

Part A

TEXT OF AMENDMENT TO BE CONSIDERED AS ADOPTED

Part A

**AMENDMENT TO H.R. 5715, AS REPORTED
OFFERED BY M. _____**

In section 459A of the Higher Education Act of 1965, as added by section 7 of the bill, strike subsection (a) and insert the following:

1 “(a) AUTHORITY TO PURCHASE.—

2 “(1) AUTHORITY; DETERMINATION RE-

3 QUIRED.—Upon a determination by the Secretary

4 that there is an inadequate availability of loan cap-

5 ital to meet the demand for loans under sections

6 428, 428B, or 428H, whether as a result of inad-

7 equate liquidity for such loans or for other reasons,

8 the Secretary, in consultation with the Secretary of

9 the Treasury, is authorized to purchase from any eli-

10 gible lender, as defined by section 435(d)(1), loans

11 originated under sections 428, 428B, or 428H on or

12 after October 1, 2003, on such terms as the Sec-

13 retary, the Secretary of the Treasury, and the Direc-

14 tor of the Office of Management and Budget jointly

15 determine are in the best interest of the United

16 States, except that any purchase under this section

17 shall not result in any net cost to the Federal Gov-

18 ernment, as determined jointly by the Secretary, the

1 Secretary of the Treasury, and the Director of the
2 Office of Management and Budget.

3 “(2) REGULATIONS REQUIRED.—The Secretary,
4 the Secretary of the Treasury, and the Director of
5 the Office of Management and Budget shall jointly
6 promulgate emergency regulations and publish such
7 emergency regulations promptly in the Federal Reg-
8 ister concerning the purchases authorized by para-
9 graph (1).

10 “(3) METHODOLOGY AND FACTORS; JUSTIFICA-
11 TION REQUIRED.—Such regulations shall outline the
12 methodology and factors that the Secretary, the Sec-
13 retary of the Treasury, and the Director of the Of-
14 fice of Management and Budget shall consider in
15 evaluating the price at which to purchase loans
16 under sections 428, 428B, or 428H, and shall in-
17 clude a justification of how the use of such method-
18 ology and consideration of such factors used to de-
19 termine purchase price will ensure that loan pur-
20 chases do not result in any net cost to the Federal
21 Government.