AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

110TH CONGRESS
1ST SESSION

H. R. 890

AN ACT

To establish requirements for lenders and institutions of higher education in order to protect students and other borrowers receiving educational loans.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Student Loan Sunshine Act''.

SEC. 2. INSTITUTION AND LENDER REPORTING AND DISCLOSURE REQUIREMENTS.

Title I of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) is amended by adding at the end the following:

''PART E—LENDER AND INSTITUTION REQUIREMENTS RELATING TO EDUCATIONAL LOANS

''SEC. 151. DEFINITIONS.

''In this part:

''(1) COVERED INSTITUTION.—The term 'covered institution'—

''(A) means any educational institution that offers a postsecondary educational degree, certificate, or program of study (including any institution of higher education, as such term is defined in section 102) and receives any Federal funding or assistance; and

''(B) includes an agent of the educational institution (including an alumni association, booster club, or other organization directly or indirectly associated with such institution) or employee of such institution.

"(2) EDUCATIONAL LOAN.—The term 'educational loan' (except when used as part of the term 'private educational loan') means—

"(A) any loan made, insured, or guaranteed under title IV; or

"(B) a private educational loan (as defined in paragraph (6)).

"(3) PREFERRED LENDER ARRANGEMENT.—The term 'preferred lender arrangement' means an arrangement or agreement between a lender and a covered institution—

"(A) under which arrangement or agreement a lender provides or otherwise issues educational loans to the students attending the covered institution or the parents of such students; and

"(B) which arrangement or agreement relates to the covered institution recommending, promoting, endorsing, or using the educational loan product of the lender.

"(4) LENDER.—

"(A) IN GENERAL.—The term 'lender'—

"(i) means a creditor, except that such term shall not include an issuer of

credit secured by a dwelling or under an open end credit plan; and

"(ii) includes an agent of a lender.

"(B) INCORPORATION OF TILA DEFINITIONS.—The terms 'creditor', 'dwelling' and 'open end credit plan' have the meanings given such terms in section 103 of the Truth in Lending Act (15 U.S.C. 1602).

"(5) OFFICER.—The term 'officer' includes a director or trustee of an institution.

"(6) PRIVATE EDUCATIONAL LOAN.—The term 'private educational loan' means a private loan provided by a lender that—

"(A) is not made, insured, or guaranteed under title IV; and

"(B) is issued by a lender expressly for postsecondary educational expenses to a student, or the parent of the student, regardless of whether the loan involves enrollment certification by the educational institution that the student attends.

"(7) POSTSECONDARY EDUCATIONAL EXPENSES.—The term 'postsecondary educational expenses' means any of the expenses that are included

as part of a student's cost of attendance, as defined under section 472.

"SEC. 152. REQUIREMENTS FOR LENDERS AND INSTITUTIONS PARTICIPATING IN PREFERRED LENDER ARRANGEMENTS.

"(a) CERTIFICATION BY LENDERS.—In addition to any other disclosure required under Federal law, each lender that participates in one or more preferred lender arrangements shall annually certify to the Secretary that all of the preferred lender arrangements in which it participates is in compliance with the requirements of this Act. Such compliance of such preferred lender arrangement shall be reported on and attested to annually by the auditor of such lender in the audit conducted pursuant to section 428(b)(1)(U)(iii).

"(b) PROVISION OF LOAN INFORMATION.—A lender may not provide a private educational loan to a student attending a covered institution with which the lender has a preferred lender arrangement, or the parent of such student, until the covered institution has informed the student or parent of their remaining options for borrowing under title IV, including information on any terms and conditions of available loans under such title that are more favorable to the borrower.

"(c) USE OF INSTITUTION NAME.—

"(1) IN GENERAL.—A covered institution that has entered into a preferred lender arrangement with a lender regarding private educational loans shall not allow the lender to use the name, emblem, mascot, or logo of the institution, or other words, pictures, or symbols readily identified with the institution, in the marketing of private educational loans to the students attending the institution in any way that implies that the institution endorses the private educational loans offered by the lender.

"(2) APPLICABILITY.—Paragraph (1) shall apply to any preferred lender arrangement, or extension of such arrangement, entered into or renewed after the date of enactment of the Student Loan Sunshine Act.

"SEC. 153. INTEREST RATE REPORT FOR INSTITUTIONS AND LENDERS PARTICIPATING IN PREFERRED LENDER ARRANGEMENTS.

"(a) DUTIES OF THE SECRETARY.—

"(1) REPORT AND MODEL FORMAT.—Not later than 180 days after the date of enactment of the Student Loan Sunshine Act, the Secretary shall—

"(A) prepare a report on the adequacy of the information provided to students and the parents of such students about educational

loans, after consulting with students, representatives of covered institutions (including financial aid administrators, registrars, and business officers), lenders, loan servicers, and guaranty agencies;

"(B) develop and prescribe by regulation a model disclosure form to be used by lenders and covered institutions in carrying out subsections (b) and (c) that—

"(i) will be easy for students and parents to read and understand;

"(ii) will be easily usable by lenders, institutions, guaranty agencies, and loan servicers;

"(iii) will provide students and parents with the relevant information about the terms and conditions for both Federal and private educational loans;

"(iv) is based on the report's findings and developed in consultation with—

"(I) students;

"(II) representatives from institutions of higher education, including financial aid administrators, reg-

istrars, business officers, and student affairs officials;

"(III) lenders;

"(IV) loan servicers;

"(V) guaranty agencies; and

"(VI) with respect to the requirements of clause (vi) concerning private educational loans, the Board of Governors of the Federal Reserve System;

"(v) provides information on the applicable interest rates and other terms and conditions of the educational loans provided by a lender to students attending the institution, or the parents of such students, disaggregated by each type of educational loans provided to such students or parents by the lender, including—

"(I) the interest rate of the loan;

"(II) any fees associated with the loan;

"(III) the repayment terms available on the loan;

"(IV) the opportunity for deferment or forbearance in repay-

ment of the loan, including whether the loan payments can be deferred if the student is in school;

"(V) any additional terms and conditions applied to the loan, including any benefits that are contingent on the repayment behavior of the borrower;

"(VI) the annual percentage rate for such loans, computed determined in the manner required under section 107 of the Truth in Lending Act (15 U.S.C. 1606) on the basis of the actual net disbursed amount of the loan;

"(VII) the average amount borrowed from the lender by students enrolled in the institution who obtain loans of such type from the lender for the preceding academic year;

"(VIII) the average interest rate on such loans provided to such students for the preceding academic year;

"(IX) contact information for the lender; and

"(X) any philanthropic contributions made by the lender to the covered institution; and

"(vi) provides, in addition, with respect to private educational loans, the following information with respect to loans made by each lender recommended by the covered institution:

"(I) the method of determining the interest rate of the loan;

"(II) whether, and under what conditions, early repayment may be available without penalty;

"(III) late payment penalties; and

"(IV) such other information as the Secretary may require; and

"(C)(i) submit the report and model disclosure form to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and Labor of the House of Representatives; and

"(ii) make the report and model disclosure form available to covered institutions, lenders, and the public.

"(2) MODEL FORM UPDATE.—Not later than 1 year after the submission of the report and model disclosure form described in paragraph (1)(B), the Secretary shall—

"(A) assess the adequacy of the model disclosure form;

"(B) after consulting with students, representatives of covered institutions (including financial aid administrators, registrars, and business officers), lenders, loan servicers, and guaranty agencies—

"(i) prepare a list of any improvements to the model disclosure form that have been identified as beneficial to borrowers; and

"(ii) update the model disclosure form after taking such improvements into consideration; and

"(C)(i) submit the list of improvements and updated model disclosure form to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and Labor of the House of Representatives; and

"(ii) make updated model disclosure form available to covered institutions, lenders, and the public.

"(3) USE OF FORM.—The Secretary shall take such steps as necessary to make the model disclosure form, and any updated model disclosure form, available to covered institutions and to encourage—

"(A) lenders subject to subsection (b) to use the model disclosure form or updated model disclosure form (if available) in providing the information required under subsection (b); and

"(B) covered institutions to use such format in preparing the information reported under subsection (c).

"(4) PROCEDURES.—Sections 482(c) and 492 of this Act shall not apply to the model disclosure form in the regulations prescribed under paragraph (1)(B), but shall apply to the updating of such form under paragraph (2).

"(b) LENDER DUTIES.—Each lender that has a preferred lender arrangement with a covered institution shall annually, by a date determined by the Secretary, provide to the covered institution and to the Secretary the information included on the model disclosure form or an updated model disclosure form (if available) for each type

of educational loan provided by the lender to students attending the covered institution, or the parents of such students, for the preceding academic year.

"(c) COVERED INSTITUTION REPORTS.—Each covered institution shall—

"(1) prepare and submit to the Secretary an annual report, by a date determined by the Secretary, that includes, for each lender that has a preferred lender arrangement with the covered institution and that has submitted to the institution the information required under subsection (b)—

"(A) the information included on the model disclosure form or updated model disclosure form (if available) for each type of educational loan provided by the lender to students attending the covered institution, or the parents of such students; and

"(B) a detailed explanation of why the covered institution believes the terms and conditions of each type of educational loan provided pursuant to the agreement are beneficial for students attending the covered institution, or the parents of such students; and

"(2) ensure that the report required under paragraph (1) is made available to the public and

provided to students attending or planning to attend the covered institution, and the parents of such students, in time for the student or parent to take such information into account before applying for or selecting an educational loan.

"(d) DISCLOSURES BY COVERED INSTITUTIONS.—A covered institution shall disclose, on its website and in the informational materials described in subsection (e)—

"(1) a statement that—

"(A) indicates that students are not limited to or required to use the lenders the institutions recommends; and

"(B) the institution is required to process the documents required to obtain a loan from any eligible lender the student selects;

"(2) at a minimum, all of the information provided by the model disclosure form prescribed under subsection (a)(1)(B) with respect to any lender recommended by the institution for Federal student loans and, as applicable, private educational loans;

"(3) the maximum amount of Federal grant and loan aid available to students in an easy-to-understand format; and

"(4) the institution's cost of attendance (as determined under section 472).

"(e) INFORMATIONAL MATERIALS.—The informational materials described in this subsection are any publications, mailings, or electronic messages or media distributed to prospective or current students and parents of students that describe, discuss, or relate to the financial aid opportunities available to students at an institution of higher education.

"SEC. 154. PRIVATE EDUCATIONAL LOAN DISCLOSURE REQUIREMENTS FOR COVERED INSTITUTIONS.

"A covered institution that provides information to any student, or the parent of such student, regarding a private educational loan from a lender shall, prior to or concurrent with such information—

"(1) inform the student or parent of—

"(A) the student or parent's eligibility for assistance and loans under title IV; and

"(B) the terms and conditions of such private educational loan that are less favorable than the terms and conditions of educational loans for which the student or parent is eligible, including interest rates, repayment options, and loan forgiveness; and

"(2) ensure that information regarding such private educational loan is presented in such a manner as to be distinct from information regarding

loans that are made, insured, or guaranteed under title IV.

"SEC. 155. INTEGRITY PROVISIONS.

"(a) INSTITUTION CODE OF CONDUCT REQUIRED.—

"(1) CODE OF CONDUCT.—Each institution of higher education that participates in the Federal student loan programs under title IV or has students that obtain private educational loans shall—

"(A) develop a code of conduct in accordance with paragraph (2) with which its officers, employees, and agents shall comply with respect to educational loans;

"(B) publish the code of conduct prominently on its website; and

"(C) administer and enforce such code in accordance with the requirements of this subsection.

"(2) CONTENTS OF CODE.—The code required by this section shall—

"(A) prohibit a conflict of interest or the appearance of a conflict of interest with the responsibilities of such officer, employee, or agent with respect to student loans or other financial aid; and

"(B) at a minimum, include provisions in compliance with the provisions of the following subsections of this section.

"(3) TRAINING AND COMPLIANCE.—An institution of higher education shall administer and enforce a code of conduct required by this section by, at a minimum, requiring all of its officers, employees, and agents with responsibilities with respect to student loans or other financial aid to obtain training annually in compliance with the code.

"(b) GIFT BAN.—

"(1) PROHIBITION.—A lender, guarantor, or servicer of educational loans shall not offer any gift to an officer, employee, or agent of a covered institution.

"(2) INSPECTOR GENERAL REPORT.—The Inspector General of the Department of Education shall investigate any reported violation of this subsection and shall annually submit a report to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and Labor of the House of Representatives identifying all reported violations of the gift ban under paragraph (1), including the lenders involved in each such violation, for the preceding year.

"(3) DEFINITION OF GIFT.—

"(A) IN GENERAL.—In this subsection, the term 'gift' means any gratuity, favor, discount, entertainment, hospitality, loan, or other item having a monetary value of more than a de minimus amount. The term includes a gift of services, transportation, lodging, or meals, whether provided in kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred.

"(B) EXCEPTIONS.—The term 'gift' shall not include any of the following:

"(i) Standard informational material related to a loan or financial literacy, such as a brochure.

"(ii) Food, refreshments, training, or informational material furnished to an officer, employee, or agent of an institution as an integral part of a training session that is designed to improve the lender's service to the covered institution, if such training contributes to the professional development of the officer, employee, or agent of the institution.

"(iii) Favorable terms, conditions, and borrower benefits on an educational loan provided to a student employed by the covered institution if such terms, conditions, or benefits are comparable to those provided to all students of the institution.

"(iv) Exit counseling services provided to borrowers to meet a covered institution's responsibilities for exit counseling as required by section 485(b) provided that—

"(I) a covered institution's staff are in control of the counseling (whether in person or via electronic capabilities); and

"(II) such counseling does not promote the products or services of any lender.

"(C) RULE FOR GIFTS TO FAMILY MEMBERS.—For purposes of this section, a gift to a family member of an officer, employee, or agent of a covered institution, or a gift to any other individual based on that individual's relationship with the officer, employee, or agent, shall be considered a gift to the officer, employee, or agent if—

"(i) the gift is given with the knowledge and acquiescence of the officer, employee, or agent; and

"(ii) the officer, employee, or agent has reason to believe the gift was given because of the official position of the officer, employee, or agent.

"(c) FEES FROM LENDERS FOR SERVICE PROHIBITED.—An officer, employee, or agent who is employed in the financial aid office of the institution, or who otherwise has responsibilities with respect to educational loans or other financial aid, shall not accept from any lender or affiliate of any lender (as the term affiliate is defined in section 487(a)) any fee, payment, or other financial benefit (including the opportunity to purchase stock) as compensation for consulting services, serving on an advisory council, or otherwise advising such lender or affiliate.

"(d) BAN ON EDUCATIONAL LOAN ARRANGEMENTS.—

"(1) PROHIBITION.—An institution of higher education shall not enter into any educational loan arrangement with any lender.

"(2) DEFINITION.—For purposes of this subsection, an educational loan arrangement is an arrangement between an institution of higher edu-

cation (or an agent of the institution) and a lender under which—

"(A) a lender provides or issues educational loans to students attending the institution or to parents of such students;

"(B) the institution recommends the lender or the loan products of the lender; and

"(C) the lender pays a fee or provides other material benefits, including profit or revenue sharing, to the institution or officers, employees, or agents of the institution.

"(e) BAN ON STAFFING ASSISTANCE.—

"(1) PROHIBITION.—An institution of higher education shall not request or accept from any lender any assistance with call center staffing or financial aid office staffing.

"(2) CERTAIN ASSISTANCE PERMITTED.—Nothing in paragraph (1) shall be construed to prohibit an institution from requesting or accepting assistance from a lender related to—

"(A) professional development training for financial aid administrators; or

"(B) providing educational counseling materials, financial literacy materials, or debt management materials to borrowers, provided

that such materials disclose to borrowers the identification of any lender that assisted in preparing or providing such materials.

"(f) BAN ON OPPORTUNITY POOLS.—An institution of higher education shall not request, accept, or consider from any lender any offer of funds to be used for private educational loans to students in exchange for the covered institution providing concessions or promises to the lender, and a lender shall not make any such offer.

"(g) BAN ON PARTICIPATION ON ADVISORY COUNCILS.—An officer, employee, or agent who is employed in the financial aid office of a covered institution, or who otherwise has responsibilities with respect to educational loans or other financial aid, shall not serve on or otherwise participate with advisory councils of lenders or affiliates of lenders. Nothing in this subsection shall prohibit lenders from seeking advice from covered institutions or groups of covered institutions (including through telephonic or electronic means, or a meeting) in order to improve products and services for borrowers, provided there are no gifts or compensation (including for transportation, lodging, or related expenses) provided by lenders in connection with seeking this advice from such institutions.

"SEC. 156. COMPLIANCE AND ENFORCEMENT.

"(a) CONDITION OF ANY FEDERAL ASSISTANCE.—Notwithstanding any other provision of law, a covered institution or lender shall comply with this part as a condition of receiving Federal funds or assistance provided after the date of enactment of the Student Loan Sunshine Act.

"(b) PENALTIES.—Notwithstanding any other provision of law, if the Secretary determines, after providing notice and an opportunity for a hearing for a covered institution or lender, that the covered institution or lender has violated subsection (a)—

"(1) in the case of a covered institution, or a lender that does not participate in a loan program under title IV, the Secretary may impose a civil penalty in an amount of not more than $25,000; and

"(2) in the case of a lender that does participate in a program under title IV, the Secretary may limit, terminate, or suspend the lender's participation in such program.

"(c) CONSIDERATIONS.—In taking any action against a covered institution or lender under subsection (b), the Secretary shall take into consideration the nature and severity of the violation of subsection (a).".

SEC. 3. PROGRAM PARTICIPATION AGREEMENTS.

Section 487(a) of the Higher Education Act of 1965 (20 U.S.C. 1094(a)) is amended by adding at the end the following:

"(24)(A) In the case of an institution (including an officer (including a director or trustee), employee, or agent of an institution) that maintains a preferred lender list, in print or any other medium, through which the institution recommends 1 or more specific lenders for educational loans (as such term is defined in section 151 of this Act, but excluding loans under part D of this title) to the students attending the institution (or the parents of such students), the institution will—

"(i) clearly and fully disclose on the preferred lender list—

"(I) why the institution has included each lender as a preferred lender, especially with respect to terms and conditions favorable to the borrower; and

"(II) that the students attending the institution (or the parents of such students) do not have to borrow from a lender on the preferred lender list;

"(ii) ensure, through the use of the list provided by the Secretary under subparagraph (C), that—

"(I) there are not less than 3 lenders named on the each preferred lending list offered by the institution that are not affiliates of each other; and

"(II) the preferred lender list—

"(aa) specifically indicates, for each lender on the list, whether the lender is or is not an affiliate of each other lender on the list; and

"(bb) if the lender is an affiliate of another lender on the list, describes the specifics of such affiliation;

"(iii) establish and prominently disclose a process to ensure that lenders are placed upon the preferred lender list on the basis of the benefits provided to borrowers, including—

"(I) highly competitive interest rates, terms, or conditions for loans made under part B;

"(II) high-quality servicing for such loans; or

"(III) additional benefits beyond the standard terms and conditions for such loans;

"(iv) exercise a duty of care and a duty of loyalty to compile the preferred lender list without prejudice and for the sole benefit of the student;

"(v) not deny or otherwise impede the borrower's choice of a lender or cause unnecessary delays in loan certification under this title for those borrowers who choose a lender than has not been recommended or suggested by the institution.

"(B) For the purposes of subparagraph (A)(ii)—

"(i) the term 'affiliate' means a person that controls, is controlled by, or is under common control with another person; and

"(ii) a person controls, is controlled by, or is under common control with another person if—

"(I) the person directly or indirectly, or acting through 1 or more others, owns, controls, or has the power to vote 5 per-

cent or more of any class of voting securities of such other person;

"(II) the person controls, in any manner, the election of a majority of the directors or trustees of such other person; or

"(III) the Secretary determines (after notice and opportunity for a hearing) that the person directly or indirectly exercises a controlling interest over the management or policies of such other person.

"(C) The Secretary shall maintain and update a list of lender affiliates of all eligible lenders, and shall provide such list to the eligible institutions for use in carrying out subparagraph (A).".

SEC. 4. NOTICE OF AVAILABILITY OF FUNDS FROM FEDERAL SOURCES.

Section 128 of the Truth in Lending Act (15 U.S.C. 1638) is amended by adding at the end the following:

"(e) DISCLOSURES RELATING TO PRIVATE EDUCATIONAL LOANS.—

"(1) IN GENERAL.—In the case of an extension of credit that is a private educational loan, other than a loan secured by a dwelling or an open end credit plan, the creditor shall provide in every application for such extensions of credit and together

with any solicitation, marketing, or advertisement of such extensions of credit, written, electronic, or otherwise, the disclosures described in paragraph (2).

"(2) DISCLOSURES.—Disclosures required by this subsection shall include a clear and prominent statement—

"(A) that the borrower may qualify for Federal financial assistance through a program under title IV of the Higher Education Act of 1965, in lieu of or in addition to a loan from a non-Federal source;

"(B) that in many cases, a Federal student loan may provide the consumer with more beneficial terms and conditions, including a lower annual percentage rate and fewer and lower fees, than private educational loans;

"(C) that the consumer may obtain additional information concerning such Federal financial assistance from their institution of higher education or at the website of the Department of Education; and

"(D) such other information as the Board may require.

"(3) CLEAR AND CONSPICUOUS DISCLOSURE.—The disclosure required under paragraph (2) shall be

placed in a conspicuous and prominent location on or with any written application, solicitation, or other document or paper relating to any extension of credit consisting of or involving a private educational loan for which such disclosure is required under this subsection.

"(4) WRITTEN ACKNOWLEDGMENT OF RECEIPT.—In each case in which a disclosure is provided pursuant to paragraph (2) and an application initiated, a creditor shall obtain a written acknowledgment from the consumer that the consumer has read and understood the disclosure.

"(5) ADDITIONAL DISCLOSURES.—In the case of an extension of credit that is a private educational loan, other than a loan secured by a dwelling or an open end credit plan, the creditor shall make available, in a clear and accessible manner (including through the website of the creditor), the information required by sections 153(a)(1)(B)(iv) and (v) of the Higher Education Act of 1965.

"(6) PROVISION OF INFORMATION.—Before a creditor may issue any funds with respect to an extension of credit described in paragraph (1) for an amount equal to more than $1,000, the creditor shall notify the relevant postsecondary educational

institution, in writing, of the proposed extension of credit and the amount thereof.

"(7) REGULATORY AUTHORITY.—The Board—

"(A) shall issue such rules and regulations as may be necessary to implement this subsection; and

"(B) may, by rule, establish appropriate exceptions to the requirements of this subsection.

"(8) DEFINITIONS.—As used in this subsection, the terms 'private educational loan' and 'covered institution' have the same meanings as in section 151 of the Higher Education Act of 1965.".

SEC. 5. IMPROVED INFORMATION CONCERNING THE FEDERAL STUDENT FINANCIAL AID WEBSITE.

Section 131 of the Higher Education Act of 1965 (20 U.S.C. 1015) is amended by adding at the end the following new subsection:

"(e) PROMOTION OF THE DEPARTMENT OF EDUCATION FEDERAL STUDENT FINANCIAL AID WEBSITE.—The Secretary—

"(1) shall display a link to the Federal student financial aid website of the Department of Education in a prominent place on the homepage of the Department of Education website; and

"(2) may use administrative funds available for the Department's operations and expenses for the purpose of advertising and promoting the availability of the Federal student financial aid website.

"(f) PROMOTION OF AVAILABILITY OF INFORMATION CONCERNING STUDENT FINANCIAL AID PROGRAMS OF OTHER DEPARTMENTS AND AGENCIES.—

"(1) AVAILABILITY OF INFORMATION.—The Secretary shall ensure that the eligibility requirements, application procedures, financial terms and conditions, and other relevant information for each non-departmental student financial assistance program are easily accessible through the Federal student financial aid website and are incorporated into the search matrix on such website in a manner that permits students and parents to readily identify the programs that are appropriate to their needs and eligibility.

"(2) AGENCY RESPONSE.—Each Federal department and agency shall promptly respond to surveys or other requests for the information required by paragraph (1), and shall identify for the Secretary any non-departmental student financial assistance program operated, sponsored, or supported by such Federal department or agency.

"(3) DEFINITION.—For purposes of this subsection, the term 'non-departmental student financial assistance program' means any grant, loan, scholarship, fellowship, or other form of financial aid for students pursuing a postsecondary education that is—

"(A) distributed directly to the student or to the student's account at the institution of higher education; and

"(B) operated, sponsored, or supported by a Federal department or agency other than the Department of Education.".

Passed the House of Representatives May 9, 2007.

Attest:

Clerk.

110th CONGRESS
1st Session

H. R. 890

AN ACT

To establish requirements for lenders and institutions of higher education in order to protect students and other borrowers receiving educational loans.