

***In the Senate of the United States,***

*April 30, 2008.*

*Resolved*, That the bill from the House of Representatives (H.R. 5715) entitled “An Act to ensure continued availability of access to the Federal student loan program for students and families.”, do pass with the following

**AMENDMENTS:**

1 **(1)**On page 2, line 5, strike **[AND GRADUATE]**

2 **(2)**On page 7, line 11, strike **[issued]** and insert: *first*  
3 *disbursed*

4 **(3)**On page 9, line 12, strike **[issued]** and insert: *first*  
5 *disbursed*

6 **(4)**On page 9, line 24 through page 10 line 11 strike and  
7 insert:

8 *“(B)(i) EXTENUATING CIRCUMSTANCES.—*  
9 *An eligible lender may determine that extenu-*  
10 *ating circumstances exist under the regulations*

1           promulgated pursuant to paragraph (1)(A) if,  
2           during the period beginning January 1, 2007,  
3           and ending December 31, 2009, an applicant for  
4           a loan under this section—

5                   “(I) is or has been delinquent for 180  
6                   days or fewer on mortgage loan payments  
7                   or on medical bill payments during such  
8                   period; and

9                   “(II) is not and has not been more  
10                  than 89 days delinquent on the repayment  
11                  of any other debt during such period.

12                  “(ii) *DEFINITION OF MORTGAGE LOAN.*—In  
13                  this subparagraph, the term ‘mortgage loan’  
14                  means an extension of credit to a borrower that  
15                  is secured by the primary residence of the bor-  
16                  rower.

17                  “(iii) *RULE OF CONSTRUCTION.*—Nothing  
18                  in this subparagraph shall be construed to limit  
19                  an eligible lender’s authority under the regula-  
20                  tions promulgated pursuant to paragraph (1)(A)  
21                  to determine that extenuating circumstances  
22                  exist.”.

23   **(5)** On page 10, after line 24 insert:

24                   (1) in paragraph (1), by inserting after the sec-  
25                   ond sentence the following: “No loan under section

1     428, 428B, or 428H that is made pursuant to this  
 2     subsection shall be made with interest rates, origina-  
 3     tion or default fees, or other terms and conditions  
 4     that are more favorable to the borrower than the max-  
 5     imum interest rates, origination or default fees, or  
 6     other terms and conditions applicable to that type of  
 7     loan under this part.”;

8     **(6)**On page 12, line 14, strike **[lenders willing to make**  
 9     **loans]** and insert: *eligible lenders willing to make loans*  
 10    *under this part*

11   **(7)**On page 13, after line 2 insert:

12           “(6) *EXPIRATION OF AUTHORITY.*—*The Sec-*  
 13           *retary’s authority under paragraph (4) to designate*  
 14           *institutions of higher education for participation in*  
 15           *the program under this subsection shall expire on*  
 16           *June 30, 2009.*

17           “(7) *EXPIRATION OF DESIGNATION.*—*The eligi-*  
 18           *bility of an institution of higher education, or bor-*  
 19           *rowers from such institution, to participate in the*  
 20           *program under this subsection pursuant to a designa-*  
 21           *tion of the institution by the Secretary under para-*  
 22           *graph (4) shall expire on June 30, 2009. After such*  
 23           *date, borrowers from an institution designated under*  
 24           *paragraph (4) shall be eligible to participate in the*

1 *program under this subsection as such program ex-*  
2 *isted on the day before the date of enactment of the*  
3 *Ensuring Continued Access to Student Loans Act of*  
4 *2008.*

5 “(8) *PROHIBITION ON INDUCEMENTS AND MAR-*  
6 *KETING.—Each guaranty agency or eligible lender*  
7 *that serves as a lender-of-last-resort under this sub-*  
8 *section—*

9 “(A) *shall be subject to the prohibitions on*  
10 *inducements contained in subsection (b)(3) and*  
11 *the requirements of section 435(d)(5); and*

12 “(B) *shall not advertise, market, or other-*  
13 *wise promote loans under this subsection, except*  
14 *that nothing in this paragraph shall prohibit a*  
15 *guaranty agency from fulfilling its responsibil-*  
16 *ities under paragraph (2)(C).*

17 “(9) *DISSEMINATION AND REPORTING.—*

18 “(A) *IN GENERAL.—The Secretary shall—*

19 “(i) *broadly disseminate information*  
20 *regarding the availability of loans made*  
21 *under this subsection;*

22 “(ii) *during the period beginning July*  
23 *1, 2008 and ending June 30, 2010, provide*  
24 *to the Committee on Health, Education,*  
25 *Labor, and Pensions of the Senate and the*

1            *Committee on Education and Labor of the*  
2            *House of Representatives and make avail-*  
3            *able to the public—*

4                    *“(I) copies of any new or revised*  
5                    *plans or agreements made by guaranty*  
6                    *agencies or the Department related to*  
7                    *the authorities under this subsection;*

8                    *“(II) quarterly reports on—*

9                            *“(aa) the number and*  
10                           *amounts of loans originated or*  
11                           *approved pursuant to this sub-*  
12                           *section by each guaranty agency*  
13                           *and eligible lender; and*

14                           *“(bb) any related payments*  
15                           *by the Department, a guaranty*  
16                           *agency, or an eligible lender; and*

17                    *“(III) a budget estimate of the*  
18                    *costs to the Federal Government (in-*  
19                    *cluding subsidy and administrative*  
20                    *costs) for each 100 dollars loaned, of*  
21                    *loans made pursuant to this subsection*  
22                    *between the date of enactment of the*  
23                    *Ensuring Continued Access to Student*  
24                    *Loans Act of 2008 and June 30, 2009,*  
25                    *disaggregated by type of loan, com-*

1                    *pared to such costs to the Federal Gov-*  
2                    *ernment during such time period of*  
3                    *comparable loans under this part and*  
4                    *part D, disaggregated by part and by*  
5                    *type of loan; and*

6                    *“(iii) beginning July 1, 2010, provide*  
7                    *to the Committee on Health, Education,*  
8                    *Labor, and Pensions of the Senate and the*  
9                    *Committee on Education and Labor of the*  
10                   *House of Representatives and make avail-*  
11                   *able to the public—*

12                   *“(I) copies of any new or revised*  
13                   *plans or agreements made by guaranty*  
14                   *agencies or the Department related to*  
15                   *the authorities under this subsection;*  
16                   *and*

17                   *“(II) annual reports on—*

18                   *“(aa) the number and*  
19                   *amounts of loans originated or*  
20                   *approved pursuant to this sub-*  
21                   *section by each guaranty agency*  
22                   *and eligible lender; and*

23                   *“(bb) any related payments*  
24                   *by the Department, a guaranty*  
25                   *agency, or an eligible lender.*

1           “(B) *SEPARATE REPORTING.*—*The informa-*  
2           *tion required to be reported under subparagraph*  
3           *(A)(ii)(II) shall be reported separately for loans*  
4           *originated or approved pursuant to paragraph*  
5           *(4), or payments related to such loans, for the*  
6           *time period in which the Secretary is authorized*  
7           *to make designations under paragraph (4).”.*

8 **(8)**On page 13, line 12, strike **【agency’s】** and insert:  
9 *agencies*

10 **(9)**On page 14, line 3, strike **【adding at the end】** and  
11 insert: *inserting before the matter following paragraph (5)*

12 **(10)**On page 15, line 19, strike **【loans originated】** and  
13 insert: *loans first disbursed*

14 **(11)**On page 15, line 21, after “October 1, 2003,” insert:  
15 *and before July 1, 2009,*

16 **(12)**On page 16, line 1, after “Federal Government” in-  
17 sert: *(including the cost of servicing the loans purchased)*

18 **(13)**On page 16, strike lines 5 through 23, and insert  
19 the following:

20           “(2) *FEDERAL REGISTER NOTICE.*—*The Sec-*  
21           *retary, the Secretary of the Treasury, and the Direc-*  
22           *tor of the Office of Management and Budget, shall*

1 *jointly publish a notice in the Federal Register prior*  
 2 *to any purchase of loans under this section that—*

3 *“(A) establishes the terms and conditions*  
 4 *governing the purchases authorized by paragraph*  
 5 *(1);*

6 *“(B) includes an outline of the methodology*  
 7 *and factors that the Secretary, the Secretary of*  
 8 *the Treasury, and the Director of the Office of*  
 9 *Management and Budget, will jointly consider in*  
 10 *evaluating the price at which to purchase loans*  
 11 *made under section 428, 428B, or 428H; and*

12 *“(C) describes how the use of such method-*  
 13 *ology and consideration of such factors used to*  
 14 *determine purchase price will ensure that loan*  
 15 *purchases do not result in any net cost to the*  
 16 *Federal Government (including the cost of serv-*  
 17 *icing the loans purchased).”.*

18 **(14)** On page 20, after line 9 insert the following:

19 **SEC. 10. ACADEMIC COMPETITIVENESS GRANTS.**

20 *(a) AMENDMENTS.—Section 401A of the Higher Edu-*  
 21 *cation Act of 1965 (20 U.S.C. 1070a–1) is amended—*

22 *(1) by striking subsection (a) and inserting the*  
 23 *following:*

24 *“(a) ACADEMIC COMPETITIVENESS GRANT PROGRAM*  
 25 *AUTHORIZED.—The Secretary shall award grants, in the*

1 *amounts specified in subsection (d)(1), to eligible students*  
2 *to assist the eligible students in paying their college edu-*  
3 *cation expenses.”;*

4 *(2) in subsection (b)—*

5 *(A) by striking “academic year” each place*  
6 *it appears and inserting “year”; and*

7 *(B) in paragraph (2), by striking “third or*  
8 *fourth” and inserting “third, fourth, or fifth”;*

9 *(3) in subsection (c)—*

10 *(A) in the matter preceding paragraph*

11 *(1)—*

12 *(i) by striking “full-time”;*

13 *(ii) by striking “academic” and insert-*  
14 *ing “award”; and*

15 *(iii) by striking “is made” and insert-*  
16 *ing “is made for a grant under this sec-*  
17 *tion”;*

18 *(B) by striking paragraphs (1) and (2) and*  
19 *inserting the following:*

20 *“(1) is eligible for a Federal Pell Grant;*

21 *“(2) is enrolled or accepted for enrollment in an*  
22 *institution of higher education on not less than a*  
23 *half-time basis; and”;* and

24 *(C) in paragraph (3)—*

1                   (i) by striking “academic” each place  
2                   the term appears;

3                   (ii) in subparagraph (A)—

4                   (I) by striking the matter pre-  
5                   ceding clause (i) and inserting the fol-  
6                   lowing:

7                   “(A) the first year of a program of under-  
8                   graduate education at a two- or four-year degree-  
9                   granting institution of higher education (includ-  
10                  ing a program of not less than one year for  
11                  which the institution awards a certificate)—”;

12                  (II) by striking clause (i) and in-  
13                  serting the following:

14                  “(i) has successfully completed, after  
15                  January 1, 2006, a rigorous secondary  
16                  school program of study that prepares stu-  
17                  dents for college and is recognized as such  
18                  by the State official designated for such rec-  
19                  ognition, or with respect to any private or  
20                  home school, the school official designated  
21                  for such recognition for such school, con-  
22                  sistent with State law, which recognized  
23                  program shall be reported to the Secretary;  
24                  and”;

1                   (III) in clause (ii), by inserting “,  
2                   except as part of a secondary school  
3                   program of study” before the semicolon;  
4                   (iii) in subparagraph (B)—

5                   (I) in the matter preceding clause  
6                   (i), by striking “year of” and all that  
7                   follows through “higher education” and  
8                   inserting “year of a program of under-  
9                   graduate education at a two- or four-  
10                  year degree-granting institution of  
11                  higher education (including a program  
12                  of not less than two years for which the  
13                  institution awards a certificate)”; and

14                  (II) in clause (ii), by striking  
15                  “or” after the semicolon at the end;  
16                  (iv) in subparagraph (C)—

17                  (I) in the matter preceding sub-  
18                  clause (I) of clause (i), by inserting  
19                  “certified by the institution to be”  
20                  after “is”;

21                  (II) by striking clause (i)(II) and  
22                  inserting the following:

23                         “(II) a critical foreign language;  
24                         and”;

1                   (III) in clause (ii), by striking the  
2                   period at the end and inserting a semi-  
3                   colon; and

4                   (v) by adding at the end the following:

5                   “(D) the third or fourth year of a program  
6                   of undergraduate education at an institution of  
7                   higher education (as defined in section 101(a)),  
8                   is attending an institution that demonstrates, to  
9                   the satisfaction of the Secretary, that the institu-  
10                  tion—

11                  “(i) offers a single liberal arts cur-  
12                  riculum leading to a baccalaureate degree,  
13                  under which students are not permitted by  
14                  the institution to declare a major in a par-  
15                  ticular subject area, and the student—

16                  “(I)(aa) studies, in such years, a  
17                  subject described in subparagraph  
18                  (C)(i) that is at least equal to the re-  
19                  quirements for an academic major at  
20                  an institution of higher education that  
21                  offers a baccalaureate degree in such  
22                  subject, as certified by an appropriate  
23                  official from the institution; and

24                  “(bb) has obtained a cumulative  
25                  grade point average of at least 3.0 (or

1           *the equivalent as determined under*  
2           *regulations prescribed by the Sec-*  
3           *retary) in the relevant coursework; or*

4                     *“(II) is required, as part of the*  
5                     *student’s degree program, to undertake*  
6                     *a rigorous course of study in mathe-*  
7                     *matics, biology, chemistry, and phys-*  
8                     *ics, which consists of at least—*

9                             *“(aa) 4 years of study in*  
10                            *mathematics; and*

11                            *“(bb) 3 years of study in the*  
12                            *sciences, with a laboratory compo-*  
13                            *nent in each of those years; and*

14                            *“(ii) offered such curriculum prior to*  
15                            *February 8, 2006; or*

16                            *“(E) the fifth year of a program of under-*  
17                            *graduate education that requires 5 full years of*  
18                            *coursework, as certified by the appropriate offi-*  
19                            *cial of the degree-granting institution of higher*  
20                            *education, for which a baccalaureate degree is*  
21                            *awarded by a degree-granting institution of*  
22                            *higher education—*

23                            *“(i) is certified by the institution of*  
24                            *higher education to be pursuing a major*  
25                            *in—*

1           “(I) *the physical, life, or computer*  
2           *sciences, mathematics, technology, or*  
3           *engineering (as determined by the Sec-*  
4           *retary pursuant to regulations); or*

5           “(II) *a critical foreign language;*  
6           *and*

7           “(ii) *has obtained a cumulative grade*  
8           *point average of at least 3.0 (or the equiva-*  
9           *lent, as determined under regulations pre-*  
10           *scribed by the Secretary) in the coursework*  
11           *required for the major described in clause*  
12           *(i).”;*

13           (4) *in subsection (d)—*

14           (A) *in paragraph (1)—*

15           (i) *in subparagraph (A)—*

16           (I) *by striking “The” and insert-*  
17           *ing “IN GENERAL.—The”;*

18           (II) *in clause (ii), by striking*  
19           *“or” after the semicolon at the end;*

20           (III) *in clause (iii), by striking*  
21           *“subsection (c)(3)(C).” and inserting*  
22           *“subparagraph (C) or (D) of subsection*  
23           *(c)(3), for each of the two years de-*  
24           *scribed in such subparagraphs; or”;*  
25           *and*

1                   (IV) by adding at the end the fol-  
2                   lowing:

3                   “(iv) \$4,000 for an eligible student  
4                   under subsection (c)(3)(E).”; and

5                   (ii) in subparagraph (B)—

6                   (I) by striking “Notwithstanding”  
7                   and inserting “LIMITATION; RATABLE  
8                   REDUCTION.—Notwithstanding”;

9                   (II) by redesignating clauses (i),  
10                  (ii), and (iii), as clauses (ii), (iii), and  
11                  (iv), respectively; and

12                  (III) by inserting before clause  
13                  (ii), as redesignated under subclause  
14                  (II), the following:

15                  “(i) in any case in which a student at-  
16                  tends an institution of higher education on  
17                  less than a full-time basis, the amount of  
18                  the grant that such student may receive  
19                  shall be reduced in the same manner as a  
20                  Federal Pell Grant is reduced under section  
21                  401(b)(2)(B).”;

22                  (B) by striking paragraph (2) and inserting  
23                  the following:

24                  “(2) LIMITATIONS.—

1           “(A) *NO GRANTS FOR PREVIOUS CREDIT.*—  
2           *The Secretary may not award a grant under this*  
3           *section to any student for any year of a program*  
4           *of undergraduate education for which the student*  
5           *received credit before the date of enactment of the*  
6           *Higher Education Reconciliation Act of 2005.*

7           “(B) *NUMBER OF GRANTS.*—*The Secretary*  
8           *may not award more than one grant to a stu-*  
9           *dent described in subsection (c)(3) for each year*  
10           *of study described in such subsection.”; and*

11           (C) *by adding at the end the following: and*

12           “(3) *CALCULATION OF GRANT PAYMENTS.*—*An*  
13           *institution of higher education shall make payments*  
14           *of a grant awarded under this section in the same*  
15           *manner, using the same payment periods, as such in-*  
16           *stitution makes payments for Federal Pell Grants*  
17           *under section 401.”;*

18           (5) *by striking subsection (e)(2) and inserting*  
19           *the following:*

20           “(2) *AVAILABILITY OF FUNDS.*—*Funds made*  
21           *available under paragraph (1) for a fiscal year shall*  
22           *remain available for the succeeding fiscal year.”;*

23           (6) *in subsection (f)—*

24           (A) *by striking “at least one” and inserting*  
25           *“not less than one”; and*

1                   (B) by striking “subsection (c)(3)(A) and  
2                   (B)” and inserting “subparagraphs (A) and (B)  
3                   of subsection (c)(3)”; and  
4                   (7) in subsection (g), by striking “academic”  
5                   and inserting “award”.

6                   (b) *EFFECTIVE DATE*.—The amendments made by sub-  
7                   section (a) shall take effect on January 1, 2009.

8                   **SEC. 11. INAPPLICABILITY OF MASTER CALENDAR AND NE-**  
9                   **GOTIATED RULEMAKING REQUIREMENTS.**

10                   Sections 482 and 492 of the Higher Education Act of  
11                   1965 (20 U.S.C. 1089, 1098a) shall not apply to amend-  
12                   ments made by sections 2 through 9 of this Act, or to any  
13                   regulations promulgated under such amendments.

Attest:

*Secretary.*

110<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**H.R. 5715**

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**AMENDMENTS**