

S 1262

Student Loan Accountability and Disclosure Reform Act

**Congress:** 110 (2007–2009, Ended)

**Chamber:** Senate

**Policy Area:** Education

**Introduced:** May 2, 2007

**Current Status:** Read twice and referred to the Committee on Health, Education, Labor, and Pensions. (text of measure

**Latest Action:** Read twice and referred to the Committee on Health, Education, Labor, and Pensions. (text of measure as introduced: CR S5500-5502) (May 2, 2007)

**Official Text:** <https://www.congress.gov/bill/110th-congress/senate-bill/1262>

Sponsor

**Name:** Sen. Enzi, Michael B. [R-WY]

**Party:** Republican • **State:** WY • **Chamber:** Senate

Cosponsors (7 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Alexander, Lamar [R-TN]	R · TN		May 2, 2007
Sen. Allard, Wayne [R-CO]	R · CO		May 2, 2007
Sen. Burr, Richard [R-NC]	R · NC		May 2, 2007
Sen. Isakson, Johnny [R-GA]	R · GA		May 2, 2007
Sen. Murkowski, Lisa [R-AK]	R · AK		May 2, 2007
Sen. Roberts, Pat [R-KS]	R · KS		May 2, 2007
Sen. Hatch, Orrin G. [R-UT]	R · UT		May 10, 2007

Committee Activity

Committee	Chamber	Activity	Date
Health, Education, Labor, and Pensions Committee	Senate	Referred To	May 2, 2007

Subjects & Policy Tags

**Policy Area:**

Education

Related Bills

No related bills are listed.

Student Loan Accountability and Disclosure Reform Act - Amends title IV (Student Assistance) of the Higher Education Act of 1965 (the Act) to expand prohibitions on guaranty agencies operating under the Federal Family Education Loan (FFEL) program by prohibiting their offering specified inducements to institutions of higher education (IHE) or lenders to secure business or providing certain services for such institutions without appropriate compensation.

Requires lenders to provide student loan applicants with certain written information regarding: (1) loan conditions; (2) their possible qualification for title IV assistance; (3) the method for determining the applicable interest rate; and (4) whether the loans provided exceed a student's attendance costs.

Directs the Secretary of Education and the Secretary of the Treasury to review the private educational loan market to identify possible discriminatory lending practices affecting students who qualify for a simplified needs test or application process.

Expands the activities disqualifying lenders from participation in the FFEL program, including: (1) offering specified inducements to IHEs; (2) performing certain uncompensated services for IHEs; and (3) entering into certain business arrangements with students or school financial aid employees.

Establishes a private loan exception to the prohibition IHE certification of a student's eligibility to borrow amounts in excess of those allowable under the FFEL program.

Requires limitation, suspension, or termination of an IHE's participation in title IV loan programs for noncompliance with a student loan code of conduct prohibiting IHEs or their financial aid employees from accepting certain inducements from, or entering into certain business arrangements with, lenders.

Bans IHEs from designating preferred lenders; but allows lenders to submit a standard electronic template to IHEs regarding loan conditions which will then be made available to students and their parents.

Terminates the authority of a school to serve as a lender or a lender to serve as a school trustee under the FFEL program.

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## **Actions Timeline**

- **May 2, 2007:** Introduced in Senate
- **May 2, 2007:** Sponsor introductory remarks on measure. (CR S5499-5500)
- **May 2, 2007:** Read twice and referred to the Committee on Health, Education, Labor, and Pensions. (text of measure as introduced: CR S5500-5502)