

S 1098

Student Loan Abuse Prevention Act of 2005

Congress: 109 (2005–2007, Ended)

Chamber: Senate

Policy Area: Education

Introduced: May 23, 2005

Current Status: Read the second time. Placed on Senate Legislative Calendar under General Orders. Calendar No. 113.

Latest Action: Read the second time. Placed on Senate Legislative Calendar under General Orders. Calendar No. 113.
(May 24, 2005)

Official Text: <https://www.congress.gov/bill/109th-congress/senate-bill/1098>

Sponsor

Name: Sen. Kennedy, Edward M. [D-MA]

Party: Democratic • State: MA • Chamber: Senate

Cosponsors (5 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Clinton, Hillary Rodham [D-NY]	D · NY		May 23, 2005
Sen. Dorgan, Byron L. [D-ND]	D · ND		May 23, 2005
Sen. Durbin, Richard J. [D-IL]	D · IL		May 23, 2005
Sen. Mikulski, Barbara A. [D-MD]	D · MD		May 23, 2005
Sen. Murray, Patty [D-WA]	D · WA		May 23, 2005

Committee Activity

No committee referrals or activity are recorded for this bill.

Subjects & Policy Tags

Policy Area:

Education

Related Bills

Bill	Relationship	Last Action
109 HR 134	Related bill	Jun 22, 2005: Referred to the Subcommittee on 21st Century Competitiveness.

Student Loan Abuse Prevention Act of 2005 - Amends the Higher Education Act of 1965 as amended by the Taxpayer-Teacher Protection Act of 2004 (HEA) to reduce special allowance payments to holders of student loans by making permanent the ending of a 9.5% minimum guaranteed rate of return to such holders.

Directs the Secretary of Education to give incentives, in the form of certain reductions in principal or interest rate, to borrowers to consolidate any current loans for which the holder is entitled to a special allowance that ensures such a 9.5 rate of return, provided such an incentive does not increase the cost of such loan to the federal government.

Increases to \$23,000 the maximum amount of student loan forgiveness under the Federal Family Education Loan and the Federal Direct Student Loan programs for certain eligible teachers of: (1) mathematics or science in secondary schools; and (2) special education in elementary and secondary schools.

Directs the Secretary to use funds available from reduced expenditures resulting from this Act's reduction of special allowances to loan holders, as follows: (1) first, for the student loan cancellation and forgiveness programs for teachers under HEA as amended by this Act; and (2) then, the remainder for payments to nonprofit lenders meeting certain criteria and using such payments to confer grant or scholarship benefits on students eligible for Federal Pell Grants.

Actions Timeline

- **May 24, 2005:** Read the second time. Placed on Senate Legislative Calendar under General Orders. Calendar No. 113.
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- **May 23, 2005:** Introduced in the Senate. Read the first time. Placed on Senate Legislative Calendar under Read the First Time.