

114TH CONGRESS
2D SESSION

H. R. 5567

To amend the Higher Education Act of 1965 to require that all Federal Direct Stafford Loans, Federal Direct Unsubsidized Stafford Loans, and Federal Direct PLUS Loans have the same rates of interest.

IN THE HOUSE OF REPRESENTATIVES

JUNE 22, 2016

Mr. SALMON introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL

To amend the Higher Education Act of 1965 to require that all Federal Direct Stafford Loans, Federal Direct Unsubsidized Stafford Loans, and Federal Direct PLUS Loans have the same rates of interest.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Student Loan Interest
5 Rate Parity Act”.

6 **SEC. 2. INTEREST RATES.**

7 Section 455(b)(8) of the Higher Education Act of
8 1965 (20 U.S.C. 1087e(b)(8)) is amended—

(1) in subparagraph (B), by inserting “and before July 1, 2016,” after “2013,”;

(2) in subparagraph (C), by inserting “and before July 1, 2016,” after “2013,”;

(3) by redesignating subparagraphs (E) and (F) as subparagraphs (G) and (H), respectively; and

(4) by inserting after subparagraph (D) the following:

“(E) REVISED RATES FOR GRADUATE AND PROFESSIONAL FDSL.—Notwithstanding the preceding paragraphs of this subsection, for Federal Direct Unsubsidized Stafford Loans issued to graduate or professional students, for which the first disbursement is made on or after July 1, 2016, the applicable rate of interest shall be determined under subparagraph (B)—

“(i) by substituting ‘2.05’ for ‘3.6’;

and

“(ii) by substituting ‘8.25’ for ‘9.5’.

“(F) REVISED RATES FOR FEDERAL DIRECT PLUS LOANS.—Notwithstanding the preceding paragraphs of this subsection, for Federal Direct PLUS Loans, for which the first disbursement is made on or after July 1, 2016,

1 the applicable rate of interest shall be deter-
2 mined under subparagraph (C)—

3 “(i) by substituting ‘2.05’ for ‘4.6’;

4 and

5 “(ii) by substituting ‘8.25’ for

6 ‘10.5’.”.

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