTIVE DATE.**—The amendment made by
4 subsection (a) shall take effect on the date of enactment
5 of this Act and shall apply with respect to any dispute
6 or claim that arises or accrues on or after such date.

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