

Amendment to Labor, HHS, Education Appropriations Bill

Offered by Mr. Cole of Oklahoma

At the end of the bill (before the short title), insert the following:

SEC. 309. (a) No performance bonus shall be paid to an employee of the Office of Federal Student Aid of the Department of Education unless the employee meets the performance targets established by the Secretary of Education under subsection (b).

(b) The Secretary of Education shall establish performance targets for employees of the Office of Federal Student Aid of the Department of Education. The performance targets shall be based on the following factors:

(1) Customer service, contractor compliance with applicable Federal consumer protection laws, minimizing improper payments, portfolio resolution, collection rates, and overall current repayment status of the portfolio of Federal student loans; and

(2) the optimal use of qualified large and small business contractors to help the Office achieve, at minimum, the average portfolio resolution percentage achieved by the Office for the period of fiscal years 2015 through 2018.

(c) Not later than 60 days after the date of the enactment of this Act, the Secretary of Education shall submit to the appropriate congressional committees a report that includes—

(1) the performance targets established by the Secretary under subsection (b);

(2) the rationale for such targets; and

(3) the Office of Federal Student Aid's historical performance in meeting such targets, if known.

(d) Not later than 180 days after the date of the enactment of this Act, the Secretary of Education shall submit to the appropriate congressional committees a report that assesses the performance of the Office of Federal Student Aid in meeting the performance targets established by the Secretary under subsection (b).

(e) In this section:

(1) The term “appropriate congressional committees” means—

(A) the Committees on Appropriations of the House of Representatives and the Senate; and

(B) each committee of the House of Representatives or the Senate with jurisdiction over the Office of Federal Student Aid of the Department of Education.

(2) The term “Federal student loan” means a loan made under part D of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087a et seq.).

(3) The term “portfolio resolution” means the proportion of the total value of recoveries from defaulted Federal student loans, not including consolidations, compared with the total value of newly defaulted Federal student loans for each fiscal quarter.
