

**AMENDMENT TO THE RULES COMMITTEE PRINT
OF H.R. 1911**

OFFERED BY MR. *Miller of California*

Strike paragraph (3) of section 2 (page 2, line 1 through page 3, line 19) and insert the following new paragraph:

1 (3) by inserting after paragraph (7), the fol-
2 lowing new paragraph:

3 “(8) INTEREST RATE PROVISION FOR NEW
4 LOANS ON OR AFTER JULY 1, 2013.—

5 “(A) RATES FOR FDSL, FDUSL, AND
6 PLUS.—Notwithstanding the preceding para-
7 graphs of this subsection, for Federal Direct
8 Stafford Loans, Federal Direct Unsubsidized
9 Stafford Loans, and Federal Direct PLUS
10 Loans for which the first disbursement is made
11 on or after July 1, 2013, the applicable rate of
12 interest shall, during any 12-month period be-
13 ginning on July 1 and ending on June 30, be
14 determined on the preceding June 1 and be
15 equal to—

1 “(i) the high-yield 10-year Treasury
2 notes auctioned at the final auction held
3 prior to such June 1; plus

4 “(ii)(I) in the case of a Federal Direct
5 Stafford Loan, 0.9 percent;

6 “(II) in the case of a Federal Direct
7 Unsubsidized Stafford Loan, 2.9 percent;
8 and

9 “(III) in the case of a Federal Direct
10 PLUS Loan, 3.9 percent.

11 “(B) CONSOLIDATION LOANS.—Notwith-
12 standing the preceding paragraphs of this sub-
13 section, any Federal Direct Consolidation loan
14 for which the application is received on or after
15 July 1, 2013, shall bear interest at an annual
16 rate on the unpaid principal balance of the loan
17 that is equal to the lesser of—

18 “(i) the weighted average of the inter-
19 est rates on the loans consolidated, round-
20 ed to the nearest higher one-eighth of one
21 percent; or

22 “(ii) 8.25 percent.

23 “(C) FIXED RATES.—The applicable rate
24 of interest determined under this paragraph for
25 a loan shall be fixed for the life of the loan.

1 “(D) INTEREST RATE REDUCTION.—Dur-
2 ing the 5-year period beginning on October 1,
3 2018, the Secretary shall reduce the applicable
4 rates of interest under this paragraph by an
5 amount that in the aggregate reduces the rev-
6 enue of the direct student loan program under
7 this part by a total of \$3,100,000,000.”.

Redesignate section 3 as section 4.

Insert after section 2 the following new section:

8 **SEC. 3. INCOME-BASED REPAYMENT.**

9 (a) IN GENERAL.—Section 493C of the Higher Edu-
10 cation Act of 1965 (20 U.S.C. 1098e) is amended—

11 (1) in subsection (a)(3)(B), by striking “15 per-
12 cent” and inserting “10 percent”;

13 (2) in subsection (b)(7)(B), by striking “25
14 years” and inserting “20 years”; and

15 (3) by striking subsection (e).

16 (b) APPLICABILITY.—The amendments made by sub-
17 section (a) shall apply with respect to all borrowers par-
18 ticipating in income-based repayment under section 493C
19 of the Higher Education Act of 1965 (20 U.S.C. 1098e)
20 before, on, and after the date of the enactment of this
21 Act.

