

tution, an eligible lender, or a holder, as the case may be.

(D) For purposes of subparagraph (A), a loan is made with respect to an eligible entity if—

(i) in the case of an eligible institution, the loan was made to students of the institution;

(ii) in the case of an eligible lender, the loan was made by the lender; and

(iii) in the case of a holder, the loan was purchased by the holder.

(6) The term “Secretary” means the Secretary of Education.

(July 1, 1944, ch. 373, title VII, § 719, as added Pub. L. 102-408, title I, § 102, Oct. 13, 1992, 106 Stat. 2009; amended Pub. L. 105-392, title I, § 141(c)(2), Nov. 13, 1998, 112 Stat. 3579; Pub. L. 113-76, div. H, title V, § 525(e), Jan. 17, 2014, 128 Stat. 413.)

#### Editorial Notes

##### AMENDMENTS

2014—Par. (6). Pub. L. 113-76 added par. (6).

1998—Par. (1). Pub. L. 105-392 substituted “or behavioral and mental health practice, including clinical psychology” for “or clinical psychology”.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 2014 AMENDMENT

Pub. L. 113-76, div. H, title V, § 525(e), Jan. 17, 2014, 128 Stat. 413, provided in part that the amendment made by section 525(e) is effective as of the date on which the transfer of the HEAL program under subsec. (a) of section 525 of Pub. L. 113-76, set out as a note under section 292 of this title, takes effect [no later than the end of the first fiscal quarter that begins after Jan. 17, 2014].

#### § 292p. Authorization of appropriations

##### (a) In general

For fiscal year 1993 and subsequent fiscal years, there are authorized to be appropriated such sums as may be necessary for the adequacy of the student loan insurance account under this subpart and for the purpose of administering this subpart.

##### (b) Availability of sums

Sums appropriated under subsection (a) shall remain available until expended.

(July 1, 1944, ch. 373, title VII, § 720, as added Pub. L. 102-408, title I, § 102, Oct. 13, 1992, 106 Stat. 2011.)

#### Editorial Notes

##### PRIOR PROVISIONS

A prior section 720 of act July 1, 1944, was classified to section 293 of this title prior to the general revision of this subchapter by Pub. L. 102-408.

##### SUBPART II—FEDERALLY-SUPPORTED STUDENT LOAN FUNDS

#### § 292q. Agreements for operation of school loan funds

##### (a) Fund agreements

The Secretary is authorized to enter into an agreement for the establishment and operation

of a student loan fund in accordance with this subpart with any public or other nonprofit school of medicine, osteopathic medicine, dentistry, pharmacy, podiatric medicine, optometry, or veterinary medicine.

##### (b) Requirements

Each agreement entered into under this section shall—

(1) provide for establishment of a student loan fund by the school;

(2) provide for deposit in the fund of—

(A) the Federal capital contributions to the fund;

(B) an amount equal to not less than one-ninth of such Federal capital contributions, contributed by such institution;

(C) collections of principal and interest on loans made from the fund;

(D) collections pursuant to section 292r(j) of this title; and

(E) any other earnings of the fund;

(3) provide that the fund shall be used only for loans to students of the school in accordance with the agreement and for costs of collection of such loans and interest thereon;

(4) provide that loans may be made from such funds only to students pursuing a full-time course of study at the school leading to a degree of doctor of medicine, doctor of dentistry or an equivalent degree, doctor of osteopathy, bachelor of science in pharmacy or an equivalent degree, doctor of pharmacy or an equivalent degree, doctor of podiatric medicine or an equivalent degree, doctor of optometry or an equivalent degree, or doctor of veterinary medicine or an equivalent degree;

(5) provide that the school shall advise, in writing, each applicant for a loan from the student loan fund of the provisions of section 292r of this title under which outstanding loans from the student loan fund may be paid (in whole or in part) by the Secretary; and

(6) contain such other provisions as are necessary to protect the financial interests of the United States.

##### (c) Failure of school to collect loans

##### (1) In general

Any standard established by the Secretary by regulation for the collection by schools of medicine, osteopathic medicine, dentistry, pharmacy, podiatric medicine, optometry, or veterinary medicine of loans made pursuant to loan agreements under this subpart shall provide that the failure of any such school to collect such loans shall be measured in accordance with this subsection. This subsection may not be construed to require such schools to reimburse the student loan fund under this subpart for loans that became uncollectible prior to August 1985 or to penalize such schools with respect to such loans.

##### (2) Extent of failure

The measurement of a school's failure to collect loans made under this subpart shall be the ratio (stated as a percentage) that the defaulted principal amount outstanding of such school bears to the matured loans of such school.