BOM13107 S.L.C.

MEMAC
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6230

AMENDMENT NO.________ Calendar No.______

Purpose: To establish a deficit-reduction reserve fund to reduce uncertainty caused by temporary, arbitrary interest rates on Federal student loans, and to reduce costs for student borrowers, by basing the fixed interest rate of federally-issued student loans on the 10-year Treasury rate plus 3 percentage points for Federal Direct Stafford Loans and Federal Direct Unsubsidized Stafford Loans and the 10-year Treasury rate plus 4.1 percentage points for graduate and parent Federal Direct PLUS Loans.

IN THE SENATE OF THE UNITED STATES—113th Cong., 1st Sess.

S. Con. Res. 8

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AMENDMENT No 0676

By COBURN

To: S. Con Res 8

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GPO: 2012 77-320 (mac)

AMENDMENT intended to be proposed by Mr. COBURN

Viz:

1 At the end of title III, add the following:

SEC. 3___. DEFICIT-REDUCTION RESERVE FUND TO REDUCE UNCERTAINTY CAUSED BY TEMPORARY, ARBITRARY INTEREST RATES ON FEDERAL STUDENT LOANS, AND TO REDUCE COSTS FOR STUDENT BORROWERS, BY BASING THE FIXED INTEREST RATE OF FEDERALLY-ISSUED STUDENT LOANS ON THE 10-YEAR TREASURY RATE PLUS 3 PERCENTAGE POINTS FOR FEDERAL DIRECT STAFFORD LOANS AND FEDERAL DIRECT UNSUBSIDIZED STAFFORD LOANS AND THE 10-YEAR TREASURY RATE PLUS 4.1 PERCENTAGE POINTS FOR GRADUATE AND PARENT FEDERAL DIRECT PLUS LOANS.

The Chairman of the Committee on the Budget of the Senate may revise the allocations of a committee or committees, aggregates, and other appropriate levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that achieve savings in Federal student loan programs and reduce the deficit over either the period of the total of fiscal years 2013 through 2018 or the period of the total of fiscal years 2013 through 2023. The Chairman may also make adjustments to the Senate's pay-as-you-go ledger over 6 and 11 years to ensure that the deficit reduction achieved is used for deficit reduction only. The adjustments authorized under this section shall be of the amount of deficit reduction achieved.