

119TH CONGRESS
2D SESSION

H. R. 10220

To amend the Higher Education Act of 1965 to include notification and automatic enrollment procedures for borrowers who are delinquent on loans, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 2, 2026

Ms. BONAMICI (for herself, Mrs. MCBATH, Mr. TAKANO, Ms. WILSON of Florida, Mr. KRISHNAMOORTHY, Mr. MOULTON, and Ms. NORTON) introduced the following bill; which was referred to the Committee on Education and Workforce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Higher Education Act of 1965 to include notification and automatic enrollment procedures for borrowers who are delinquent on 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 “Streamlining Income-
5 driven, Manageable Payments on Loans for Education
6 Act” or the “SIMPLE Act”.

1 **SEC. 2. NOTIFICATION AND AUTOMATIC ENROLLMENT**
2 **PROCEDURES FOR BORROWERS WHO ARE**
3 **DELINQUENT ON LOANS AND FOR BOR-**
4 **ROWERS WHO ARE REHABILITATING DE-**
5 **FAULTED LOANS.**

6 (a) AMENDMENTS.—

7 (1) NOTIFICATION AND AUTOMATIC ENROLL-
8 MENT PROCEDURES.—Section 455(d) of the Higher
9 Education Act of 1965 (20 U.S.C. 1087e(d)) is
10 amended by adding at the end the following:

11 “(8) NOTIFICATION AND AUTOMATIC ENROLL-
12 MENT PROCEDURES FOR BORROWERS WHO ARE DE-
13 LINQUENT ON LOANS.—

14 “(A) AUTHORITY TO OBTAIN INCOME IN-
15 FORMATION.—The Secretary shall establish and
16 implement, with respect to any borrower de-
17 scribed in subparagraph (B), procedures to—

18 “(i) use return information of the bor-
19 rower (and the borrower’s spouse, if appli-
20 cable) disclosed under section 6103(l)(13)
21 of the Internal Revenue Code of 1986, pur-
22 suant to approval provided under section
23 494, to determine the income and family
24 size of the borrower (and the borrower’s
25 spouse, if applicable) without further ac-
26 tion by the borrower;

1 “(ii) allow the borrower (or the spouse
2 of the borrower), at any time, to opt out
3 of disclosure under such section
4 6103(l)(13) and instead provide such infor-
5 mation as the Secretary may require to de-
6 termine the income and family size of the
7 borrower (and the borrower’s spouse, if ap-
8 plicable); and

9 “(iii) provide the borrower with an op-
10 portunity to update the return information
11 so disclosed before the determination of the
12 income and family size of the borrower for
13 purposes of this paragraph.

14 “(B) BORROWER NOTIFICATION.—With re-
15 spect to each borrower of a covered loan who is
16 at least 31 days delinquent on such loan and
17 who has not been subject to the procedures
18 under this paragraph for such loan in the pre-
19 ceding 120 days, the Secretary shall, as soon as
20 practicable after such 31-day delinquency, pro-
21 vide to the borrower the following:

22 “(i) Notification that the borrower is
23 at least 31 days delinquent on at least 1
24 covered loan, and a description of all delin-
25 quent covered loans, nondelinquent covered

1 loans, and noncovered loans of the bor-
2 rower.

3 “(ii) A brief description of the repay-
4 ment plans for which the borrower is eligi-
5 ble and the covered loans and noncovered
6 loans of the borrower that may be eligible
7 for such plans, based on information avail-
8 able to the Secretary.

9 “(iii) Clear and simple instructions on
10 how to select the repayment plans.

11 “(iv) The amount of monthly pay-
12 ments for the covered and noncovered
13 loans under the repayment plans for which
14 the borrower is eligible, based on informa-
15 tion available to the Secretary, including, if
16 the income information of the borrower is
17 available to the Secretary under subpara-
18 graph (A)—

19 “(I) the amount of the monthly
20 payment under each income-driven re-
21 payment plan for which the borrower
22 is eligible for the borrower’s covered
23 and noncovered loans, based on such
24 income information; and

1 “(II) the income, family size, tax
2 filing status, and tax year information
3 on which each monthly payment is
4 based.

5 “(v) An explanation that in the case
6 of a borrower for whom adjusted gross in-
7 come is unavailable and who only has cov-
8 ered loans made prior to July 1, 2026—

9 “(I) if the borrower selects to
10 repay the covered loans of such bor-
11 rower pursuant to an income-driven
12 repayment plan that defines discre-
13 tionary income in such a manner that
14 an individual not required under sec-
15 tion 6012(a)(1) of the Internal Rev-
16 enue Code of 1986 to file a return
17 with respect to income taxes imposed
18 by subtitle A of such Code may have
19 a calculated monthly payment greater
20 than \$0, the borrower will be required
21 to provide the Secretary with other
22 documentation of income satisfactory
23 to the Secretary, which documentation
24 the Secretary may use to determine

1 an appropriate repayment schedule;
2 and

3 “(II) if the borrower selects to
4 repay such loans pursuant to an in-
5 come-driven repayment plan that is
6 not described in subclause (I), the
7 borrower will not be required to pro-
8 vide the Secretary with such other
9 documentation of income, and the bor-
10 rower will have a calculated monthly
11 payment of \$0.

12 “(vi) An explanation that the Sec-
13 retary shall take the actions under sub-
14 paragraph (C) with respect to such bor-
15 rower, if—

16 “(I) the borrower is 75 days de-
17 linquent on one or more covered loans
18 and has not selected a new repayment
19 plan for the covered loans of the bor-
20 rower; and

21 “(II) in the case of such a bor-
22 rower whose repayment plan for the
23 covered loans of the borrower is not
24 an income-driven repayment plan, the
25 monthly payments under such repay-

1 ment plan are higher than such
2 monthly payments would be under an
3 income-driven repayment plan for
4 such loans.

5 “(vii) Instructions on updating the in-
6 formation of the borrower obtained under
7 subparagraph (A).

8 “(C) SECRETARY’S INITIAL SELECTION OF
9 PLAN.—With respect to each borrower de-
10 scribed in subparagraph (B) who has a repay-
11 ment plan for the covered loans of the borrower
12 that meets the requirements of clause (vi)(II) of
13 subparagraph (B) and has not selected a new
14 repayment plan for such loans in accordance
15 with the notice received under such subpara-
16 graph, and who is at least 75 days delinquent
17 on such a loan, the Secretary shall, as soon as
18 practicable—

19 “(i) in a case in which any of the bor-
20 rower’s covered loans are eligible for an in-
21 come-driven repayment plan—

22 “(I)(aa) provide the borrower
23 with the income-driven repayment
24 plan that requires the lowest monthly
25 payment amount for each covered loan

1 of the borrower, compared to any
2 other such plan for which the bor-
3 rower is eligible; or

4 “(bb) if more than one income-
5 driven repayment plan would offer the
6 borrower the same lowest monthly
7 payment amount, provide the bor-
8 rower with the income-driven repay-
9 ment plan that has the most favorable
10 terms for the borrower;

11 “(II) if the plan selected under
12 subclause (I) is not the income-driven
13 repayment plan that would have the
14 lowest monthly payment amount if the
15 borrower were eligible for such plan
16 for the borrower’s covered loans and
17 noncovered loans, notify the borrower
18 of the actions, if any, the borrower
19 may take to become eligible for such
20 income-driven repayment plan; and

21 “(III) authorize the borrower to
22 change the Secretary’s selection of a
23 plan under this clause to any plan de-
24 scribed in paragraph (1) for which the
25 borrower is eligible; and

1 “(ii) in a case in which none of the
2 borrower’s covered loans are eligible for an
3 income-driven repayment plan, notify the
4 borrower of the actions, if any, the bor-
5 rower may take for such loans to become
6 eligible for such a plan.

7 “(D) SECRETARY’S ADDITIONAL SELEC-
8 TION OF PLAN.—

9 “(i) IN GENERAL.—With respect to
10 each borrower of a covered loan who se-
11 lects a new repayment plan in accordance
12 with the notice received under subpara-
13 graph (B) and who continues to be delin-
14 quent on such loan for a period described
15 in clause (ii), the Secretary shall, as soon
16 as practicable after such period, carry out
17 the procedures described in clauses (i) and
18 (ii) of subparagraph (C) for the covered
19 loans of the borrower, if such procedures
20 would result in lower monthly repayment
21 amounts on such loan.

22 “(ii) DESCRIPTION OF PERIOD.—The
23 duration of the period described in clause
24 (i) shall be the amount of time that the
25 Secretary determines is sufficient to indi-

1 cate that the borrower may benefit from
2 repaying such loan under a new repayment
3 plan, but in no case shall such period be
4 less than 60 days.

5 “(9) NOTIFICATION AND AUTOMATIC ENROLL-
6 MENT PROCEDURES FOR BORROWERS WHO ARE RE-
7 HABILITATING DEFAULTED LOANS.—

8 “(A) AUTHORITY TO OBTAIN INCOME IN-
9 FORMATION.—The Secretary shall establish and
10 implement, with respect to any borrower who is
11 rehabilitating a covered loan pursuant to sec-
12 tion 428F(a), procedures to—

13 “(i) use return information of the bor-
14 rower (and the borrower’s spouse, if appli-
15 cable) disclosed section 6103(l)(13) of the
16 Internal Revenue Code of 1986, pursuant
17 to approval provided under section 494, to
18 obtain such information as is reasonably
19 necessary regarding the income and family
20 size of the borrower (and the borrower’s
21 spouse, if applicable);

22 “(ii) allow the borrower (or the spouse
23 of the borrower), at any time, to opt out
24 of disclosure under such section
25 6103(l)(13) and instead provide such infor-

1 mation as the Secretary may require to ob-
2 tain such information; and

3 “(iii) provide the borrower with an op-
4 portunity to update the return information
5 so disclosed before the determination of in-
6 come and family size of the borrower (and
7 the borrower’s spouse, if applicable) for
8 purposes of this paragraph.

9 “(B) BORROWER NOTIFICATION.—Not
10 later than 30 days after a borrower makes the
11 6th payment required for the loan rehabilitation
12 described in subparagraph (A), the Secretary
13 shall notify the borrower of the process under
14 subparagraph (C) with respect to such loan.

15 “(C) SECRETARY’S SELECTION OF PLAN.—
16 With respect to each borrower who has made
17 the 9th payment required for the loan rehabili-
18 tation described in subparagraph (A), the Sec-
19 retary shall, as soon as practicable after such
20 payment—

21 “(i) in a case in which any of the bor-
22 rower’s covered loans, without regard to
23 whether the loan has been so rehabilitated,
24 is eligible for an income-driven repayment
25 plan—

1 “(I)(aa) provide the borrower
2 with the income-driven repayment
3 plan that requires the lowest monthly
4 payment amount for each covered loan
5 of the borrower, compared to any
6 other such plan for which the bor-
7 rower is eligible; or

8 “(bb) if more than one income-
9 driven repayment plan would offer the
10 borrower the same lowest monthly
11 payment amount, provide the bor-
12 rower with the income-driven repay-
13 ment plan that has the most favorable
14 terms for the borrower; and

15 “(II) if the plan selected under
16 subclause (I) is not the income-driven
17 repayment plan that would have the
18 lowest monthly payment amount if the
19 borrower were eligible for such plan
20 for the borrower’s covered loans and
21 noncovered loans, notify the borrower
22 of the actions, if any, the borrower
23 may take to become eligible for such
24 income-driven repayment plan; and

1 “(ii) in a case in which none of the
 2 borrower’s covered loans are eligible for an
 3 income-driven repayment plan, notify the
 4 borrower of the actions, if any, the bor-
 5 rower may take for such a loan to become
 6 eligible for such a plan.”.

7 (2) DEFINITIONS.—Section 455(d) of the High-
 8 er Education Act of 1965 (20 U.S.C. 1087e(d)), as
 9 amended by paragraph (1), is further amended by
 10 adding at the end the following:

11 “(10) DEFINITIONS.—In this subsection:

12 “(A) COVERED LOAN.—The term ‘covered
 13 loan’ means—

14 “(i) a loan made under this part;

15 “(ii) a loan purchased under section
 16 459A; or

17 “(iii) a loan that has been assigned to
 18 the Secretary under section 428(c)(8).

19 “(B) INCOME-DRIVEN REPAYMENT
 20 PLAN.—The term ‘income-driven repayment
 21 plan’ means a plan described in subparagraph
 22 (D) or (E) of paragraph (1), or the Repayment
 23 Assistance Plan under subsection (q).

24 “(C) NONCOVERED LOAN.—The term
 25 ‘noncovered loan’ means a loan made, insured,

1 or guaranteed under this title that is not a cov-
2 ered loan.”.

3 (3) AUTOMATIC RECERTIFICATION.—

4 (A) BORROWER FOR WHOM ADJUSTED
5 GROSS INCOME IS UNAVAILABLE.—Section
6 455(e)(8)(A) of the Higher Education Act of
7 1965 (20 U.S.C. 1087e(e)(8)(A)) is amended—

8 (i) by striking “and” at the end of
9 clause (ii);

10 (ii) by redesignating clause (iii) as
11 clause (iv); and

12 (iii) by inserting after clause (ii), the
13 following:

14 “(iii) in the case of a borrower who
15 has selected to repay a covered loan (as de-
16 fined in subsection (d)(10)) pursuant to an
17 income contingent repayment plan that de-
18 fines discretionary income in such a man-
19 ner that the borrower would have a cal-
20 culated monthly payment equal to \$0, not
21 require the borrower to provide the Sec-
22 retary the information described in clause
23 (i) or (ii), and ensure that the borrower
24 will have a calculated monthly payment of
25 \$0; and”.

1 (B) INCLUSION OF COVERED LOANS.—Sec-
2 tion 455(e)(8)(B) of the Higher Education Act
3 of 1965 (20 U.S.C. 1087e(e)(8)(B)) is amended
4 by striking “a loan made under this part” and
5 inserting “a covered loan (as defined in sub-
6 section (d)(10))”.

7 (4) CHANGING PLANS.—Section 493C(b)(8) of
8 the Higher Education Act of 1965 (20 U.S.C.
9 1098e(b)(8)) is amended to read as follows:

10 “(8) a borrower who is repaying a loan made,
11 insured, or guaranteed under part B or D pursuant
12 to income-based repayment may elect, at any time,
13 to terminate repayment pursuant to income-based
14 repayment and repay such loan under any repay-
15 ment plan for which the loan is eligible in accord-
16 ance with the requirements of part B or part D, re-
17 spectively; and”.

18 (5) PROCEDURE AND REQUIREMENT FOR RE-
19 QUESTING TAX RETURN INFORMATION FROM THE
20 IRS.—Section 494(a) of the Higher Education Act of
21 1965 (20 U.S.C. 1098h(a)) is amended—

22 (A) in paragraph (2)—

23 (i) in subparagraph (A), in the matter
24 preceding clause (i), by striking “a loan
25 under part D” and inserting “a covered

1 loan (as defined in section 455(d)(10))”;
2 and

3 (ii) in subparagraph (B), by striking
4 “a loan under part D” and inserting “a
5 covered loan (as defined in section
6 455(d)(10))”; and

7 (B) by adding at the end the following:

8 “(4) LOAN DELINQUENCY AND REHABILITA-
9 TION.—

10 “(A) BORROWERS DELINQUENT ON
11 LOANS.—In the case of an individual who is a
12 borrower of a covered loan and who is at least
13 31 days delinquent on such loan, the Secretary,
14 with respect to such individual and any spouse
15 of such individual, shall—

16 “(i) provide to such individuals the
17 notification described in paragraph
18 (1)(A)(i); and

19 “(ii) require, as a condition of eligi-
20 bility for the notification and automatic en-
21 rollment procedures for borrowers who are
22 delinquent on loans under section
23 455(d)(8), that such individuals—

24 “(I) affirmatively approve the
25 disclosure described in paragraph

1 (1)(A)(i) and agree that such approval
2 shall serve as an ongoing approval of
3 such disclosure until the date on
4 which the individual elects to opt out
5 of such disclosure under section
6 455(d)(8)(A)(ii); or

7 “(II) provide such information as
8 the Secretary may require to carry
9 out the procedures under section
10 455(d)(8) with respect to such indi-
11 vidual.

12 “(B) LOAN REHABILITATION.—In the case
13 of any written or electronic application by an
14 individual for the rehabilitation of a covered
15 loan pursuant to section 428F(a), the Sec-
16 retary, with respect to such individual and any
17 spouse of such individual, shall—

18 “(i) provide to such individuals the
19 notification described in paragraph
20 (1)(A)(i); and

21 “(ii) require, as a condition of eligi-
22 bility for loan rehabilitation pursuant to
23 section 428F(a), that such individuals—

24 “(I) affirmatively approve the
25 disclosure described in paragraph

1 (1)(A)(i) and agree that such approval
 2 shall serve as an ongoing approval of
 3 such disclosure until the date on
 4 which the individual elects to opt out
 5 of such disclosure under section
 6 455(d)(9)(A)(ii); or

7 “(II) provide such information as
 8 the Secretary may require to carry
 9 out the procedures under section
 10 455(d)(9) with respect to such indi-
 11 vidual.

12 “(C) COVERED LOAN DEFINED.—In this
 13 paragraph, the term ‘covered loan’ has the
 14 meaning given the term in section 455(d)(10).”.

15 (b) SECURE DISCLOSURE OF TAX-RETURN INFOR-
 16 MATION.—

17 (1) IN GENERAL.—Section 6103(l)(13) of the
 18 Internal Revenue Code of 1986 is amended by redes-
 19 ignating subparagraphs (D), (E), and (F) as para-
 20 graphs (E), (F), and (G), respectively, and by in-
 21 serting after subparagraph (C) the following new
 22 subparagraph:

23 “(D) NOTIFICATION AND AUTOMATIC EN-
 24 ROLLMENT FOR CERTAIN BORROWERS.—The
 25 Secretary shall, upon written request from the

1 Secretary of Education, disclose to any author-
2 ized person, only for the purpose of (and to the
3 extent necessary in) carrying out paragraphs
4 (8) and (9) of section 455(d) of the Higher
5 Education Act of 1965, return information de-
6 scribed in clauses (i) through (vi) of subpara-
7 graph (A) from returns of an individual cer-
8 tified by the Secretary of Education as having
9 provided approval under section 494(a)(4) of
10 such Act (as in effect on the date of enactment
11 of this paragraph) for such disclosure.”.

12 (2) CONFORMING AMENDMENTS.—

13 (A) Section 6103(l)(13)(A) of the Internal
14 Revenue Code of 1986 is amended by striking
15 “loans under part D of such title” and inserting
16 “covered loans (as defined in section 455(d)(10)
17 of such Act)”.

18 (B) Section 6103(l)(13)(E)(i) of the Inter-
19 nal Revenue Code of 1986 (as redesignated by
20 paragraph (1)) is amended by striking “and
21 (C)” and inserting “(C), and (D)”.

22 (C) Subparagraphs (F) and (G) of section
23 6103(l)(13) of the Internal Revenue Code of
24 1986 (as redesignated by paragraph (1)) are

1 each amended by striking “or (C)” and insert-
2 ing “(C), or (D)”.

3 (c) EFFECTIVE DATE; APPLICATION.—

4 (1) AUTOMATIC ENROLLMENT.—The amend-
5 ments made by paragraphs (1), (2), (3), and (5) of
6 subsection (a) shall—

7 (A) apply to all borrowers of covered loans
8 (as defined in section 455(d)(10) of the Higher
9 Education Act of 1965, as added by subsection
10 (a)); and

11 (B) take effect on July 1, 2028, and shall
12 apply with respect to award year 2028–2029
13 and each subsequent award year, as determined
14 under the Higher Education Act of 1965.

15 (2) CHANGING PLANS.—The amendment made
16 by subsection (a)(4) shall take effect on the date of
17 enactment of this Act.

18 (3) DISCLOSURE.—The amendments made by
19 subsection (b) shall apply to disclosures after the
20 date of enactment of this Act.

○