

On Wednesday, September 5, 2018, the U.S. House passed [H.R. 1635, the \*Empowering Students Through Enhanced Financial Counseling Act\*](#), which seeks to improve the entrance and exit loan counseling requirements under the Higher Education Act. The legislation was approved by a vote of 406-4; all of the no votes were from Republicans. The bipartisan bill, introduced by Reps. Brett Guthrie (R-KY) and Suzanne Bonamici (D-OR), replaces required entrance counseling with required annual counseling, and expands the required recipients of annual counseling to include, in addition to student borrowers, Pell Grant recipients and Parent PLUS Loan borrowers. Before final passage, the House approved seven amendments to the bill by voice vote, including the following:

Rep. Jason Lewis (R-MN) amendment to notify Parent PLUS borrowers that their dependent may qualify for other financial aid and should consider scholarships, grants, and federal work-study jobs prior to borrowing.

Rep. Stephanie Murphy (D-FL) amendment to require institutions of higher education, as part of the annual counseling process mandated by the bill, to inform a student borrower that the loan amounts the student uses during an academic term will count towards the student's aggregate loan amounts, regardless of whether the credits transfer.

Rep. Rick Allen (R-GA) amendment that states nothing in the bill prohibits institutions of higher education from providing additional information and counseling to students, provided that such services are not considered a condition for disbursement of federal aid.

Rep. Pramila Jayapal (D-WA) amendment to require exit counseling to include a warning about illegitimate third-party debt relief companies, which offer services for a fee already provided to borrowers free of charge through their federal student loan servicer.

Rep. Elise Stefanik (R-NY) amendment to provide all students with an explanation of how to seek additional assistance from the financial aid office should they experience a change of financial circumstance.

Rep. Vicky Hartzler (R-MO) amendment to encourage institutions of higher education to have students attend in-person loan counseling sessions.

Rep. Tom O'Halleran (D-AZ) amendment to require annual counseling to disclose the anticipated monthly payment to borrowers for any income-driven repayment plan for which they are eligible, improving borrowers' awareness of income-driven repayment plan options.

H.R. 1635 now moves to the U.S. Senate for consideration. However, both Senate Republicans and Democrats have indicated that they would prefer to deal with higher education reform through a comprehensive reauthorization of the Higher Education Act.