

“(c) The provisions of this section shall terminate as of January 2, 1975.” Termination date.

(b) The table of contents for part C of title VII of such Act is amended by inserting at the end of that part the following new item:

“Sec. 724. Political participation in certain elections first held under this Act.”

(c) Section 771(e) of the District of Columbia Self-Government and Governmental Reorganization Act is amended by deleting “Part E” and inserting in lieu thereof “Section 724 and part E”. D.C. Code 121 note.

SEC. 4. (a) Section 7324(d) (4) of title 5, United States Code, is amended to read as follows:

“(4) the Mayor of the District of Columbia, the members of the Council of the District of Columbia, or the Chairman of the Council of the District of Columbia, as established by the District of Columbia Self-Government and Governmental Reorganization Act; or”.

(b) Notwithstanding any other provision of law, the provisions of section 7324(a) (2) of title 5, United States Code, shall not be applicable to the Commissioner of the District of Columbia or the members of the District of Columbia Council (including the Chairman and Vice Chairman), as established by Reorganization Plan Numbered 3 of 1967. 5 USC 7324 note.

(c) Section 741 of the District of Columbia Self-Government and Governmental Reorganization Act is repealed. 5 USC app. Repeal. 87 Stat. 831.

Approved April 17, 1974.

Public Law 93-269

AN ACT

To make certain appropriations available for obligation and expenditure until June 30, 1975, and for other purposes.

April 18, 1974
[H. R. 12253]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, (a) as used in this section, the term “applicable program” means any program to which the General Education Provisions Act applies.

(b) (1) Notwithstanding any other provision of law, unless enacted in express and specific limitation of the provisions of this section—

(A) any funds appropriated to carry out any applicable program for the fiscal year 1973; and

(B) any funds appropriated to carry out any applicable program for fiscal year 1974;

shall remain available for obligation and expenditure until June 30, 1975.

(2) Nothing in this section shall be construed to approve of the withholding from expenditure or the delay in expenditure of any funds appropriated to carry out any applicable program for fiscal year 1973 beyond the period allowed for apportionment under subsection (d) of section 3679 of the Revised Statutes (31 U.S.C. 665).

SEC. 2. Paragraphs (2), (3), (4), and (5) of section 428(a) of the Higher Education Act of 1965, and all references thereto, are redesignated as paragraphs (3), (4), (5), and (6) thereof, respectively, and such section 428(a) is amended by striking out paragraph (1) thereof and inserting in lieu thereof the following:

“(1) Each student who has received a loan for study at an eligible institution—

“(A) which is insured by the Commissioner under this part;

Office of Education.
Funds, carry-over.
20 USC 1226 note.
Definition.
20 USC 1221 note.

Student loans, interest subsidy payments.

20 USC 1078.

“(B) which was made under a State student loan program (meeting criteria prescribed by the Commissioner), and which was contracted for, and paid to the student, within the period specified by paragraph (5); or

“(C) which is insured under a program of a State or of a non-profit private institution or organization which was contracted for, and paid to the student, within the period specified in paragraph (5), and which—

“(i) in the case of a loan insured prior to July 1, 1967, was made by an eligible lender and is insured under a program which meets the requirements of subparagraph (E) of subsection (b)(1) and provides that repayment of such loan shall be in installments beginning not earlier than sixty days after the student ceases to pursue a course of study (as described in subparagraph (D) of subsection (b)(1)) at an eligible institution, or

“(ii) in the case of a loan insured after June 30, 1967, is insured under a program covered by an agreement made pursuant to subsection (b).

shall be entitled to have paid on his behalf and for his account to the holder of the loan a portion of the interest on such loan at the time of execution of the note or written agreement evidencing such loan under circumstances described in paragraph (2).

“(2) (A) Each student qualifying for a portion of an interest payment under paragraph (1) shall—

“(i) have provided to the lender a statement from the eligible institution, at which the student has been accepted for enrollment, or at which he is in attendance in good standing (as determined by such institution), which—

“(I) sets forth such student’s estimated costs of attendance, and

“(II) sets forth such student’s estimated financial assistance; and

“(ii) meet the requirements of subparagraph (B).

Qualifications.

“(B) For the purposes of clause (ii) of subparagraph (A), a student shall qualify for a portion of an interest payment under paragraph (1) if such student’s adjusted family income—

“(i) is less than \$15,000, and—

“(I) the amount of such loan would not cause the total amount of the student’s loans insured by the Commissioner under this part or by a State or nonprofit private institution or organization which has an agreement under subsection (b) to exceed \$2,000 in any academic year, or its equivalent, or

“(II) the amount of such loan would cause the total amounts of the loans described in clause (I) of this subparagraph of that student to exceed \$2,000 in any academic year or its equivalent, and the eligible institution has provided, with respect to the amount of such loans in excess of \$2,000, the lender with a statement recommending the amount of such excess; or

“(ii) is equal to or greater than \$15,000, and the eligible institution has provided the lender with a statement evidencing a determination of need and recommending a loan in the amount of such need.

Definitions.

“(C) For the purposes of paragraph (1) and this paragraph—

“(i) a student’s estimated cost of attendance means, for the period for which the loan is sought, the tuition and fees appli-

cable to such student together with the institution's estimate of other expenses reasonably related to attendance at such institution, including, but not limited to, the cost of room and board, reasonable commuting costs, and costs for books;

"(ii) a student's estimated financial assistance means, for the period for which the loan is sought, the amount of assistance such student will receive under parts A, C, and E of this title, plus other scholarship, grant, or loan assistance;

20 USC 1070,
1087a, 1088.

"(iii) the term 'eligible institution' when used with respect to a student is the eligible institution at which the student has been accepted for enrollment or, in the case of a student who is in attendance at such an institution is in good standing (as determined by such institution);

"(iv) the determination of need and the amount of a loan recommended by an eligible institution under subparagraph (B) (ii) and the amount of loans in excess of \$2,000 recommended by an eligible institution under subparagraph (B) (i) (II) with respect to a student shall be determined by subtracting from the estimated cost of attendance at such institution the total of the expected family contribution with respect to such student (as determined by means other than one formulated by the Commissioner under subpart 1 of part A of this title) plus any other resources or student financial assistance reasonably available to such student.

"(D) In addition, the Commissioner shall pay an administrative cost allowance in the amount established by paragraph (3) (B) of this subsection with respect to loans to any student without regard to the borrower's need. For the purposes of this paragraph, the adjusted family income of a student shall be determined pursuant to regulations of the Commissioner in effect at the time of the execution of the note or written agreement evidencing the loan. Such regulations shall provide for taking into account such factors, including family size, as the Commissioner deems appropriate. In the absence of fraud by the lender, such determination of the need of a student under this paragraph shall be final insofar as it concerns the obligation of the Commissioner to pay the holder of a loan a portion of the interest on the loan."

Administrative
cost allowance.

SEC. 3. Section 428(a) of the Higher Education Act of 1965, as amended by this Act, is amended by adding at the end thereof the following new paragraph:

"(7) Nothing in this or any other Act shall be construed to prohibit or require unless otherwise specifically provided by law, a lender to evaluate the total financial situation of a student making application for a loan under this part, or to counsel a student with respect to any such loan, or to make a decision based on such evaluation and counseling with respect to the dollar amount of any such loan."

SEC. 4. Clause (H) of paragraph 428(b) (1) of the Higher Education Act of 1965 is amended to read as follows:

"(H) provides that the benefits of the loan insurance program will not be denied any student who is eligible for interest benefits under section 428(a) (1) and (2) except in the case of loans made by an instrumentality of a State or eligible institution;"

SEC. 5. Section 2(a) (7) of the Emergency Insured Student Loan Act of 1969 is amended by striking out "July 1, 1974" and inserting in lieu thereof "July 1, 1975".

SEC. 6. The amendments made by section 2 shall be effective forty-five days after enactment of this Act and be applicable to a loan for which a guarantee commitment is made on or after that date.

Students, finan-
cial evaluation.
Ante, p. 87.

20 USC 1078.

20 USC 1078a.

Effective date.
20 USC 1078
note.

Approved April 18, 1974.