44

AMENDMENT TO H.R. 4137, AS REPORTED

OFFERED BY MR. MCKEON OF CALIFORNIA

Page 700, after line 13, insert the following new section:

1 **SEC. 814. SENSE OF CONGRESS REGARDING BORROWER**
2 **ACCESS TO FEDERAL FAMILY EDUCATION**
3 **LOAN PROGRAM LOANS.**
4 (a) FINDINGS.—The Congress finds as follows:
5 (1) The current subprime mortgage crisis has
6 affected all assets, including quality assets, and is
7 now affecting federally guaranteed student loans
8 under the Federal Family Education Loans (FFEL)
9 Program.
10 (2) Confidence in the financial markets gen-
11 erally is imperative to ensuring that quality assets,
12 such as student loan asset backed securities, remain
13 available and viable so as to prevent any disruption
14 in services to students who utilize the FFEL Pro-
15 gram to meet their higher education finance needs.
16 (3) The Administration's fiscal year 2009 budg-
17 et indicated that the FFEL Program continues to
18 make 80 percent of all Federal student loans to stu-
19 dents currently attending college.

1 (4) The competition between the FFEL Pro-
2 gram and the Direct Loan program has led to im-
3 provements in both programs which, in turn, has led
4 to improvements in the quality of the products and
5 services being offered to college students in the
6 United States.
7 (5) Numerous media accounts have documented
8 lenders leaving the FFEL Program or limiting their
9 participation in the Program.
10 (6) The mortgage crisis and related financial
11 market insecurity is expected to expand and con-
12 tinue, potentially threatening students' access to
13 critical financial aid funding.
14 (7) Congress supports consumer choice within
15 the student loan programs and must actively protect
16 that choice to ensure access to student loans is not
17 curtailed as a result of the mortgage crisis.
18 (b) SENSE OF CONGRESS.—It is the sense of Con-
19 gress that the Secretary of Education shall monitor the
20 availability of FFEL Program loans to students and par-
21 ents in light of the current situation with the financial
22 markets and the impact of the subsidy cuts from the Col-
23 lege Cost Reduction and Access Act.
24 (c) REPORT.—The Secretary of Education shall re-
25 port to the Congress, prior to July 1, 2008, any loss of

1 access to FFEL Program loans that has come to the at-
2 tention of the Department of Education.