

HR 3751

Federal Student Loan Refinancing Act

Congress: 114 (2015–2017, Ended)

Chamber: House

Policy Area: Education

Introduced: Oct 9, 2015

Current Status: Referred to the Subcommittee on Higher Education and Workforce Training.

Latest Action: Referred to the Subcommittee on Higher Education and Workforce Training. (Mar 23, 2016)

Official Text: <https://www.congress.gov/bill/114th-congress/house-bill/3751>

Sponsor

Name: Rep. Peters, Scott H. [D-CA-52]

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

Cosponsors (12 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Boyle, Brendan F. [D-PA-13]	D · PA		Oct 9, 2015
Rep. Chu, Judy [D-CA-27]	D · CA		Oct 9, 2015
Rep. Crowley, Joseph [D-NY-14]	D · NY		Oct 9, 2015
Rep. Higgins, Brian [D-NY-26]	D · NY		Oct 9, 2015
Rep. Honda, Michael M. [D-CA-17]	D · CA		Oct 9, 2015
Rep. Jackson Lee, Sheila [D-TX-18]	D · TX		Oct 9, 2015
Rep. Pocan, Mark [D-WI-2]	D · WI		Oct 9, 2015
Rep. Rush, Bobby L. [D-IL-1]	D · IL		Oct 9, 2015
Rep. Vargas, Juan [D-CA-51]	D · CA		Oct 9, 2015
Rep. Cárdenas, Tony [D-CA-29]	D · CA		Oct 28, 2015
Rep. Hastings, Alcee L. [D-FL-20]	D · FL		Oct 28, 2015
Rep. Bera, Ami [D-CA-7]	D · CA		Mar 21, 2016

Committee Activity

Committee	Chamber	Activity	Date
Education and Workforce Committee	House	Referred to	Mar 23, 2016

Subjects & Policy Tags

Policy Area:

Education

Related Bills

No related bills are listed.

Federal Student Loan Refinancing Act

This bill amends title IV (Student Assistance) of the Higher Education Act of 1965 to allow borrowers that received loans under the William D. Ford Federal Direct Loan (DL) or Federal Family Education Loan (FFEL) program on or after July 1, 2006, to consolidate those loans as Federal Direct Consolidation Loans.

It directs the Department of Education (ED) to consolidate DLs, and send a completed loan consolidation application to FFEL borrowers, within 90 days of this bill's enactment. It gives FFEL borrowers six months after their receipt of such application to endorse it and submit it to ED if they wish to consolidate their loans.

The bill sets the interest rate on Federal Direct Consolidation Loans at 4% or, if the weighted average of the interest rates of the loans being consolidated is less than 4%, the lesser of: (1) that weighted average, or (2) an interest rate equal to 0.4% of the principal balance of the consolidation loan at the time of consolidation.

It adds an origination fee equal to 0.4% of the principal balance of the consolidation loan at the time of consolidation if an FFEL is being consolidated.

It reduces the interest rate on a Federal Direct Consolidation Loan by 0.25% if one or more of the loans being consolidated is an FFEL held by an eligible lender.

The bill prohibits any benefit a borrower is receiving or earning when issued a Federal Direct Consolidation Loan from being affected by the consolidation.

Actions Timeline

- **Mar 23, 2016:** Referred to the Subcommittee on Higher Education and Workforce Training.
- **Oct 9, 2015:** Introduced in House
- **Oct 9, 2015:** Referred to the House Committee on Education and the Workforce.