

# The Ensuring Continued Access to Student Loans Act of 2008, H.R. 5715

## SUMMARY OF SENATE AMENDMENTS

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### **Improving access to PLUS Loans for borrowers struck by the current mortgage crisis:**

*The Senate amendments:*

- ✓ Ensure parents struck hard by the current mortgage crisis can still access PLUS loan by clarifying the time period during which a delinquency on a mortgage payment will not disqualify a parent from accessing a PLUS loan.

### **Shoring up the current “lender of last resort” program and allowing the Secretary to designate entire institutions as “lender of last resort” schools:**

*The Senate amendments:*

- ✓ Ensure that loans made through the lender-of-last-resort program are made with similar terms and conditions as other FFELP loans.
- ✓ Sunset the Secretary’s authority to designate entire institutions for the lender-of-last-resort program at the end of the 2008-2009 school year.
- ✓ Ensure that guaranty agencies and lenders operating under the lender-of-last-resort program are subject to the same rules regarding inducements and conflicts of interest as are other FFELP lenders.
- ✓ Safeguards the lender-of-last-resort program from abuse by requiring guaranty agencies and lenders acting as lenders of last resort to report on loans made through the program.
- ✓ Protects taxpayers by requiring reporting on the costs of the lender-of-last-resort program as compared to the current loan programs.

### **Supporting low-income students and reducing their reliance on student loans:**

*The Senate amendments:*

- ✓ Reduce low-income students’ reliance on federal student loans by directing all savings generated by this legislation into Academic Competitiveness and SMART grants.