

118TH CONGRESS
2D SESSION

S. 4686

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

IN THE SENATE OF THE UNITED STATES

JULY 11 (legislative day, JULY 10), 2024

Mr. BARRASSO (for himself and Ms. LUMMIS) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

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—

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

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

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

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

13 “(A) the amount of the loan;

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

15 “(C) the standard term for a loan of the
16 same type;

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

19 “(E) any capitalization of interest on the
20 loan.”.

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