

## HR 4236

### Student Loan Fair Prepayment Act

**Congress:** 113 (2013–2015, Ended)

**Chamber:** House

**Policy Area:** Education

**Introduced:** Mar 13, 2014

**Current Status:** Referred to the Committee on Education and the Workforce, 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

**Latest Action:** Referred to the Committee on Education and the Workforce, 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. (Mar 13, 2014)

**Official Text:** <https://www.congress.gov/bill/113th-congress/house-bill/4236>

### Sponsor

**Name:** Rep. Davis, Susan A. [D-CA-53]

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

### Cosponsors (4 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Jones, Walter B., Jr. [R-NC-3]	R · NC		May 7, 2014
Rep. Peters, Scott H. [D-CA-52]	D · CA		May 21, 2014
Rep. Perlmutter, Ed [D-CO-7]	D · CO		Jun 19, 2014
Rep. Deutch, Theodore E. [D-FL-21]	D · FL		Jul 11, 2014

### Committee Activity

Committee	Chamber	Activity	Date
Education and Workforce Committee	House	Referred To	Mar 13, 2014
Financial Services Committee	House	Referred To	Mar 13, 2014

### Subjects & Policy Tags

#### Policy Area:

Education

### Related Bills

*No related bills are listed.*

Student Loan Fair Prepayment Act - Amends title IV (Student Assistance) of the Higher Education Act of 1965 to require that when the holder of a borrower's loans under the Federal Family Education Loan (FFEL) or William D. Ford Federal Direct Loan (DL) programs receives a prepayment for such loans, it is to be applied first toward any fees due on such loans and then, unless the borrower requests otherwise, toward the principal due on the loan that bears the highest interest rate.

Makes that requirement inapplicable to income-based or income contingent repayment plans for FFELs or DLs.

Requires an institution of higher education holding a borrower's loans under the Federal Perkins Loan program to first apply any excess payments by the borrower toward any fees due on such loans and then, unless the borrower requests otherwise, toward the principal due on the loan that bears the highest interest rate.

Amends the Truth in Lending Act to require a private education loan holder that holds more than one private education loan for a borrower to apply any prepayments on those loans first toward any fees due on such loans and then, unless the borrower requests otherwise, toward the principal due on the loan that bears the highest interest rate.

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### **Actions Timeline**

- **Mar 13, 2014:** Introduced in House
- **Mar 13, 2014:** Referred to the Committee on Education and the Workforce, 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.