

Student Debt (Nic, Blake, Patrick)

H.R.1330: Student Loan Fairness Act

Income Based repayment

- o Increased deferment period

- o Allowing consolidation of outstanding private loans as Direct Consolidated Loans

- o Subsidizes Interest payments on loans during deferment period

- o Payments towards Interest or principal on FFELs and DLs allowed as a tax write off

Routing private education loans through the Secretary of Education

- o establishing price caps on private loans

- o Caps Interest rates on Direct Loans and Direct Consolidated Loans at 3.4%

Reduces the number of payments required to have been made In order to be eligible for public service employee loan forgiveness programs

- o Includes primary care physicians In medically underserved areas In the public service employee loan forgiveness program

- Changes to the 10/10 loan forgiveness program

Amends Title IV of the HEA to direct the Secretary of Education to pay Interest that accrues on unsubsidized FFELs and DLs that are deferred due to a borrowers lack of full-time employment

Limits monthly payments based on Income for those who exceed 150% of the federal poverty level

- o Places an overall cap on loan forgiveness for loans taken after this bill is enacted

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S.114: Fairness for Struggling Students Act of 2013p

- Make student loan debt forgivable under bankruptcy law

Work Study

- Reassess the distribution of work study money

- o goes to higher end and research universities because of old 1970s system

- o racial makeup of the college

- Pell Grants

Graduate Loans

- Access to subsidized loans

- Lower interest rates

- Loan fees to match undergraduate rate- same for subsidized and unsubsidized loans

S.1241: Bipartisan Student Loan Certainty Act

Amends title IV of the Higher Education Act of 1965

Sets annual rate on Direct Loans at the bond equivalent rate on 91-day T-bills + .45%

1.85% for Direct Stafford Loans and Direct Unsubsidized Stafford Loans (undergraduate)

2.3% for Direct Unsubsidized Stafford Loans (graduate)

4.4% for Direct PLUS Loans

o Fixes the interest rate for period of the loan

Sets annual interest rate on unpaid principle balance of Direct Consolidation Loans at:

o Weighted avg. of the interest rates on the loans consolidated rounded to nearest higher one-eighth of 1%

or 8.25%

Interest rate provisions applicable to loans disbursed on or after 7/1/2013

Requires IHEsto provide student borrowers of title IV loans at time of their departure information regarding:

o Options for loan consolidation

Income-based repayment plan

o Direct Consolidation Loans

The higher education act. affordability and value

how universities get direct federal funding instead of to students

Our arguments

Push for longer time period to deferment months

• DL - Direct Loan

IHE - Institutions of higher education

FFEL - Federal Family Education Loan

• HEA - Higher Education Act of 1965