

S 1068

Student Loan Simplification and Opportunity Act of 2011

Congress: 112 (2011–2013, Ended)

Chamber: Senate

Policy Area: Education

Introduced: May 25, 2011

Current Status: Read twice and referred to the Committee on Health, Education, Labor, and Pensions.

Latest Action: Read twice and referred to the Committee on Health, Education, Labor, and Pensions. (May 25, 2011)

Official Text: <https://www.congress.gov/bill/112th-congress/senate-bill/1068>

Sponsor

Name: Sen. Brown, Sherrod [D-OH]

Party: Democratic • State: OH • Chamber: Senate

Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Franken, Al [D-MN]	D · MN		May 25, 2011

Committee Activity

Committee	Chamber	Activity	Date
Health, Education, Labor, and Pensions Committee	Senate	Referred To	May 25, 2011

Subjects & Policy Tags

Policy Area:

Education

Related Bills

Bill	Relationship	Last Action
112 HR 2732	Identical bill	Sep 8, 2011: Referred to the Subcommittee on Higher Education and Workforce Training.

Student Loan Simplification and Opportunity Act of 2011 - Amends title IV (Student Assistance) of the Higher Education Act of 1965 to repeal the Secretary of Education's authority, under the Direct Loan (DL) program, to purchase or enter into forward commitments to purchase: (1) Federal Family Education Loans (FFELs) from lenders, upon the determination that there is an inadequate availability of loan capital to meet the demand for such loans; and (2) rehabilitated loans that eligible lenders purchased under the FFEL default reduction program. (Currently, the Secretary's authority to purchase or enter into forward commitments to purchase such loans is set to expire in July 2010, as is the FFEL program.)

Authorizes the Secretary to offer borrowers FFEL Debt Conversion Loans, until October 2012, that cover FFELs that have not been purchased under the program this Act repeals, provided such borrowers: (1) are not in default or delinquent for 270 days or more on such loans, and (2) have an outstanding DL or an outstanding FFEL that was purchased pursuant to the program this Act repeals. (FFEL Debt Conversion Loans pay the holder of the FFEL the outstanding principal and interest on the loan, which the borrower is then obligated to repay to the Secretary under the terms of the converted FFEL.)

Authorizes the Secretary to offer benefits to borrowers of FFEL Debt Conversion Loans in an amount up to 2% of the amount advanced on the FFEL Debt Conversion Loan.

Requires federal proceeds from this Act's temporary authorization of FFEL Debt Conversion Loans to be used for the Pell grant program.

Actions Timeline

- **May 25, 2011:** Introduced in Senate
- **May 25, 2011:** Sponsor introductory remarks on measure. (CR S3345)
- **May 25, 2011:** Read twice and referred to the Committee on Health, Education, Labor, and Pensions.