

115TH CONGRESS  
1ST SESSION

# S. 749

To amend the Higher Education Act of 1965 to require the disclosure of the annual percentage rates applicable to Federal student loans.

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IN THE SENATE OF THE UNITED STATES

MARCH 28, 2017

Mr. ENZI introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

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## A BILL

To amend the Higher Education Act of 1965 to require the disclosure of the annual percentage rates applicable to Federal student loans.

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. SHORT TITLE.**

4       This Act may be cited as the “Transparency in Stu-  
5       dent Lending Act”.

6       **SEC. 2. REQUIRED DISCLOSURES.**

7       Section 455(p) of the Higher Education Act of 1965  
8       (20 U.S.C. 1087e(p)) is amended—

9               (1) by striking “Each institution” and inserting  
10       the following:

1           “(1) IN GENERAL.—Each institution”; and

2           (2) by adding at the end the following:

3           “(2) DISCLOSURE OF APR PRIOR TO DISBURSE-  
4           MENT.—In addition to the disclosures required  
5           under paragraph (1), each institution and contractor  
6           described in such paragraph shall disclose to a bor-  
7           rower before disbursement of a loan made under this  
8           part, in writing and in a form the borrower may  
9           keep, the annual percentage rate applicable to the  
10          loan, taking into account—

11                   “(A) the amount of the loan;

12                   “(B) the stated interest rate of the loan;

13                   “(C) the standard term for a loan of the  
14           same type;

15                   “(D) any fees or additional costs associ-  
16           ated with the loan; and

17                   “(E) any capitalization of interest on the  
18           loan.”.

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