

**AMENDMENT TO RULES COMMITTEE PRINT 116–****57****OFFERED BY MRS. LEE OF NEVADA**

At the end of subtitle E of title XVII, add the following new section:

1 **SEC. 17\_\_\_\_. SYSTEM FOR TRACKING AND RESOLVING COM-**  
2 **PLAINTS AGAINST INSTITUTIONS OF HIGHER**  
3 **EDUCATION AND STUDENT LOAN SERVICERS.**

4 (a) IN GENERAL.—The Secretary of Education (re-  
5 ferred to in this section as the “Secretary”) shall maintain  
6 a complaint tracking system that includes a single, toll-  
7 free telephone number and a website to facilitate the cen-  
8 tralized collection of, monitoring of, and response to com-  
9 plaints and reports (including evidence, as available) of  
10 suspicious activity (such as unfair, deceptive, or abusive  
11 acts or practices) regarding—

12 (1) Federal student financial aid and the serv-  
13 icing of postsecondary education loans by loan  
14 servicers;

15 (2) educational practices and services of institu-  
16 tions of higher education; and

17 (3) the recruiting and marketing practices of  
18 institutions of higher education.

1 (b) COMPLAINTS.—Complaints and reports of sus-  
2 picious activity submitted to the tracking system by stu-  
3 dents, borrowers of student loans, staff, or the general  
4 public—

5 (1) may remain anonymous, if the complainant  
6 so chooses; and

7 (2) may describe problems that are systematic  
8 in nature and not associated with a particular stu-  
9 dent.

10 (c) ESTABLISHMENT OF COMPLAINT TRACKING OF-  
11 FICE.—The Secretary shall establish within the Depart-  
12 ment an office whose functions shall include establishing  
13 and administering the complaint tracking system, and  
14 widely disseminating information about the complaint  
15 tracking system, established under this subsection. The  
16 Secretary shall—

17 (1) to the extent necessary, combine and con-  
18 solidate the other offices and functions of the De-  
19 partment to ensure that the office established under  
20 this subsection is the single point of contact for stu-  
21 dents and borrowers with complaints or reports of  
22 suspicious activity regarding Federal student finan-  
23 cial aid, student loan servicers, educational practices  
24 and services of institutions of higher education, and

1 recruiting and marketing activities of institutions of  
2 higher education; and

3 (2) to the extent practicable, ensure that the of-  
4 fice established under this subsection will work with  
5 the Student Loan Ombudsman appointed in accord-  
6 ance with section 141(f) of the Higher Education  
7 Act of 1965 (20 U.S.C. 1018(f)) and the Student  
8 Loan Ombudsman of the Bureau of Consumer Fi-  
9 nancial Protection to assist borrowers of Federal  
10 student loans that submit complaints or reports of  
11 suspicious activity to the complaint tracking system.

12 (d) HANDLING OF COMPLAINTS.—

13 (1) TIMELY RESPONSE TO COMPLAINTS.—The  
14 Secretary shall establish, in consultation with the  
15 heads of appropriate agencies (including the Direc-  
16 tor of the Bureau of Consumer Financial Protec-  
17 tion), reasonable procedures to provide a response to  
18 complainants not more than 90 days after receiving  
19 a complaint in the complaint tracking system, in  
20 writing where appropriate. Each response shall in-  
21 clude a description of—

22 (A) the steps that have been taken by the  
23 Secretary in response to the complaint or report  
24 of suspicious activity;

1 (B) any responses received by the Sec-  
2 retary from the institution of higher education  
3 or from a servicer; and

4 (C) any additional actions that the Sec-  
5 retary has taken, or plans to take, in response  
6 to the complaint or report of suspicious activity.

7 (2) TIMELY RESPONSE TO SECRETARY BY IN-  
8 STITUTION OF HIGHER EDUCATION OR LOAN  
9 SERVICER.—If the Secretary determines that it is  
10 necessary, the Secretary shall notify an institution of  
11 higher education or loan servicer that is the subject  
12 of a complaint or report of suspicious activity  
13 through the complaint tracking system under this  
14 subsection regarding the complaint or report and di-  
15 rectly address and resolve the complaint or report in  
16 the system. Not later than 60 days after receiving  
17 such notice, such institution or loan servicer shall  
18 provide a response to the Secretary concerning the  
19 complaint or report, including—

20 (A) the steps that have been taken by the  
21 institution or loan servicer to respond to the  
22 complaint or report;

23 (B) all responses received by the institu-  
24 tion or loan servicer from the complainant; and

1 (C) any additional actions that the institu-  
2 tion or loan servicer has taken, or plans to take,  
3 in response to the complaint or report.

4 (3) FURTHER INVESTIGATION.—The Secretary  
5 may, in the event that the complaint is not ade-  
6 quately resolved or addressed by the responses of the  
7 institution of higher education or loan servicer under  
8 paragraph (2), ask additional questions of such in-  
9 stitution or loan servicer or seek additional informa-  
10 tion from or action by the institution or loan  
11 servicer.

12 (4) PROVISION OF INFORMATION.—

13 (A) IN GENERAL.—An institution of higher  
14 education or loan servicer shall, in a timely  
15 manner, comply with a request by the Secretary  
16 for information in the control or possession of  
17 such institution or loan servicer concerning a  
18 complaint or report of suspicious activity re-  
19 ceived by the Secretary under this subsection,  
20 including supporting written documentation,  
21 subject to subparagraph (B).

22 (B) EXCEPTIONS.—An institution of high-  
23 er education or loan servicer shall not be re-  
24 quired to make available under this sub-  
25 section—

1 (i) any nonpublic or confidential infor-  
2 mation, including any confidential commer-  
3 cial information;

4 (ii) any information collected by the  
5 institution for the purpose of preventing  
6 fraud or detecting or making any report  
7 regarding other unlawful or potentially un-  
8 lawful conduct; or

9 (iii) any information required to be  
10 kept confidential by any other provision of  
11 law.

12 (5) COMPLIANCE.—An institution of higher  
13 education or loan servicer shall comply with the re-  
14 quirements to provide responses and information, in  
15 accordance with this subsection, as a condition of re-  
16 ceiving funds under title IV of the Higher Education  
17 Act of 1965 (20 U.S.C. 1070 et seq.) or as a condi-  
18 tion of the contract with the Department, as applica-  
19 ble.

20 (e) TRANSPARENCY.—

21 (1) COLLECTING AND SHARING INFORMATION  
22 WITH FEDERAL, STATE, AND NATIONALLY RECOG-  
23 NIZED ACCREDITING AGENCIES.—In accordance with  
24 section 444 of the General Education Provisions Act  
25 (20 U.S.C. 1232g) (commonly referred to as “Fam-

1        ily Educational Rights and Privacy Act of 1974’’)   
 2        and other laws, the Secretary shall coordinate with   
 3        the heads of relevant Federal or State agencies or   
 4        entities, and nationally recognized accrediting agen-   
 5        cies or associations recognized by the Secretary pur-   
 6        suant to section 496 of the Higher Education Act of   
 7        1965 (20 U.S.C. 1099b) to—

8                (A) collect any complaints and reports of   
 9                suspicious activity described in subsection   
 10              (a)(1) from such agencies, entities, or associa-   
 11              tions; and

12              (B) route complaints and reports received   
 13              by the complaint tracking system under this   
 14              section and complaints and reports collected in   
 15              accordance with subparagraph (A) to the De-   
 16              partment, the Department of Justice, the De-   
 17              partment of Defense, the Department of Vet-   
 18              erans Affairs, the Federal Trade Commission   
 19              Consumer Sentinel Network, the Bureau of   
 20              Consumer Financial Protection, any equivalent   
 21              State agency, or the relevant nationally recog-   
 22              nized accrediting agency or association.

23              (2) INTERACTION WITH EXISTING COMPLAINT   
 24              SYSTEMS.—To the extent practicable, all procedures   
 25              established under this section, and all coordination

1 carried out under paragraph (1), shall be established  
2 and carried out in accordance with the complaint  
3 tracking systems established under Executive Order  
4 13607 (77 Fed. Reg. 25861; relating to establishing  
5 principles of excellence for educational institutions  
6 serving servicemembers, veterans, spouses, and other  
7 family members).

8 (3) PUBLIC INFORMATION.—

9 (A) IN GENERAL.—The Secretary shall, on  
10 an annual basis, publish on the website of the  
11 Department information on the complaints and  
12 reports of suspicious activity received for each  
13 institution of higher education or loan servicer  
14 under this subsection, including—

15 (i) the number of complaints and re-  
16 ports received;

17 (ii) the types of complaints and re-  
18 ports received; and

19 (iii) where applicable, information  
20 about the resolution of the complaints and  
21 reports.

22 (B) DATA PRIVACY.—In carrying out sub-  
23 paragraph (A), the Secretary shall—

24 (i) comply with applicable data pri-  
25 vacy laws and regulations; and



1 (ii) ensure that personally identifiable  
2 information is not shared.

3 (4) REPORTS.—Each year, the Secretary shall  
4 prepare and submit to Congress a report describ-  
5 ing—

6 (A) the types and nature of complaints or  
7 reports the Secretary has received under this  
8 section;

9 (B) the extent to which complainants are  
10 receiving adequate resolution pursuant to this  
11 section;

12 (C) whether particular types of complaints  
13 or reports are more common in a given sector  
14 of institutions of higher education or with par-  
15 ticular loan servicers;

16 (D) any legislative recommendations that  
17 the Secretary determines are necessary to bet-  
18 ter assist students and families regarding the  
19 activities described in subsection (a)(1); and

20 (E) the institutions of higher education  
21 and loan servicers with the highest volume of  
22 complaints and reports, as determined by the  
23 Secretary.

24 (f) DEFINITIONS.—In this section:

1           (1) INSTITUTION OF HIGHER EDUCATION.—The  
2       term “institution of higher education” has the  
3       meaning given that term in section 102 of the High-  
4       er Education Act of 1965 (20 U.S.C. 1002).

5           (2) RECRUITING AND MARKETING ACTIVI-  
6       TIES.—

7           (A) IN GENERAL.—Except as provided in  
8       clause (ii), the term “recruiting and marketing  
9       activities” shall include the following:

10           (i) Advertising and promotion activi-  
11       ties, including paid announcements in  
12       newspapers, magazines, radio, television,  
13       billboards, electronic media, naming rights,  
14       or any other public medium of communica-  
15       tion, including paying for displays or pro-  
16       motions at job fairs, military installations,  
17       or college recruiting events.

18           (ii) Efforts to identify and attract  
19       prospective students, either directly or  
20       through a third party contractor, including  
21       contact concerning a prospective student’s  
22       potential enrollment or application for  
23       grant, loan, or work assistance under title  
24       IV of the Higher Education Act of 1965  
25       (20 U.S.C. 1070 et seq.) or participation

1 in preadmission or advising activities, in-  
2 cluding—

3 (I) paying employees responsible  
4 for overseeing enrollment and for con-  
5 tacting potential students in-person,  
6 by phone, by email, or by other Inter-  
7 net communications regarding enroll-  
8 ment; and

9 (II) soliciting an individual to  
10 provide contact information to an in-  
11 stitution of higher education, includ-  
12 ing websites established for such pur-  
13 pose and funds paid to third parties  
14 for such purpose.

15 (iii) Such other activities as the Sec-  
16 retary may prescribe, including paying for  
17 promotion or sponsorship of education or  
18 military-related associations.

19 (B) EXCEPTIONS.—Any activity that is re-  
20 quired as a condition of receipt of funds by an  
21 institution under title IV of the Higher Edu-  
22 cation Act of 1965 (20 U.S.C. 1070 et seq.), is  
23 specifically authorized under such title, or is  
24 otherwise specified by the Secretary, shall not

- 1 be considered to be a covered activity under this
- 2 subparagraph.

