

One Hundred Fourteenth Congress of the United States of America

AT THE FIRST SESSION

*Begun and held at the City of Washington on Tuesday,
the sixth day of January, two thousand and fifteen*

An Act

To extend temporarily the Federal Perkins Loan program, and for other purposes.

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the “Federal Perkins Loan Program Extension Act of 2015”.

SEC. 2. EXTENSION OF FEDERAL PERKINS LOAN PROGRAM.

(a) AUTHORITY TO MAKE LOANS.—

(1) IN GENERAL.—Section 461 of the Higher Education Act of 1965 (20 U.S.C. 1087aa) is amended—

(A) in subsection (a), by striking “of stimulating and assisting in the establishment and maintenance of funds at institutions of higher education for the making of low-interest loans to students in need thereof” and inserting “assisting in the maintenance of funds at institutions of higher education for the making of loans to undergraduate students in need”;

(B) by striking subsection (b) and inserting the following:

“(b) AUTHORITY TO MAKE LOANS.—

“(1) IN GENERAL.—

“(A) LOANS FOR NEW UNDERGRADUATE FEDERAL PERKINS LOAN BORROWERS.—Through September 30, 2017, an institution of higher education may make a loan under this part to an eligible undergraduate student who, on the date of disbursement of a loan made under this part, has no outstanding balance of principal or interest on a loan made under this part from the student loan fund established under this part by the institution, but only if the institution has awarded all Federal Direct Loans, as referenced under subparagraphs (A) and (D) of section 455(a)(2), for which such undergraduate student is eligible.

“(B) LOANS FOR CURRENT UNDERGRADUATE FEDERAL PERKINS LOAN BORROWERS.—Through September 30, 2017, an institution of higher education may make a loan under this part to an eligible undergraduate student who, on the date of disbursement of a loan made under this part, has an outstanding balance of principal or interest on a loan made under this part from the student loan fund established under this part by the institution, but only if the institution has awarded all Federal Direct Stafford

Loans as referenced under section 455(a)(2)(A) for which such undergraduate student is eligible.

“(C) LOANS FOR CERTAIN GRADUATE BORROWERS.—Through September 30, 2016, with respect to an eligible graduate student who has received a loan made under this part prior to October 1, 2015, an institution of higher education that has most recently made such a loan to the student for an academic program at such institution may continue making loans under this part from the student loan fund established under this part by the institution to enable the student to continue or complete such academic program.

“(2) NO ADDITIONAL LOANS.—An institution of higher education shall not make loans under this part after September 30, 2017.

“(3) PROHIBITION ON ADDITIONAL APPROPRIATIONS.—No funds are authorized to be appropriated under this Act or any other Act to carry out the functions described in paragraph (1) for any fiscal year following fiscal year 2015.”; and

(C) by striking subsection (c).

(2) RULE OF CONSTRUCTION.—Notwithstanding the amendments made under paragraph (1) of this subsection, an eligible graduate borrower who received a disbursement of a loan under part E of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087aa et seq.) after June 30, 2016 and before October 1, 2016, for the 2016–2017 award year, may receive a subsequent disbursement of such loan by June 30, 2017, for which the borrower received an initial disbursement after June 30, 2016 and before October 1, 2016.

(b) DISTRIBUTION OF ASSETS FROM STUDENT LOAN FUNDS.—Section 466 of the Higher Education Act of 1965 (20 U.S.C. 1087ff) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking “After September 30, 2003, and not later than March 31, 2004” and inserting “Beginning October 1, 2017”; and

(B) in paragraph (1), by striking “September 30, 2003” and inserting “September 30, 2017”;

(2) in subsection (b)—

(A) by striking “After October 1, 2012” and inserting “Beginning October 1, 2017”; and

(B) by striking “September 30, 2003” and inserting “September 30, 2017”; and

(3) in subsection (c)(1), by striking “October 1, 2004” and inserting “October 1, 2017”.

(c) ADDITIONAL EXTENSIONS NOT PERMITTED.—Section 422 of the General Education Provisions Act (20 U.S.C. 1226a) shall not apply to further extend the duration of the authority under paragraph (1) of section 461(b) of the Higher Education Act of 1965 (20 U.S.C. 1087aa(b)), as amended by subsection (a)(1) of this section, beyond September 30, 2017, on the basis of the extension under such subsection.

SEC. 3. DISCLOSURE REQUIRED PRIOR TO DISBURSEMENT.

Section 463A(a) of the Higher Education Act of 1965 (20 U.S.C. 1087cc–1(a)) is amended—

(1) in paragraph (12), by striking “and” after the semicolon;

(2) in paragraph (13), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

“(14) a notice and explanation regarding the end to future availability of loans made under this part;

“(15) a notice and explanation that repayment and forgiveness benefits available to borrowers of loans made under part D are not available to borrowers participating in the loan program under this part;

“(16) a notice and explanation regarding a borrower’s option to consolidate a loan made under this part into a Federal Direct Loan under part D, including any benefit of such consolidation;

“(17) with respect to new undergraduate Federal Perkins loan borrowers, as described in section 461(b)(1)(A), a notice and explanation providing a comparison of the interest rates of loans under this part and part D and informing the borrower that the borrower has reached the maximum annual borrowing limit for which the borrower is eligible as referenced under subparagraphs (A) and (D) of section 455(a)(2); and

“(18) with respect to current undergraduate Federal Perkins loan borrowers, as described in section 461(b)(1)(B), a notice and explanation providing a comparison of the interest rates of loans under this part and part D and informing the borrower that the borrower has reached the maximum annual borrowing limit for which the borrower is eligible on Federal Direct Stafford Loans as referenced under section 455(a)(2)(A).”.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*