

## HR 890

Student Loan Sunshine Act

**Congress:** 110 (2007–2009, Ended)

**Chamber:** House

**Policy Area:** Education

**Introduced:** Feb 7, 2007

**Current Status:** Referred to the Subcommittee on Higher Education, Lifelong Learning, and Competitiveness.

**Latest Action:** Referred to the Subcommittee on Higher Education, Lifelong Learning, and Competitiveness. (Jun 5, 2007)

**Official Text:** <https://www.congress.gov/bill/110th-congress/house-bill/890>

### Sponsor

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**Name:** Rep. Miller, George [D-CA-7]

**Party:** Democratic • **State:** CA • **Chamber:** House

**Cosponsors** (45 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Bishop, Timothy H. [D-NY-1]	D · NY		Feb 7, 2007
Rep. Courtney, Joe [D-CT-2]	D · CT		Feb 7, 2007
Rep. Davis, Danny K. [D-IL-7]	D · IL		Feb 7, 2007
Rep. Davis, Susan A. [D-CA-53]	D · CA		Feb 7, 2007
Rep. Grijalva, Raúl M. [D-AZ-7]	D · AZ		Feb 7, 2007
Rep. Hinojosa, Ruben [D-TX-15]	D · TX		Feb 7, 2007
Rep. Matsui, Doris O. [D-CA-5]	D · CA		Feb 7, 2007
Rep. McDermott, Jim [D-WA-7]	D · WA		Feb 7, 2007
Rep. Michaud, Michael H. [D-ME-2]	D · ME		Feb 7, 2007
Rep. Tierney, John F. [D-MA-6]	D · MA		Feb 7, 2007
Rep. Van Hollen, Chris [D-MD-8]	D · MD		Feb 7, 2007
Rep. Yarmuth, John A. [D-KY-3]	D · KY		Feb 7, 2007
Rep. Capuano, Michael E. [D-MA-8]	D · MA		Feb 14, 2007
Rep. Castor, Kathy [D-FL-11]	D · FL		Feb 14, 2007
Rep. Hare, Phil [D-IL-17]	D · IL		Feb 14, 2007
Rep. Hirono, Mazie K. [D-HI-2]	D · HI		Feb 14, 2007
Rep. Sánchez, Linda T. [D-CA-39]	D · CA		Feb 14, 2007
Rep. Watson, Diane E. [D-CA-33]	D · CA		Feb 14, 2007
Rep. Woolsey, Lynn C. [D-CA-6]	D · CA		Feb 14, 2007
Rep. Green, Al [D-TX-9]	D · TX		Mar 23, 2007
Rep. Kind, Ron [D-WI-3]	D · WI		Mar 23, 2007
Rep. Kucinich, Dennis J. [D-OH-10]	D · OH		Mar 23, 2007
Rep. Farr, Sam [D-CA-17]	D · CA		Mar 29, 2007
Rep. Nadler, Jerrold [D-NY-8]	D · NY		Mar 29, 2007
Rep. Schakowsky, Janice D. [D-IL-9]	D · IL		Mar 29, 2007
Rep. Markey, Edward J. [D-MA-7]	D · MA		Apr 20, 2007
Rep. Murphy, Patrick J. [D-PA-8]	D · PA		Apr 20, 2007
Rep. Schiff, Adam B. [D-CA-29]	D · CA		Apr 20, 2007
Rep. Andrews, Robert E. [D-NJ-1]	D · NJ		May 8, 2007
Rep. Blumenauer, Earl [D-OR-3]	D · OR		May 8, 2007
Rep. Cleaver, Emanuel [D-MO-5]	D · MO		May 8, 2007
Rep. Emanuel, Rahm [D-IL-5]	D · IL		May 8, 2007
Rep. Hastings, Alcee L. [D-FL-23]	D · FL		May 8, 2007
Rep. McCarthy, Carolyn [D-NY-4]	D · NY		May 8, 2007
Rep. McCotter, Thaddeus G. [R-MI-11]	R · MI		May 8, 2007
Rep. Sestak, Joe [D-PA-7]	D · PA		May 8, 2007
Rep. Waxman, Henry A. [D-CA-30]	D · CA		May 8, 2007
Rep. Altmire, Jason [D-PA-4]	D · PA		May 9, 2007
Rep. Clarke, Yvette D. [D-NY-11]	D · NY		May 9, 2007
Rep. Holt, Rush [D-NJ-12]	D · NJ		May 9, 2007
Rep. Kildee, Dale E. [D-MI-5]	D · MI		May 9, 2007

Cosponsor	Party / State	Role	Date Joined
Rep. Payne, Donald M. [D-NJ-10]	D · NJ		May 9, 2007
Rep. Sarbanes, John P. [D-MD-3]	D · MD		May 9, 2007
Rep. Scott, Robert C. "Bobby" [D-VA-3]	D · VA		May 9, 2007
Rep. Shea-Porter, Carol [D-NH-1]	D · NH		May 9, 2007

### Committee Activity

Committee	Chamber	Activity	Date
Education and Workforce Committee	House	Referred to	Jun 5, 2007
Financial Services Committee	House	Referred to	Apr 12, 2007
Health, Education, Labor, and Pensions Committee	Senate	Referred To	May 10, 2007

### Subjects & Policy Tags

#### Policy Area:

Education

### Related Bills

Bill	Relationship	Last Action
110 S 486	Identical bill	<b>Feb 1, 2007:</b> Read twice and referred to the Committee on Health, Education, Labor, and Pensions. (text of measure as introduced: CR S1534-1536)

Student Loan Sunshine Act - (Sec. 2) Amends title I of the Higher Education Act of 1965 to create a new part E (Lender and Institution Requirements Relating to Educational Loans). Requires each lender entering into a preferred lender arrangement with a covered institution (schools that provide postsecondary studies and receive federal funds) to: (1) certify annually to the Secretary of Education that all of the preferred lender arrangements in which it participates are in compliance with the requirements of this Act; (2) inform borrowers of their loan options under title IV (Student Assistance), including information on more favorable loans under such title, before extending private educational loans for attendance at such institution; and (3) be barred by such school from marketing such loans in a manner implying the institution's endorsement.

Directs the Secretary to report to specified congressional committees on the adequacy of educational loan information provided to borrowers. Requires such report to include a model disclosure form developed and prescribed by the Secretary for lender use in providing annual loan information to the Secretary and covered institutions with which they have a preferred lender arrangement. Requires such lenders to disclose, in addition to specified loan information, any philanthropic contributions made to such institutions. Requires such institutions to provide the Secretary, prospective borrowers, and the public with the disclosure form information as well as a detailed explanation of why such loans are beneficial to borrowers.

Requires covered institutions to disclose on their websites and in their informational materials: (1) that they cannot limit students to recommended lenders and must process the loan documents of any eligible lender; (2) the information provided on the model disclosure form with regard to recommended lenders; (3) the maximum federal grant and loan aid available; and (4) the cost of attendance.

Requires covered institutions that provide prospective borrowers with private educational loan information to: (1) include information on their title IV assistance eligibility; and (2) compare and distinguish private loans from title IV loans.

Requires institutions of higher education (IHEs) to develop, publicize, and enforce codes of conduct for their officers, employees, and agents prohibiting actual or apparent conflicts of interest with their financial aid duties, including, at a minimum, compliance with the following requirements of this section. Prohibits an institution's officers, employees and agents that have financial aid duties from accepting certain financial benefits or fees from, or participating on the advisory councils of, student loan providers or their affiliates.

Bars lenders, guarantors, or servicers of educational loans from offering gifts to officers, employees, or agents of covered institutions. Directs the Inspector General of the Department of Education to investigate and report annually to Congress on gift ban violations.

Bans IHEs from: (1) entering into educational loan arrangements that involve lender payments for recommended lender status; (2) requesting or accepting lender assistance with call center or financial aid office staffing; or (3) requesting, accepting, or considering any lender's offer of funds for private educational student loans in exchange for concessions or promises.

Conditions the receipt of federal funds and assistance by schools and lenders on their compliance with part E. Establishes penalties for noncompliant schools and lenders, including: (1) a ban from participating in title VI programs; and (2) a \$25,000 civil penalty (which may also be imposed on lenders not participating in such programs).

(Sec. 3) Requires an IHE with a preferred lender list to: (1) fully disclose on such list the reason for each lender's

inclusion and students' right to choose other lenders; (2) include at least three unaffiliated lenders; and (3) establish and disclose a process to ensure that lenders are listed on the basis of the benefits they provide borrowers.

(Sec. 4) Amends the Truth in Lending Act to require private educational loan providers to inform consumers, in applications and solicitations for such loans, that they may qualify for federal educational assistance, that federal student loans may have more beneficial terms than private loans, and that they may obtain additional information concerning such assistance from their IHE and the Department of Education's website.

Requires such lenders to: (1) obtain written confirmation that a consumer understands such information and any other information the Board of Governors of the Federal Reserve System may require them to disclose; (2) make its model disclosure form information available; and (3) notify the relevant school of the proposed loan if the loan equals or exceeds \$1,000.

(Sec. 5) Directs the Secretary to display a link to the Department's federal student financial aid website in a prominent place on the homepage of the Department's website. Authorizes the Secretary to use administrative funds available for the Department's operations and expenses to promote the availability of the financial aid website.

Requires the Secretary to collect and provide parents and students with easy access via the federal student financial aid website to detailed information concerning student financial aid options provided by other federal departments and agencies. Requires such other departments and agencies to respond promptly to the Secretary's requests for student financial aid information.

## Actions Timeline

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- **Jun 5, 2007:** Referred to the Subcommittee on Higher Education, Lifelong Learning, and Competitiveness.
- **May 10, 2007:** Received in the Senate and Read twice and referred to the Committee on Health, Education, Labor, and Pensions.
- **May 9, 2007:** Mr. Miller, George moved to suspend the rules and pass the bill, as amended.
- **May 9, 2007:** Considered under suspension of the rules. (consideration: CR H4634-4642)
- **May 9, 2007:** DEBATE - The House proceeded with forty minutes of debate on H.R. 890.
- **May 9, 2007:** At the conclusion of debate, the Yeas and Nays were demanded and ordered. Pursuant to the provisions of clause 8, rule XX, the Chair announced that further proceedings on the motion would be postponed.
- **May 9, 2007:** Considered as unfinished business. (consideration: CR H4655-4656)
- **May 9, 2007:** Passed/agreed to in House: On motion to suspend the rules and pass the bill, as amended Agreed to by the Yeas and Nays: (2/3 required): 414 - 3 (Roll no. 313).(text: CR H4634-4637)
- **May 9, 2007:** On motion to suspend the rules and pass the bill, as amended Agreed to by the Yeas and Nays: (2/3 required): 414 - 3 (Roll no. 313). (text: CR H4634-4637)
- **May 9, 2007:** Motion to reconsider laid on the table Agreed to without objection.
- **Apr 12, 2007:** Referred to the Subcommittee on Financial Institutions and Consumer Credit.
- **Feb 7, 2007:** Introduced in House
- **Feb 7, 2007:** Sponsor introductory remarks on measure. (CR E290-291)
- **Feb 7, 2007:** Referred to the Committee on Education and Labor, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.