

104TH CONGRESS  
2D SESSION

# S. 2054

To amend the Higher Education Act of 1965 to exempt certain small lenders from the audit requirements of the guaranteed student loan program.

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IN THE SENATE OF THE UNITED STATES

SEPTEMBER 4, 1996

Mr. COCHRAN introduced the following bill; which was read twice and referred to the Committee on Labor and Human Resources

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## A BILL

To amend the Higher Education Act of 1965 to exempt certain small lenders from the audit requirements of the guaranteed student loan program.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. EXEMPTION FROM AUDIT REQUIREMENT.**

4 Section 428(b)(1)(U)(iii) of the Higher Education  
5 Act of 1965 (20 U.S.C. 1078(b)(1)(U)(iii)) is amended—

6 (1) by inserting “in the case of any lender that  
7 originates or holds more than \$10,000,000 in prin-  
8 cipal on loans made under this part in any fiscal  
9 year” before “for (I)”;

- 1           (2) in subclause (I), by inserting “such” before  
2           “lender at least once”;
- 3           (3) in subclause (II), by inserting “such” before  
4           “a lender that is audited”; and
- 5           (4) by striking “if the lender” and inserting “if  
6           such lender”.

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