

110TH CONGRESS
2^D SESSION

H. R. 5914

To clarify the authority of the Federal Financing Bank to purchase loans guaranteed under part B of title IV of the Higher Education Act of 1965, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 29, 2008

Mr. KANJORSKI introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To clarify the authority of the Federal Financing Bank to purchase loans guaranteed under part B of title IV of the Higher Education Act of 1965, 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 “Student Loan Access
5 Act of 2008”.

1 **SEC. 2. CLARIFICATION OF FEDERAL FINANCING BANK AU-**
2 **THORITY.**

3 (a) CLARIFICATION OF FEDERAL FINANCING BANK
4 AUTHORITY.—Notwithstanding any other law and subject
5 to subsection (b), the Federal Financing Bank may, in ac-
6 cordance with such terms and conditions as the Federal
7 Financing Bank may impose—

8 (1) purchase, pursuant to its authority under
9 section 6(a) of the Federal Financing Bank Act of
10 1973, guaranteed loans originated under part B of
11 title IV of the Higher Education Act of 1965, or
12 participation interests in such loans;

13 (2) provide advances to eligible lenders, as de-
14 fined in section 435 of the Higher Education Act of
15 1965, for purposes of originating or purchasing
16 loans under part B of title IV of the Higher Edu-
17 cation Act of 1965; and

18 (3) invest in securities collateralized with stu-
19 dent loans originated under part B of the title IV of
20 the Higher Education Act of 1965.

21 (b) NO NET COST.—Purchases under this section
22 shall not result in any net cost to the Federal Government,
23 as determined jointly by the Secretary of the Treasury and
24 the Director of the Office of Management and Budget.

25 (c) RELATION TO OTHER LAWS.—Section 504(b) of
26 the Congressional Budget Act of 1974 (2 U.S.C. 661c(b))

1 shall not apply to a loan (or participation interests there-
2 in) purchased pursuant to (a).

3 (d) SUNSET.—

4 (1) IN GENERAL.—Except as provided in para-
5 graph (2), subsection (c) shall expire on July 1,
6 2009.

7 (2) EXTENSION.—If the Secretary of Treasury
8 in consultation with the Secretary of Education de-
9 termines that economic circumstances necessitate ex-
10 tending the authority provided under subsection (c)
11 in order to continue to ensure timely, uninterrupted
12 access to student loans, the Secretary may extend
13 the sunset provision under paragraph (1). The Sec-
14 retary may make multiple extensions under this
15 paragraph, except that each such extension may not
16 be for a period of more than 12 months.

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