

HR 3947

Student Loan Payment Optimization Act

Congress: 114 (2015–2017, Ended)

Chamber: House

Policy Area: Education

Introduced: Nov 5, 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/3947>

Sponsor

Name: Rep. Deutch, Theodore E. [D-FL-21]

Party: Democratic • State: FL • Chamber: House

Cosponsors (3 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Frankel, Lois [D-FL-22]	D · FL		Dec 15, 2015
Rep. Wilson, Frederica S. [D-FL-24]	D · FL		Dec 15, 2015
Rep. Swalwell, Eric [D-CA-15]	D · CA		Feb 10, 2016

Committee Activity

Committee	Chamber	Activity	Date
Education and Workforce Committee	House	Referred to	Mar 23, 2016
Financial Services Committee	House	Referred To	Nov 5, 2015

Subjects & Policy Tags

Policy Area:

Education

Related Bills

No related bills are listed.

## **Student Loan Payment Optimization Act**

This bill amends title IV (Student Assistance) of the Higher Education Act of 1965 and the Truth in Lending Act to establish rules that lenders must follow regarding the overpayment and underpayment of student loan payments for borrowers with one or more loans that are grouped together. These rules are applicable to the Federal Family Education Loan and the William D. Ford Federal Direct Loan programs, except for income-based repayment plans, and federal Perkins Loans.

The bill requires lenders to apply payments that are more than the monthly payment amount towards any outstanding fees owed and then towards the principal due on the loan that bears the highest interest rate. In addition, lenders must apply payments that are less than the monthly payment amount towards any outstanding fees owed and then towards the loan with the smallest balance of principal and interest combined unless the borrower requests otherwise.

## **Actions Timeline**

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- **Mar 23, 2016:** Referred to the Subcommittee on Higher Education and Workforce Training.
- **Nov 5, 2015:** Introduced in House
- **Nov 5, 2015:** 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.